

July 29, 2021

# 1st Quarter of Year Ending March 31, 2022 Results Briefing

The objective of the document is to provide information on the results of the 1st quarter of fiscal year ending March 31, 2022 and not to offer investments in securities issued by Okasan Securities Group Inc. The document has been prepared based on data as of the end of June 2021. Okasan Securities Group Inc. does not accept responsibility for any omissions or errors in data, statements, etc. in this document. The opinions and forecasts included in the document are based on our judgments at the time of writing. We make no guarantees regarding the accuracy or completeness of the information, which is subject to change without notice.

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# **01. Business Results Overviews (Consolidated)**

# Financial highlights of 1st quarter of fiscal year ending March 2022

(Cumulative: Three months from April 1, 2021 to June 30, 2021)

\*From this 1st quarter of FY ending March 2022, P/L of Securities Japan, Inc. is consolidated.

<Year-on-year comparison (vs. 1st quarter of FY ended March 2021 (Cumulative: Three months from April 1, 2020 to June 30, 2020))>

- Operating revenues rose 15.0% year on year (YoY). Over the same period, net operating revenues rose 15.2%. Increase of trading profits from foreign equities, as well as investment trust related profits drove revenue growth.
- Selling, general, and administrative expenses rose 12.5% over the same period due to higher personnel and trading-related expenses.
- Due to the effect of higher revenue, operating income increased by 2.4 times YoY. Ordinary income rose 73.8% YoY.
- Net income attributable to owners of parent was down 17.7% YoY to 433 million yen.  
Reversal of security transaction responsibility reserve was recorded as extraordinary profit in 1Q of FY21.3.

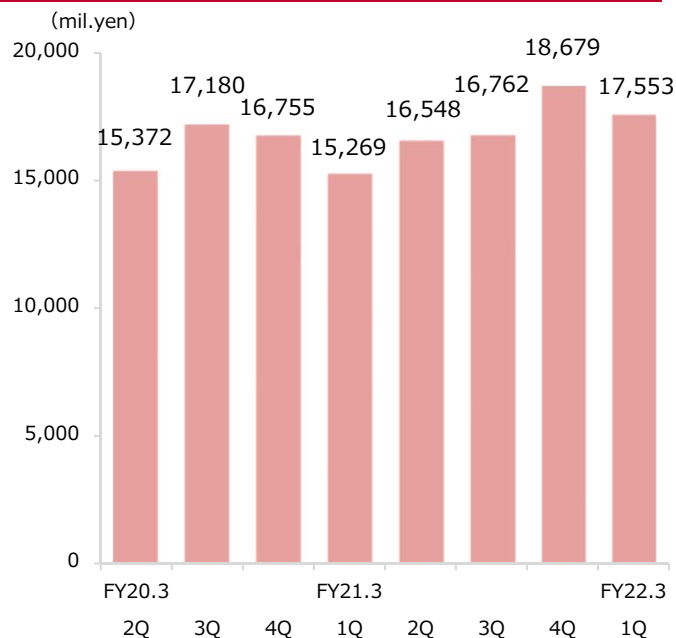
	(In millions of yen)				(In millions of yen)				
	FY21.3				FY22.3	vs.FY21.3	FY21.3		
	1Q	2Q	3Q	4Q	1Q	4Q	1QTOTAL	1QTOTAL	1QTOTAL
<b>Operating Revenues</b>	15,269	16,548	16,762	18,679	<b>17,553</b>	<b>-6.0%</b>	15,269	<b>17,553</b>	<b>15.0%</b>
<b>Net operating revenues</b>	14,990	16,258	16,452	18,407	<b>17,268</b>	<b>-6.2%</b>	14,990	<b>17,268</b>	<b>15.2%</b>
<b>SG&amp;A</b>	14,673	14,915	15,451	15,962	<b>16,501</b>	<b>3.4%</b>	14,673	<b>16,501</b>	<b>12.5%</b>
<b>Operating income</b>	316	1,343	1,000	2,445	<b>767</b>	<b>-68.6%</b>	316	<b>767</b>	<b>142.1%</b>
<b>Ordinary income</b>	549	1,840	1,288	3,748	<b>955</b>	<b>-74.5%</b>	549	<b>955</b>	<b>73.8%</b>
<b>Profit attributable to owners of parent</b>	526	1,035	817	3,637	<b>433</b>	<b>-88.1%</b>	526	<b>433</b>	<b>-17.7%</b>
<b>EPS (YEN)</b>	2.66	5.23	4.13	18.39	<b>2.19</b>	–	2.66	<b>2.19</b>	–
<b>BPS (YEN)</b>	799.74	817.49	821.96	848.87	<b>831.21</b>	–	799.74	<b>831.21</b>	–
<b>ROE (annualized)</b>							1.3%	<b>1.0%</b>	–

# Performance by Quarter (Consolidated)

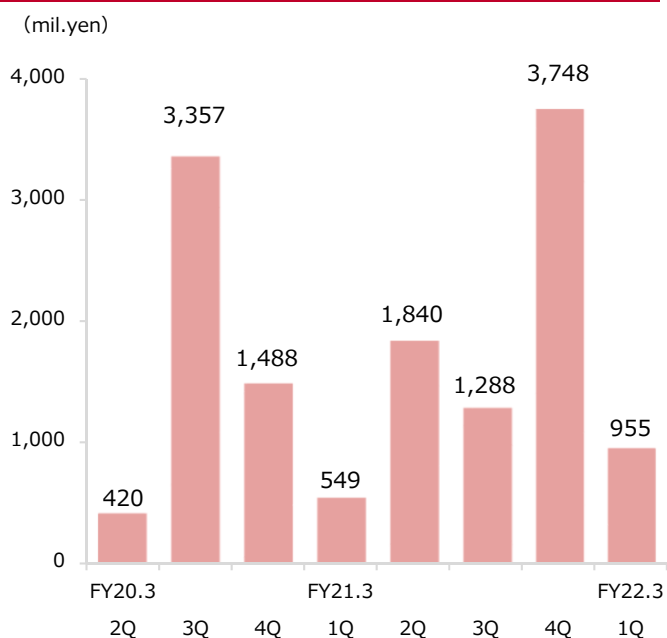
<Compared to previous quarter (vs. 4th quarter of the fiscal year ended March 2021)>

- Operating revenues decreased 6.0% from the previous quarter. Net operating revenues was down 6.2%.  
Despite of increase of investment trusts related profits, brokerage commission decreased substantially due to limited upside of Japanese stock market.
- Selling, general, and administrative expenses rose 3.4%, due to the reasons such as higher personnel and real estate expenses.
- Ordinary income dropped 74.5% QoQ in rebound of recording investment gain on equity method and so forth in the previous quarter.
- Net income attributable to owners of parent was down 88.1% to 433 million yen.  
Investment gain on equity method (Non-operating income) and gain on bargain purchase (Extraordinary gain) were recorded in the previous quarter.

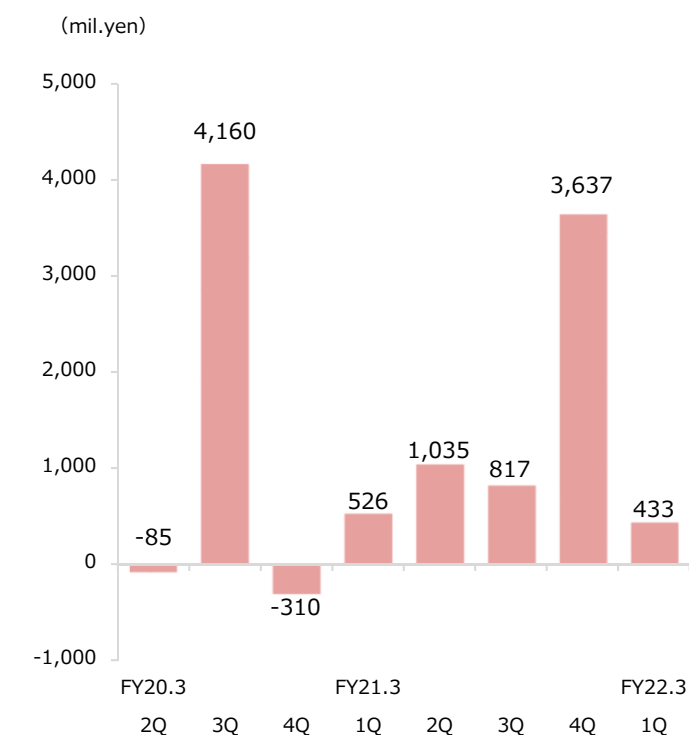
## Operating revenues (quarterly)



## Ordinary income (quarterly)



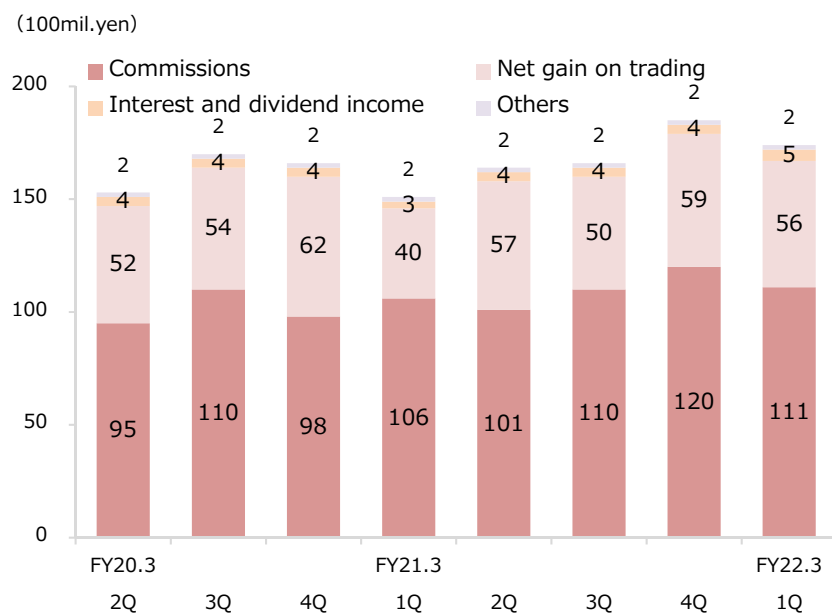
## Profit attributable to owners of parent (quarterly)



