

Results for First Three Quarters of Fiscal year ending September 30, 2008

August 2008

FinTech Global Incorporated

Mothers Stock Code: 8789

<http://www.fgi.co.jp/>

The industry trends and analyses, as well as business outlook, strategies and other forward-looking statements, described in these materials are based on information currently available to management of the FinTech Global Group. The future operating environment could, however, differ significantly from the present due to various factors, and, therefore, next-stage strategies, performance results and other events may differ from the content presented today.

To Our Shareholders and Investors

I would like to take this opportunity to provide some background on the business environment that FGI is currently operating in.

Increasingly, real estate related companies are finding themselves pressed for funds against a backdrop of tighter access to capital caused by the prevailing credit crunch.

Rest assured that FGI is fine. To address the challenges of this difficult financing environment, we have reinforced our claim collection capabilities to ensure a stable cash position. We have no problems in terms of funds for financing activities, and we maintain close and amicable relationships with our banks.

The details of our third quarter follow this message, but I would like to point out here that with the real estate market in the midst of adjustment we thought it prudent to implement tougher screening standards and to focus on the execution of arrangements regarded to be of lower risk and needing as little of our own funds as possible. This careful selection process led to a considerable decrease in new arrangements and principal finance transactions during the third quarter. Nevertheless, several arrangements are being lined up in the fourth quarter, and investment banking operations in the fourth quarter should make up for the revenue drop recorded in the third quarter.

Also of note, we restructured in the first quarter to facilitate the systematic collection of investments into large-scale transactions involving silent partnership contributions for special purpose companies, and we have seen progress since the third quarter.

Assuming that the financial environment and conditions in the real estate market will remain challenging for a while, we will carefully track developments on each transaction and promote flexible and suitable decisions and responses to further reinforce claims management. At the same time, we will accurately identify income opportunities and strive to enhance corporate value.

On behalf of everyone at FGI, I ask for your understanding of the issues and your support as we work to overcome these challenges.

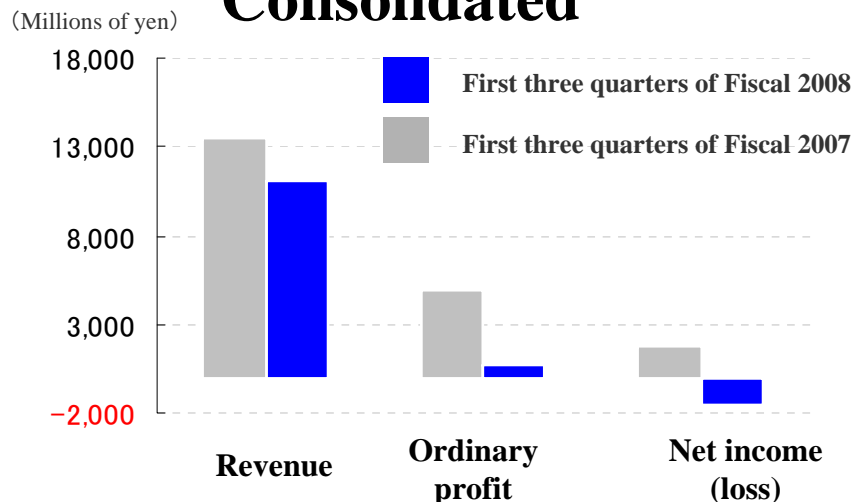
Nobumitsu Tamai
President and CEO

Fiscal 2008 Three-Quarter Summary

Revenue and Income Analysis

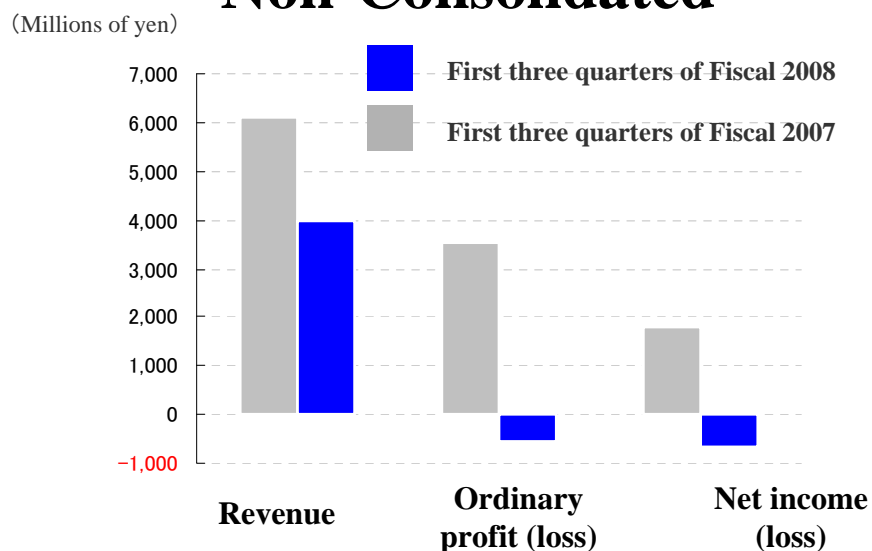
(Millions of yen)

Consolidated



Consolidated		
Revenue		YOY change
Three Quarters of Fiscal 2007	Three Quarters of Fiscal 2008	(2,426)
13,478	11,052	
Ordinary profit		YOY change
Three Quarters of Fiscal 2007	Three Quarters of Fiscal 2008	(4,278)
4,890	611	
Net income (loss)		YOY change
Three Quarters of Fiscal 2007	Three Quarters of Fiscal 2008	(3,265)
1,752	(1,513)	

Non-Consolidated



Non-Consolidated		
Revenue		YOY change
Three Quarters of Fiscal 2007	Three Quarters of Fiscal 2008	(2,117)
6,079	3,962	
Ordinary profit (loss)		YOY change
Three Quarters of Fiscal 2007	Three Quarters of Fiscal 2008	(4,079)
3,510	(568)	
Net income (loss)		YOY change
Three Quarters of Fiscal 2007	Three Quarters of Fiscal 2008	(2,462)
1,791	(670)	

Fiscal 2008: Status of Business in the Third Quarter

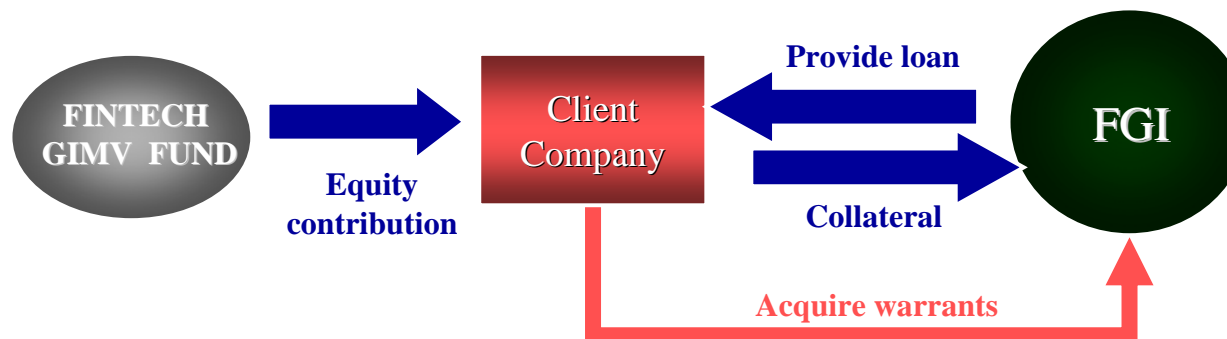
Deteriorating Business Environment and FGI's Status

With real estate investment amounts shrinking against a backdrop of tougher fund-procurement conditions caused by the credit crunch and investors seeking higher yields as real estate prices drop, the business environment remains extremely challenging. FGI has not been immune to these challenges, substantiated by a large drop in its arrangement operations. Consequently, interest income from principal finance operations assumed greater weight in the composition of revenue generated by investment banking activities. The prevailing situation is unlikely to change as long as financial institutions maintain their current position to restrict loans and financing for real estate purposes.

Non-Real Estate Related Transactions Completed

Structured Finance Department III, established in April 2008 as a unit dedicated to non-real estate related transactions, executed its first transaction in the third quarter. It was small-lot financing backed by structures with warrants—a new product concept whereby FGI provides movable property-backed loans and obtains warrants from the borrower—for a company to which FINTECH GIMV FUND, L.P. (FGF), had contributed funds.

