

April 27, 2023

Fiscal Year Ended March 31, 2023 Results Briefing

The objective of the document is to provide information on the results of the fiscal year ended March 31, 2023 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 March 2023. 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.

Outline

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※ By conversion into equity method affiliate company, P/L of Okasan Asset Management Co., Ltd. was deconsolidated from 4Q of FY ended March 2023.
※ Effective from 4Q of FY ended March 2023, the Company has made change in presentation method, and figures in each quarterly result since FY ended March 2022 have been restated to reflect this change. "Foreign exchange gains" and "Foreign exchanges losses", previously stated as Non-operating income/expenses, have changed to be included within "Net trading income".

01. Business Results Overviews (Consolidated)

Financial highlights of the fiscal year ended March 2023

<Year-on-year comparison (vs. the fiscal year ended March 2022)>

- Operating revenue decreased by 10.0% year on year (YoY). Over the same period, net operating revenue decreased by 10.8%.
 Brokerage commission and equities trading income decreased due to decline of domestic and foreign equities trading volume of individual customers, in response to unstable market environment both domestic and overseas.
- Selling, general, and administrative expenses decreased by 2.5% YoY from lower trading related expenses, personnel expenses, and others.
- Ordinary income decreased by 93.9%. Profit attributable to owners of parent decreased by 94.7%.

※ By conversion into equity method affiliate company, P/L of Okasan Asset Management Co., Ltd. was deconsolidated from 4Q of FY ended March 2023.

※ Effective from 4Q of FY ended March 2023, the Company has made change in presentation method, and figures in each quarterly result since FY ended March 2022 have been restated to reflect this change. "Foreign exchange gains" and "Foreign exchanges losses", previously stated as Non-operating income/expenses, have changed to be included within "Net trading income".

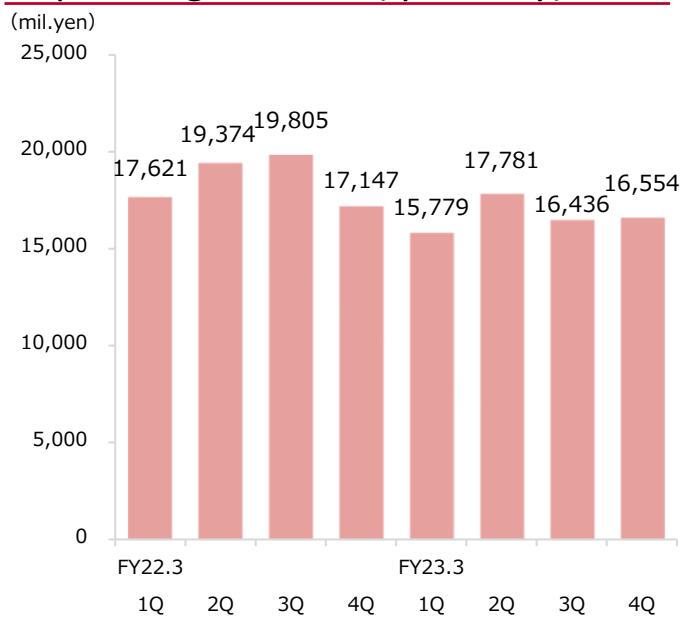
	FY22.3				FY23.3				vs.FY23.3		(In millions of yen)		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q	FY22.3	FY23.3	vs.FY22.3	
Operating revenue	17,621	19,374	19,805	17,147	15,779	17,781	16,436	16,554	0.7%	73,949	66,551	-10.0%	
Net operating revenue	17,336	19,078	19,532	16,821	15,417	17,422	16,080	15,982	-0.6%	72,769	64,902	-10.8%	
SG&A	16,501	16,951	17,273	16,894	16,957	16,808	16,550	15,620	-5.6%	67,621	65,936	-2.5%	
Operating profit	834	2,127	2,258	-72	-1,539	614	-469	361	-	5,148	-1,034	-	
Ordinary profit	955	2,907	2,364	671	-1,440	1,224	-489	1,127	-	6,898	421	-93.9%	
Profit attributable to owners of parent	433	2,063	1,457	6,118	-772	803	2,466	-1,968	-	10,073	529	-94.7%	
EPS (YEN)	2.19	10.42	7.36	30.90	-3.90	3.95	11.75	-9.56	-	50.89	2.59	-	
BPS (YEN)	831.21	855.70	855.40	847.85	824.60	823.21	844.48	843.45	-	847.85	843.45	-	
ROE (annualized)										6.0%	0.3%	-	

