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Summary of Financial Statements
For Fiscal 2011

November 14, 2011

Company Name: FinTech Global Incorporated (Code Number: 8789 TSE Mothers)
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Head of Business Management Department
Scheduled date of General Shareholders' Meeting: December 21, 2011
Scheduled date for filing of securities report: December 22, 2011

1. Overview of the financial conditions and business results for fiscal 2011.
(October 1, 2010 – September 30, 2011)

(1) Business results (The percentage in the table indicates YOY changes.)

	Revenues		Operating income		Ordinary profit		Net income/(loss)	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Fiscal 2011	6,988	(101.7)	1,276	—	1,220	—	1,404	—
Fiscal 2010	3,465	(66.6)	(2,506)	—	(2,604)	—	(2,172)	—

(Reference) Comprehensive income: 1,236 million for the fiscal 2011
(2,511) million for the fiscal 2010

	Net income/(loss) per share	Net income/(loss) per share (diluted)	Return on Equity (ROE)	Return on Assets (ROA)	Return on Sales (ROS)
	Yen	Yen	%	%	%
Fiscal 2011	1,168.69	1,168.05	45.3	16.2	18.3
Fiscal 2010	(1,798.88)	—	(61.2)	(22.5)	(72.3)

(Reference) Equity in earnings of affiliated companies: -million for the fiscal 2011
-million for the fiscal 2010

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million Yen	Million Yen	%	Yen
Fiscal 2011	7,682	4,870	48.9	3,152.23
Fiscal 2010	7,352	3,164	33.3	2,024.72

(Reference) Shareholders' equity: 3,756million yen for the fiscal 2011
2,446 million yen for the fiscal 2010

(3) Consolidated cash flows (Unit: Millions of yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal 2011	1,953	(631)	(413)	1,711
Fiscal 2010	626	(2,281)	(3,376)	829

2. Dividends

	Dividends per share					Total dividends (Annual)	Payout ratio (Consolidated)	Dividends on equity (DOE) (Consolidated)
Record date	The end of the first period	The end of interim period	The end of the third period	The end of fiscal 2010	Total			
	Yen	Yen	Yen	Yen	Yen	Million Yen	%	%
Fiscal 2010	—	0.00	—	0.00	0.00	—	—	—
Fiscal 2011	—	0.00	—	100.00	100.00	120	8.6	3.9
Fiscal 2012 (Estimates)	—	0.00	—	100.00	100.00	—	—	—

3. Performance forecasts for the full-fiscal 2012 (October 1, 2011 – September 30, 2012)

(The percentage in the table indicates YOY changes.)

	Revenue		Operating income		Ordinary profit		Net income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Interim period of Fiscal 2012	—	—	—	—	—	—	—	—
Full-fiscal 2012	3,560	(49.1)	80	(93.7)	150	(87.7)	280	(80.1)

	Net income per share
	Yen
Interim period of Fiscal 2012	—
Full-fiscal 2012	234.59

(Note) Performance forecasts for the interim period of Fiscal 2012: None

4. Others

(1) Transfer of the principal consolidated subsidiary during the term
(Transfer of specified subsidiary with change of scope of consolidation.): N/A

(2) Changes in accounting policies:
1. Changes due to changes in accounting standard: Applicable
2. Other changes: N/A

(3) Number of shares issued
1. Number of shares issued (including treasury stocks): 1,209,043 shares for the fiscal 2011
1,208,135 shares for the fiscal 2010
2. Number of treasury shares: － shares for the fiscal 2011
－ shares for the fiscal 2010
3. Average number of shares in the period: 1, 200, 992 shares for the fiscal 2011
1, 208, 135 shares for the fiscal 2010

(Reference) Summary of non-consolidated financial conditions and business results

1. Non-consolidated financial conditions and business results for Fiscal 2011
(October 1, 2010 – September 30, 2011)

(1) Non-consolidated business results (The percentage in the table indicated YOY changes.)

	Revenues		Operating income		Ordinary profit		Net income/(loss)	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Fiscal 2011	4,474	332.8	1,261	－	1,244	－	1,563	－
Fiscal 2010	1,033	(78.7)	(1,628)	－	(1,605)	－	(2,598)	－

	Net income/(loss) per share	Net income per share (diluted)
	Yen	Yen
Fiscal 2011	1,293.82	1,293.11
Fiscal 2010	(2,150.57)	－

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million Yen	Million Yen	%	Yen
Fiscal 2011	6,910	3,894	56.1	3,205.90
Fiscal 2010	8,234	2,331	28.1	1,912.05

(Reference) Shareholders' equity: 3,876 million yen for FY2011, 2,310 million yen for FY2010

* Status of audit procedure

This financial summary does not need to undergo audit prodedure under the Financial Instruments and Exchange Act. The consolidated financial statements under the Financial Instruments and Exchange Act have not been auditied at the time of the announcement of this financial summary.

* Information concerning proper use of forward-looking statements and other special instructions

Forward-looking statements in this material are based on data available to management as of November 14, 2011 and certain assumptions which are believed to be rational. Actual results may differ from these estimates due to unforeseen factors.

1. Qualitative Information on Quarterly Consolidated Performance

(1) Consolidated business results

In fiscal 2011—the consolidated accounting period for the FinTech Global Group(FGI, the Group) ending on September 30, 2011—Japan continued to travel an uncertain economic road. There were signs of improvement, fostered by a recovery in exports and production, which had fallen in the wake of the Great East Japan Earthquake. But the risk of financial crisis in Europe, prolonged yen appreciation and sluggish business conditions abroad slowed progress.

Against this backdrop, FGI shifted away from its previous focus—the formation of financial arrangements built on asset financing and the principal financing to facilitate such packages—in favor of investment banking spotlighting corporate investment, principal financing, and asset management and advisory services. Having committed to this course of action and implementing the necessary structural changes, the Group marked a downward trend in its investment in real estate assets while charting an increase in funds directed toward companies and operating projects. In fact, corporate investment grew steadily, exceeding initial plans.

The Group's balance of assets under management expanded, reflecting a larger base of clients to whom financial advisory services and financial arrangements were offered and further reinforced through the inclusion of FGI Capital Partners, Ltd. (FGICP), an investment management company, under the Group umbrella as a consolidated subsidiary.

Following investment in companies, the recipients of funds became sources of profit for FGI and/or its subsidiaries, which secured corporate management fees for providing business guidance and recorded capital gains from improved corporate value. There were no exits from such investments during fiscal 2011, but a number of exits are currently being considered for associated investments that are gaining in value.

In fiscal 2011, the Group emphasized its integrated capability to provide the specialized services of a boutique investment bank that caters to clients in all industries. This emphasis will be sustained, using a new profit model designed to generate income through the application of small amounts of FGI's own capital in multiple investments and through hands-on management consulting, business matching and other services to nurture growth at the companies and operating projects in which the Group has invested and realize capital gains from the resulting improvement in respective corporate value.

As for fiscal 2011 performance, consolidated net revenue soared 101.7%, to ¥6,988 million, thanks to the aforementioned business development efforts and the sale of real estate acquired as security on loans to recoup outstanding claims in the principal finance business.

On the profit front, the Group returned to the black. Operating income, at ¥1,276 million, replaced the operating loss of ¥2,506 million posted in fiscal 2010. The change is mainly due to higher net revenue and lower loss on doubtful accounts as well as reduced personnel expenses and operating expenses compared with the previous fiscal year. Similarly, the Group achieved ordinary profit of ¥1,220 million, a solid turnaround from the ordinary loss of ¥2,604 million a year ago.

The Group achieved net income of ¥1,404 million, bouncing back from the net loss of ¥2,172 million recorded in fiscal 2010. This reflects a positive net difference from ¥168 million in reversal of allowance for doubtful accounts and ¥298 million in profit from the redemption of convertible bonds with stock acquisition rights, both booked under extraordinary profit, and ¥226 million from the loss on the sale of investments in marketable securities booked under extraordinary loss.

A breakdown of performance by business segment follows.

Investment Banking Business

FinTech Global Securities, Inc. (FGS), heads up the Group's investment banking segment and functions as a boutique investment bank with fine-tuned responses to client needs. Completely different from the big banks in its approach, FGS emphasizes financial advisory services and formation of financial arrangements to fully address client needs. In fiscal 2011, FGS made a concerted effort directed towards both existing and potential clients for financial advisory services to cultivate repeat business and attract new business, respectively, and was rewarded with requests for financial arrangements from financial advisory clients.

Based on these activities, FGS recorded revenue of ¥415 million and operating income of ¥91 million.

FGS also contributes to wider revenue on a groupwide basis by identifying investment and loan opportunities that the Group can target for financing and also by providing revenue opportunities, such as potential asset management requests, to investment management companies, FinTech Asset Management Incorporated (FAM) and FGICP.

Asset Management and Advisory Business

The core companies of the asset management and advisory business are FAM and newly consolidated FGICP.

FAM offers real estate–related services hinging on asset management services as well as management support services. In real estate–related services, FAM sources buildings to provide various real estate solutions, such as financial arrangements, fund formation and asset management, and presents investors with ideal real estate investment strategies discovered through the Group's networks at home and abroad. In management support services, FAM extends advice on approaches to improve financial position and to restructure successfully as well as sponsorship support for client revitalization and corporate management consulting. In fiscal 2011, FAM was entrusted with new asset management requests, which accompanied refinancing arrangements, and earned performance fees on real estate asset management deals signed in the previous fiscal year.

FGICP is an investment management company specializing in hedge funds and venture investment. The hedge fund focus is on global macro management emphasizing fixed income and foreign exchange markets in the Asia-Oceania region and has low-correlation to overall markets compared with conventional macro funds. Investments are managed with a spotlight on liquidity and market price transparency. In venture investment, the focus is on technology-oriented venture companies in Asia, including Japan, with investment activities complemented by access to expertise, such as guidance for management at the venture company targets of investment. In fiscal 2011, managed assets in the mainstay global macro fund trended upward through the year despite huge exchange rate fluctuations. In venture investment activities, FGICP attracted more investors and promoted business expertise to investment targets. FGICP also conducted business matching among investment targets and worked to boost corporate value for all parties.

All told, the asset management and advisory business showed revenue of ¥446 million but suffered an operating loss of ¥52 million.