Aggressive approach to client companies to address diverse fund-procurement requirements of companies with growth potential



Fiscal 2008: Events Impacting Third-Quarter Performance

• Booked ¥1,000 Million under Allowance for Doubtful Accounts on FGI-Extended Loans

Conditions in the real estate market have become more uncertain than initially anticipated, largely because an amendment of the Building Standards Law has made it tougher to obtain building permits, which in turn has postponed the planned completion dates of many construction projects, including a real estate development project in Osaka to which FGI clients acted as originators. Consequently, participants in this project, including lenders other than the Company are likely to discontinue their involvement. Having considered the recoverability of the ¥1,000 million loaned to a special purpose company connected with this project, FGI booked an allowance for doubtful accounts of the same amount under selling, general and administrative expenses.

• Hospital Restructuring Business Investment Turns into Lawsuit

On August 13, 2008, FGI launched legal action against Marubeni Corporation and Shigenori Saito seeking compensation for losses incurred in an alleged fraud. The Company also intends to file separate criminal charges in this case, and continues to cooperate fully with the authorities in their official investigations.

In the second quarter, FGI booked an allowance for doubtful accounts of ¥1,268 million, based on the market value of the listed stock that had been used to secure the investment, but as of June 30, 2008, the market value of this listed stock had fallen, prompting the Company to book an additional amount to allowance for doubtful accounts.

FGI is still carefully considering options for disposing of the listed stock and any pertinent facts will be disclosed forthwith when known.

In addition to the ¥1,000 million and the extra amount described above, FGI recorded net changes in allowances for other loans, leading to total of ¥1,237 million under allowance for doubtful accounts in the third quarter in the Consolidated Accounts.

Start of Public Sector Accounting Business

~Turning Public Management Consulting Corporation into a subsidiary

Implementation of public sector accounting will require market value assessment of assets held by municipal corporations, prompting greater need for improved asset efficiency, in accordance with the law for fiscal soundness. Seeking to address this need with financial solutions utilizing securitization and asset-liquidation techniques, FGI acquired a 98.6% equity stake in Public Management Consulting and turned the company, which develops and sells accounting software for the public sector and undertakes related consulting activities, into a subsidiary.

Company Overview

Name: Public Management Consulting Corporation

Representative: Toshihide Matsumura

Capital: ¥100 million

Employees: 10



Business Activities

Develops and markets Principal Public accounting Package* software for municipal corporations and provides related implementation support.

* Public sector accounting software that automatically creates financial statements using double-entry accounting (accrual-based double-entry bookkeeping package for public sector companies)

Public Sector Accounting System Reform

Corporate accounting methods, such as accrual-based, double-entry bookkeeping, are slated to replace the current accounting system used by municipal corporations, which features cash-based single-entry bookkeeping, as early as fiscal 2008, ending March 31, 2009, and no later than fiscal 2010, ending March 31, 2011. Public sector companies will be required to produce and present four types of financial documents.

Public Management Consulting completed PPP2.0—principal public accounting software—to address system reform and trains accountants, tax accountants and consultants to be proficient in public sector accounting. The company also supports public sector accounting initiatives through such efforts as research and study workshops as well as actual system introduction.

**Fiscal 2008: Full-Year Revisions
(Consolidated, Non-Consolidated)**

Fiscal 2008: Revised Consolidated Full-Year Performance Forecast

(Millions of yen)

	Previous Forecast (A)	New Forecast (B)	Change (B-A)	Fiscal 2007 Results
Revenue	15,626	14,940	-685	16,914
Operating income	5,024	3,281	-1,743	6,286
Ordinary profit	4,768	2,680	-2,087	5,951
Net income (loss)	614	-798	-1,413	1,767

Revenue

FX Online Japan, Co., Ltd., experienced a temporary drop in transaction volume in the first part of the third quarter, owing to heightened competition, and despite efforts to enhance services, including a reduction in the spread on key trading currencies in late-May, the company failed to reach its third-quarter revenue target. Indications of recovery appeared in June and fourth-quarter results are on track. But this will not be enough to offset the revenue drop experienced in the third quarter.

Profits

1. FGI booked an allowance for doubtful accounts on ¥1,000 million on loans extended to a real estate development project transaction.
2. FGI added more to the amount already booked at the interim settlement to reflect the June 30, 2008, market value of the listed stock used as collateral to secure an investment in a hospital restructuring business.

In addition to the amounts described above, FGI recorded net changes in allowance for other loans, leading to total of ¥1,237 million booked as allowance for doubtful accounts under selling, general and administrative expenses in the third quarter. The higher SG&A amount will be key factors leading to lower operating income and lower ordinary profit as well as a net loss in fiscal 2008.

Fiscal 2008: Revised Non-Consolidated Full-Year Performance Forecast

(Millions of yen)

	Previous Forecast (A)	New Forecast (B)	Change (B-A)	Fiscal 2007 Results
Revenue	5,412	5,537	124	7,287
Operating income	1,158	227	-931	4,230
Ordinary profit	1,119	222	-897	3,731
Net income (loss)	364	-219	-583	1,806

Revenue

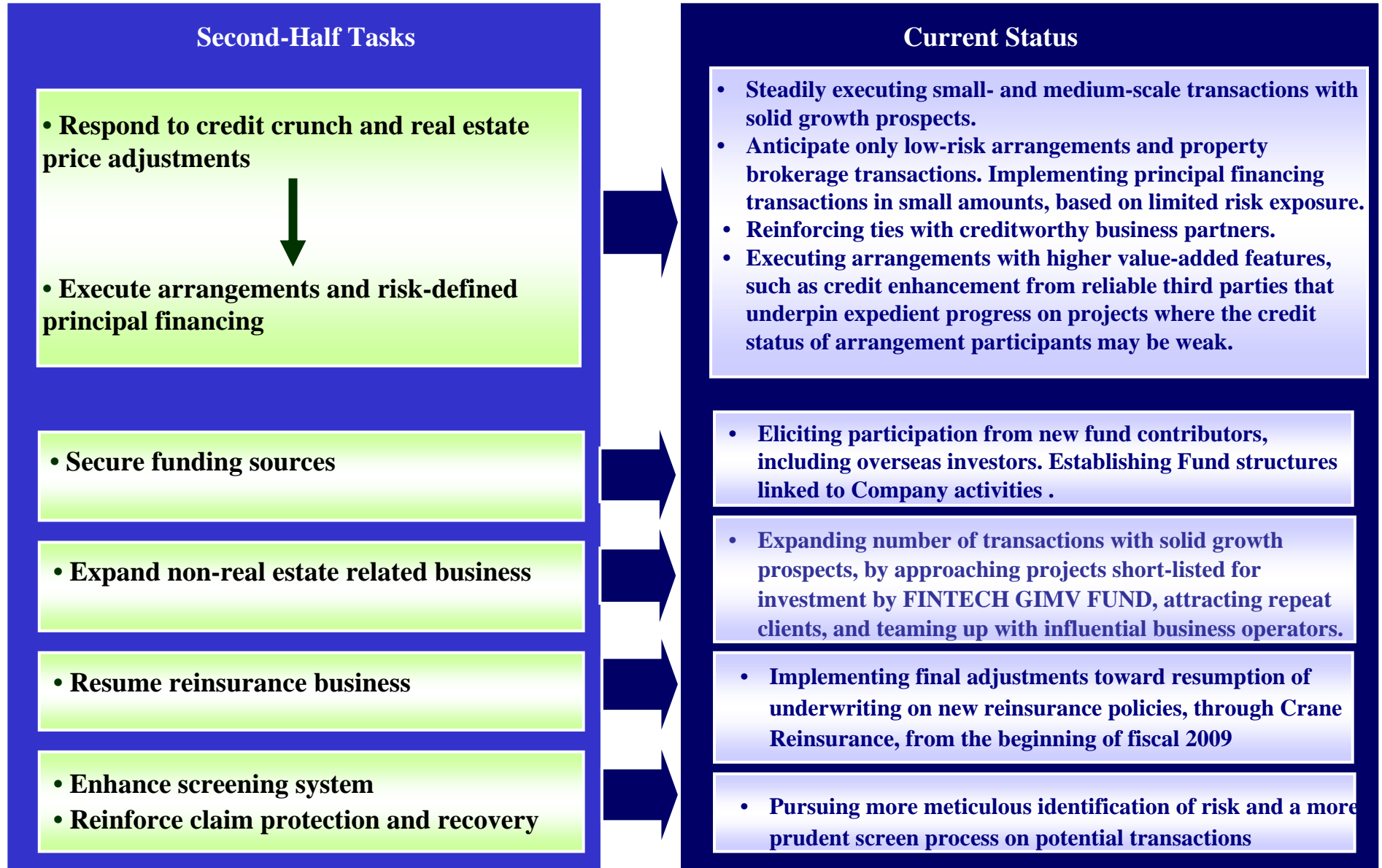
Although the operating environment surrounding FGI is likely to remain challenging, the planned completion of several transactions in the fourth quarter should enable the Company to achieve its original revenue target

Profits

1. FGI booked an allowance for doubtful accounts on ¥1,000 million on loans extended to a real estate development project transaction.
2. FGI added more to the amount already booked at the interim settlement to reflect the June 30, 2008, market value of the listed stock used as collateral to secure an investment in a hospital restructuring business.