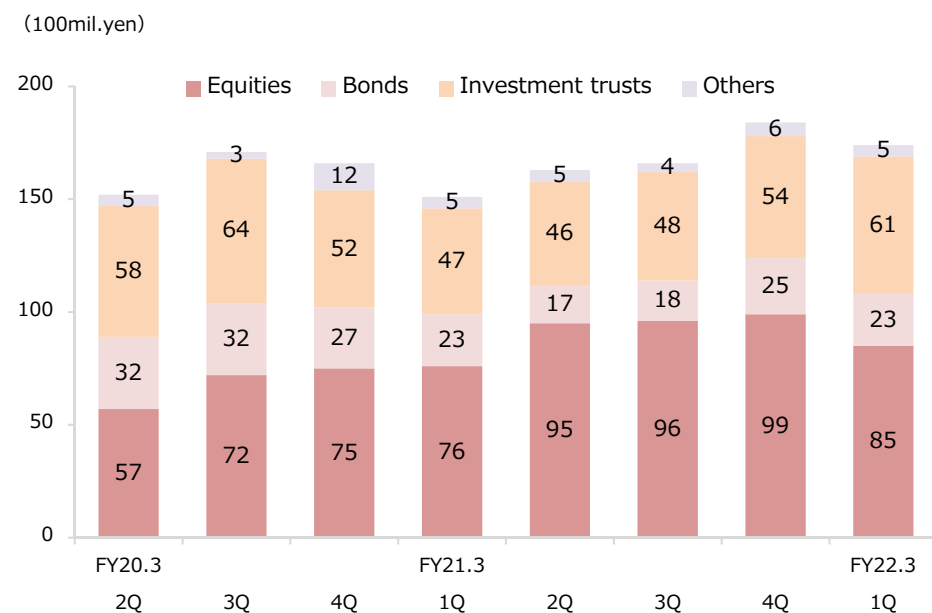
# Operating Revenues

	(In millions of yen)						(In millions of yen)		
	FY21.3				FY22.3		vs.FY21.3		
	1Q	2Q	3Q	4Q	1Q	4Q	1QTOTAL	1QTOTAL	1QTOTAL
<b>Commissions</b>	10,610	10,171	11,058	12,008	<b>11,153</b>	<b>-7.1%</b>	10,610	<b>11,153</b>	<b>5.1%</b>
Brokerage	5,669	5,165	5,864	5,876	<b>4,686</b>	<b>-20.3%</b>	5,669	<b>4,686</b>	<b>-17.3%</b>
Underwriting	45	161	109	117	<b>108</b>	<b>-8.3%</b>	45	<b>108</b>	<b>138.1%</b>
Distribution	1,716	1,506	1,599	2,114	<b>2,543</b>	<b>20.3%</b>	1,716	<b>2,543</b>	<b>48.2%</b>
Others	3,179	3,337	3,484	3,900	<b>3,815</b>	<b>-2.2%</b>	3,179	<b>3,815</b>	<b>20.0%</b>
<b>Net gain on trading</b>	4,081	5,738	5,009	5,939	<b>5,610</b>	<b>-5.5%</b>	4,081	<b>5,610</b>	<b>37.5%</b>
Equities	1,924	4,098	3,393	3,709	<b>3,522</b>	<b>-5.0%</b>	1,924	<b>3,522</b>	<b>83.0%</b>
Bonds	2,229	1,570	1,728	2,354	<b>2,122</b>	<b>-9.9%</b>	2,229	<b>2,122</b>	<b>-4.8%</b>
Others	-73	69	-112	-124	<b>-34</b>	<b>-</b>	-73	<b>-34</b>	<b>-</b>
<b>Interest and dividend income</b>	364	414	462	481	<b>531</b>	<b>10.4%</b>	364	<b>531</b>	<b>45.7%</b>
<b>Others</b>	212	223	231	250	<b>258</b>	<b>3.5%</b>	212	<b>258</b>	<b>21.9%</b>
<b>Operating revenues</b>	15,269	16,548	16,762	18,679	<b>17,553</b>	<b>-6.0%</b>	15,269	<b>17,553</b>	<b>15.0%</b>

## Quarterly change in operating revenues



## Quarterly change in operating revenues by product



# Fees and Commissions Received

## <Compared to previous quarter>

Brokerage commission declined 20.3% from the previous quarter, due to decrease of commission on both domestic and foreign equities transaction.

Underwriting commission was down 8.3%, owing to decreased underwriting amount due to the rebound of acting as lead manager of PO in the previous period.

Distribution fees climbed 20.3% due to higher investment trusts sales, such as healthcare and technology sector funds.

Other commissions was down 2.2%, though trust fees, accounting for the bulk of other commissions, grew 6.2% from the previous quarter.

## <Year-on-year comparison (cumulative)>

Brokerage commission dropped 17.3% YoY, due to decrease of commission on both domestic and foreign equities transaction.

Underwriting commission rose 138.1% YoY. Increased underwriting amount of FILP agency bonds and corporate bonds contributed to the growth.

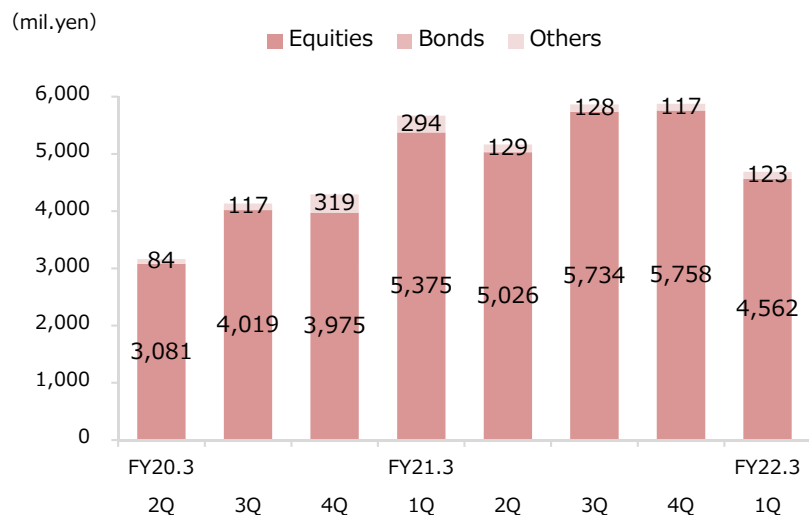
Distribution fees climbed 48.2% YoY, owing to recovery of investment trusts sales.

Other commissions increased 20.0% YoY from a rise in trust fees and other factors.

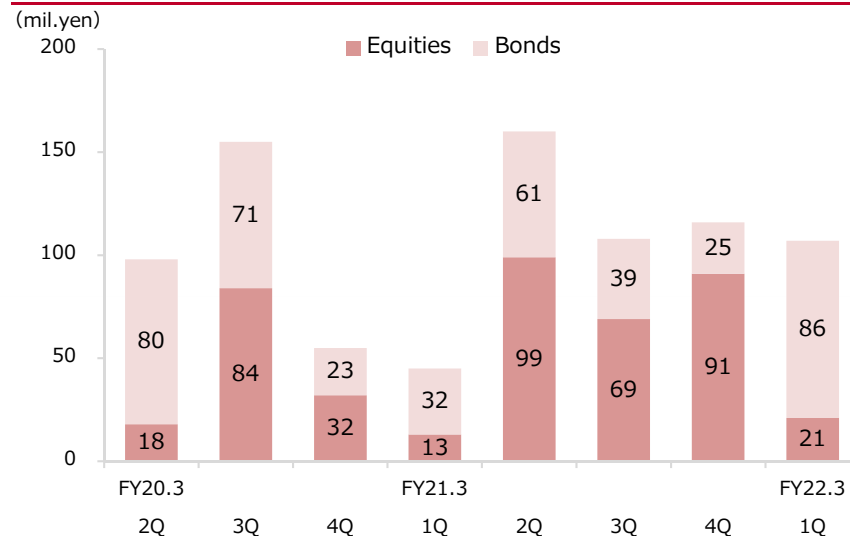
	(In millions of yen)						(In millions of yen)		
	FY21.3				FY22.3	vs.FY21.3	FY21.3	FY22.3	vs.FY21.3
	1Q	2Q	3Q	4Q	1Q	4Q	1QTOTAL	1QTOTAL	1QTOTAL
<b>Brokerage</b>	5,669	5,165	5,864	5,876	<b>4,686</b>	<b>-20.3%</b>	5,669	<b>4,686</b>	<b>-17.3%</b>
Equities	5,375	5,026	5,734	5,758	<b>4,562</b>	<b>-20.8%</b>	5,375	<b>4,562</b>	<b>-15.1%</b>
Bonds	0	9	2	0	<b>0</b>	<b>-24.2%</b>	0	<b>0</b>	<b>80.0%</b>
Others	294	129	128	117	<b>123</b>	<b>4.6%</b>	294	<b>123</b>	<b>-58.1%</b>
<b>Underwriting</b>	45	161	109	117	<b>108</b>	<b>-8.3%</b>	45	<b>108</b>	<b>138.1%</b>
Equities	13	99	69	91	<b>21</b>	<b>-77.1%</b>	13	<b>21</b>	<b>59.1%</b>
Bonds	32	61	39	25	<b>86</b>	<b>235.3%</b>	32	<b>86</b>	<b>170.7%</b>
<b>Distribution</b>	1,716	1,506	1,599	2,114	<b>2,543</b>	<b>20.3%</b>	1,716	<b>2,543</b>	<b>48.2%</b>
Beneficiary Certificates	1,712	1,488	1,575	2,102	<b>2,538</b>	<b>20.7%</b>	1,712	<b>2,538</b>	<b>48.2%</b>
<b>Others</b>	3,179	3,337	3,484	3,900	<b>3,815</b>	<b>-2.2%</b>	3,179	<b>3,815</b>	<b>20.0%</b>
Beneficiary Certificates	2,814	3,024	3,139	3,280	<b>3,484</b>	<b>6.2%</b>	2,814	<b>3,484</b>	<b>23.8%</b>
<b>Total</b>	10,610	10,171	11,058	12,008	<b>11,153</b>	<b>-7.1%</b>	10,610	<b>11,153</b>	<b>5.1%</b>