Performance by Quarter (Consolidated)

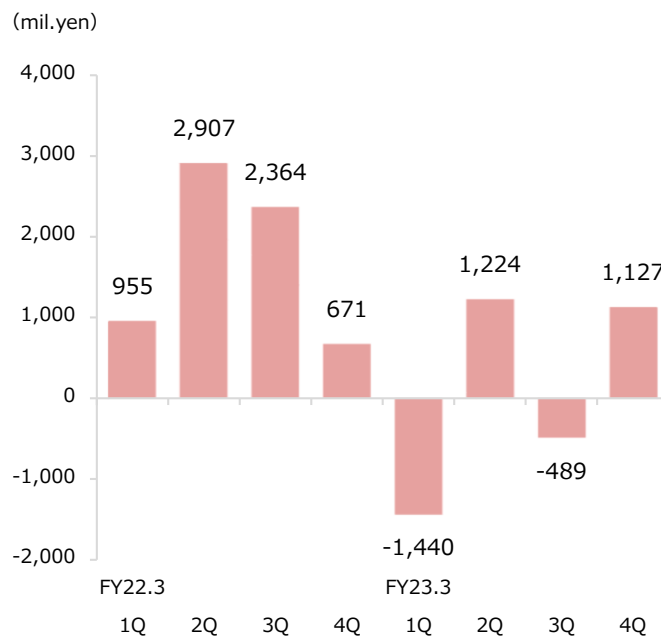
<Compared to previous quarter (vs. 3rd quarter of the fiscal year ending March 2023)>

- Operating revenue increased by 0.7% from the previous quarter. Net operating revenues decreased by 0.6% quarter on quarter (QoQ). Brokerage commission and equities trading income increased by rebound of equities trading volume. Net trading income related to domestic bonds increased as well.
- Selling, general, and administrative expenses decreased by 5.6% QoQ, due to trading related expenses, personnel expenses, and others.
- Ordinary profit turned profitable to 1,127 million yen. Net loss attributable to owners of parent amounted to 1,968 million yen. In the previous quarter, gain on change in equity was recorded as extraordinary income. In addition, adjustment amount for income taxes increased in current quarter.

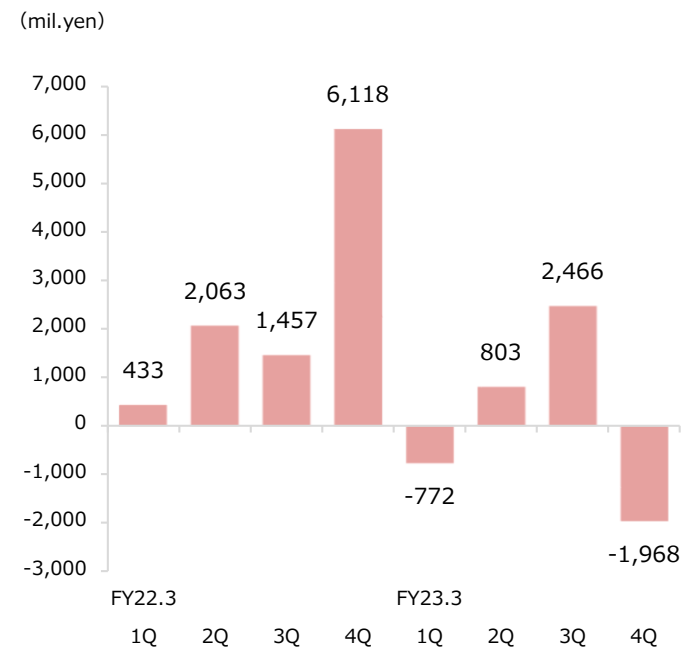
Operating revenue (quarterly)



Ordinary profit (quarterly)