In addition to the amounts described above, FGI recorded net changes in allowance for other loans, leading to total of ¥1,232 million booked as allowance for doubtful accounts under selling, general and administrative expenses in the third quarter. The higher SG&A amount will be key factors leading to lower operating income and lower ordinary profit as well as a net loss in fiscal 2008.

Fiscal 2008: Fourth-Quarter Actions



Business Briefing by Segment

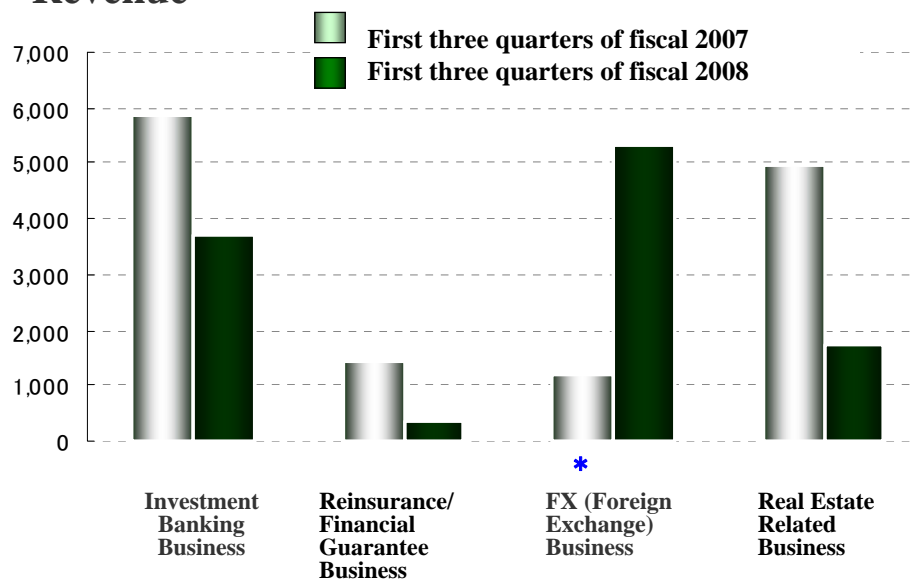
Consolidated Results by Business Segment

(Millions of yen)	Revenue				Operating Income		
	Fiscal 2007	Fiscal 2008	Difference		Fiscal 2007	Fiscal 2008	Difference
	Three Quarters	Three Quarters			Three Quarters	Three Quarters	
Investment Banking	5,874	3,680	(2,194)	Investment Banking	3,521	(855)	(4,377)
Reinsurance/ Financial Guarantees	1,433	335	(1,098)	Reinsurance/ Financial Guarantees	(87)	(157)	(70)
* FX (Foreign Exchange)	1,221	5,308	4,087	FX (Foreign Exchange)	467	2,455	1,988
Real Estate Related	4,948	1,728	(3,220)	Real Estate Related	1,314	70	(1,243)
Consolidation Adjustment	-	-	-	Consolidation Adjustment	(169)	(267)	-
Total	13,478	11,052	(2,426)	Total	5,046	1,245	(3,800)

*The FX (foreign exchange) business of the Group began from the third quarter of fiscal 2007.

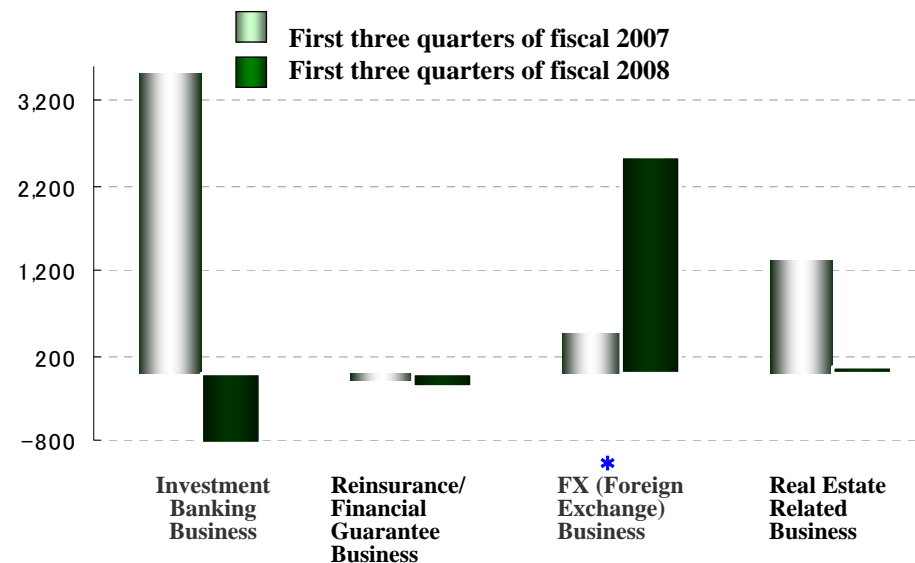
Revenue

(Millions of yen)



Operating Income

(Millions of yen)



*The FX (foreign exchange) business of the Group began from the third quarter of fiscal 2007.

Fiscal 2008 Third Quarter Group Company Results

(Non-consolidated results of Group companies before consolidated adjustments)

(Millions of yen)

Stellar Capital AG	Fiscal 2007	Fiscal 2008 Three Quarters	Fiscal 2008	Progress to Target (A/B)
	Full-year results	Actual (A)	Original forecast (B)	
Revenue	1,719	128	142	90.1%
Ordinary profit (loss)	293	-306	11	—
Net income (loss)	317	-306	8	—

Fiscal 2008
Revised forecast
136
-269
-272

FX Online Japan	April-Sept. 2007	Fiscal 2008 Three Quarters	Fiscal 2008	Progress to Target (A/B)
	Six-month results	Actual (A)	Original forecast (B)	
Revenue	3,139	5,308	7,928	67.0%
Ordinary profit	2,244	3,536	5,408	65.4%
Net income	1,328	2,098	3,200	65.6%

Fiscal 2008
Revised forecast
7,495
5,041
2,986

FinTech Global Securities	Fiscal 2007	Fiscal 2008 Three Quarters	Fiscal 2008	Progress to Target (A/B)
	Full-year results	Actual (A)	Original forecast (B)	
Revenue	112	138	175	78.9%
Ordinary profit (loss)	-110	-23	-21	-
Net income (loss)	-110	-26	-23	-

→ **No change from the original forecast**

Entrust	Fiscal 2007	Fiscal 2008 Three Quarters	Fiscal 2008	Progress to Target (A/B)
	Full-year results	Actual (A)	Original forecast (B)	
Revenue	8	187	312	59.9%
Ordinary profit (loss)	-126	-18	2	—
Net income (loss)	-127	-18	2	—

→ **No change from the original forecast**

The Board of Directors resolved on July 22, 2008, to liquidate FinTech Real Estate.

Consolidated Business Activities at a Glance

Investment Banking Business

Arrangement operations

FinTech Global Incorporated (the Company)

Principal finance operations

FinTech Global Incorporated
 ● FinTech Principal Investment Incorporated
 ● FGI Principal Co., Ltd.

Other investment banking operations

FinTech Global Incorporated
 ● FinTech Global Securities, Inc.
 ● FINTECH GIMV FUND, L.P.