# Fees and Commissions Received by Category (Quarterly Transition)

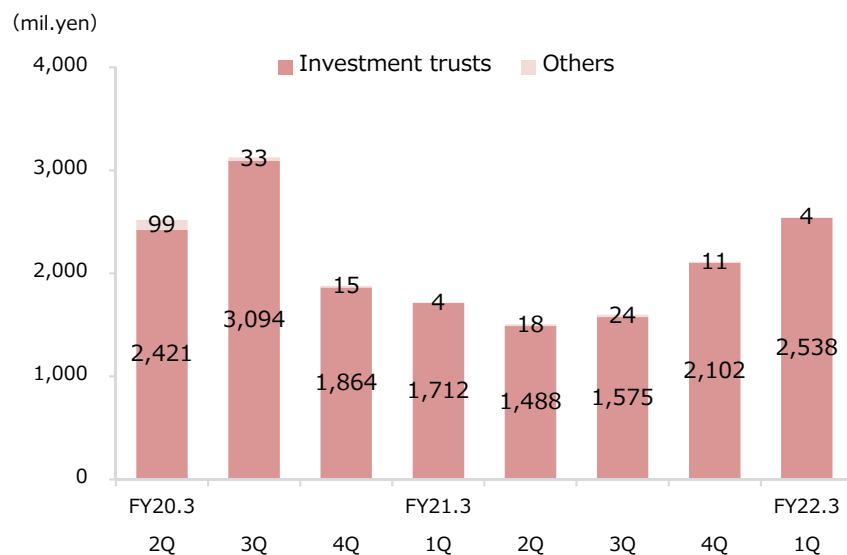
## Brokerage



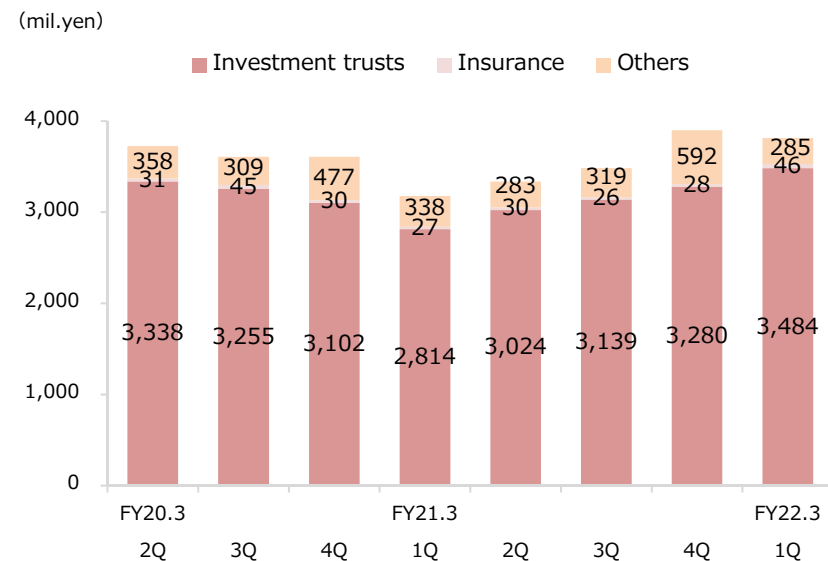
## Underwriting



## Distribution



## Others

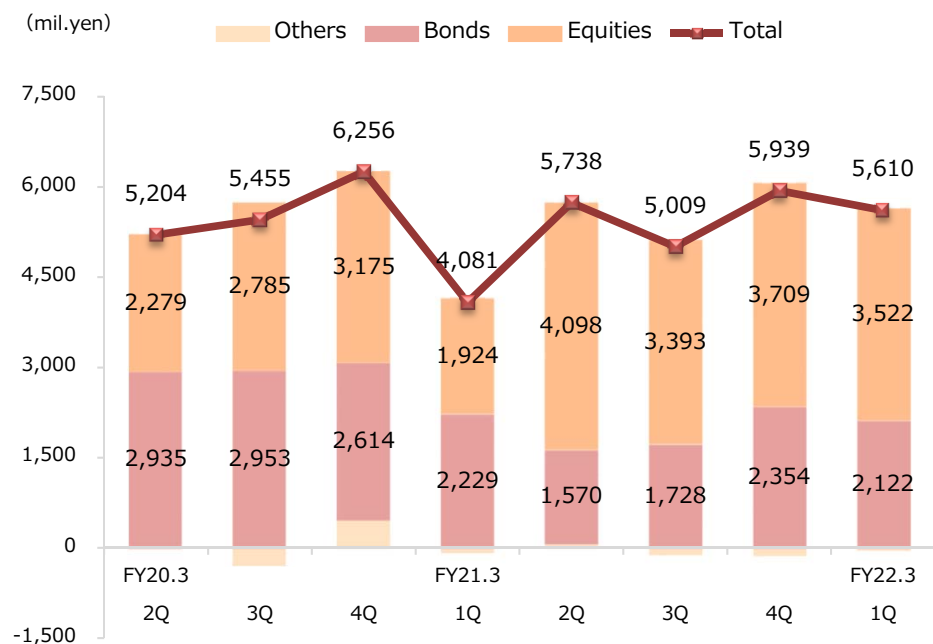




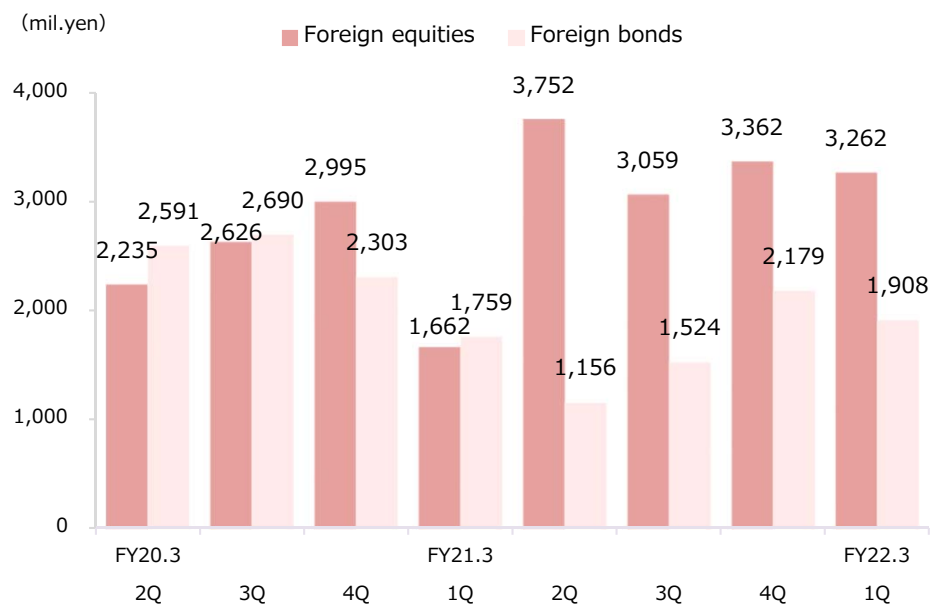
# Net Trading Income

	(In millions of yen)				(In millions of yen)		(In millions of yen)				
	FY21.3				FY22.3		vs.FY21.3		vs.FY21.3		
	1Q	2Q	3Q	4Q	1Q	4Q			FY21.3	FY22.3	vs.FY21.3
					1Q	4Q			1QTOTAL	1QTOTAL	1QTOTAL
<b>Equities</b>	1,924	4,098	3,393	3,709	<b>3,522</b>	<b>-5.0%</b>			1,924	<b>3,522</b>	<b>83.0%</b>
Domestic equities	262	345	333	347	<b>259</b>	<b>-25.3%</b>			262	<b>259</b>	<b>-1.1%</b>
Foreign equities	1,662	3,752	3,059	3,362	<b>3,262</b>	<b>-3.0%</b>			1,662	<b>3,262</b>	<b>96.2%</b>
<b>Bonds and others</b>	2,229	1,570	1,728	2,354	<b>2,122</b>	<b>-9.9%</b>			2,229	<b>2,122</b>	<b>-4.8%</b>
Domestic bonds	470	413	204	175	<b>213</b>	<b>21.8%</b>			470	<b>213</b>	<b>-54.6%</b>
Foreign bonds	1,759	1,156	1,524	2,179	<b>1,908</b>	<b>-12.4%</b>			1,759	<b>1,908</b>	<b>8.5%</b>
<b>Others</b>	-73	69	-112	-124	<b>-34</b>	<b>-</b>			-73	<b>-34</b>	<b>-</b>
<b>Net gain on trading</b>	4,081	5,738	5,009	5,939	<b>5,610</b>	<b>-5.5%</b>			4,081	<b>5,610</b>	<b>37.5%</b>

## Net gain by Products



## Net gain from foreign equities and bonds



# SG&A : Selling, General and Administrative Expenses

## <Compared to previous quarter>

Selling, general, and administrative expenses increased 3.4% from the previous quarter, due mainly to factors such as higher personnel and real estate expenses.