Principal Finance Business

FGI's Principal Investment Business Department undertakes principal finance operations using its own funds in selected investments and loans. The department tracks the risk-return on opportunities discovered by Group companies in their financial advisory and asset management activities and then implements financing in targets of choice. In fiscal 2011, income on a real estate investment deal for which FGI had temporarily purchased a client's assets was recorded on the books, complemented by ¥3.1 billion from the sale of real estate acquired as security on loans to recoup outstanding claims in principal financing activities.

FGI shifted its perspective on principal financing away from asset financing and financing for projects in the real estate sector in favor of an enhanced investment strategy that first, seeks to expand future revenue through financing for listed and unlisted companies and operating projects with bright prospects or latent growth potential, and then complements this efforts with support for the revitalization and development of these companies and projects and approaches to build respective corporate value.

There was also an increase in inquiries for financial arrangements related to the establishment of a presence in Japan by Asian companies, particularly those from China, and for transactions with Japanese companies and also for the reverse movement and contact. FGI's International Business Department and its representative office in China catered to these needs and made the associated financial arrangements happen.

Against this backdrop, revenue from principal finance operations reached ¥3,996 million and operating income settled at ¥1,865 million in fiscal 2011.

Portfolio Business

The portfolio business generates revenue through pure investments by FGI in operating companies outside the three core businesses. This segment is essentially part of the principal finance business.

Better Life Support Co., Ltd. (BELS) found the operating environment challenging, particularly because the Great East Japan Earthquake put consumers in a lackluster mood to spend and access to building materials was disrupted, which led to delays in the transfer of completed structures to end buyers. BELS actively looked for new alliance partners and companies to which it could provide support services but also endeavored to expand existing contact points to reinforce its business platform and implemented advertising and marketing campaigns geared to client needs. These efforts helped to minimize the consequences of external pressures.

BELS has two segments. The department offering services to the rental market failed to reach its revenue target. This situation reflects BELS's response to a downturn in the rental market—namely, withdrawing from unprofitable subleased structure operations—as well as the demand-squeezing effect of restructuring at preferred clients and reduced relocation activity. Meanwhile, the department catering to homeowners achieved its revenue target, thanks to a huge increase in advertising income and more agreements transferred from affiliated developers. Overall, however, BELS' revenue, at ¥518 million, should a 5.2% year-on-year drop it, but successful cost-cutting measures underpinned a 52.3% jump in operating income, to ¥58 million.

Crane Reinsurance Limited continued to underwrite risks, mainly casualty insurance from Syndicate 382, a client of Hardy Underwriting Bermuda Limited.

Revenue (reinsurance underwriting premiums) soared 186.3% over the previous term, to ¥1,408 million, largely due to an increase in new policies. So despite a higher loss reserve that accompanied higher earned premiums, Crane Re rebounded from the ¥52 million operating loss posted in fiscal 2010 to operating income of ¥124 million for fiscal 2011. The Great East Japan Earthquake had only a limited impact on Crane Re's business results.

Of note, Crane Re has received notification from Hardy to the effect that from January 2012 the services of Crane Re will no longer be required, as Hardy is withdrawing from the market. Consequently, Crane Re is looking for new sources that will cede reinsurance policy amounts to it under new reinsurance underwriting agreements, beginning in January 2012. Crane Re is drawing on the solid relationship it has built with domestic issuing insurance companies to achieve this objective. As of November 14, 2011—the announcement date for fiscal 2011 results—no new agreements have been secured.

The results of these two key subsidiaries, along with contributions from other subsidiaries in the portfolio business, led to revenue of ¥1,927 million and operating income of ¥31 million for fiscal 2011.

Public Finance–Related Business

Public Management Consulting Corporation (PMC) is involved in the areas of public accounting and public finance. In the public accounting business, PMC provides standard-model public accounting software for use by local governments and extends support services to help clients prepare fixed asset books and financial statements. In the new pursuit of public finance, PMC works with other members of the Group on solutions, including asset securitization and fund-procurement arrangements, to address asset renewal issues faced by local governments.

In fiscal 2011, PMC put a lot of effort into marketing, seeking to reserve an allocation of funds from local governments in their fiscal 2012 budgets. But many local governments follow the trend set by the Ministry of Public Management, Home Affairs, Posts and Telecommunications' study group on the promotion of new regional public accounting, and the resulting wait-and-see approach led to a slowdown in demand in the second half.

PMC also worked to reinforce sales of its Financial Support Tool: Reform to public accounting software suppliers, and in the public finance business, promoted urban revitalization finance and financial support in the areas destroyed by the Great East Japan Earthquake.

The public finance–related business contributed revenue of ¥202 million but showed an operating loss of ¥42 million, mainly because of rising costs associated with the hiring of more sales representatives to support future humans growth.

Fiscal 2012 Forecasts
As described above, the Group focused on its new main business—corporate investment—in fiscal 2011 and this emphasis will be maintained in fiscal 2012.

In the investment banking business, human resources will be key in the effort to attract more clients and thereby elicit a larger contribution to overall Group revenue.

In the asset management and advisory business, the goal will be to expand assets under management and secure a stable revenue base by diversifying investment strategies and stepping up approaches to investors.

In the principal finance business, corporate investment and activities designed to improve the value of individual investment will continue with future revenue contribution in mind, despite the significant drop in revenue in fiscal 2011, compared with fiscal 2010, which was buoyed by the sale of real estate obtained to secure loans.

Efforts will also be made to expand portfolio activities through management support services at companies in which FGI and/or its subsidiaries have a stake. But the cancellation of an agreement with an insurer that had ceded reinsurance policies to Crane Re will undoubtedly hurt segment results in fiscal 2012, especially if negotiations currently in progress to secure an alternate source of reinsurance policies do not lead to an agreement—or, agreements—commencing as the current one ends, in January 2012. The fiscal 2012 forecast is therefore based only on revenues from earned premiums under existing policies.

In the public finance–related business, stronger marketing capabilities should lead to higher revenue, reinforced by efforts to make services more efficient and steps to quickly establish this business as a profit-building segment of the Group.

As an aside, clarification of FGI's long-term holding policy on investment targets deems companies in which FGI or its subsidiaries have contributed funds to be affiliates under the equity method. Consequently, such affiliate revenue will be booked under nonoperating income (expenses), and net income will include anticipated booking of extraordinary profit from recovery of outstanding claims as well as minority interests.

Based on the objectives and approaches described above, management anticipates the following full-year consolidated results for fiscal 2012: net revenue of ¥3,560 million, gross profit of ¥2,110 million, operating income of ¥80 million, ordinary profit of ¥150 million and net income of ¥280 million. Performance forecasts for the first two quarters of fiscal 2012 are not included here because so many factors are in a state of flux during the booking of individual transactions that an accurate estimate becomes rather difficult to make.

Cautionary Statement regarding Consolidated Forecasts
Performance forecasts and other forward-looking statements in this material are based on reasonable assumptions and information available to management of FGI as of the date of disclosure. A number of factors could cause actual results to differ greatly from stated expectations.

(2) Financial Position

Assets, Liabilities and Net Assets
The status of assets, liabilities and net assets, on a consolidated basis, at September 30, 2011, is presented below.

Current Assets
Current assets amounted to ¥6,656 million as of September 30, 2011, up ¥1,394 million from a year earlier. The main components of this change were decreases of ¥1,210 million in real estate for sale, ¥3,957 million in investments in securities, trade (of which the decrease through direct write-off was ¥4,549 million), and ¥2,610 million in loans receivable, trade (of which the decrease through direct write-off was ¥2,155 million), which were offset by increases of ¥974 million in cash and time deposits and ¥1,371 million in accrued income and a decrease of ¥6,782 million in allowance for doubtful accounts (of which the decrease through direct write-off was ¥6,705 million). If the impact of direct write-offs is eliminated, investments in securities, trade would have increased ¥592 million, loan receivables, trade would have decreased ¥454 million, and allowance for doubtful accounts would have decreased ¥76 million.

Fixed Assets
Fixed assets reached ¥1,026 million as of September 30, 2011, down ¥1,064 million from a year earlier. This change is primarily due to a ¥1,079 million decrease in investments in securities, trade, through the purchase and cancellation of convertible bonds with stock acquisition rights held by a subsidiary.

Current Liabilities
Current liabilities stood at ¥1,176 million as of September 30, 2011, down ¥71 million from a year earlier. This change stems largely from a ¥208 million increase in accrued liabilities, which overshadowed decreases of ¥43 million in current portion of long-term debt and ¥98 million in accrued expenses.

Fixed Liabilities
Fixed liabilities settled at ¥1,635 million as of September 30, 2011, down ¥1,305 million from a year earlier. This change reflects the absence of ¥1,200 million in bonds with stock acquisition rights through purchase and cancellation and ¥981 million less in long-term debt through repayment of borrowings backed by FGI-issued bonds with stock acquisition rights—decreases that were not offset by an ¥844 million increase in the loss reserve on reinsurance policies underwritten by Crane Re.

Net Assets
Net assets came to ¥4,870 million as of September 30, 2011, up ¥1,706 million from a year earlier. The main components of this change were decreases of ¥8,451 million in capital stock and ¥10,346 million in legal capital surplus and an increase of ¥20,210 million in retained earnings, owing to efforts to supplement retained losses by reducing capital at FGI and also owing to the booking of ¥1,404 million in net income.

Given the changes in assets and liabilities described above, at the end of September 2011, total assets stood at ¥7,682 million, up 4.5% from a year earlier. Liabilities were ¥2,811 million, down 32.9%. Net assets were ¥4,870 million, up 43.9%. The consolidated equity ratio jumped to 48.9%, from 33.3%.

Cash Flow
Cash and cash equivalents (hereafter, "cash") at the end of fiscal 2011 amounted to ¥1,711 million, up ¥881 million from the end of fiscal 2010.

Net Cash from Operating Activities
In fiscal 2011, net cash provided by operating activities amounted to ¥1,953 million, up from ¥626 million in fiscal 2010. A breakdown of key changes shows increases of ¥6,782 million to allowance for doubtful accounts and ¥1,350 million to accounts due, both of which used cash from operating activities. But this effect was offset by ¥1,411 million provided by income before income taxes, ¥3,850 million through a decrease in investments in securities, trade, ¥1,414 million through a decrease in inventory, and a further ¥2,610 million through a reduction in loans receivable, trade.

Net Cash from Investing Activities
In fiscal 2011, net cash used in investing activities came to ¥631 million, down from ¥2,281 million used by investing activities in fiscal 2010. The biggest component was the payment of ¥357 million to pay for the purchase of subsidiary shares resulting from a change in the scope of consolidation.