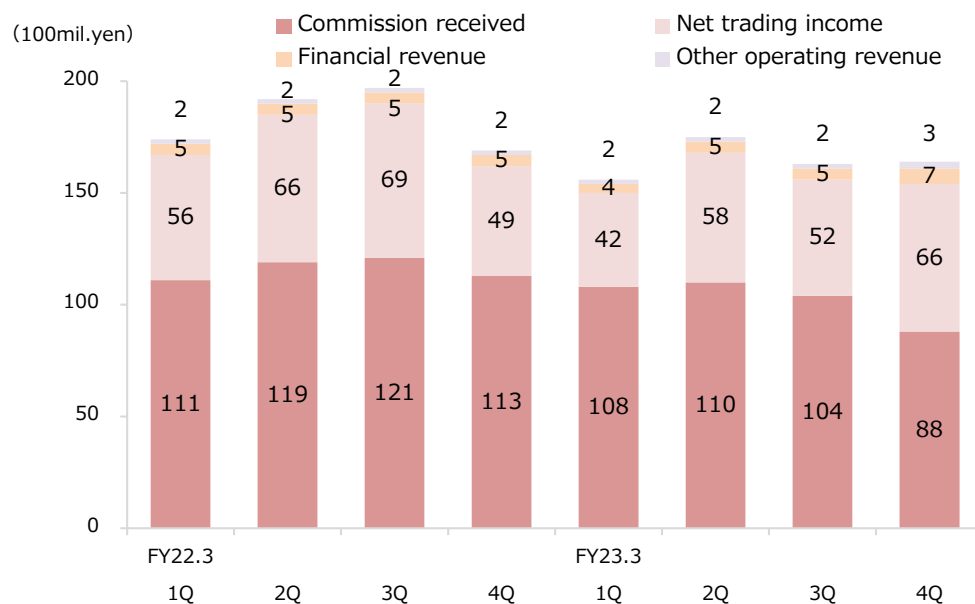
Profit attributable to owners of parent (quarterly)