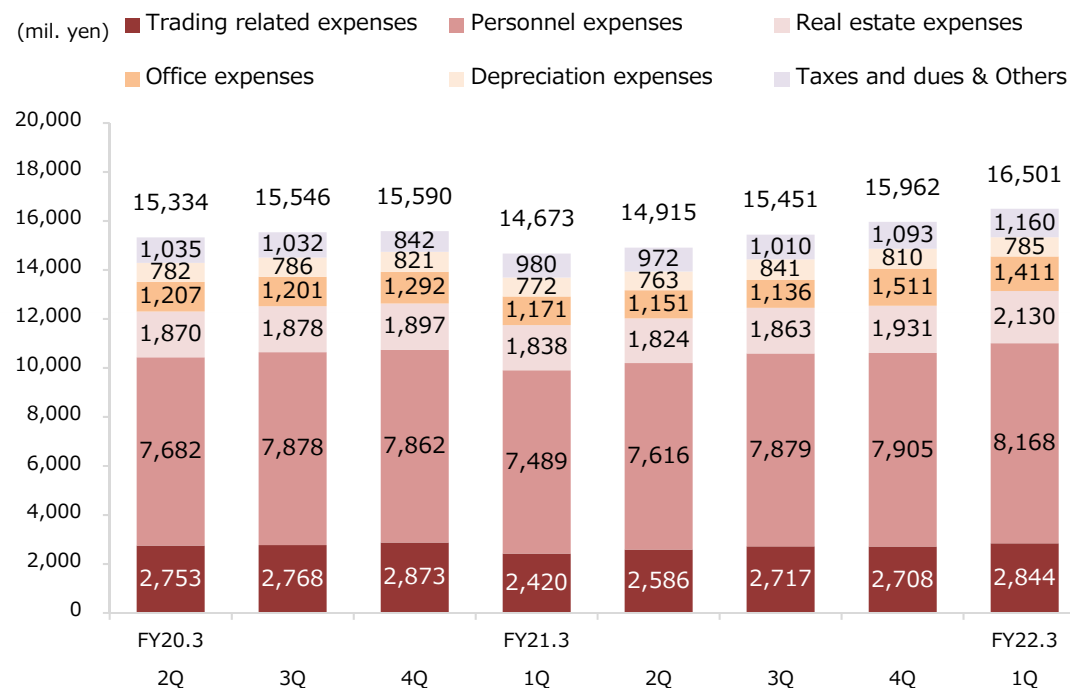
- By acquisition as a subsidiary, expenses of Securities Japan Inc. is accounted from this 1Q.
- Real estate expenses rose 10.3% over the same period due to office relocations and other factors.

## <Year-on-year comparison (cumulative)>

Selling, general, and administrative expenses increased 12.5% YoY, due mainly to factors such as higher personnel and trading related expenses.

- By acquisition as a subsidiary, expenses of Securities Japan Inc. is accounted from this 1Q.
- Office expenses rose 20.5% YoY due to core operational system transferring related expenses and other factors.

## Change in net operating revenues and SG&A



(In millions of yen)

(In millions of yen)

	FY21.3				FY22.3 vs.FY21.3	
	1Q	2Q	3Q	4Q	1Q	4Q
Trading related expenses	2,420	2,586	2,717	2,708	<b>2,844</b>	<b>5.0%</b>
Personnel expenses	7,489	7,616	7,879	7,905	<b>8,168</b>	<b>3.3%</b>
Real estate expenses	1,838	1,824	1,863	1,931	<b>2,130</b>	<b>10.3%</b>
Office expenses	1,171	1,151	1,136	1,511	<b>1,411</b>	<b>-6.6%</b>
Depreciation expenses	772	763	841	810	<b>785</b>	<b>-3.1%</b>
Taxes and dues	243	256	238	279	<b>275</b>	<b>-1.4%</b>
Others	737	716	772	814	<b>885</b>	<b>8.7%</b>
<b>SG&amp;A</b>	<b>14,673</b>	<b>14,915</b>	<b>15,451</b>	<b>15,962</b>	<b>16,501</b>	<b>3.4%</b>

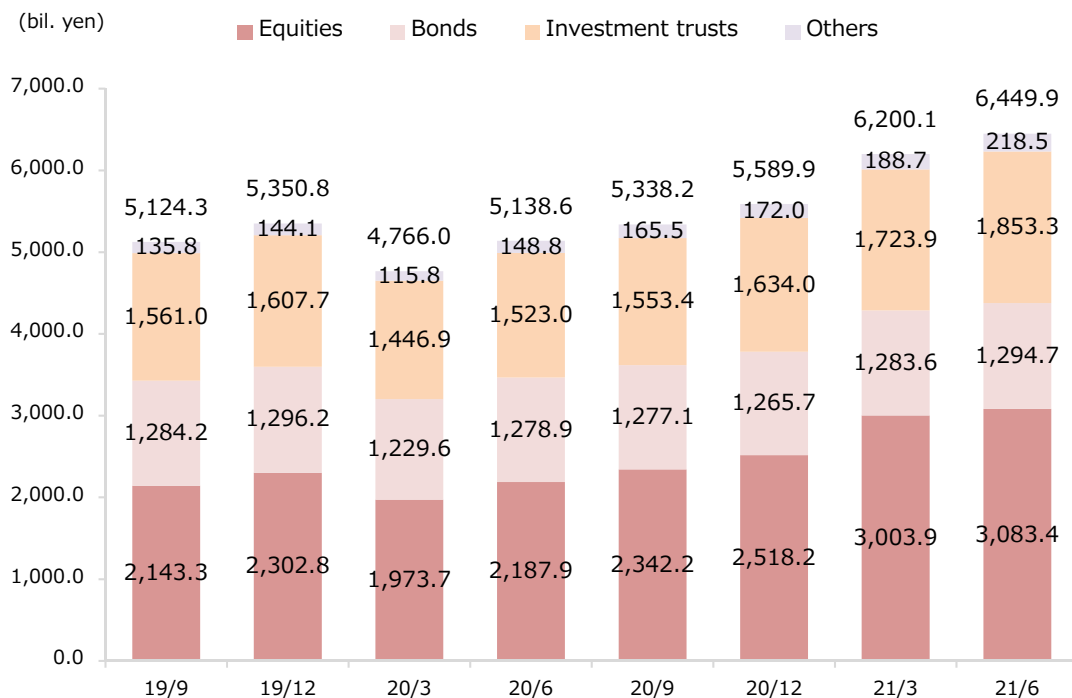
	FY21.3	FY22.3	vs.FY21.3
	1QTOTAL	1QTOTAL	1QTOTAL
Trading related expenses	2,420	<b>2,844</b>	<b>17.5%</b>
Personnel expenses	7,489	<b>8,168</b>	<b>9.1%</b>
Real estate expenses	1,838	<b>2,130</b>	<b>15.9%</b>
Office expenses	1,171	<b>1,411</b>	<b>20.5%</b>
Depreciation expenses	772	<b>785</b>	<b>1.7%</b>
Taxes and dues	243	<b>275</b>	<b>13.4%</b>
Others	737	<b>885</b>	<b>20.0%</b>
<b>SG&amp;A</b>	<b>14,673</b>	<b>16,501</b>	<b>12.5%</b>

# Assets under custody (Consolidated)

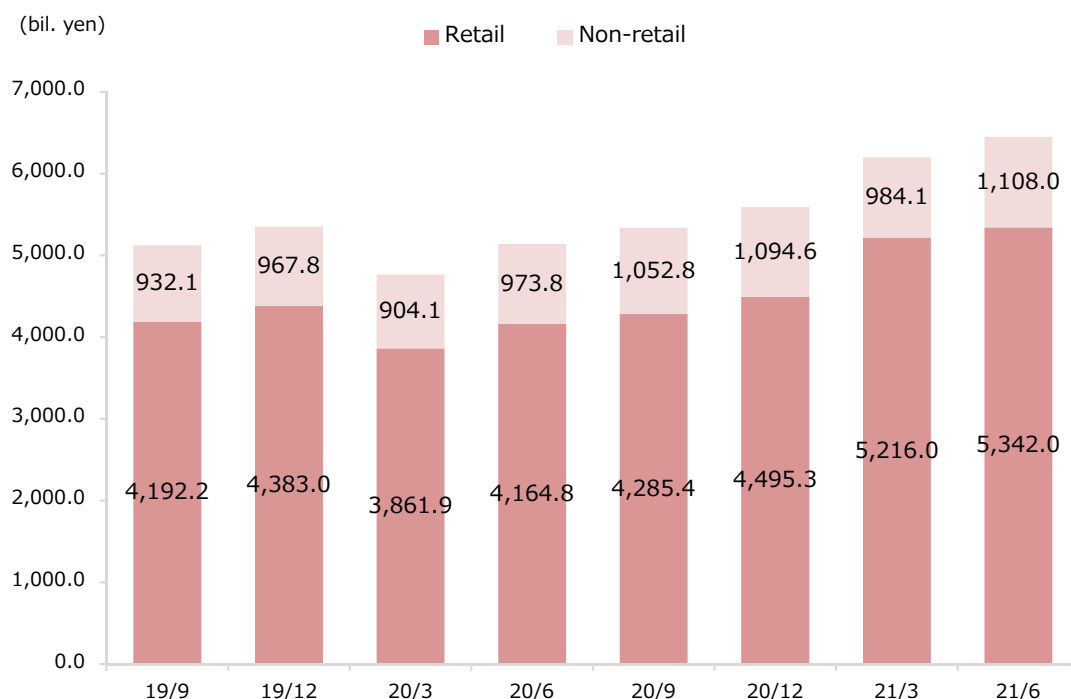
<Compared to the end of the previous fiscal year (vs. the end of March 2021)>

- On a consolidated basis, customers' assets under custody increased 249.8 billion yen from the end of the previous fiscal year to 6,449.9 billion yen.
- Current value balances grew mainly in investment trusts. Balance of assets under custody reached record high since the Company's transformation into a holding company.

## Assets under Custody



## Retail Assets under Custody



※ Including assets under custody of Securities Japan, Inc. from 21/3.