Net Cash from Financing Activities
In fiscal 2011, net cash used in financing activities reached ¥413 million, down from ¥3,376 million in fiscal 2010. The main applications of cash were ¥127 million to repay long-term debt and ¥901million to redeem convertible bonds, which overshadowed proceeds of ¥635 million from the issuance of stock to minority shareholders.

Reference: Indicators of Cash Flow Status
(Fiscal years ended September 30)

	2007	2008	2009	2010	2011
Equity ratio (%)	27.6	21.3	29.5	33.3	48.9
Equity ratio (market-value basis) (%)	46.8	6.8	21.8	41.1	47.2
Cash flow to interest-bearing debt (%)	—	450.1	103.6	385.7	9.3
Interest coverage ratio (times)	—	28.2	34.0	40.5	12.8

Notes:

1. The indicators in the table above were calculated according to the following formulas using data from the consolidated fi statements.
   Equity ratio: Equity capital/ Total assets
   Equity ratio (market-value basis): Total market value of stocks / Total assets
   Cash flow to interest-bearing debt: Interest-bearing debt / Operating cash flow
   Interest coverage ratio: Operating cash flow / Interest payments

- Operating cash flow refers to Cash Flows from Operating Activities, as listed in the Consolidated Statements of Cash Flows. Interest-bearing debt refers to all liabilities (including zero coupon euroyen convertible bonds with stock acquisition rights issued February 2007) recorded on the consolidated balance sheets and for which interest is paid. Interest payments represent the amount of interest paid and appear on the Consolidated Statements of Cash Flows, under Cash Flows from Operating Activities as "Interest expenses".

2. Neither cash flow to interest-bearing debt ratios nor interest coverage ratios are provided for the fiscal year ended September 30, 2007 because FGI posted negative cash flows from operating activities.

(3) Basic Policy on Profit Distribution and Dividends for Fiscal 2011 and Fiscal 2012
While adhering to a dividend policy that emphasizes the return of profits to shareholders, management seeks to maintain sufficient internal reserves to quickly and reliably take advantage of opportunities that reinforce and further expand FGI's business foundation. In determining dividends, management must therefore take a comprehensive view that includes

corporate performance and future business development.

Management set a goal of resuming dividends and, after due consideration of such factors as fiscal 2010 performance, future performance expectations, retained earnings and possible business development, decided on a year-end dividend of ¥100 per share. The year-end dividend for fiscal 2012 will likely be ¥100 per share as well.

(4) Factors raising significant doubt regarding assumption of a going concern.

None.

2. Management Policy

(1) Basic Direction

FGI’s raison d’être is to make companies in all industries aware of the benefits to be gained through innovative structured finance services. FGI seeks to address the wide-ranging financing needs of its clients with original, leading-edge financial products and schemes geared to the changing financial environment, and strives to satisfy all client-associated stakeholders by achieving the highest level of corporate value and asset value for clients.

(2) Indicators of Business Performance

Through the implementation of the management strategies in (3) below, management will vigorously promote activities in all business segments and achieve stable revenue growth. The Group will endeavor to generate revenue opportunities by providing solutions fine-tuned to the diversifying financial needs of its clients and thereby improve return-on-equity.

(3) Medium- to Long-term Management Strategies and Matters Requiring Attention

In recent years, FGI has shifted toward a dramatically different profit model. Business now hinges mainly on corporate investment rather than operations involving asset finance.

We are accelerating corporate investment activities through the investment banking business and the principal financing business, which together provide services such as management participation, corporate revitalization, venture development and fund-procurement arrangements to midsized companies. We will enhance this effort with complementary businesses while expanding our asset management business—drawing more clients who entrust us with funds for investment—and raising our profile in investor markets.

We will strive to achieve long-term growth, underpinned by revenue contributions from these businesses, namely, fees for financial advisory, management support and asset management services; capital gains on sales—exits—once companies have improved their corporate value; and income added to the consolidated total when an investment target is turned into a subsidiary or by application of the equity method. We will also work to boost fiscal results by redoubling our efforts to promote efficiency in groupwide administration and by implementing cost review.

In addition, with several Group companies operating as providers of financial instruments and exchange products and services, it is essential that we respect the Financial Instruments and Exchange Law and other laws and regulations applicable to our business activities and that we establish and maintain high-level compliance practices. This is a management priority of the greatest importance. Internal controls appropriate to business expansion will be designed and implemented at each Group company, and compliance practices that extend horizontally throughout the Group will be enhanced to cement a platform for sustainable growth into the future.

Consolidated Financial Statements
FinTech Global Incorporated and Consolidated Subsidiaries
As of and for the year ended September 30, 2011

(1) Consolidated Balance Sheets

(Unit: Thousands of yen)

		Fiscal Year 2010 (As of September 30, 2010)		Fiscal Year 2011 (As of September 30, 2011)
(Assets)				
Current assets				
Cash and time deposits		829,661	※2	1,804,161
Accounts receivable, trade		67,083		125,682
Investments in securities, trade		5,960,043	※1	2,002,744
Inventory		1,630,622		420,531
Deferred tax assets		1,083		1,049
Loans receivable, trade	※3	5,317,419		2,707,235
Accrued income		－		1,563,973
Other current assets		329,447		122,286
Allowance for doubtful accounts		(8,873,539)		(2,091,453)
Total current assets		5,261,820		6,656,212
Fixed assets				
Property, plant and equipment				
Buildings		179,543		150,544
Accumulated depreciation		(80,036)		(52,871)
Buildings, net		99,507		97,672
Furniture and equipment		176,391		203,735
Accumulated depreciation		(125,844)		(131,999)
Furniture and equipment, net		50,546		71,736
Total property, plant and equipment		150,054		169,408
Intangible fixed assets				
Goodwill		402,794		473,509
Other intangible fixed assets		39,767		29,335
Total intangible fixed assets		442,561		502,844
Investments and other Assets				
Investments in securities, trade	※1,※2,※5	1,163,636	※1	84,033
Security deposits		221,535		201,255
Others	※1	112,821	※1	68,740
Total investments and other assets		1,497,993		354,029
Total fixed assets		2,090,609		1,026,282
Total assets		7,352,430		7,682,494

(Unit: Thousands of yen)

		Fiscal Year 2010 (As of September 30, 2010)		Fiscal Year 2011 (As of September 30, 2011)
(Liabilities)				
Current liabilities				
Accounts payable, trade		14,175		24,356
Short-term debt		66,000		55,000
Long-term debt due within one year	※2	125,000	※2	81,837
Accrued liabilities		92,750		301,649
Accrued expenses		152,530		54,312
Income taxes payable		32,150		15,812
Deposits received		497,764		490,755
Accrued employee bonuses		42,578		26,251
Other current liabilities		224,770		126,567
Total current liabilities		1,247,720		1,176,541
Long-term liabilities				
Bonds with stock acquisition rights		1,200,000		—
Long-term debt	※2	1,026,449	※2	45,157
Deferred tax liabilities		56,802		74,123
Accrued retirement benefits		71,834		86,097
Reserve for insurance policy		442,437		1,286,699
Other long-term liabilities		142,629		142,985
Total long-term liabilities		2,940,154		1,635,063
Total liabilities		4,187,874		2,811,604
(Net assets)				
Shareholders' equity				
Capital stock		10,764,317		2,312,384
Capital surplus		10,351,900		5,183
Retained earnings		(18,538,744)		1,671,501
Treasury stock		—		(52,412)
Total shareholders' equity		2,577,473		3,936,656
Total other comprehensive income				
Valuation difference on available-for-sale securities		—		(629)
Foreign currency translation adjustments		(130,878)		(179,243)
Total other comprehensive income		(130,878)		(179,872)
Stock acquisition rights		21,811		18,091
Minority interests		696,149		1,096,015
Total net assets		3,164,555		4,870,890
Total liabilities and net assets		7,352,430		7,682,494

(2) Consolidated Statements of Income

(Unit: Thousands of yen)

		Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)		Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)
Revenues				
Investment banking business	※1	316,618		—
Reinsurance/financial guarantee business	※2	834,388		—
Real estate related business		2,141,928		—
Others		172,562		—
Total net sales		3,465,497		6,988,197
Cost of revenues		2,530,057		3,479,193
Gross profit		935,439		3,509,003
Selling, general and administrative expenses				
Directors' bonuses		291,245		167,276
Salaries		552,092		449,657
Transfer to allowance for doubtful accounts		—		93,191
Transfer to provision for accrued bonuses		68,626		66,308
Retirement benefit expenses		35,303		32,983
Depreciation		73,840		55,076
Rent		245,846		237,662
Commission paid		562,265		605,006
Amortization of goodwill		144,091		115,418
Bad debts expenses		823,857		6,991
Others		645,122	※3	402,741
Total selling, general and administrative expenses		3,442,291		2,232,314
Operating income/(loss)		(2,506,852)		1,276,688
Other income				
Interest income		11,786		5,802
Profits from effect of exchange rate		31,277		—
Refund of defined contribution pension		9,110		1,261
Land and house rent received		—		2,907
Others		13,632		3,969
Total other income		65,807		13,940
Other expenses				
Interest expense		36,414		40,038
Loss on trading securities		80,932		—
Commission paid		44,636		2,685
Loss from effect of exchange rate		—		27,003
Others		1,191		1
Total other expenses		163,174		69,728
Ordinary profit/(loss)		(2,604,219)		1,220,900
Extraordinary profit				
Reversal of allowance for doubtful accounts		134,828		168,020
Gain on redemption of bonds with subscription rights to shares		448,186		298,800
Gain on change in equity		—		89,762
Others		36,905		33,045
Total extraordinary profit		619,920		589,628

(Unit: Thousands of yen)

		Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)		Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)
Extraordinary loss				
Loss on valuation of investments in capital		—		44,629
Loss on liquidation of subsidiary		291,403		—
Loss on disposition of fixed assets		—	※4	49,157
Loss on sales of investment securities		—		226,874
Loss on valuation of investment securities		0		16,968
Loss on sales of stocks of subsidiaries and affiliates		1,805		125
Special retirement expenses		13,988		14,739
Others		42,090		46,345
Total extraordinary loss		349,287		398,839
Income/(Loss) before income taxes		(2,333,586)		1,411,689
Income taxes		71,838		44,077
Income tax adjustment		16,666		17,354
Total income taxes		88,505		61,432
Income before minority interests		—		1,350,257
Minority interests		(249,258)		(53,789)
Net income/(loss)		(2,172,834)		1,404,046