Real Estate related Business

Brokerage, purchase, sale and rental of properties

FinTech Global Incorporated

Reinsurance/Financial Guarantee Business

Credit enhancement

◎ Stellar Capital AG
 FinTech Global Incorporated

Reinsurance underwriting

◎ Crane Reinsurance Limited

Rent guarantee services

◎ Entrust Inc.

Sales credit guarantees

◎ Reliable Factors Co., Ltd.

FX (Foreign Exchange) Business

Foreign exchange margin trading

◎ FX Online Japan Co., Ltd.

Public accounting software development, sales and consulting

◎ Public Management Consulting Corporation

◎ Consolidated subsidiary

2-1. Investment Banking Business /Arrangement Operations

An arrangement is a structured finance package comprising several components. FGI formulates a framework to execute structured financing, such as asset securitization, adjusts it to accommodate investors and other participants in the arrangement, and then verifies the content from legal, accounting and taxation perspectives.

Aggregate Arrangement Results (Non-Consolidated)

(Millions of yen)

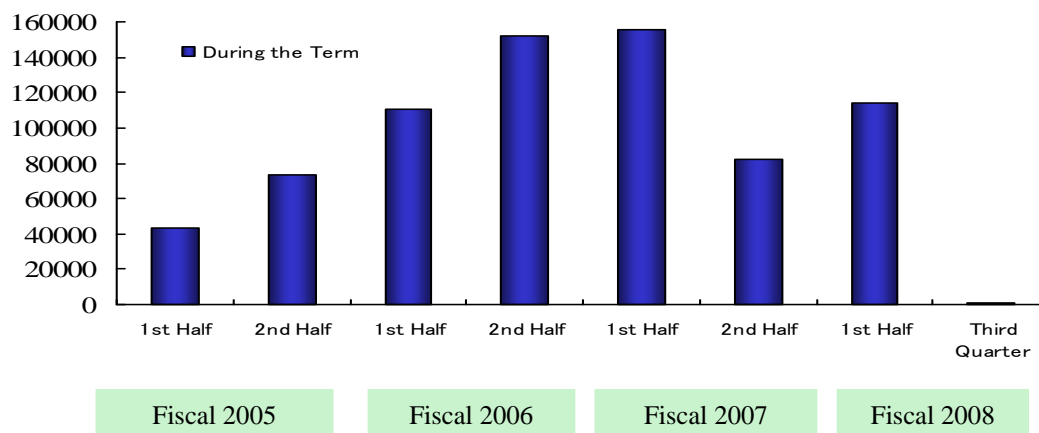
	Fiscal 2005		Fiscal 2006		Fiscal 2007		Fiscal 2008	
	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	Third Quarter (Apr – Jun 2008)
During the fiscal year	43,699	73,483	110,445	151,806	155,732	81,789	114,095	600
Revenue from arrangement operations (non-consolidated)	840	1,310	1,682	2,996	2,941	1,016	1,934	8

Aggregate Arrangement Results represents total investment and loans, that is, overall fund procurement, acquired from investors, financial institutions and other sources to fund the financial products arranged by FGI. **The aggregate value of arrangement contracts** includes those for arrangement services with credit enhancement.

(For reference) Number of arrangements closed	14	30	29	27	29	17	16(7)	1(5)
Arrangements for new clients	14	6	1	6	6	8	3	

*Number of arrangements closed: Number in parentheses is the total number of joint arrangements, principal finance-only arrangements and other arrangements.
New clients are those for whom a business relationship with FGI commenced during the period indicated. The number of arrangements closed includes those for new clients.

(Millions of yen)



Arrangement services generated ¥600 million in the third quarter.

With the real estate market in an adjustment phase, the arrangement of real estate related transactions has become increasingly more difficult. In addition, FGI has applied a tougher screening process for principal financing transactions. As a result, aggregate arrangement results, both value and number, showed a considerable decrease from previous results.

2-2. Investment Banking Business: Arrangement Services with Credit Enhancement

The credit enhancement service provided by FGI is a capital risk solution through which the financial risks inherent in securitization or structured finance transactions are underwritten by insurers or securities companies in the form of guarantees to stabilize respective arrangements. The acquired stability has the potential to lower the total cost of securitization and may also facilitate successful arrangements with assets previously considered impractical for securitization. Stellar Capital, a Group member based in Switzerland, provides the credit enhancement services that enable FGI to create packages more likely to catch the lending eye of financial institutions.

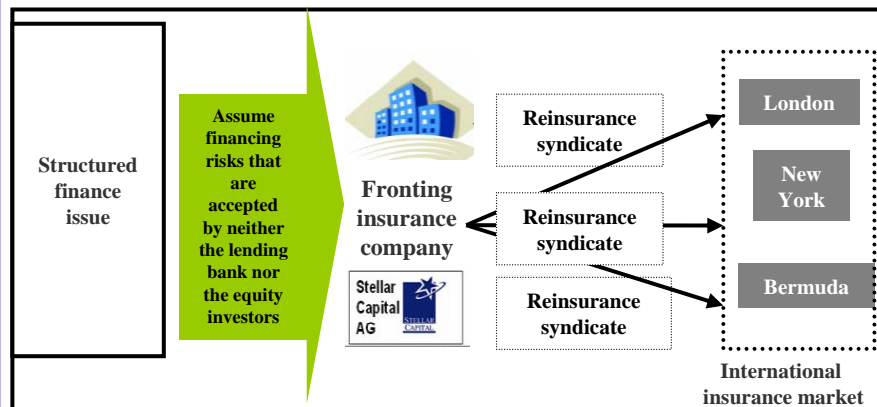
Results from Arrangement Services with Credit Enhancement (Millions of yen)

	Fiscal 2005	Fiscal 2006	Fiscal 2007	Fiscal 2008	
				First Half	Third Quarter
Revenue	0	939	607	109	0
Cost of revenue	2	32	13	2	0
Gross profit (loss)	(2)	906	593	106	0
Number of arrangements	0	8	4	1	0

During the third quarter, no transactions required credit enhancement from Stellar Capital or FGI.

Previous Credit Enhancement Services Process

1. Extract risk from structures.
2. Tap primary insurance company as the fronting insurer for the extracted risk.
3. Approach reinsurers who will underwrite final risk, depending on need.



Current Credit Enhancement Services Process

Approaching reinsurers for credit enhancement requires enormous effort and preparation. For general credit enhancement, targeted risk must be distributed among 20 to 50 reinsurers in the world's three largest insurance markets to achieve syndication, a process that takes a significant amount of time. In March 2006, FGI established Stellar Capital to enhance the efficiency and profitability of credit enhancement services and thus acquired the ability to underwrite credit enhancement through the subsidiary.

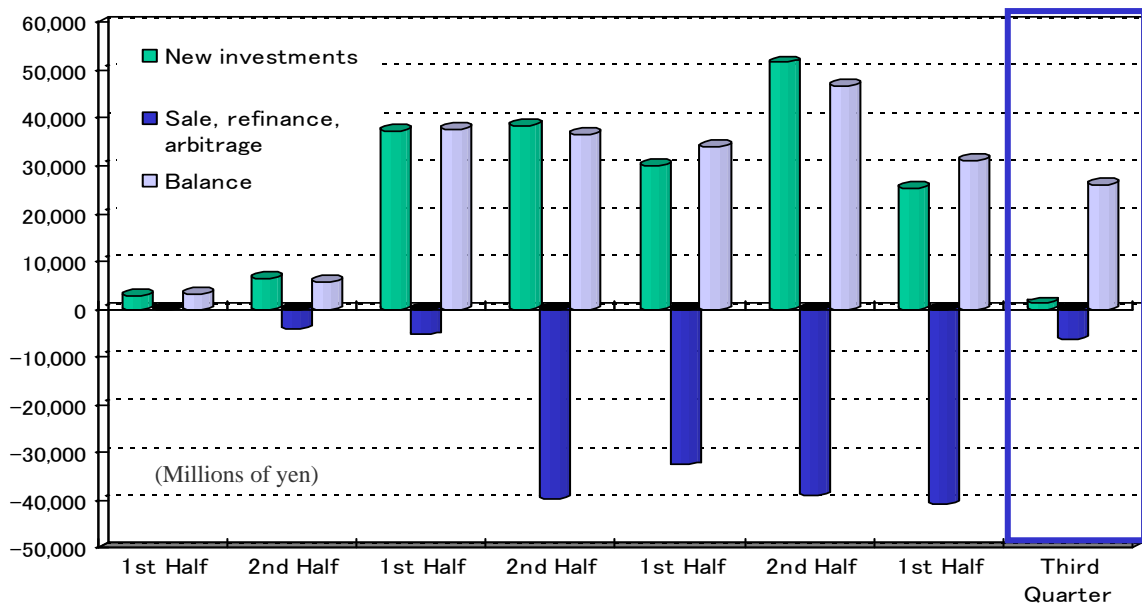


2-3. Investment Banking Business/Principal Finance Operations

FGI itself acts as a provider of funds, in the capacity of an investor or a lender, for such applications as **silent partnership (Tokumei Kumiai) investments, mezzanine loans and corporate loans.**