# Group status

## Results by segment

### Operating revenues

(In millions of yen)

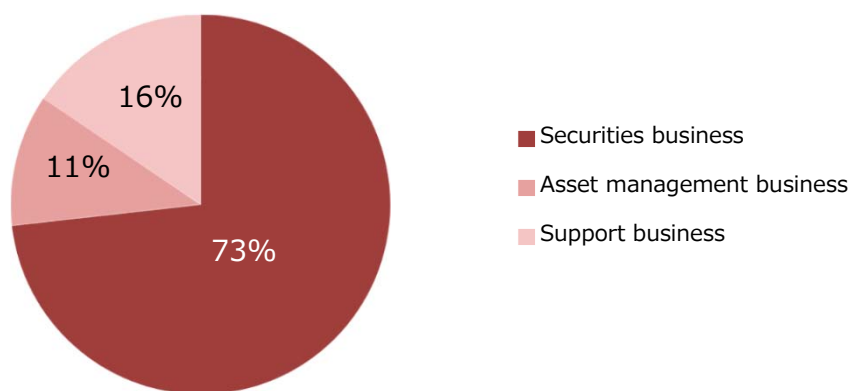
	FY21.3	FY22.3	vs.FY21.3
	1QTOTAL	1QTOTAL	1QTOTAL
Securities business	13,785	<b>15,754</b>	<b>14.3%</b>
Asset management business	2,111	<b>2,421</b>	<b>14.7%</b>
Support business	3,096	<b>3,343</b>	<b>8.0%</b>

### Net income by segment

(In millions of yen)

	FY21.3	FY22.3	vs.FY21.3
	1QTOTAL	1QTOTAL	1QTOTAL
Securities business	257	<b>578</b>	<b>124.1%</b>
Asset management business	16	<b>98</b>	<b>504.9%</b>
Support business	228	<b>325</b>	<b>42.6%</b>

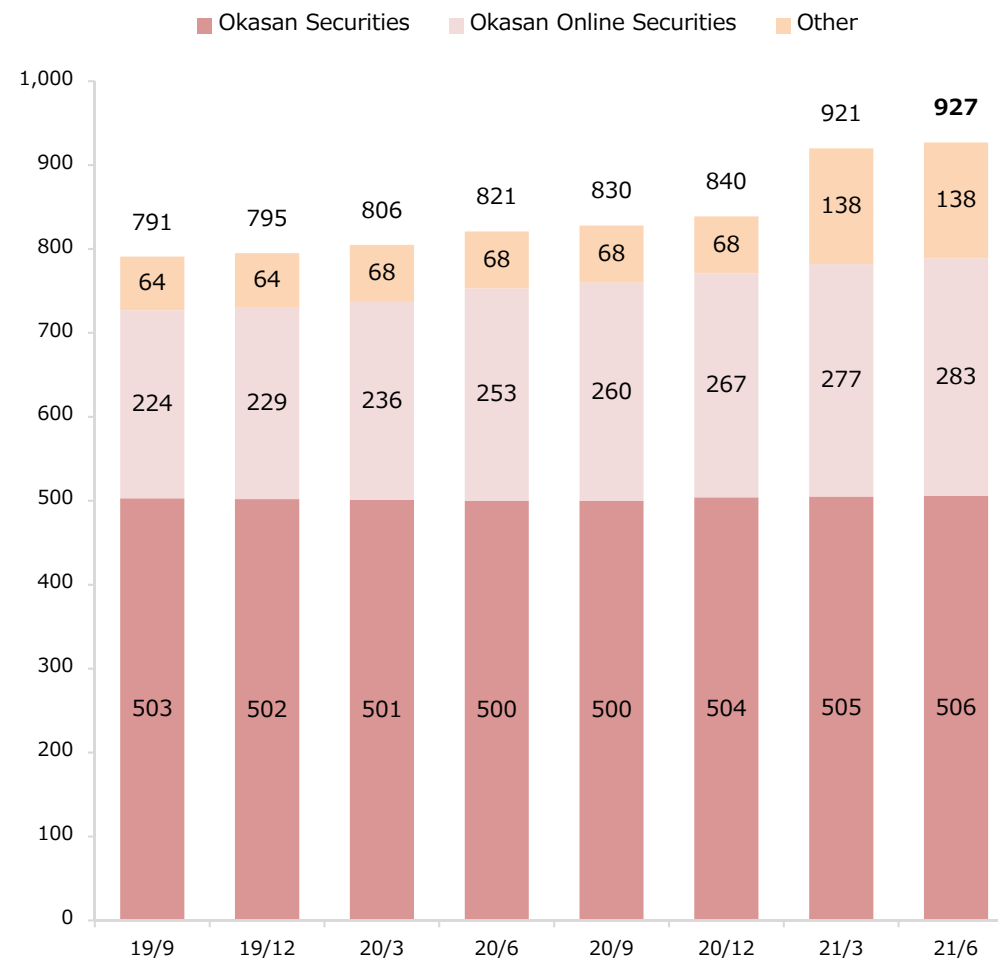
### Operating revenues



※ Above results by segment shows figures before consolidation adjustment.

## Number of accounts in the Group

(thousands accounts)



※ Including number of accounts of Securities Japan, Inc., as well as its subsidiaries Mitsui Securities and Zukawa Securities, from 21/3.

# Statement of Income

	(In millions of yen)						(In millions of yen)		
	FY21.3				FY22.3	vs.FY21.3	FY21.3	FY22.3	vs.FY21.3
	1Q	2Q	3Q	4Q	1Q	4Q	1QTOTAL	1QTOTAL	1QTOTAL
<b>Operating revenues</b>	<b>15,269</b>	<b>16,548</b>	<b>16,762</b>	<b>18,679</b>	<b>17,553</b>	<b>-6.0%</b>	<b>15,269</b>	<b>17,553</b>	<b>15.0%</b>
Commissions	10,610	10,171	11,058	12,008	11,153	-7.1%	10,610	11,153	5.1%
Net gain on trading	4,081	5,738	5,009	5,939	5,610	-5.5%	4,081	5,610	37.5%
Interest and dividend income	364	414	462	481	531	10.4%	364	531	45.7%
Service fee and other revenues	212	223	231	250	258	3.5%	212	258	21.9%
Interest expenses	278	289	310	272	285	4.8%	278	285	2.4%
Net operating revenues	14,990	16,258	16,452	18,407	17,268	-6.2%	14,990	17,268	15.2%
<b>SG&amp;A</b>	<b>14,673</b>	<b>14,915</b>	<b>15,451</b>	<b>15,962</b>	<b>16,501</b>	<b>3.4%</b>	<b>14,673</b>	<b>16,501</b>	<b>12.5%</b>
Operating income	316	1,343	1,000	2,445	767	-68.6%	316	767	142.1%
Non-operating income	267	577	327	1,326	223	-83.2%	267	223	-16.5%
Non-operating expenses	34	80	39	23	35	51.3%	34	35	1.4%
<b>Ordinary income</b>	<b>549</b>	<b>1,840</b>	<b>1,288</b>	<b>3,748</b>	<b>955</b>	<b>-74.5%</b>	<b>549</b>	<b>955</b>	<b>73.8%</b>
Extraordinary gain	228	0	-4	6,996	7	-99.9%	228	7	-96.5%
Extraordinary loss	69	95	95	6,212	289	-95.3%	69	289	313.8%
Net profit before taxes	708	1,744	1,188	4,532	674	-85.1%	708	674	-4.9%
Income taxes	194	350	225	843	224	-73.4%	194	224	15.6%
Adjustment amount for income taxes	-81	274	69	-38	-69	-	-81	-69	-
Net profit	596	1,120	893	3,727	518	-86.1%	596	518	-13.0%
Profit attributable to non-controlling interests	69	84	75	89	85	-4.7%	69	85	22.6%
<b>Profit attributable to owners of parent</b>	<b>526</b>	<b>1,035</b>	<b>817</b>	<b>3,637</b>	<b>433</b>	<b>-88.1%</b>	<b>526</b>	<b>433</b>	<b>-17.7%</b>

# Balance Sheet Summary

(In millions of yen)

	March 31, 2021	June 30, 2021	Changes from Mar.31, 2021
<b>Current assets</b>	689,017	506,942	-182,075
Cash and deposits	69,013	71,798	2,785
Cash segregated as deposits	96,687	96,822	135
Trading products	212,318	144,095	-68,223
Receivables on margin transactions	66,792	73,008	6,216
Receivables on collateralized securities transactions	223,361	99,980	-123,381
Other current assets	20,844	21,236	392
<b>Fixed assets</b>	94,422	92,315	-2,107
Tangible fixed assets	18,355	18,327	-28
Intangible fixed assets	4,624	4,298	-326
Investments and other assets	71,443	69,689	-1,754
<b>Total assets</b>	783,440	599,258	-184,182

(In millions of yen)

	March 31, 2021	June 30, 2021	Changes from Mar.31, 2021
<b>Current liabilities</b>	560,375	381,044	-179,331
Trading liabilities	157,593	99,745	-57,848
Payables on margin transactions	18,442	20,722	2,280
Payables on collateralized securities transactions	50,003	38,655	-11,348
Deposits received	67,299	77,711	10,412
Guarantee deposits received	42,198	41,453	-745
Short-term borrowings	123,559	96,756	-26,803
Other current liabilities	101,279	5,999	-95,280
<b>Fixed liabilities</b>	31,523	30,500	-1,023
Long-term borrowings	9,900	9,700	-200
Reserves for retirement benefits	6,447	6,424	-23
Other fixed liabilities	15,175	14,376	-799
<b>Financial instruments transaction reserve</b>	1,237	1,238	1
<b>Total liabilities</b>	593,136	412,783	-180,353
Common stock	18,589	18,589	-
Capital surplus	23,841	23,842	1
Retained earnings	113,877	111,346	-2,531
Treasury stock	-3,796	-3,785	11
Accumulated other comprehensive income	15,420	14,469	-951
Subscription rights to shares	422	410	-12
Minority interests	21,948	21,601	-347
<b>Total net assets</b>	190,304	186,474	-3,830
<b>Total liabilities &amp; net assets</b>	783,440	599,258	-184,182