(3)**Consolidated statement of comprefensive income**

(Unit: Thousands of yen)

	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)		**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
Income/(loss) before minority interests			1,350,257
Other comprehensive income			
Valuation difference on available-for-sale securities	—		(1,764)
Foreign currency translation adjustment	—		(112,050)
Total other comprehensive income	—	※2	(113,814)
Comprehensive income	—	※1	1,236,442
Comprehensive income attributable to			
Comprehensive income attributable to owners of the parent	—		1,355,053
Comprehensive income attributable to minority interests	—		(118,610)

(4) Consolidated Statements of Changes in Net Assets

(Unit: Thousands of yen)

	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
Shareholders' equity		
Capital stock		
Balance at the end of last period	10,764,317	10,764,317
Changes during the period		
Issuance of new shares	—	2,365
Capital reduction	—	(8,454,298)
Total changes of items during the period	—	(8,451,933)
Balance at the end of this period	10,764,317	2,312,384
Capital surplus		
Balance at the end of last period	10,351,900	10,351,900
Changes during the period		
Issuance of new shares	—	14
Capital reduction	—	8,454,298
Deficit disposition	—	(18,806,198)
Disposal of treasury stock	—	5,168
Total changes of items during the period	—	(10,346,716)
Balance at the end of this period	10,351,900	5,183
Retained earnings		
Balance at the end of last period	(16,353,913)	(18,538,744)
Changes during the period		
Deficit disposition	—	18,806,198
Net income(loss)	(2,172,834)	1,404,046
Decrease due to decrease in number of consolidated subsidiaries	(11,997)	—
Total changes during this period	(2,184,831)	20,210,245
Balance at the end of this period	(18,538,744)	1,671,501
Treasury stock		
Balance at the end of last period	—	—
Changes during the period		
Acquisition of treasury stock	—	(60,244)
Disposal of treasury stock	—	7,831
Total changes during this period	—	(52,412)
Balance at the end of this period	—	(52,412)
Total shareholders' equity		
Balance at the end of last period	4,762,304	2,577,473
Change during this period		
Issuance of new shares	—	2,379
Net income/(loss)	(2,172,834)	1,404,046
Acquisition of treasury stock	—	(60,244)
Decrease due to decrease in number of consolidated subsidiaries	(11,997)	—
Disposal of treasury stock	—	13,000
Total changes during this period	(2,184,831)	1,359,182
Balance at the end of this period	2,577,473	3,936,656

Total other comprehensive income		
Valuation difference on available-for-sale securities		

(Unit: Thousands of yen)

	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
Balance at the end of last period	(1,477)	—
Change during this period		
Net changes of items other than shareholders' equity	1,477	(629)
Total changes during this period	1,477	(629)
Balance at the end of this period	—	(629)
Foreign currency translation adjustment		
Balance at the end of last period	(107,466)	(130,878)
Change during this period		
Net changes of items other than shareholders' equity	(23,412)	(48,364)
Total changes during this period	(23,412)	(48,364)
Balance at the end of this period	(130,878)	(179,243)
Total other comprehensive income		
Balance at the end of last period	(108,944)	(130,878)
Change during this period		
Net changes of items other than shareholders' equity	(21,934)	(48,993)
Total changes during this period	(21,934)	(48,993)
Balance at the end of this period	(130,878)	(179,872)
Stock acquisition rights		
Balance at the end of last period	20,572	21,811
Change during this period		
Net changes of items other than shareholders' equity	1,239	(3,720)
Total changes during this period	1,239	(3,720)
Balance at the end of this period	21,811	18,091
Minority interests		
Balance at the end of last period	773,903	696,149
Change during this period		
Net changes of items other than shareholders' equity	(77,754)	399,866
Total changes during this period	(77,754)	399,866
Balance at the end of this period	696,149	1,096,015
Total net assets		
Balance at the end of last period	5,447,836	3,164,555
Change during this period		
Issuance of new shares	—	2,379
Net income(loss)	(2,172,834)	1,404,046
Acquisition of treasury stock	—	(60,244)
Decrease due to decrease in number of consolidated subsidiaries	(11,997)	—
Disposal of treasury stock	—	13,000
Net changes of items other than shareholders' equity	(98,449)	347,152
Total changes during this period	(2,283,280)	1,706,334
Balance at the end of this period	3,164,555	4,870,890

(5) Consolidated Statements of Cash Flows

(Unit: Thousands of yen)

	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
Cash flows from operating activities		
Income/(loss) before income taxes	(2,333,586)	1,411,689
Depreciation and amortization	153,810	57,081
Increase in allowance for doubtful accounts	(3,354,769)	(6,782,086)
Increase in accrued employee bonuses	(60,772)	(16,327)
Increase in accrued retirement benefits	(6,193)	14,263
Interest income	(11,789)	(5,992)
Cost of funds and interest expenses	68,332	89,292
Loss on liquidation of subsidiaries	291,403	—
Loss on trading securities	80,932	—
Gain on sales of shares of subsidiaries and affiliates	1,805	3
Profit on redemption of bonds with stock acquisition rights	(448,186)	(298,800)
(Increase)/decrease in trade receivable	23,669	(46,280)
(Increase)/decrease in investments in securities, trade	26,331	3,850,814
(Increase)/decrease in inventory	(719,454)	1,414,169
(Increase)/decrease in loans receivable, trade	6,019,299	2,610,184
(Increase)/decrease in accounts due	411,773	(1,350,132)
Increase/(decrease) in accounts payable, trade	(8,915)	10,181
Increase/(decrease) in accrued liabilities	16,729	193,078
Increase/(decrease) in accrued expenses	16,032	(51,850)
Increase/(decrease)in advance receipts	153,669	(218,516)
Increase/(decrease)in deposits received	151,000	(29,804)
Increase/(decrease)in reserve for contract of insurance	—	844,261
Others	174,981	439,581
Sub-total	646,101	2,134,812
Interest income received	16,263	5,992
Interest expense paid	(15,495)	(152,243)
Income taxes paid	(20,038)	(35,156)
Net cash provided by/(used in) operating activities	626,830	1,953,405
Cash flows from investing activities		
Payments into deposits as collateral	—	(92,816)
(Increase)/decrease in trading securities	120,212	—
(Increase)/decrease in short-term loan receivable	361,158	1,501
Purchase of property, plant and equipment	(5,961)	(83,356)
Purchase of investment securities	(2,895,138)	(86,143)
Proceeds from sale of investments in securities	18,882	—
Payments from purchase of subsidiaries' shares resulting change in scope of consolidation	—	(357,631)
Proceeds from sale of subsidiaries' shares resulting change in scope of consolidation	320,111	—
Payments for sale of subsidiaries' shares resulting change in scope of consolidation.	(115,635)	—
Payment for acquiring investment in capital	(71,020)	(3,020)
Payment of security deposits	(3,762)	—
Refund of security deposits	2,321	26,781
Others	(12,765)	(36,667)
Net cash used in investing activities	(2,281,596)	(631,353)
Cash flows from financing activities		

(Unit: Thousands of yen)

	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)
Increase in short-term debt	(9,000)	(27,900)
Proceeds from long-term debt	907,451	—
Repayment of long-term debt	(261,002)	(127,004)
Proceeds from issuance of stocks to minority shareholders	289,120	635,931
Dividends paid	(1,218)	(254)
Redemption of bonds	(4,301,500)	(901,200)
Others	—	7,378
Net cash provided by/(used in) financing activities	(3,376,149)	(413,049)
Effect of exchange rate changes on cash and cash equivalents	(15,902)	(27,319)
Net decrease in cash and cash equivalents	(5,046,818)	881,683
Cash and cash equivalents at beginning of year	5,811,512	829,661
Increase in cash and cash equivalents of newly consolidated subsidiaries	64,967	—
Cash and cash equivalents at end of year	※1 829,661	※1 1,711,345

(5) Assumption of a Going Concern

Not applicable

(6) Significant Policies in Preparation of Consolidated Financial Statements

Item	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)
1. Scope of Consolidation	(1) Number of consolidated subsidiaries: 12 Names of major consolidated subsidiaries: ●FinTech Global Securities, Inc. ●Stellar Capital AG in Liquidation ●Crane Reinsurance Limited ●SP&W Asklepius Investment Partnership No. 4 ●FINTECH GIMV FUND, L. P. (FGF) ●Public Management Consulting, Inc. ●Better Life Support Co.,Ltd. Entrust, Inc. has been excluded from the scope of consolidation as a result of disposal. Blenheim Partners One Incorporated has been excluded from the scope of consolidation due to completion of liquidation. Shinei Realty Development Co., Ltd. has been excluded from the scope of consolidation as a result of the repurchase of part of its own shares owned by the Company. In addition, FinTech Asset Management Incorporated. has been included in the scope of consolidation due to increase in materiality. Godo Kaisha Sunduell Nakayama has been included in the scope of consolidation due to the fact that the Company substantially assumes the majority of rights and duties as well as risks associated with profits and losses of this company.	(1) Number of consolidated subsidiaries: 13 Names of major consolidated subsidiaries: ●FinTech Global Securities, Inc. ●Stellar Capital AG in Liquidation ●Crane Reinsurance Limited ●SP&W Asklepius Investment Partnership No. 4 ●FINTECH GIMV FUND, L. P. (FGF) ●Public Management Consulting, Inc. ●Better Life Support Co.,Ltd. ●FinTech Asset Management Incorporated. FGI Capital Partners, Inc. has been consolidated due to the acquisition of its shares. Sunduell Inasato special purpose company has been consolidated due to the fact that the Company substantially assumes the majority of rights and duties as well as risks associated with profits and losses of this company. Antares Asset Godo Kaisha has been excluded from the scope of consolidation due to liquidation.
	(2) Names of major unconsolidated subsidiaries: ● FGI Property Funding Incorporated ● FinTech Global Capital, LLC	(2) Names of major unconsolidated subsidiaries: Same as at left
	(3)Reasons for excluding from the scope of consolidation The unconsolidated subsidiaries are small, and their total assets, revenues, net income and losse (amount proportionate to equity share), and retained earnings (amount proportionate to equity share) have no material impact on the consolidated financial statements.	(3)Reasons for excluding from the scope of consolidation Same as at left
2. Application of the Equity method	(1) Number of unconsolidated subsidiaries and affiliates accounted for by the equity method: ―――	(1) Number of unconsolidated subsidiaries and affiliates accounted for by the equity method: ―――