Balance of Investments and Loans

	Fiscal 2005		Fiscal 2006		Fiscal 2007		Fiscal 2008		(Millions of yen)			
	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	Third Quarter (Apr – Jun 2008)				
New investments	2,693	6,526	37,290	38,380	30,060	51,623	25,278	1,196	<table border="1"> <tr> <td>Fiscal 2008 Third Quarter</td> </tr> <tr> <td>Outstanding loans to subsidiaries</td> </tr> <tr> <td>¥17,521 million</td> </tr> </table>	Fiscal 2008 Third Quarter	Outstanding loans to subsidiaries	¥17,521 million
Fiscal 2008 Third Quarter												
Outstanding loans to subsidiaries												
¥17,521 million												
Sale, refinance, arbitrage	39	4,074	5,344	39,567	32,579	39,020	40,685	6,390				
Balance	3,295	5,747	37,693	36,506	33,987	46,590	31,183	* 25,989				
Revenue	28	228	860	1,777	1,538	1,635	1,437	441				



*** Balance of Investments and Loans =**
 Investments in securities, trade +
 Loans receivable, trade,
 on non-consolidated basis.

In an effort to enhance risk management, FGI continued to apply much stricter standards to investment and loan activities in the third quarter and has been much more selective in its choice of transactions for arrangement services. In addition, investments and loans through subsidiaries is on the rise, primarily owing to the restructuring of some large-scale transactions.

Fiscal 2005

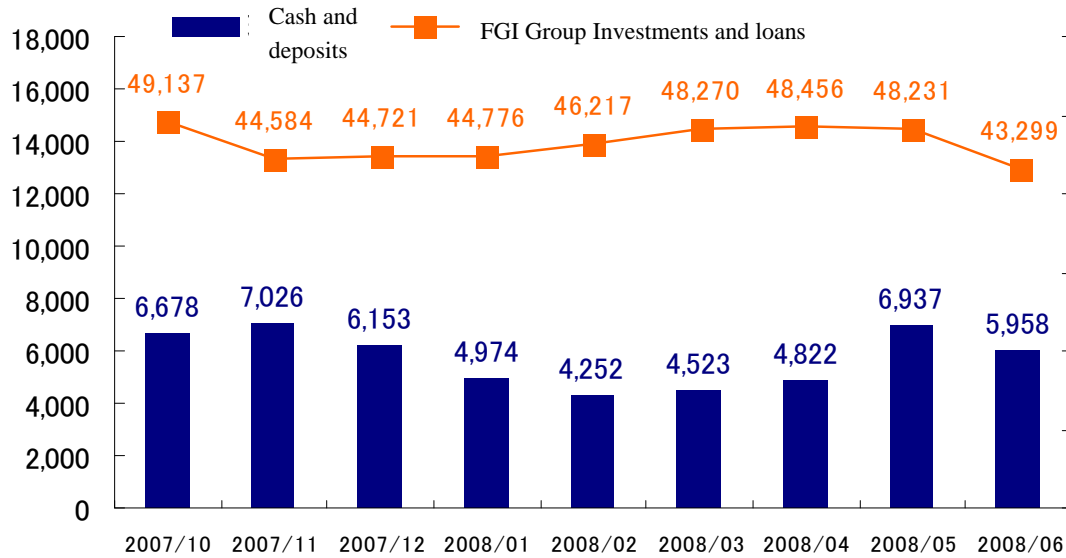
Fiscal 2006

Fiscal 2007

Fiscal 2008

Cash and Deposits, Balance of Investments and Loans (Total from Group companies involved in investment and loan activities)

Cash and deposits
(Millions of yen)



Investments and loans
(Millions of yen)

Cash and deposits: Belonging to Group companies engaged in principal finance operations.

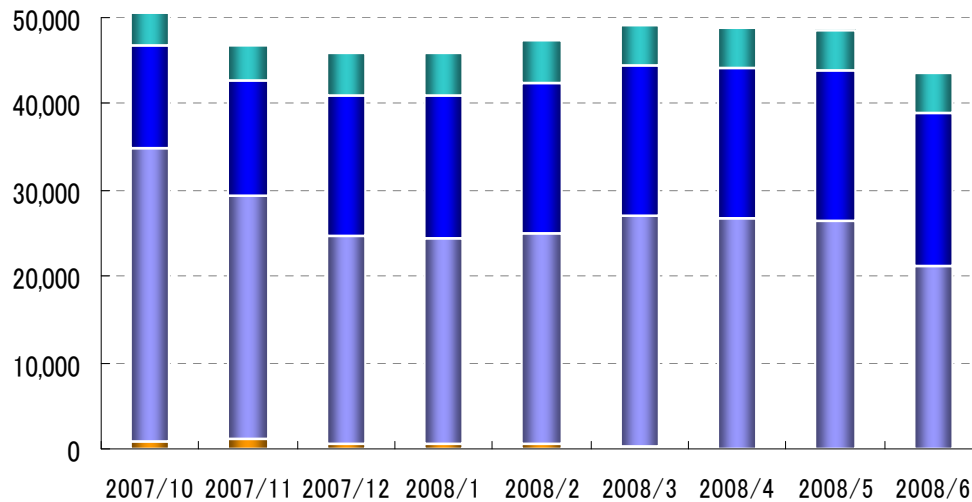
FGI Group Investments and loans: Principal finance balance from Group companies - subsidiaries' cash and deposits

Note: The left chart indicates the FGI Group's balance of investments and loans:

Non-consolidated investments and loans
(Investments in securities, trade + Loans receivable, trade)

+ Investments and loans through subsidiaries
(Nonconsolidated short-term loans receivable to a certain subsidiaries – (minus) cash and deposits of certain subsidiaries)

Subsidiaries' cash and deposits (Yellow), Short-term loans receivable to subsidiaries (Blue), Non-consolidated loans receivable, trade (Purple), Non-consolidated investments in securities, trade (Green)



Consolidated investments and loans
(Millions of yen)

Non-consolidated investments in securities, trade
Subsidiary loans
Non-consolidated loan receivables, trade

Although FGI's own investment and loan balance declined, the overall balance for the Group did not fall toward the anticipated ¥35 billion mark for fiscal 2008 but rose upward, to around ¥43.2 billion, as of the end of the third quarter.

Subject subsidiaries: FinTech Real Estate and FGI Principal

Consolidated Principal Finance Portfolio

(Millions of yen, number of transactions)

Loans: Maturity Date	Within 6 months			7-12 months			13-18 months			More than 19 months			Total		
	Amount (Composition %)			Amount (%)			Amount (%)			Amount (%)			Amount (%)		
Pre-building permit bridging mezzanine loan	4,145	19.2%	5	1,500	7.0%	3	0	0.0%	0	0	0.0%	0	5,645	26.2%	8
Pre-building permit bridging senior loan	1,990	9.2%	1	0	0.0%	0	0	0.0%	0	0	0.0%	0	1,990	9.2%	1
Development-style mezzanine loan	3,160	14.7%	4	0	0.0%	0	410	1.9%	1	0	0.0%	0	3,570	16.6%	5
Development-style senior loan	3,700	17.2%	1	0	0.0%	0	0	0.0%	0	0	0.0%	0	3,700	17.2%	1
Investment-style mezzanine loan	350	1.6%	0	1,212	5.6%	3	320	1.5%	1	875	4.1%	0	2,757	12.8%	4
Investment-style senior loan	0	0.0%	0	0	0.0%	0	0	0.0%	0	600	2.8%	2	600	2.8%	2
Other loans (non-real estate related and corporate loans) ☆	3,018	14.0%	4	100	0.5%	1	0	0.0%	0	176	0.8%	1	3,294	15.3%	6
Total	16,363	75.9%	15	2,812	13.0%	7	730	3.4%	2	1,651	7.7%	3	21,556	100.0%	27

88.9%

Note: The principal finance portfolio comprises loan receivables, trade only and excludes certain inventory assets and investments in securities, trade.