## **02. Reference Data**

# Performance by quarter (non-consolidated: Okasan Securities)

	(In millions of yen)				(In millions of yen)		(In millions of yen)		
	FY21.3		FY22.3		vs.FY21.3		FY21.3	FY22.3	vs.FY21.3
	1Q	2Q	3Q	4Q	1Q	4Q	1QTOTAL	1QTOTAL	1QTOTAL
<b>Operating revenues</b>	<b>11,321</b>	<b>12,500</b>	<b>12,601</b>	<b>14,005</b>	<b>12,554</b>	<b>-10.4%</b>	<b>11,321</b>	<b>12,554</b>	<b>10.9%</b>
Commissions	7,242	6,785	7,423	7,991	7,001	-12.4%	7,242	7,001	-3.3%
Brokerage	4,345	3,822	4,299	4,311	3,011	-30.1%	4,345	3,011	-30.7%
Underwriting	45	161	109	117	98	-15.8%	45	98	119.6%
Distribution	1,521	1,354	1,471	1,918	2,201	14.7%	1,521	2,201	44.7%
Others	1,330	1,446	1,542	1,643	1,689	2.8%	1,330	1,689	26.9%
Net gain on trading	3,816	5,417	4,848	5,673	5,253	-7.4%	3,816	5,253	37.6%
Equities	1,722	3,855	3,318	3,514	3,227	-8.2%	1,722	3,227	87.4%
Bonds	2,167	1,491	1,643	2,283	2,062	-9.7%	2,167	2,062	-4.8%
Others	-73	69	-112	-124	-37	-	-73	-37	-
Interest and dividend income	262	298	329	340	300	-11.7%	262	300	14.5%
Financial expenses	232	250	263	227	220	-3.1%	232	220	-5.1%
Net operating revenues	11,088	12,249	12,338	13,777	12,334	-10.5%	11,088	12,334	11.2%
<b>SG&amp;A</b>	<b>10,957</b>	<b>11,351</b>	<b>11,733</b>	<b>11,762</b>	<b>11,764</b>	<b>0.0%</b>	<b>10,957</b>	<b>11,764</b>	<b>7.4%</b>
Trading related expenses	1,524	1,682	1,759	1,694	1,717	1.3%	1,524	1,717	12.6%
Personnel expenses	5,420	5,643	5,902	5,849	5,617	-4.0%	5,420	5,617	3.6%
Real estate expenses	1,698	1,694	1,704	1,796	2,059	14.6%	1,698	2,059	21.2%
Administrative expenses	1,905	1,921	1,950	1,963	1,910	-2.7%	1,905	1,910	0.3%
Depreciation expenses	95	95	99	104	136	30.8%	95	136	42.9%
Taxes and dues	135	161	150	179	148	-17.3%	135	148	9.1%
Others	175	151	167	173	174	0.9%	175	174	-0.5%
Operating income	131	898	604	2,015	569	-71.8%	131	569	332.7%
Non-operating income	121	175	213	21	124	481.5%	121	124	2.5%
Non-operating expenses	22	50	6	4	18	292.4%	22	18	-17.3%
<b>Ordinary income</b>	<b>230</b>	<b>1,024</b>	<b>812</b>	<b>2,032</b>	<b>675</b>	<b>-66.8%</b>	<b>230</b>	<b>675</b>	<b>193.0%</b>
Extraordinary gain	126	-	-	-64	-	-	126	-	-
Extraordinary loss	-	-	-	178	-	-	-	-	-
Net profit, before taxes	357	1,024	812	1,789	675	-62.3%	357	675	89.0%
Income taxes	-30	309	-40	1,131	-5	-	-30	-5	-
Adjustment amount for income taxes	119	35	325	-518	246	-	119	246	106.6%
<b>Net profit</b>	<b>268</b>	<b>680</b>	<b>527</b>	<b>1,176</b>	<b>433</b>	<b>-63.2%</b>	<b>268</b>	<b>433</b>	<b>61.4%</b>



# Investment trusts / Foreign bonds sales(non-consolidated: Okasan Securities)

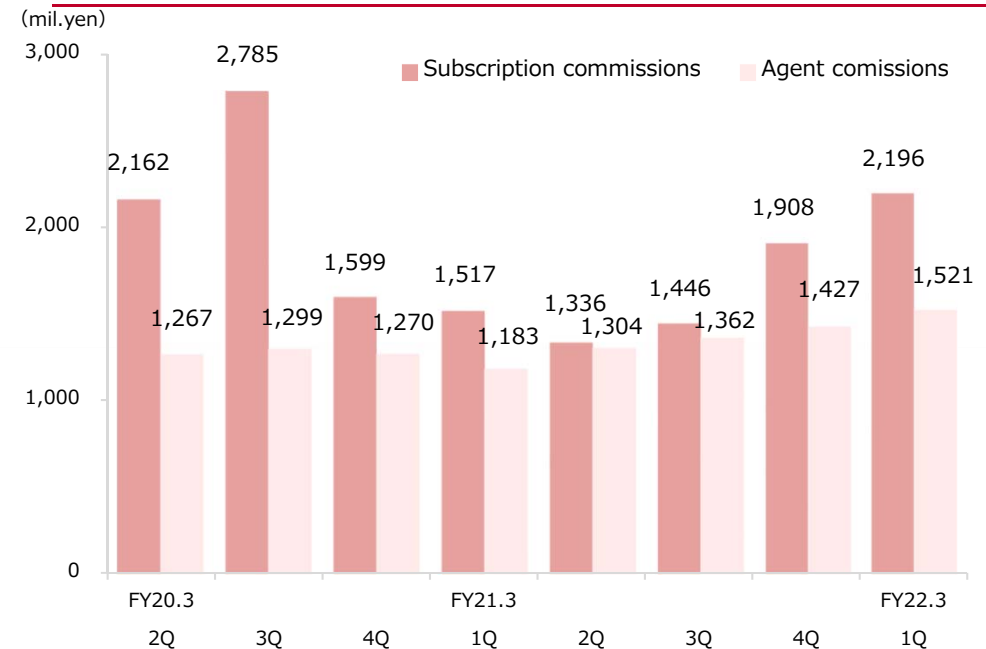
## <Compared to previous quarter>

- Investment trust sales rose 15.9% from the previous quarter to 78.6 billion yen. Overseas equity funds increased primarily.
- Subscription commissions rose 15.1% QoQ to 2,196 million yen.
- Agent commissions rose 6.6% QoQ to 1,521 million yen.
- Foreign bond sales rose 4.3% to 54.6 billion yen.

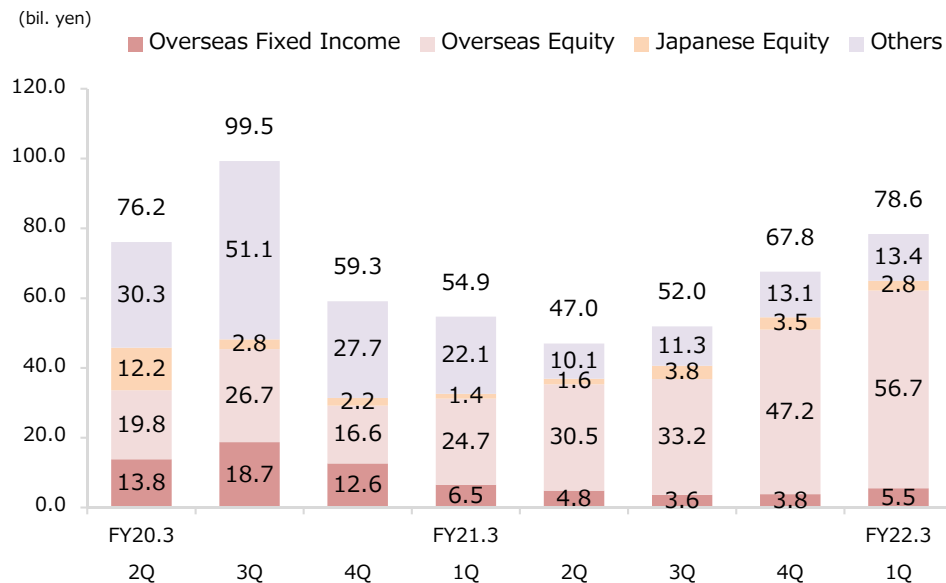
## <Year-on-year comparison (cumulative)>

- Investment trust sales rose 43.1% YoY to 78.6 billion yen.
- Subscription commissions rose 44.8% YoY to 2,196 million yen.
- Agent commissions rose 28.6% YoY to 1,521 million yen.
- Foreign bond sales fell 3.6% YoY to 54.6 billion yen.