Item	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)
	(2) Names of major unconsolidated subsidiaries and affiliates which are not accounted for by the equity method: ● FGI Property Funding Incorporated ● FinTech Global Capital, LLC	(2) Names of unconsolidated subsidiaries and affiliates which are not accounted for by the equity method: Same as at left
	(3)Reasons for not applying the equity method The equity method of accounting has not been applied to the companies because it has immaterial impact on the net income or losses (amount proportionate to equity share), and the retained earnings (amount proportionate to equity share) of the consolidated financial statements.	(3)Reasons for not applying the equity method Same as at left
	(4) ―――	(4)Names of companies which are not treated as an affiliate though the Company has their voting rights of 20% or more and 50% or less on its own account. ●R&Y Corporation. ●Yoko Toshi Kaihatsu Co.
	(5) ―――	(5)Reasons for being not treated as a affiliate The Company has interests in them for the purpose of not putting them under its wing through transactions such as business, personnel affairs, finance, and others but investment.
3. Fiscal Year Ends of Consolidated Subsidiaries	Fiscal year ends of consolidated subsidiaries: End of March: 1 End of June: 1 As of July 29 1 End of August 1 End of September: 5 End of December: 3 Subsidiaries with the fiscal year ends at March 31 and December 31 are consolidated based on preliminary results determined as of the consolidated balance sheet date. Subsidiaries with the fiscal year ends at June 30, July 29 and August 31 are consolidated based on the financial statements for their respective fiscal year ends. Significant transactions occurring during the intervening periods are reflected in the consolidated financial statements.	Fiscal year ends of consolidated subsidiaries: End of March: 2 End of June: 1 As of July 29 1 End of August 2 End of September: 5 End of December: 2 Subsidiaries with the fiscal year ends at March 31 and December 31 are consolidated based on preliminary results determined as of the consolidated balance sheet date. Subsidiaries with the fiscal year ends at June 30, July 29 and August 31 are consolidated based on the financial statements for their respective fiscal year ends. Significant transactions occurring during the intervening periods are reflected in the consolidated financial statements.
4. Summary of Significant Accounting Policies (1) Bases and methods of	(i) Trading securities Other securities with fair market value: Other securities with fair market value are stated at fair value. Unrealized holding gains and losses, net of the related tax effect, are recorded as an accumulated comprehensive income until realized. Costs are determined by the moving-average	(i) Trading securities Other securities with fair market value: Same as at left

Item	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)
valuation of important assets	method. Other securities with no fair market value: Other securities with no fair market value are stated at cost. Costs are determined by the moving-average method. However, investments in Silent Partnership (Tokumei-Kumiai) are determined by the specific-identification method. Details are shown in (7) Other significant policies to prepare consolidated financial statements (ii) Investments in Silent Partnership (Tokumei-Kumiai) included in investments in securities, trade. (ii) Derivatives All derivatives are stated at fair value with changes in fair value being charged to net income or loss for the period in which they arise except for derivatives that are designated and qualified as hedging instruments. (iii) Inventory Real estate for sale: Stated at cost determined by the specific identification method (reduction of book value based on declining profitability method).	 Other securities with no fair market value: Same as at left (ii) Derivatives Same as at left (iii) Inventory Same as at left
(2) Depreciation of important assets	(i) Property, plant and equipment(except for leased assets) Depreciation is computed, using the declining balance method. For buildings acquired since April 1st 1998, straight-line method is adopted. Useful lives for major assets are as follows: • Buildings: 6-24 years • Furniture and equipments: 2-20 years (ii) Intangible fixed assets(except for leased assets) Stated at cost determined, by using the straight-line method. Software for in-house use is accounted for with the straight-line method over useful life (3 to 5 years). (iii) Leased assets Stated at cost determined by using the straight-line method with useful life as the lease period and residual value as zero. Also, finance leases in place before the amendment to the Accounting Standard for Leases are accounted for in the same manner as operating leases.	(i) Property, plant and equipment(except for leased assets) Same as at left Useful lives for major assets Same as at left (ii) Intangible fixed assets(except for leased assets) Same as at left (iii) Leased assets Same as at left
(3) Important allowances	(i) Allowance for doubtful accounts The Company provides allowances for doubtful accounts by the method that compares the rates of its own historical actual bad debt loss against the	(i) Allowance for doubtful accounts Same as at left

Item	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)
	balance of total receivables as well as the amount of uncollectible receivables estimated on an individual basis. (ii) Accrued employee bonuses Accrued employee bonuses are provided for at amount which is expected to be paid for employee bonuses. (ⅲ) Accrued retirement benefits Accrued retirement benefits are provided for at the amount that would be required to be paid if all the eligible employees voluntarily retire at the end of the consolidated fiscal year. The simplified method is adopted since the number of employees covered by the retirement benefits plan is less than 300.	 (ii) Accrued employee bonuses Same as at left (ⅲ) Accrued retirement benefits Same as at left
(4) Important hedge accounting	(i) Methods of hedge accounting Deferral hedge treatment is adopted. (ii) Hedging vehicles and hedged items a) Hedging vehicles: Interest rate swaps b) Hedged items: Bank loans (iii) Hedging policy The Company has a policy to utilize the hedging instruments above in order to reduce exposure to the risk of interest rate fluctuation. (iv) Methods of hedge efficiency assessment From the inception of a hedge to the point of efficiency assessment is executed by comparing the cumulative changes in hedged items and hedging vehicles in the market and using them as the basis for assesment.	(i) Methods of hedge accounting Same as at left (ii) Hedging vehicles and hedged items Same as at left (iii) Hedging policy Same as at left (iv) Methods of hedge efficiency assessment Same as at left
(5)Cash and cash equivalents for the purpose of the consolidated statement of cash flows	———	The Company considers all highly liquid investments with an insignificant risk of changes in value and with original maturities of three months or less to be cash equivalents.
(6) Amortization of goodwill	———	Goodwill is amortized by the straight-line method over 5 years or 10 years except for ones which have no material impact on financial statements.
(7) Other significant policies to prepare consolidated financial statements	(i) Accounting for consumption taxes Consumption tax and local consumption tax are excluded from revenues and expenses accounts which are subject to such taxes. (ii) Investments in Silent Partnership (Tokumei-Kumiai) included in investments in securities, trade Investments in Silent Partnership (Tokumei-Kumiai) included in investments in	(i) Accounting for consumption taxes Same as at left (ii) Investments in Silent Partnership (Tokumei-Kumiai) included in investments in securities, trade Same as at left

Item	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)
	securities, trade are stated at cost, adjusted for equity in earnings and losses of partnership. The adjustments are recognized as “Operating income”. (iii) Methods for allocating financing expenses The financing expenses of the Company providing with lending services are classified into financing expenses associated with operating revenues and other financing expenses. In allocating those expenses, the total assets are allocated between assets for business transactions and other assets, and based on the balance of the allocated assets, the financing expenses for the operating assets are classified as cost of revenues, and the financing expenses for other assets are classified as other expense.	(iii) Methods for allocating financing expenses Same as at left
5. Valuation of assets and liabilities of consolidated subsidiaries	Assets and liabilities of the consolidated subsidiaries are initially recorded at fair value.	―――
6. Amortization of Goodwill	Goodwill is amortized by the straight-line method over 5 years or 10 years except for ones which have no material impact on financial statements.	―――
7. Cash and Cash Equivalents	For the purpose of the consolidated statement of cash flows, the Company considers all highly liquid investments with an insignificant risk of changes in value and with original maturities of three months or less to be cash equivalents.	―――

(7) Changes in Accounting Policy

Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
―――	(Accounting Standards for Asset Retirement Obligations, etc.) Effective from the current fiscal year, the Company has adopted the “Accounting Standards for Asset Retirement Obligations”(ASBJ Statement No.18, March 31,2008) and “Guidance on Accounting Standard for Asset Retirement Obligations”(ASBJ Guidance No.21, March 31, 2008). As a result, Operating income, Ordinary profit and Income before income taxes decreased by ¥9.3 million respectively.

Changes in Presentation

Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
(Note to consolidated balance sheets) Deposits received was included in “Other current assets” under current liabilities on the consolidated balance sheet of the fiscal year 2009, however, it was separately disclosed in the fiscal year 2010 since the amount exceeded 5% of total liabilities and net assets. Deposits received which had been included in “Other current assets” under current liabilities in the fiscal year 2009 was ¥608.5 million. Reserve for insurance policy was included in “Other long-term liabilities” under long-term liabilities on the consolidated balance sheet of the fiscal year 2009, however, it was separately disclosed in the fiscal year 2010 since the amount exceeded 5% of total liabilities and net assets. Reserve for insurance policy which had been included in “Other long-term liabilities” under long-term liabilities in the fiscal year 2009 was ¥170.1 million. ―――	(Note to consolidated balance sheets) Accrued income was included in “Other current assets” under current assets on the consolidated balance sheet of the fiscal year 2010, however, it was separately disclosed in the fiscal year 2011 since the amount exceeded 5% of total assets. Accrued income which had been included in “Other current assets” under current assets in the fiscal year 2010 was ¥192.7 million. (Note to consolidated statements of income) Revenues were classified into “Investment banking business”, “Reinsurance/financial business”, “Real estate related business”, and “Others” in the fiscal year 2010. Since the fiscal year 2011, Revenues has been collectively represented with the change of classification of reportable segments based on the management approach in the disclosure of Segment Information. Gain on change in equity was included in “Others” under extraordinary profit on the consolidated statement of income of the fiscal year 2010, however, it was separately disclosed in the fiscal year 2011 since the amount exceeded 10% of total extraordinary profit. Gain on change in equity which had been included in “Others” under extraordinary profit in the fiscal year 2010 was ¥14.2 million. Loss on sales of investment securities and Loss on valuation of investments in capital were included in “Others” under extraordinary loss on the consolidated statement of income of the fiscal year 2010, however, it was separately disclosed in fiscal year 2011 since the amount exceeded 10% of total extraordinary loss. Loss on sales of investment securities and Loss on valuation of investments in capital which had been included in “Others ” under extraordinary loss in the fiscal year 2010 was ¥4.3 million and ¥12.1 million, respectively. Effective from the current fiscal year, in accordance with “Accounting Standard for Consolidated Financial Statements”(ASBJ Statement No.22, December 26, 2008), the Company has adopted “Cabinet Office Ordinance about Revision of Partial Regulation for Terminology, Forms and Presentation of Consolidated Financial Statements”(Cabinet Office Ordinance No.5, March 24, 2009) and presented “Income before minority interests”.