☆ Includes ¥2.2 billion contribution by subsidiary SP&W Asclepius Investment Partnership No. 4.

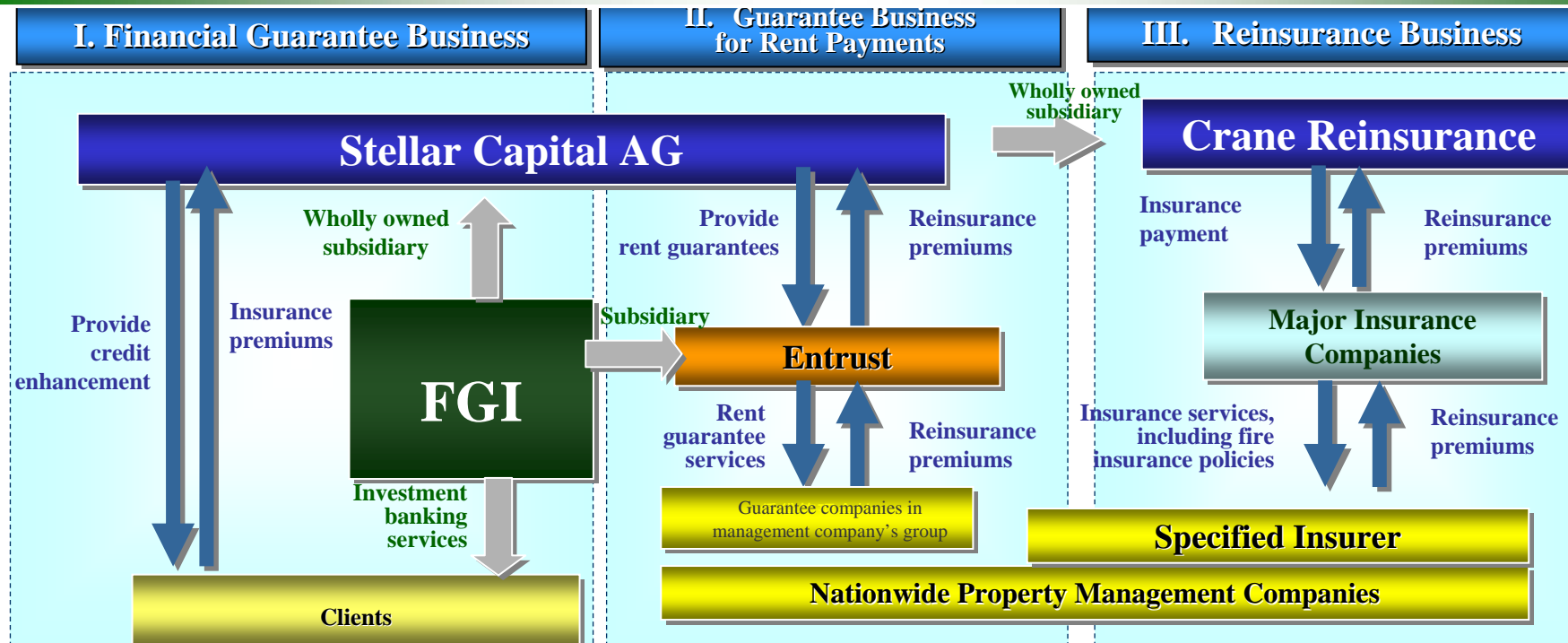
*The period is from June 30, 2008, through to the date of repayment.

The noteworthy feature of FGI's principal finance portfolio is that comparatively short-term loans -- that is, loans due within 12 months comprise about 88.9%. FGI will emphasize the use of principal financing for senior loans, demand for which will definitely outpace supply given the adjustment phase that the real estate market is experiencing. In addition, the Company will strive to raise the fund turnover ratio and secure new profit opportunities through the sale of loan credits related to financing for property development mezzanine loans, investment-style mezzanine loans and non-real estate related loans, which have lending periods in excess of one year.

Real Estate Development and Investment



3. Reinsurance/Financial Guarantee Business



(Millions of yen)

Consolidated	Fiscal 2007	Fiscal 2008
	Full-Year	Three Quarters
Revenue	1,720	335

Stellar Capital's revenues came from previously arranged transactions only because no new transactions requiring credit enhancement services were arranged in the third quarter of fiscal 2008.

Crane Reinsurance is working out the final adjustments toward resumption of underwriting under a new scheme. The company is expected to return as a full-scale contributor to earnings in fiscal 2009.

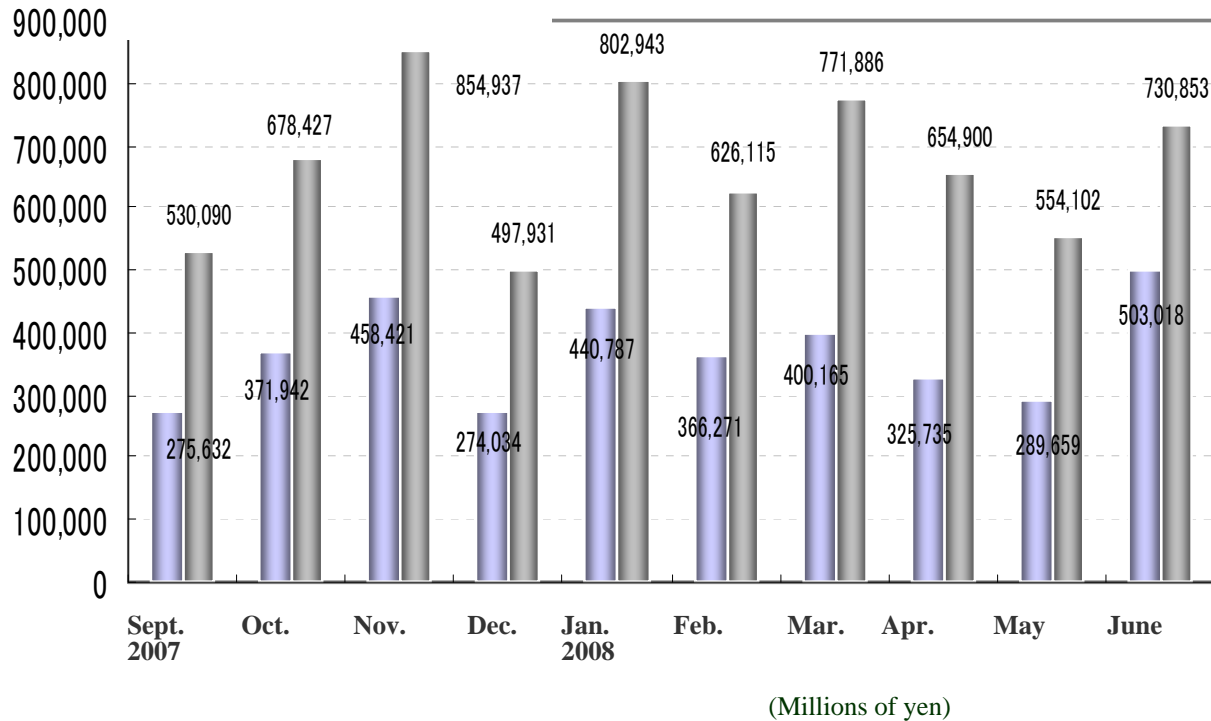
Portfolio changes led to a certain level of evaluation gains from fund management operations for both Stellar Capital and Crane Reinsurance.

Entrust turned a profit in March 2008 and has maintained the positive position by steadily expanding its guarantee income.

4. FX (Foreign Exchange) Business

The FX (Foreign Exchange) business is undertaken by FXO, shares of which were acquired by FGI between January and March 2007. Profits from this business activity are included in consolidated results, as of fiscal 2007. The online foreign exchange margin trading business—FXO’s area of expertise—is an intensely competitive field but one that is rapidly expanding in scale.

■ Monthly number of lots
 ■ Monthly number of trades



After the yen moved into the ¥95 range against the U.S. dollar in March 2008, it gradually depreciated in the third quarter and the foreign exchange market grew rather sluggish overall.