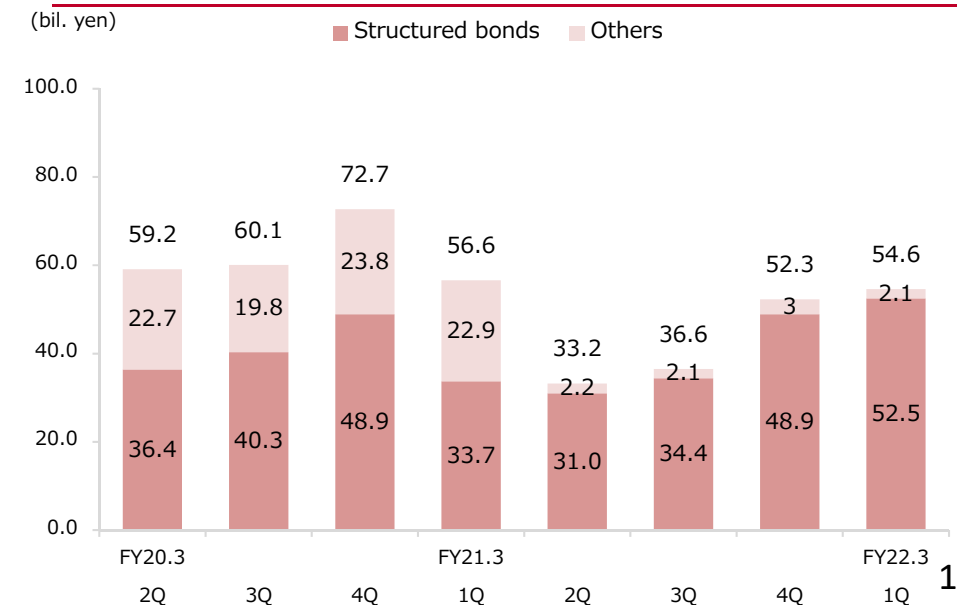
## Investment trusts commissions



## Investment trusts sales amount



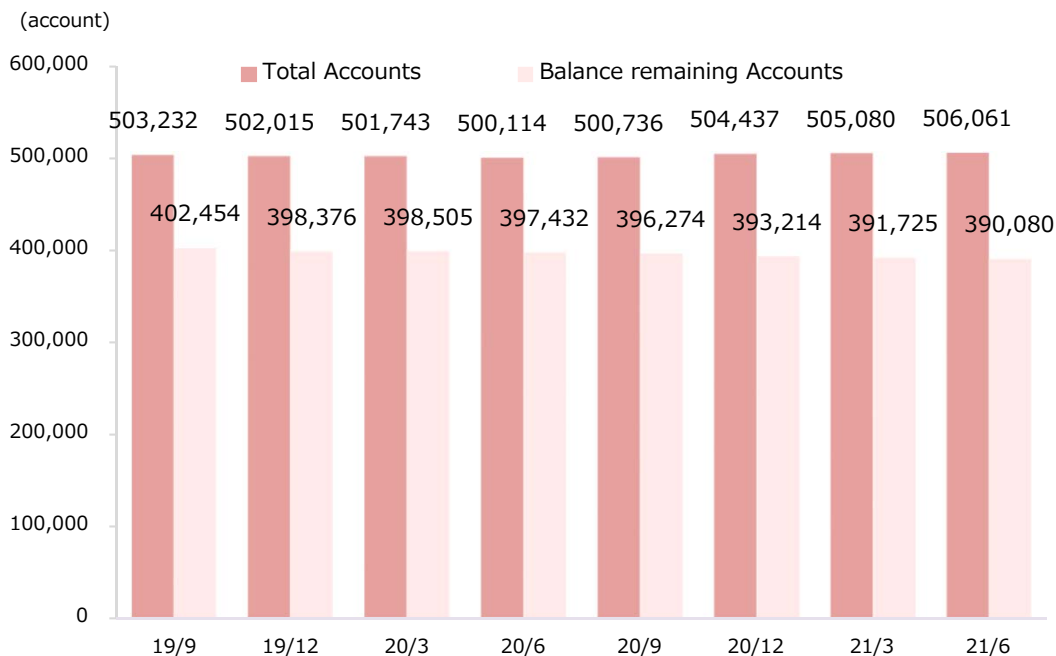
## Foreign bonds sales amount



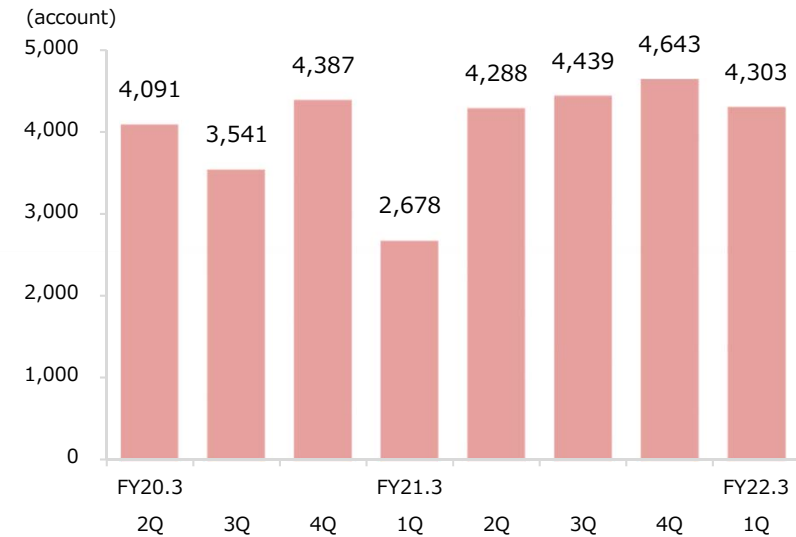
# Number of accounts (non-consolidated: Okasan Securities)

- The total number of customer accounts stood at 506,061. The number of accounts with remaining balance stood at 390,080.
- The number of newly opened accounts in this 1st quarter (April to June 2021) was 4,303.
- Online accounts comprised 16.2% of the total number of customer accounts.

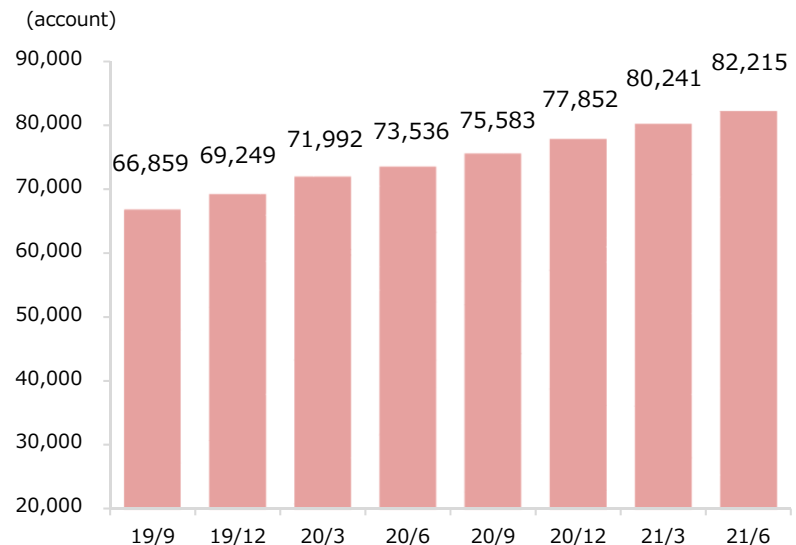
## Number of customer accounts



## Number of new accounts



## Number of online accounts

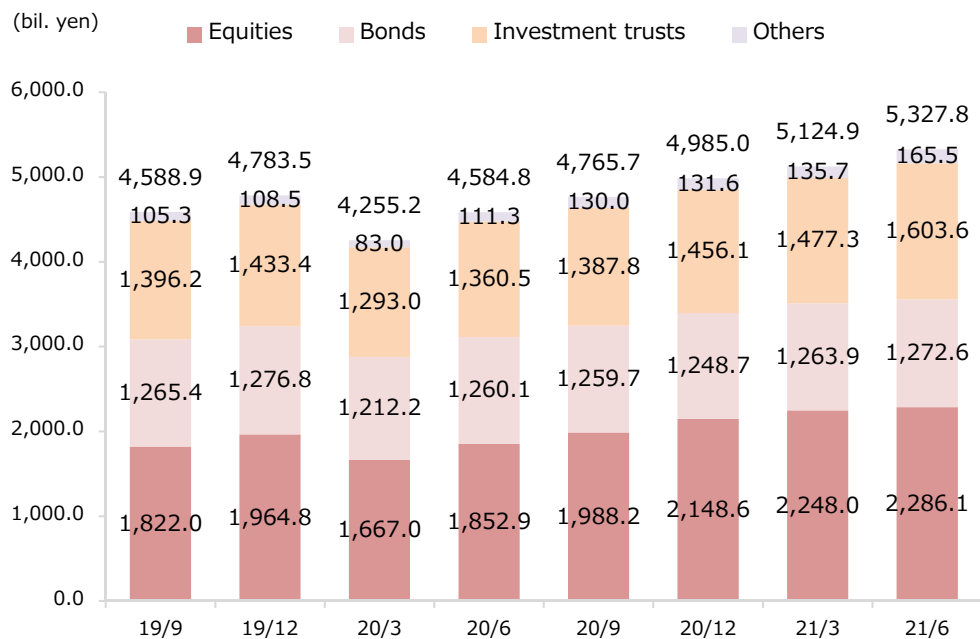


# Assets under custody / Net inflow of assets (non-consolidated: Okasan Securities)

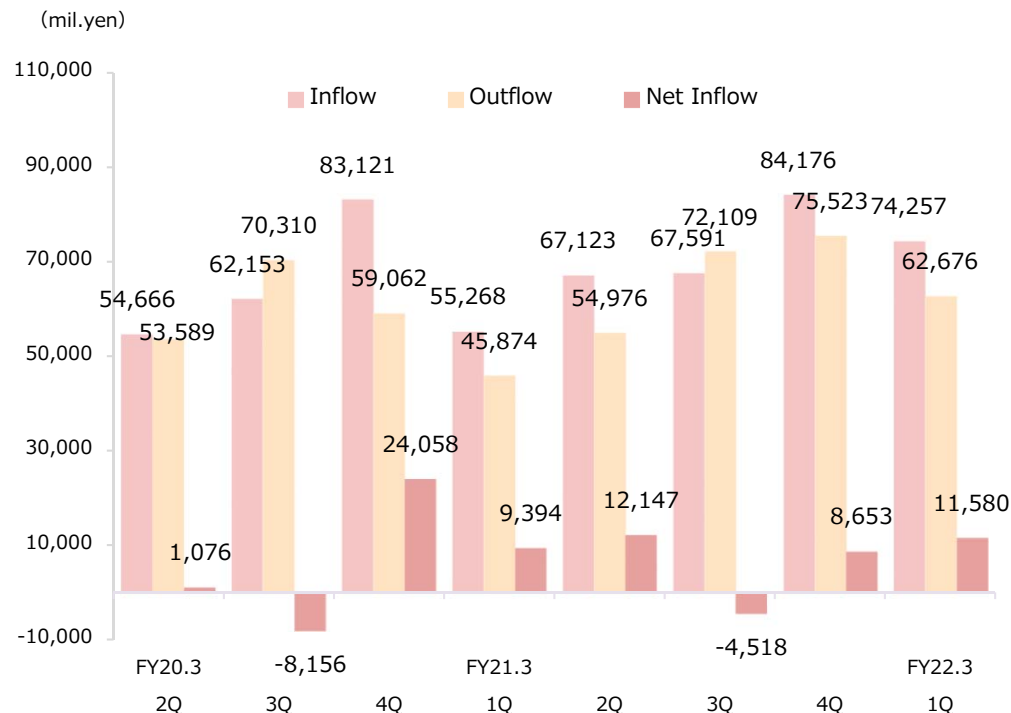
<Compared to the end of the previous fiscal year (vs. the end of March 2021)>

- Customers' assets under custody at Okasan Securities increased 202.9 billion yen from the end of the previous fiscal year to 5,327.8 billion yen. The current balance of equities and investment trusts increased mainly.
- Net inflow/outflow of assets (sum of inflow/outflow of cash and securities; individual customers only) in this 1st quarter (April to June 2021) was an inflow of 11,580 million yen.

## Assets under Custody



## Net Asset Inflow (Individual customers)



# Capital Adequacy Requirement Ratio (non-consolidated: Okasan Securities)

<Compared to the end of the previous fiscal year>

The capital adequacy ratio decreased 10.0 percentage points from the end of the previous fiscal year to 415.8%.

- Increase of market risk equivalents caused decrease of the ratio.