Additional Information

Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
―――	Effective from the current fiscal year, the Company has adopted the "Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement No.25, June 30, 2010). However, the amounts of "Accumulated other comprehensive income" and "Total accumulated other comprehensive income" of the fiscal year 2010 were described the amounts of "Valuation and translation adjustments" and "Total valuation and translation adjustments".

(8) Notes to Consolidated Financial Statement

Notes to Consolidated Balance Sheets

Fiscal Year2010 (As of September 30, 2010)	**Fiscal Year2011** (As of September 30, 2011)
※1. Investment in securities of non-consolidated subsidiaries and affiliates are as follows: (Thousands of yen) Investment in securities, trade (other securities) ¥30,334 Investments in capital ¥365	※1. Investment in securities of non-consolidated subsidiaries and affiliates are as follows: (Thousands of yen) Investment in securities, trade ¥30 Investment in securities, trade (other securities) ¥75,806 Investments in capital ¥0
※2. Pledged assets and secured debts Assets pledged as collateral for bank loans were as follows: (Thousands of yen) Investment in securities ¥1,124,325 Total ¥1,124,325 Other than above, ¥58 million of investments in shares of subsidiaries and affiliates that were offset on the consolidated balance sheet was pledged. Collateralized loans from banks were as follows: (Thousands of yen) Long-term debt due within one year ¥80,000 Long-term debt ¥1,017,451 Total ¥1,097,451	※2. Pledged assets and secured debts Assets pledged as collateral for bank loans were as follows: (Thousands of yen) Cash and time deposit ¥92,816 Total ¥92,816 Other than above, ¥58 million of investments in shares of subsidiaries and affiliates that were offset on the consolidated balance sheet was pledged. Collateralized loans from banks were as follows: (Thousands of yen) Long-term debt due within one year ¥80,000 Long-term debt ¥40,000 Total ¥120,000
※3. Bad debts included in loans receivable (Thousands of yen) Past due loans ¥2,257,000 Past due loans are nonaccrual loans, other than loans to borrowers in legal bankruptcy and loans whose interest payments have been rescheduled in order to support the restructuring of the borrowers.	―――
4. The following special purpose companies have been consolidated due to the fact that the Company substantially assumes the majority of rights and duties as well as the risks associated with the profits and losses of those companies. • Antares Asset Godo Kaisha • Godo kaisha Sunduell Nakayama	4. The following special purpose companies have been consolidated due to the fact that the Company substantially assumes the majority of rights and duties as well as the risks associated with the profits and losses of those companies. • Godo kaisha Sunduell Nakayama • Sunduell Inasato special purpose company
※5. Trading securities include own bonds with carrying value of ¥1.1million (face value of ¥1.2million)	―――

Notes to Consolidated Statements of Income

Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
※ 1. The following is the breakdown of revenues from investment banking business: (Thousands of yen) Arrangement operations: ¥175,152 Principal finance operations: ¥109,323 Other investment banking operations: ¥32,142 Total ¥316,618	———
※2. The following is the breakdown of revenues from the reinsurance/financial guarantee businesses: (Financial Guarantee Business) (Thousands of yen) Gross guarantee fees ¥342,303 Decrease/(increase) in unearned guarantee fees — Total ¥342,303 (Reinsurance Business) (Thousands of yen) Reinsurance premiums assumed ¥518,863 Reinsurance premiums ceded ¥(26,779) Total ¥492,084	———
	※3.Research and Development expenses included in general and administrative expenses and production costs were ¥15.5million.
	※4.The contents of loss on disposition of fixed assets were as follows: (Thousands of yen) Buildings ¥46,914 Tools, furniture and fixtures ¥2,243 Total ¥49,157

Notes to Consolidated Statement of Comprehensive Income

Fiscal Year 2011(From October 1, 2010 to September 30, 2011)

※1 Comprehensive income of the previous fiscal year

	(Thousands of yen)
Comprehensive income attributable to owners of the parent	¥(2,197,102)
Comprehensive income attributable to minority interests	¥(313,897)
Total	¥(2,511,000)

※2 Other comprehensive income of the previous fiscal year

	(Thousands of yen)
Valuation difference on available-for-sale securities	¥1,477
Foreign currency translation adjustments	¥(90,385)
Total	¥(88,907)

Notes to Consolidated Statements of Changes in Net Assets

Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)

1. The type of issued stock and the number of shares

Type of stock	Number of shares as of September 30, 2009	Increases	Decreases	Number of shares as of September 30, 2010
Issued stock Common stock	1,208,135	—	—	1,208,135

2. Stock acquisition rights

Name of company	Details	Type of stock to be issued	Number of shares to be issued for the stock acquisition rights				Balance as of September 30, 2010 (Thousands of yen)
			As of September 30, 2009	Increases	Decreases	As of September 30, 2010	
FinTech Global Incorporated	Stock acquisition rights on the Euro-Yen denominated bonds issued in February 2007	Common stock	50,126 (1,702)	— (7,566)	42,560 (1,702)	7,566 (7,566)	—
	Stock acquisition rights (stock options)	—	—	—	—	—	21,811
Total			50,126 (1,702)	— (7,566)	42,560 (1,702)	7,566 (7,566)	21,811

Note:

(1) Number of shares to be issued for the stock acquisition rights represents the maximum number of shares derive through the exercise of stock acquisition rights.

(2) Equity warrants on treasury stocks are shown in parentheses.

(3) Outline of the change in the number of shares to be issued;

The decrease in the number of stock acquisition rights on the Euro-Yen denominated bonds with stock acquisition rights issued in February 2007 is due to retirement by purchase and advance redemption. Also the increase in the number of equity warrants on treasury stocks is due to acquisition by subsidiaries and the decrease in the number is due to cancellation on bond with stock acquisition rights.

(4) The first day of the exercise period for the part of the fifth Stock acquisition rights, the sixth Stock acquisition rights and the seventh acquisition rights has not yet arrived.

3. Dividends

(1) Dividends paid

Not applicable

(2) Dividends of which the record date falls in the current fiscal year but the effective date falls in the following fiscal year.

Not applicable

Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)

1. The type of issued stock and the number of shares

Type of stock	Number of shares as of September 30, 2010	Increases	Decreases	Number of shares as of September 30, 2011
Issued stock Common stock	1,208,135	908	—	1,209,043

Outline of fluctuation

The details of fluctuation are as follows:

	(Shares)
Increase due to exercise of stock acquisition right (stock options)	383
Increase due to exercise of stock acquisition rights	525

2. The type of treasury stocks and the number of shares

Type of stock	Number of shares as of September 30, 2010	Increases	Decreases	Number of shares as of September 30, 2011
Issued stock Common stock	—	20,000	2,600	17,400

Outline of fluctuation

The details of fluctuation are as follows:

	(Shares)
Increase due to inclusion in the scope of consolidation of a subsidiary which has treasury stocks	20,000
Decrease due to disposal by sale of a subsidiary which has treasury stocks to a third party	2,600

3. Stock acquisition rights

Name of company	Details	Type of stock to be issued	Number of shares to be issued for the stock acquisition rights				Balance as of September 30, 2011 (Thousands of yen)
			As of September 30, 2010	Increases	Decreases	As of September 30, 2011	
FinTech Global Incorporated	Stock acquisition rights on the Euro-Yen denominated bonds issued in February 2007	Common stock	7,566 (7,566)	—	7,566 (7,566)	—	—
	Stock acquisition rights (stock options)	—	—	—	—	—	18,091
Total			7,566 (7,566)	—	7,566 (7,566)	—	18,091

Note:

(1) Number of shares to be issued for the stock acquisition rights represents the maximum number of shares derived through the exercise of stock acquisition rights.

(2) Equity warrants on treasury stocks are shown in parentheses.

(3) Outline of the change in the number of shares to be issued;

The decrease in the number of stock acquisition rights on the Euro-Yen denominated bonds with stock acquisition rights issued in February 2007 is due to retirement by purchase. Also the decrease in the number is due to cancellation on bond with stock acquisition rights.

(4) The first day of the exercise period for the part of the fifth Stock acquisition rights, the seventh Stock acquisition rights and the eighth Stock acquisition rights has not yet arrived.

4. Dividends

(1) Dividends paid

Not applicable

(2) Dividends of which the record date falls in the current fiscal year but the effective date falls in the following fiscal year.

Resolution	Type of stock	Fund of dividends	Total amount of dividends (Thousand of yen)	Dividends per share (Yen)	Record date	Effective date
General shareholders' meeting on December 21, 2011	Common stock	Retained earnings	120,904	100	September 30, 2011	December 22, 2011

Notes to Consolidated Statements of Cash Flows

Fiscal year 2010 (From October 1, 2009 to September 30, 2010)	**Fiscal year 2011** (From October 1, 2010 to September 30, 2011)
※ 1. Cash and cash equivalents was computed as follows: (As of September 30, 2010) (Thousands of yen) Cash and time deposits ¥829,661 Cash and cash equivalents ¥829,661	※ 1. Cash and cash equivalents was computed as follows: (As of September 30, 2011) (Thousands of yen) Cash and time deposits ¥1,804,161 Time deposits pledged as collateral ¥(92,816) Cash and cash equivalents ¥1,711,345

Segment Information

1. Segment information by business

Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)

(Thousands of yen)

	Investment banking business	Reinsurance/ financial guarantee business	Real estate related business	Other business	Total	Elimination or corporate	Consolidated total
I Revenues and operating income							
Revenues							
(1) Revenues to third party	316,618	834,388	2,141,928	172,562	3,465,497	—	3,465,497
(2) Inter-segment revenues	65,063	—	—	—	65,063	(65,063)	—
Total	381,682	834,388	2,141,928	172,562	3,530,561	(65,063)	3,465,497
Operating expenses	2,716,486	1,014,844	1,905,419	377,116	6,013,867	(41,517)	5,972,349
Operating income (loss)	(2,334,803)	(180,456)	(236,508)	(204,553)	(2,483,305)	(23,546)	(2,506,852)
II Assets, depreciation, and capital expenditure							
Assets	7,301,356	3,384,258	2,643,828	167,524	13,496,968	(6,144,538)	7,352,430
Depreciation	45,007	4,523	23,587	80,691	153,810	—	153,810
Capital expenditure	3,161	8,129	3,750	10,150	25,190	—	25,190

Notes: 1. Business segments are grouped according to the market similarities.
2. Main business activities in each segment
(1) Investment banking business: Arrangement operations, principal finance operations, and other investment banking operations
(2) Reinsurance/financial guarantee business: Credit enhancement, real estate guarantor and reinsurance underwriting services
(3) Real estate related business: Real estate development, trade, lease and brokerage
(4) Other business: Sale and development of software for public accounting and consulting services
3. There are no non-allocable operating expenses in “elimination or corporate”.
4. There are no corporate assets in “elimination or corporate”.