In an intensely competitive field, FXO implemented spread reductions on seven major currency pairs, including the yen-U.S. dollar, on May 27, 2008, to attract more trades. This effort was rewarded with a record number of lots in June.

A “lot” is the trading unit used in forex margin trading. In these materials, one lot is equivalent to 100,000 pips of a key currency.

	Fiscal 2007 Second Half (Actual)	Three Quarters
Revenue	3,139	5,308

5. Real Estate Related Operations

Real estate related operations refers to FinTech Real Estate and SPCs under the scope of consolidation, which capitalize on profit opportunities, such as property brokerage, sales and rental income, generated through development-style securitization arrangements packaged by FGI.

Consolidated Results

(Millions of yen)

	Fiscal 2007 Full Year	Fiscal 2008 Three Quarters
Real estate-related revenue	5,069	1,728
Property acquisition and sales revenue	4,436	1,620
Rental income	127	98
Brokerage fees	505	9

One property transaction was executed by FinTech Real Estate during the first quarter, which brought in about ¥1.6 billion. Rental income from buildings owned by SPCs under consolidation generated additional revenue.

Liquidation of Subsidiary FinTech Real Estate, Inc.

FinTech Real Estate, which is scheduled for liquidation, was established to capitalize on the sale and brokerage of real estate and other derivative opportunities for profit that emerge during the execution of investment banking operations and to separately account for such profits from arrangement profit of investment banking, the Company's main business.

The decision to liquidate FRE was made because the Company now discloses consolidated results according to business segment and is itself active in real estate-related business, having acquired a real estate agency license of its own, and also because the integration of real estate-related business within its own structure would make operations more efficient. The Company will assume the activities previously undertaken by FRE.

Financial Highlights

1. Consolidated Balance Sheets (Thousands of yen, %)

(Thousands of yen, %)

Assets	Fiscal 2007 (At Sept. 30, 2007)		Fiscal2008 3Q (At June 30, 2008)	
Current assets	82,248,886	90.6	98,206,485	93.5
Cash and time deposits	15,263,735		11,473,840	
Deposits	10,214,673		11,528,706	
Accounts receivable, trade	5,962		72,280	
Trading securities	—		4,887,956	
Investments in securities, trade	4,571,706		5,590,354	
Inventory	5,864,266		38,948,023	1
Loans receivable, trade	40,454,941		21,555,400	
Other	6,025,010		6,846,909	
Allowance for doubtful accounts	(151,409)		(2,696,985)	2
Fixed assets	8,491,587	9.4	6,842,396	6.5
Property, plant and equipment	267,825	0.3	518,931	0.5
Intangible fixed assets	6,666,727	7.4	5,821,428	3 5.5
Investments and other assets	1,557,035	1.7	502,037	0.5
Total assets	90,740,474	100.0	105,048,881	100.0

Liabilities	Fiscal 2007 (At Sept. 30, 2007)		Fiscal2008 3Q (At June 30, 2008)	
Current liabilities	35,350,755	38.9	54,313,398	51.7
Short-term debt	14,351,700		35,721,391	
Client deposits	9,992,733		10,767,144	
Long-term debt due within one year	7,272,056		5,621,620	
Other	3,734,263		2,203,240	
Long-term liabilities	28,198,620	31.1	24,376,078	23.2
Bonds with stock acquisition rights	22,170,000		22,170,000	
Long-term debt	4,532,140		1,170,110	
Other	1,496,480		1,035,968	
Total liabilities	63,549,376	70.0	78,689,477	74.9

(Thousands of yen, %)

Net Assets	Fiscal 2007 (At Sept. 30, 2007)		Fiscal2008 3Q (At June 30, 2008)	
Shareholders' equity	25,027,828	27.6	22,502,616	21.4
Common stock	10,736,448	11.8	10,764,317	10.2
Additional paid-in capital	10,351,900	11.4	10,351,900	9.9
Retained earnings	3,939,480	4.4	1,386,398	1.3
Valuation and translation adjustments	(17,163)	(0.0)	(36,425)	(0.0)
Stock acquisition rights	4,974	0.0	14,475	0.0
Minority interests	2,175,458	2.4	3,878,737	3.7
Total net assets	27,191,098	30.0	26,359,404	25.1

- Inventory, loans receivable trade, and short-term debt:**
Silent partnership investment into SPCs with real estate holdings falls under consolidated accounting, following large-scale transaction restructuring. As a result, loans receivable, trade decreased while inventory, including real estate for sale, and short-term debt grew considerably.
- Allowance for doubtful accounts:**
The total amount reached ¥1,237 million, which includes an additional amount for an investment in a hospital restructuring project as well as an amount for loans to an SPC involved in a property development project in Osaka.
- Intangible fixed assets:**
Primarily goodwill in FXO.
- Minority interests:**
FXO ¥3,237 million, FINTECH GIMV FUND ¥573 million

Total liabilities and net assets	90,740,474	100.0	105,048,881	100.0
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2. Consolidated Statement of Income

(Thousands of yen, %)

	Three Quarters of Fiscal 2007		Three Quarters of Fiscal 2008		Fiscal 2007 (Full Year)	
Revenue	13,478,385	100.0	11,052,185	100.0	16,914,147	100.0
Cost of revenue	5,077,000	37.7	1,715,681	15.5	5,481,682	32.4
Gross profit	8,401,385	62.3	9,336,504	84.5	11,432,464	67.6
Selling, general and administrative expenses	3,354,834	24.9	8,090,921	73.2	5,145,487	30.4
Operating income	5,046,551	37.4	1,245,582	11.3	6,286,977	37.2
Other income	384,433	2.9	151,259	1.4	308,516	1.8
Other expenses	540,334	4.0	784,953	7.1	643,822	3.8
Ordinary profit	4,890,649	36.3	611,887	5.5	5,951,671	35.2
Extraordinary profit	11,720	0.1	2,104	0.0	11,720	0.1
Extraordinary loss	108,461	0.8	235,484	2.1	146,183	0.9
Income before income taxes	4,793,908	35.6	297,455	2.7	5,817,208	34.4
Income taxes	1,957,589	14.5	778,471	7.0	2,537,111	15.0
Minority interests	1,083,694	8.0	1,032,306	9.3	1,512,311	8.9
Net income (loss)	1,752,623	13.0	(1,513,322)	(13.7)	1,767,784	10.5

1 Revenue: ¥11,052 million

Although FXO recorded a drop in revenue, as heightened competition temporarily squeezed trading volume, revenue from other subsidiaries was generally favorable. But poor non-consolidated results pulled the three-quarter total for the Group down ¥2,426 million year-on-year, to ¥11,052 million.

2 SGA Expenses: ¥8,090 million

See balance sheet.

3 Income Taxes: ¥778 million

The tax rate was higher than normal because the cost of amortizing goodwill could not be booked as an expense and because the tax burden, given the losses at subsidiaries, would have been at a higher rate. The excluded expenses were about ¥450 million in the cost of amortizing goodwill and about ¥200 million in subsidiary losses.

4 Minority interests: ¥1,032 million

With equity of 45% in FXO, FGI excludes 55% of the company's net income as minority interests.

3. Non-Consolidated Balance Sheets

(Thousands of yen, %)

Assets	Fiscal 2007 (At Sept. 30, 2007)		Fiscal2008 3Q (At June 30, 2008)	
Current assets	57,380,752	73.2	48,212,157	70.2
Cash and time deposits	6,836,785		5,747,759	
Accounts receivable, trade	6,195		1,272	
Investments in securities, trade	3,986,713	1	4,651,700	
Loans receivable, trade	42,603,000	1	21,337,500	
Short-term loans	3,562,000		17,521,000	2
Other	548,752		1,670,268	
Allowance for doubtful accounts	(162,695)		(2,717,344)	3
Fixed assets	20,982,185	26.8	20,509,889	29.8
Property, plant and equipment	183,312	0.3	246,657	0.4
Intangible fixed assets	12,425	0.0	25,366	0.0
Investments and other assets	20,786,448	26.5	20,237,865	29.4
Total assets	78,362,938	100.0	68,722,046	100.0

1. Aggregate principal financing investments and loans (investments in securities, trade + loans receivable, trade) reached ¥25,989 million. See page 18 for details.
2. Increase in short-term debt (compared with fiscal 2007): Increase in loans to subsidiaries (see page 19)
3. Allowance for doubtful accounts: The total amount reached ¥1,232 million, which includes an additional amount for an investment in a hospital restructuring project as well as an amount for loans to an SPC involved in a property development project in Osaka.
4. Investments and other assets: Loans to subsidiaries Stellar Capital: about ¥10 billion; FXO: about ¥8.2 billion