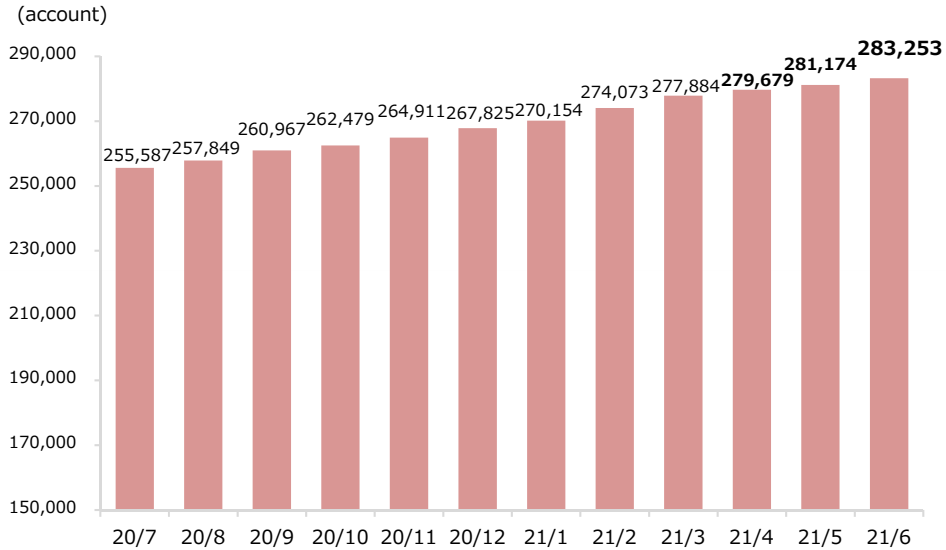
(In millions of yen)

			FY21.3				FY22.3	vs.FY21.3
			1Q	2Q	3Q	4Q	1Q	4Q
Basic items		(A)	74,112	74,796	75,323	71,500	71,933	433
Complementary items	Appraisal gains (losses) etc.		–	2	4	16	20	4
	Security transaction responsibility reserve		709	709	709	774	774	–
	General provision for loan losses		–	–	–	–	–	–
	Short-term subordinated debt		6,000	6,000	6,000	6,000	6,000	–
	Total	(B)	6,709	6,711	6,714	6,790	6,794	4
Assets to be deducted		(C)	12,839	13,025	12,774	13,382	13,198	-184
Unfixed equity capital	(A) + (B) – (C)	(D)	67,982	68,482	69,263	64,908	65,529	621
Risk equivalents	Market risk equivalents		1,326	1,837	3,664	2,653	3,165	512
	Customer risk equivalents		915	1,074	1,118	1,136	1,099	-37
	Basic risk equivalents		11,703	11,547	11,493	11,453	11,494	41
	Total	(E)	13,945	14,458	16,276	15,243	15,759	516
<b>Capital adequacy ratio</b>	<b>(D) / (E) × 100 (%)</b>		<b>487.4%</b>	<b>473.6%</b>	<b>425.5%</b>	<b>425.8%</b>	<b>415.8%</b>	<b>-10.0p</b>

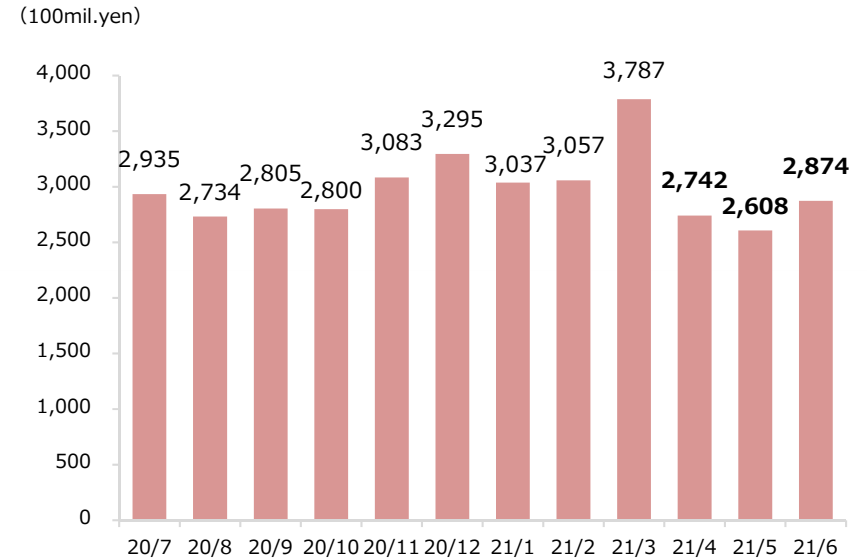
(Note) Short-term subordinated debt consists of subordinated borrowing.

# (Reference Data) Okasan Online Securities Data

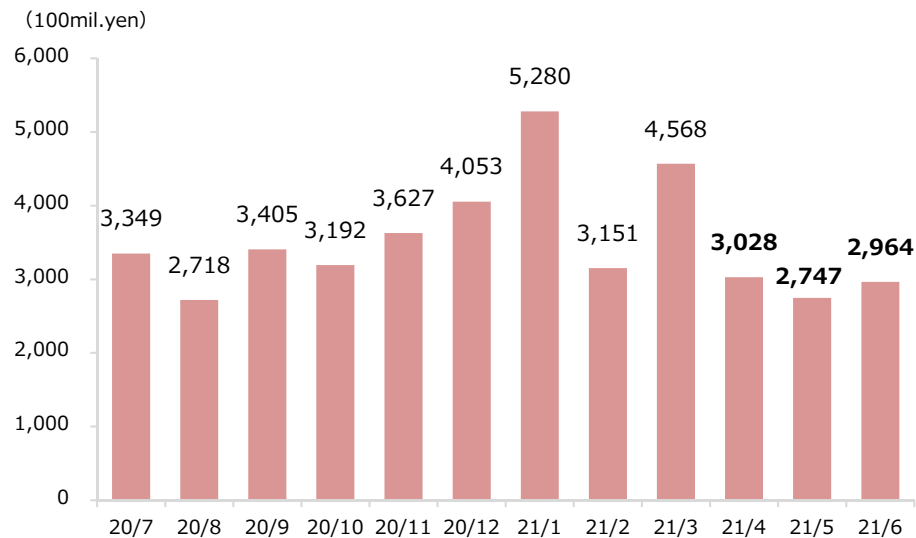
## Number of customer accounts



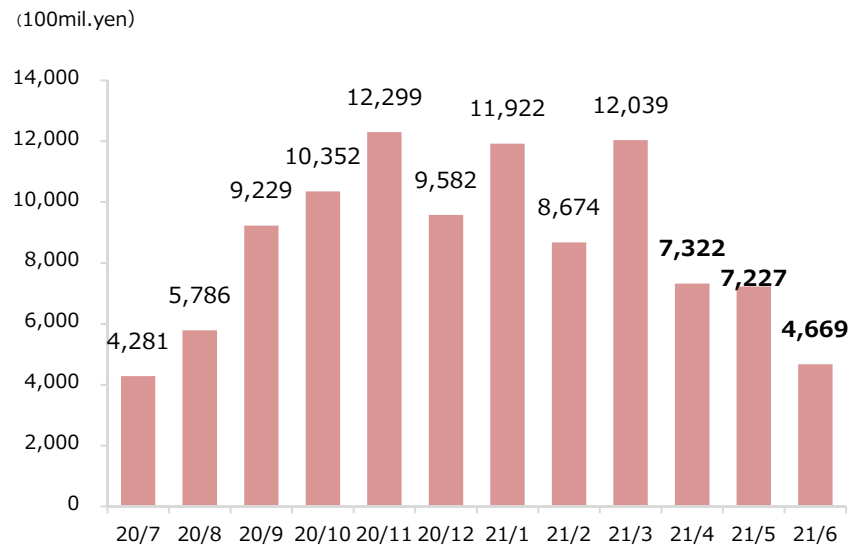
## Domestic equities trading volume by month



## “Click 365” contract amount



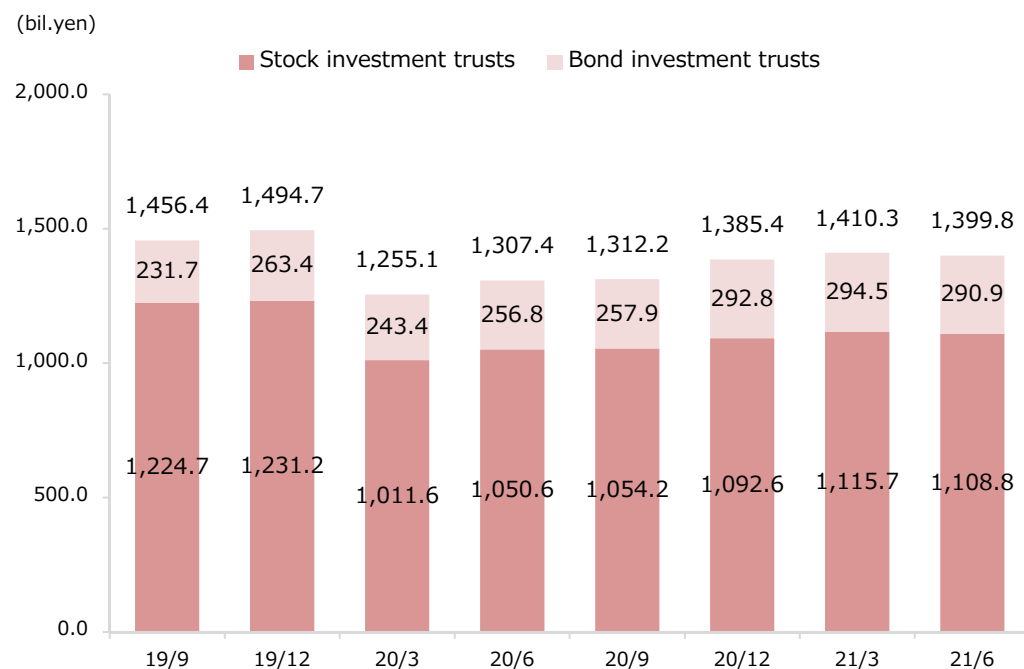
## “Click kabu365” contract amount



# (Reference Data) Okasan Asset Management Data

Total funds under management by Okasan Asset Management decreased 10.5 billion yen from the end of the previous fiscal year to 1,399.8 billion yen.

## Assets under management



## Number of distribution companies



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