2. Segment information by geographical areas

Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)

(Thousands of yen)

	Japan	Europe and America	Total	Elimination or corporate	Consolidated total
I Revenues and operating income					
Revenues					
(1) Revenues to third party	2,973,412	492,084	3,465,497	—	3,465,497
(2) Inter-segment revenues	—	—	—	—	—
Total	2,973,412	492,084	3,465,497	—	3,465,497
Operating expenses	4,864,644	1,130,401	5,995,046	(22,696)	5,972,349
Operating income	(1,891,232)	(638,316)	(2,529,549)	22,696	(2,506,852)
II Assets	6,917,594	4,586,838	11,504,433	(4,152,003)	7,352,430

Notes: 1. National and regional segments are grouped according to the geographical proximity.
2. Countries and regions associated with the geographical segments outside of Japan
Europe and America: Switzerland, Bermuda and the Channel Islands
3. There are no non-allocable operating expenses in “elimination or corporate”.
4. There are no corporate assets in “elimination or corporate”.

3. Overseas Sales

Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)

	Europe and America	Total
I Overseas net revenues (Thousand of yen)	¥492,084	¥492,084
II Consolidated net revenues (Thousands of yen)	—	¥3,465,497
III Percentage of Overseas net revenues to Consolidated net revenue (%)	14.2	14.2

Notes: 1. National and regional segments are grouped according to the geographical proximity.
2. Countries and regions associated with the geographical segments outside of Japan
Europe and America: Bermuda
3. Overseas net revenues consist of the revenues of the Company and consolidated subsidiaries outside of Japan.

Segment Information

1.Outline of reportable segments

Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)

Reportable segments of the Company are the units of our group company of which financial information is obtainable separately, and are the objectives for our managements to review regularly to allocate its management resources and evaluate business performance.

Our group's core businesses are "Investment Banking Business", "Asset Management and Advisory Business", and "Public Finance-related Business". Each business is carried out by subsidiaries. In addition, there are two more businesses. One is "Principal Financing Business" which the Company carries out self-investment and lending. Another is "Other Investment Business" which gain profits from projects targeted for investment. Accordingly, there are five reportable segments.

The major business activities of each segment are as follows:

- Investment Banking Business
  Financial arrangement and advisory services, Execution services, Securities business,
- Asset Management and Advisory Business
  Asset management services (investment management in real estates and venture businesses etc.), Financial advisory services, Fund-raising and financial improvement consulting services, M&A advisory services
- Public Finance-related Business
  Development, sale, and introduction consultation on the implementation of public accounting systems, Consultation on public reform, Public financing business
- Principal Financing Business
  Principal investment and lending
- Other Investment Business
  Business by operating companies for the purpose of portfolio investment other than core businesses

2.Method used to calculate the amount of revenues, profits or losses, assets and other items of each reportable segment

Process of accounting of each reportable segment is the same as that is stated in "Significant Policies in Preparation of Consolidated Financial Statements". The amounts of segment income are based on operating income.

3.Information on revenues, incomes(losses), assets and other items by reportable segments

Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)

Effective from the current fiscal year, the Company has adopted "Accounting Standard for Disclosures about Segments of on Enterprise and Related Information" etc. Segment information of the previous fiscal year based on segments of the current fiscal year is not stated because it is practically difficult to trace back to necessary financial data of the previous fiscal year. Also, Segment information of the current fiscal year based on segments of the previous fiscal year is not stated because it is practically difficult to extract necessary financial data.

Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)

(Thousands of yen)

	Reportable segments						Adjustment Note:1,3	Total
	Investment Banking Business	Asset Management and Advisory business	Public Finance -related Business	Principal Financing Business	Other Investment Business	Total		
Revenues								
Revenues to third party	415,673	446,409	202,108	3,996,724	1,927,281	6,988,197	—	6,988,197
Inter-segment revenues	32,944	8,415	6,214	9,085	3,600	60,258	(60,258)	—
Total	448,617	454,824	208,323	4,005,809	1,930,881	7,048,456	(60,258)	6,988,197
Segment income(loss)	91,409	(52,270)	(42,528)	1,865,397	31,926	1,893,932	(617,243)	1,276,688
Segment asset	285,808	476,737	150,005	2,356,882	2,570,576	5,840,009	1,842,485	(7,682,494)
Other items								
Depreciation	79	3,213	2,957	—	15,326	21,577	35,504	57,081
Increase on Tangible fixed assets and Intangible fixed assets	2,341	155,710	2,732	28,564	8,020	197,370	93,810	291,181

Note: 1. Adjustment of Segment income (loss) of ¥(617.2) million includes elimination of transactions among segments of ¥387.5 million and corporate expenses of ¥(1,004.7) million which do not allocate to reportable segments. The corporate expenses are mainly general and administrative expenses which do not belong to reportable segments.

2. Segment income (loss) adjusts with Quarterly Consolidates Statements of Income. Investment Banking Business, Asset Management and Advisory, and Public Finance-related Business bear the expenses of management service fees to FinTech Global Incorporated, amounting to ¥180 million, ¥184.8 million, and ¥18 million, respectively.

3. Adjustment of Segment asset of ¥1,842.4 million is corporate assets of ¥1,842.4 million which do not allocate to each reportable segment.

Related Information

__**Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)**__

1.Information by product and service

Segments by product and service are the same as reportable segments, therefore the description is omitted.

2. Information by area

(1)Revenues

(Thousands of yen)

Japan	Europe and America	Total
5,579,420	1,408,776	6,988,197

(2)Tangible fixed assets

There are no fixed assets in countries and regions associated with the geographical segments outside of Japan, therefore the description is omitted.

3. Information by major customers

(Thousands of yen)

Name of customer	Revenues	Related segment
Urban Renaissance Agency	3,107,141	Principal Financing Business
Lloyd’s Syndicate HDU 382	1,408,776	Other Investment Business
Suncity Co., ltd	804,485	Principal Financing Business

Information about impairment loss by reportable segments

__**Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)**__

Not applicable

Information about amortization and balance amount of goodwill by reportable segments

__**Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)**__

(Thousands of yen)

	Reportable Segment						Others	Corporate or Elimination	Total
	Investment Banking Business	Asset Management and Advisory business	Public Finance -related Business	Principal Financing Business	Other Investment Business	Total			
Amortization during the current fiscal year	2,341	12,935	28,179	28,564	43,396	115,418	—	—	115,418
Balance amount at the year-end	—	142,290	49,314	—	281,904	473,509	—	—	473,509

Information about gain on negative goodwill by reportable segments

Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)
Not applicable

Additional Information

Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)
Effective from the current fiscal year, the Company has adopted "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No.17, March 27, 2009) and "Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No.20, March 21, 2008).

Per Share Information

Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
(Yen) Net assets per share ¥2,024.72 Net loss per share ¥1,798.88 Net income (diluted) per share is not presented in the fiscal year 2010 due to the net loss per share.	(Yen) Net assets per share ¥3,152.23 Net income per share ¥1,168.69 Net income (diluted) per share ¥1,168.05

Note: Underlying information for calculation of net income (loss) per share and net income per share after adjusting for dilution effects are as follows:

Items	**Fiscal Year 2010** (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
Net income (Net loss) per share		
Net income (loss) (Thousands of yen)	¥(2,172,834)	¥1,404,046
Amounts not attributable to ordinary shareholders (Thousands of yen)	453	453
Net income (loss) for common stock (Thousands of yen)	(2,173,287)	1,403,593
Average number of common stock (Share)	1,208,135	1,200,992
Net income per share after adjusting for dilution effects		
Adjusting amounts of net income (Thousand yen)	—	—
Detail of increase on common stock (Share) Preemptive right Stock acquisition right	 — —	 485 182
Number of increase on common stock (Share)	—	667

Items	**Fiscal Year 2010** (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
Detail of potential common stock excluded from the calculation of the diluted net income per share as a result of non-dilution effects	FinTech Global Incorporated: Stock acquisition rights (Stock options) based on the special resolution at the shareholders' meeting held on December 25, 2001: (Common stock: 725shares) Stock acquisition rights (Stock options) issued on December 1, 2004 and December 14, 2004 based on the special resolution at the shareholders' meeting held on June 16, 2004: 448 units (Common stock: 33,600 shares) Stock acquisition rights (Stock options) issued on December 2, 2005 based on the special resolution at the shareholders' meeting held on December 3, 2004: 78 units (Common stock: 5,850 shares) Stock acquisition rights (Stock options) issued on April 27, 2006 based on the special resolution at the shareholders' meeting held on December 20, 2005: 75 units (Common stock: 375shares) Stock acquisition rights on Euro-Yen convertible bonds with stock acquisition rights issued on February 8, 2007: 120 units (Common stock: 7,566shares) Stock acquisition rights (Stock options) issued on June 4, 2007 based on the special resolution at the shareholders' meeting held on December 20, 2006: 718 units (Common stock: 718 shares) Stock acquisition rights (Stock options) issued on December 29, 2008 based on the special resolution at the shareholders' meeting held on December 19, 2008: 214 units (Common stock: 214 shares) Stock acquisition rights (Stock options) issued on December 28, 2009 based on the special resolution at the shareholders' meeting held on December 18, 2009: 240 units (Common stock: 240 shares)	FinTech Global Incorporated: Stock acquisition rights (Stock options) issued on December 1, 2004 and December 14, 2004 based on the special resolution at the shareholders' meeting held on June 16, 2004: 440 units (Common stock: 33,000 shares) Stock acquisition rights (Stock options) issued on December 2, 2005 based on the special resolution at the shareholders' meeting held on December 3, 2004: 78 units (Common stock: 5,850 shares) Stock acquisition rights (Stock options) issued on June 4, 2007 based on the special resolution at the shareholders' meeting held on December 20, 2006: 543 units (Common stock: 543 shares)