(Thousands of yen, %)

Liabilities	Fiscal 2007 (At Sept. 30, 2007)		Fiscal2008 3Q (At June 30, 2008)	
Current liabilities	27,287,380	34.8	22,120,718	32.2
Short-term debt	18,779,000		15,817,919	
Long-term debt due within one year	7,272,056		5,621,620	
Other	1,236,324		681,178	
Long-term liabilities	26,125,321	33.4	23,373,469	34.0
Bonds with stock acquisition rights	22,170,000		22,170,000	
Long-term debt	3,932,140		1,170,110	
Other	23,181		33,359	
Total liabilities	53,412,701	68.2	45,494,187	66.2

(Thousands of yen, %)

Net Assets	Fiscal 2007 (At Sept. 30, 2007)		Fiscal2008 3Q (At June 30, 2008)	
Shareholders' equity	24,962,424	31.9	23,218,275	33.8
Common stock	10,736,448	13.7	10,764,317	15.7
Additional paid-in capital	10,351,900	13.2	10,351,900	15.1
Retained earnings	3,874,076	5.0	2,102,057	3.1
Valuation and translation adjustments	(17,163)	(0.1)	(4,891)	0.0
Stock acquisition rights	4,974	0.0	14,475	0.0
Total net assets	24,950,236	31.8	23,227,859	33.8

Total liabilities and net assets	78,362,938	100.0	68,722,046	100.0
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4. Non-Consolidated Statement of Income

(Thousands of yen, %)

	Three Quarters of Fiscal 2007		Three Quarters of Fiscal 2008		Fiscal 2007 (Full Year)	
Revenue	6,079,714	100.0	1 3,962,642	100.0	7,287,612	100.0
Cost of revenue	506,012	8.3	285,348	7.2	740,799	10.2
Gross profit	5,573,702	91.7	2 3,677,294	92.8	6,546,812	89.8
Selling, general and administrative expenses	1,635,912	26.9	4,304,742	108.6	2,316,585	31.8
Operating income (loss)	3,937,789	64.8	(627,448)	- 15.8	4,230,227	58.0
Other income	71,598	1.2	336,091	8.5	116,134	1.6
Other expenses	498,954	8.2	277,343	7.0	615,256	8.4
Ordinary profit (loss)	3,510,434	57.7	(568,700)	-14.4	3,731,105	51.2
Extraordinary loss	464,376	7.6	3 530,729	13.4	627,125	8.6
Income (loss) before income taxes	3,046,058	50.1	(1,099,430)	-27.7	3,103,979	42.6
Income Taxes	1,254,713	20.6	(428,648)	-10.8	1,297,356	17.8
Net income (loss)	1,791,345	29.5	(670,781)	-16.9	1,806,623	24.8

1

Revenue: ¥3,962 million

FGI found it more difficult to arrange transactions, primarily because financial institutions cut back on nonrecourse loans used in arrangements for real estate development projects.

A steep decline in arrangement services gave greater weight to interest income from principal financing operations in the composition of investment banking revenues.

2

SGA expenses: ¥4,304 million

See balance sheet.

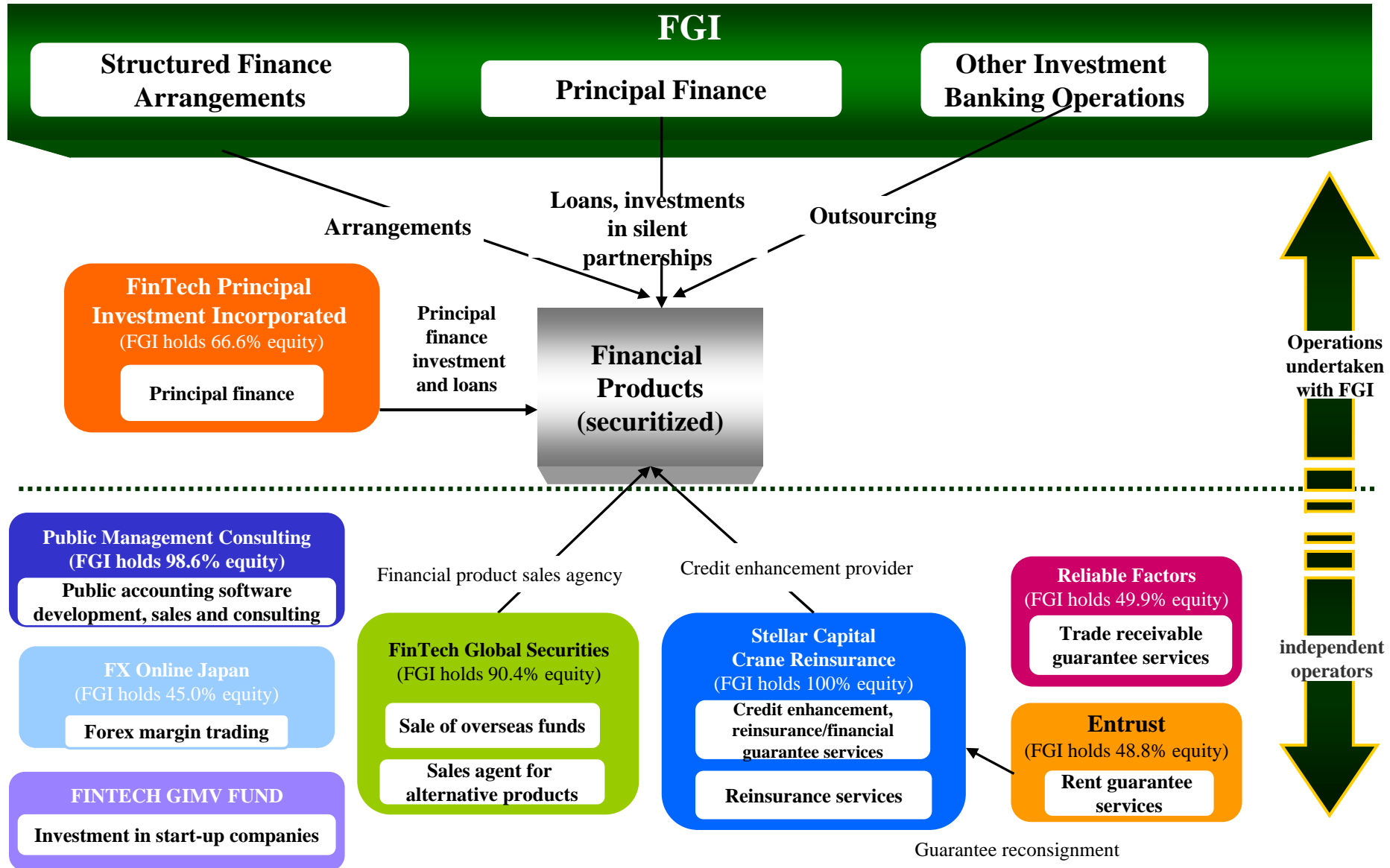
3

Extraordinary loss: ¥530 million, with ¥482 million booked in first two quarters

Transfer to reserve for investment losses: ¥256 million
 Unrealized loss on investments in securities: ¥100 million
 Loss on sales of investment securities, paralleling subsidiary liquidation : ¥68 million

Supplementary Materials

FGI Group Correlation Chart



Aggregate Arrangement Results: Total Investment by FGI and Major Financial Sectors

(Millions of yen)

	Fiscal 2005		Fiscal 2006		Fiscal 2007		Fiscal 2008	
	First half	Second half	First half	Second half	First half	Second half	First half	First Three Quarters
Trust banks	45,134	62,974	91,206	108,701	132,036	143,836	163,736	163,736
City banks	34,180	69,554	96,381	161,143	200,253	205,653	219,018	219,018
Regional banks	2,189	5,818	11,037	14,597	14,597	14,597	15,247	15,247
FGI	3,574	10,100	45,891	61,519	83,584	105,174	113,344	113,944
Other investors (including non-banks and foreign-owned financial institutions)	5,427	15,541	29,918	80,279	151,501	194,500	266,510	266,510
Total	90,504	163,987	274,432	426,238	581,971	663,760	777,855	778,455