Subsequent Events

Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
(Reduction of capital stock and additional paid-in capital) The company has determined at the board meeting on Nov. 12, 2010 that “reduction of capital stock and additional paid- in capital and disposal of surplus” is to be discussed at general shareholders' meeting which is expected to be held on Dec. 21, 2010. 1.Purpose of reduction of capital stock and additional paid-in capital For the purpose of covering losses carried forward, achieving good financial standing, and securing flexibility and mobility in capital policy such as dividends, capital stock and additional paid-in capital are reduced and such amount of other capital surplus is transferred to retained earnings carried forward in order to clear losses carried forward. 2. Amount of reduced capital stock and additional paid-in capital ¥8,454,298,746 of capital stock ¥10,764,317,950 as of Sep. 30, 2010 and all additional paid-in capital ¥10,351,900,000 are reduced. This amount is to be transferred to other capital surplus. 3. Method for reducing capital stock and additional paid-in capital Only the amount of capital stock and additional paid-in capital is to be reduced without changing the total number of issued stock. 4. Disposal of surplus Appropriate for covering losses by transferring all other capital surplus ¥18,806,198,746 increased due to above mentioned in section 2 to retained earnings carried forward. 5 Schedule ① Nov. 12, 2010 Board meeting resolution ② Dec. 21, 2010 General shareholders' meeting resolution (scheduled) ③ Dec. 24, 2010 Creditors objection publication (scheduled) ④ Jan. 24, 2011 Final due date for creditors objection publication (scheduled) ⑤ Jan. 25, 2011 Date of coming into force (scheduled)	―――

Non-consolidated Financial Statements
FinTech Global Incorporated
As of and for the year ended September 30, 2011

(1) Non-consolidated Balance Sheets

(Unit: Thousands of yen)

	Fiscal Year 2010 (As of September 30, 2010)	**Fiscal Year 2011** (As of September 30, 2011)
(Assets)		
Current assets		
Cash and time deposits	344,469	425,683
Accounts receivable, trade	631	105
Investments in securities, trade	5,864,973	799,007
Real estate for sale	1,630,622	284,078
Prepaid expenses	34,225	28,463
Loans receivable, trade	5,654,379	2,718,194
Short-term loans, receivable	57,628	146,127
Accounts receivable	—	758,545
Other current assets	53,673	6,541
Allowance for doubtful accounts	(8,880,782)	(2,100,208)
Total current assets	4,759,820	3,066,538
Fixed assets		
Property, plant and equipment		
Buildings	179,543	150,059
Accumulated depreciation	(80,036)	(52,851)
Buildings, net	99,507	97,207
Tools, furniture and fixtures	156,214	176,392
Accumulated depreciation	(115,130)	(116,521)
Tools, furniture and fixtures, net	41,083	59,871
Total property, plant and equipment	140,590	157,079
Intangible fixed assets		
Software	12,688	10,151
Other intangible fixed assets	532	532
Total intangible fixed assets	13,221	10,684
Investments and other Assets		
Investments in securities, trade	8,975	8,007
Investments in shares of subsidiaries and affili ates	2,931,792	3,343,520
Other investments in subsidiaries and affiliates	49	49
Investments in capital	110,973	67,778
Long-term loans receivable	70,167	74,507
Long-term period expenses	291	188
Security deposits	197,632	181,571
Others	749	457
Total investments and other assets	3,320,631	3,676,079
Total fixed assets	3,474,443	3,843,843
Total assets	8,234,264	6,910,381

(Unit: Thousands of yen)

	Fiscal Year 2010 (As of September 30, 2010)	**Fiscal Year 2011** (As of September 30, 2011)
(Liabilities)		
Current liabilities		
Short-term debt	1,149,175	1,287,026
Long-term debt due within one year	45,000	—
Accrued liabilities	1,092,051	1,155,402
Accrued expenses	69,197	8,663
Income taxes payable	29,362	1,210
Deposits from customers	1,176,626	483,602
Advance receipts	1,056,461	1,575
Advance received profit	2,467	—
Accrued employee bonuses	40,000	10,398
Other current liabilities	5,808	30,074
Total current liabilities	4,666,151	2,977,952
Long-term liabilities		
Bonds with stock acquisition rights	1,200,000	—
Accrued retirement benefits	18,615	22,317
Long-term liabilities	17,666	15,951
Total long-term liabilities	1,236,281	38,268
Total liabilities	5,902,433	3,016,221
(Net assets)		
Shareholders’ equity		
Capital stock	10,764,317	2,312,384
Capital surplus		
Legal capital surplus	10,351,900	14
Total capital surplus	10,351,900	14
Retained earnings		
Other retained earnings		
Retained earnings carried forward	(18,806,198)	1,563,669
Total retained earnings	(18,806,198)	1,563,669
Total shareholders’ equity	2,310,019	3,876,068
Stock acquisition rights	21,811	18,091
Total net assets	2,331,831	3,894,160
Total liabilities and net assets	8,234,264	6,910,381

(2) Non-consolidated Statements of Income

(Unit: Thousands of yen)

	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	Fiscal Year 2011 (From October 1, 2010 to September 30, 2011)
Revenues		
Arrangement operations	175,152	—
Principal finance operations	176,089	—
Other investment banking operations	21,795	—
Guarantee operations	31,416	—
Real estate related business	629,390	—
Total revenues	1,033,845	4,474,381
Cost of revenues		
Principal finance operations	70,630	—
Real estate related business	528,177	—
Total cost of revenues	598,807	1,840,575
Gross profit/(loss)	435,037	2,633,805
Selling, general and administrative expenses		
Directors' bonuses	115,099	66,182
Salaries	267,650	118,731
Transfer to allowance for doubtful accounts	420	92,632
Transfer to provision for accrued bonuses	68,626	16,925
Retirement benefit expenses	28,595	12,609
Entertainment expenses	18,727	15,751
Advertisement expenses	2,226	64
Depreciation and amortization	44,903	35,504
Rent	181,434	209,875
Tax and dues	94,754	69,331
Commission paid	247,862	571,694
Bad debts expenses	782,365	190
Others	210,897	162,857
Total selling, general and administrative Expenses	2,063,563	1,372,350
Operating Income/(loss)	(1,628,525)	1,261,455
Other income		
Interest income	32,537	8,022
Dividends received	503	190
Commission paid for contracts	8,690	3,000
Refund of defined contribution pension	9,110	1,261
Others	5,834	1,878
Total other income	56,675	14,352
Other expenses		
Interest expense	33,600	28,271
Commission paid	163	1,862
Others	255	741
Total other expenses	34,019	30,875
Ordinary profit/(loss)	(1,605,869)	1,244,931
Extraordinary profit		
Reversal of allowance for doubtful accounts	120,964	167,780
Gain on sales of shares of subsidiaries and Affiliates	17,769	40
Gain on redemption of bonds with subscription rights to shares	448,186	298,800
Others	22,657	29,812
Total extraordinary profit	609,577	496,433

(Unit: Thousands of yen)

	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
Extraordinary loss		
Loss on sales of fixed assets	134	―
Loss on retirement of fixed assets	―	41,943
Loss on reorganization of subsidiary	243,760	―
Valuation loss on investments in subsidiaries and affiliates	1,331,130	69,311
Loss on valuation of investments in capital	―	41,837
Others	23,059	23,392
Total extraordinary loss	1,598,084	176,484
Income/(loss) before income taxes	(2,594,376)	1,564,879
Income taxes	3,800	1,210
Total income taxes	3,800	1,210
Net income/(loss)	(2,598,176)	1,563,669

(3) Statement of Changes in Net Assets

(Unit: Thousands of yen)

	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
Shareholders' equity		
Capital stock		
Balance at the end of last period	10,764,317	10,764,317
Changes during the period		
Issuance of new shares	—	2,365
Capital reduction	—	(8,454,298)
Total changes during the period	—	(8,451,933)
Balance at the end of this period	10,764,317	2,312,384
Capital surplus		
Legal capital surplus		
Balance at the end of last period	10,351,900	10,351,900
Changes during the period		
Issuance of new shares	—	14
Transfer from reserve to surplus	—	(10,351,900)
Total changes during the period	—	(10,351,855)
Balance at the end of this period	10,351,900	14
Other capital surplus		
Balance at the end of last period	—	—
Changes during the period		
Capital reduction	—	8,454,298
Transfer from reserve to surplus	—	10,351,900
Deficit disposition	—	(18,806,198)
Total changes during the period	—	—
Balance at the end of this period	—	—
Total capital surplus		
Balance at the end of last period	10,351,900	10,351,900
Changes during the period		
Issuance of new shares	—	14
Capital deduction		8,454,298
Deficit disposition	—	(18,806,198)
Total changes during the period	—	(10,351,885)
Balance at the end of this period	10,351,900	14
Retained earnings		
Other retained earnings		
Retained earnings carried forward		
Balance at the end of last period	(16,208,021)	(18,806,198)
Change during this period		
Deficit disposition	—	18,806,198
Net income/(loss)	(2,598,176)	1,563,669
Total changes during this period	(2,598,176)	20,369,868
Balance at the end of this period	(18,806,198)	1,563,669
Total retained earnings		
Balance at the end of last period	(16,208,021)	(18,806,198)
Change during this period		
Deficit disposition	—	18,806,198
Net income/(loss)	(2,598,176)	1,563,669
Total changes during this period	(2,598,176)	20,369,868
Balance at the end of this period	(18,806,198)	1,563,669
Total shareholders' equity		

(Unit: Thousands of yen)

	Fiscal Year 2010 (From October 1, 2009 to September 30, 2010)	**Fiscal Year 2011** (From October 1, 2010 to September 30, 2011)
Balance at the end of last period	4,908,196	2,310,019
Change during this period		
Issuance of new shares	—	2,379
Net income/(loss)	(2,598,176)	1,563,669
Total changes during this period	(2,598,176)	1,566,049
Balance at the end of this period	2,310,019	3,876,068
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of last period	(1,477)	—
Change during this period		
Net changes of items other than shareholders' equity	1,477	—
Total changes during this period	1,477	—
Balance at the end of this period	—	—
Stock acquisition rights		
Balance at the end of last period	20,572	21,811
Change during this period		
Net changes of items other than shareholders' equity	1,239	(3,720)
Total changes during this period	1,239	(3,720)
Balance at the end of this period	21,811	18,091
Total net assets		
Balance at the end of last period	4,927,291	2,331,831
Change during this period		
Issuance of new shares	—	2,379
Net income/(loss)	(2,598,176)	1,563,669
Net changes of items other than shareholders' equity	2,716	(3,720)
Total changes during this period	(2,595,459)	1,562,329
Balance at the end of this period	2,331,831	3,894,160

(4) Assumption of a Going Concern

Not applicable

(5) Change of Board member

This will be disclosed once the details are concluded.