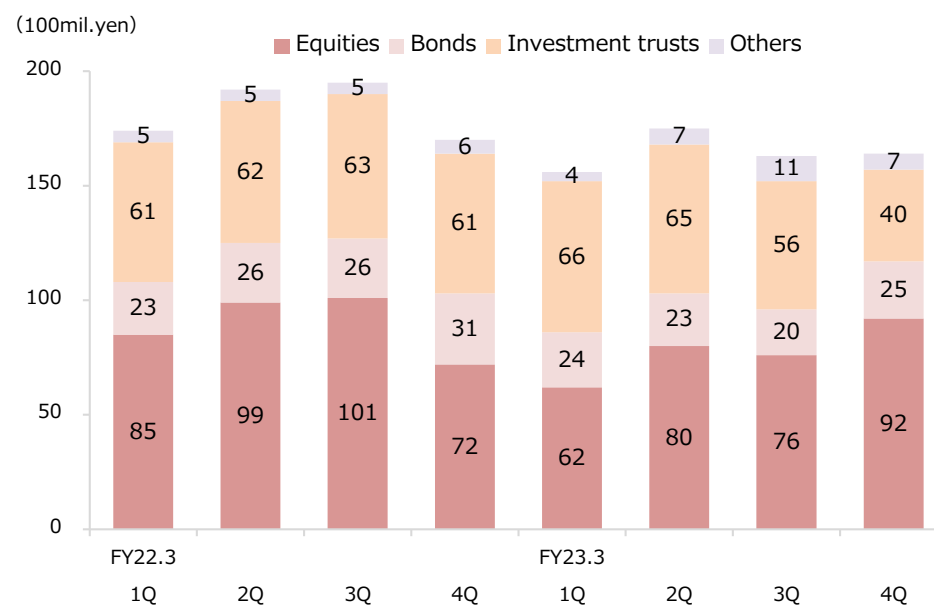
Operating Revenue I

	(In millions of yen)										(In millions of yen)		
	FY22.3				FY23.3				vs.FY23.3		FY22.3	FY23.3	vs.FY22.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q	TOTAL	TOTAL	TOTAL	
Commission received	11,153	11,952	12,108	11,384	10,807	11,098	10,411	8,802	-15.5%	46,598	41,119	-11.8%	
Brokerage	4,686	5,008	5,026	4,244	3,830	3,867	4,143	4,322	4.3%	18,966	16,163	-14.8%	
Underwriting	108	291	350	356	37	168	235	173	-26.3%	1,106	615	-44.4%	
Distribution	2,543	2,794	2,761	2,906	3,159	3,060	2,371	2,118	-10.7%	11,005	10,709	-2.7%	
Others	3,815	3,859	3,969	3,876	3,780	4,001	3,661	2,187	-40.2%	15,520	13,631	-12.2%	
Net trading income	5,677	6,619	6,922	4,973	4,235	5,862	5,223	6,626	26.9%	24,193	21,947	-9.3%	
Equities	3,522	4,347	4,429	2,359	2,152	3,735	3,025	4,272	41.2%	14,658	13,186	-10.0%	
Bonds	2,122	2,213	2,508	2,717	2,265	2,156	1,656	2,382	43.8%	9,561	8,461	-11.5%	
Others	33	58	-15	-103	-182	-29	540	-28	-	-26	299	-	
Financial revenue	531	563	538	546	498	584	577	793	37.4%	2,180	2,453	12.6%	
Others	258	238	237	243	237	236	224	332	48.3%	978	1,030	5.3%	
Operating revenue	17,621	19,374	19,805	17,147	15,779	17,781	16,436	16,554	0.7%	73,949	66,551	-10.0%	

Quarterly change in operating revenue

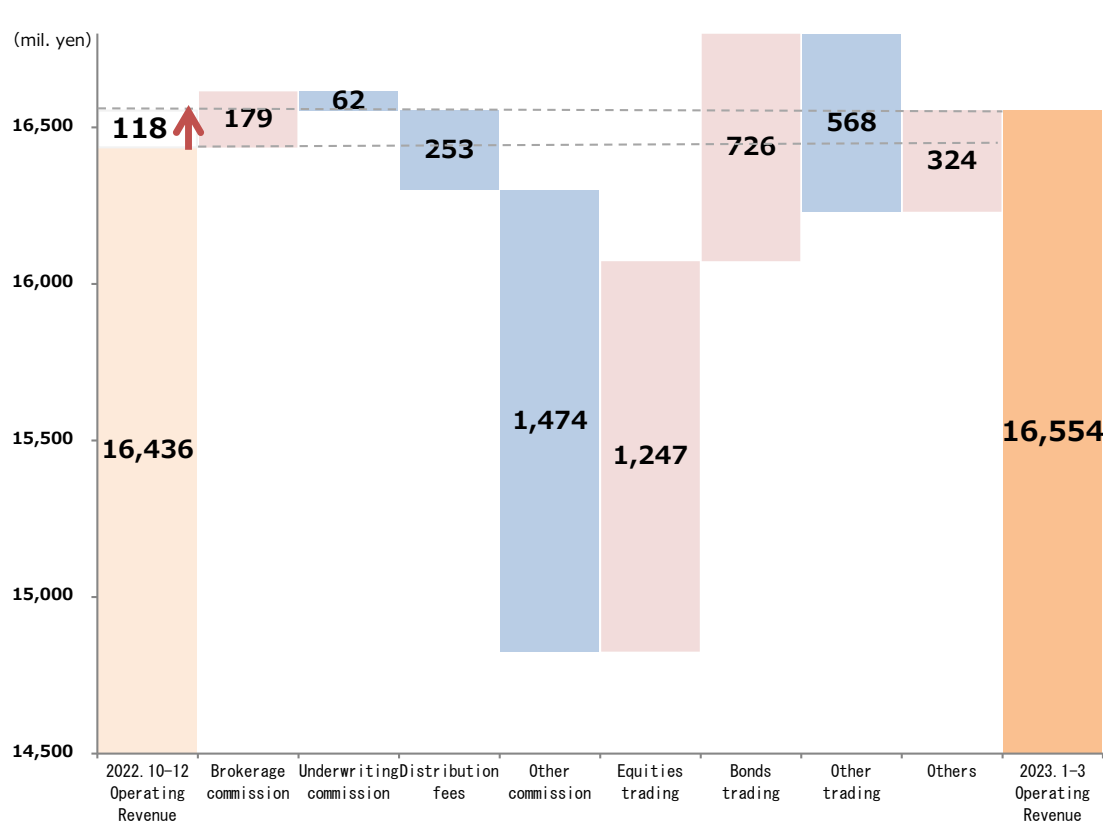


Quarterly change in operating revenue by product

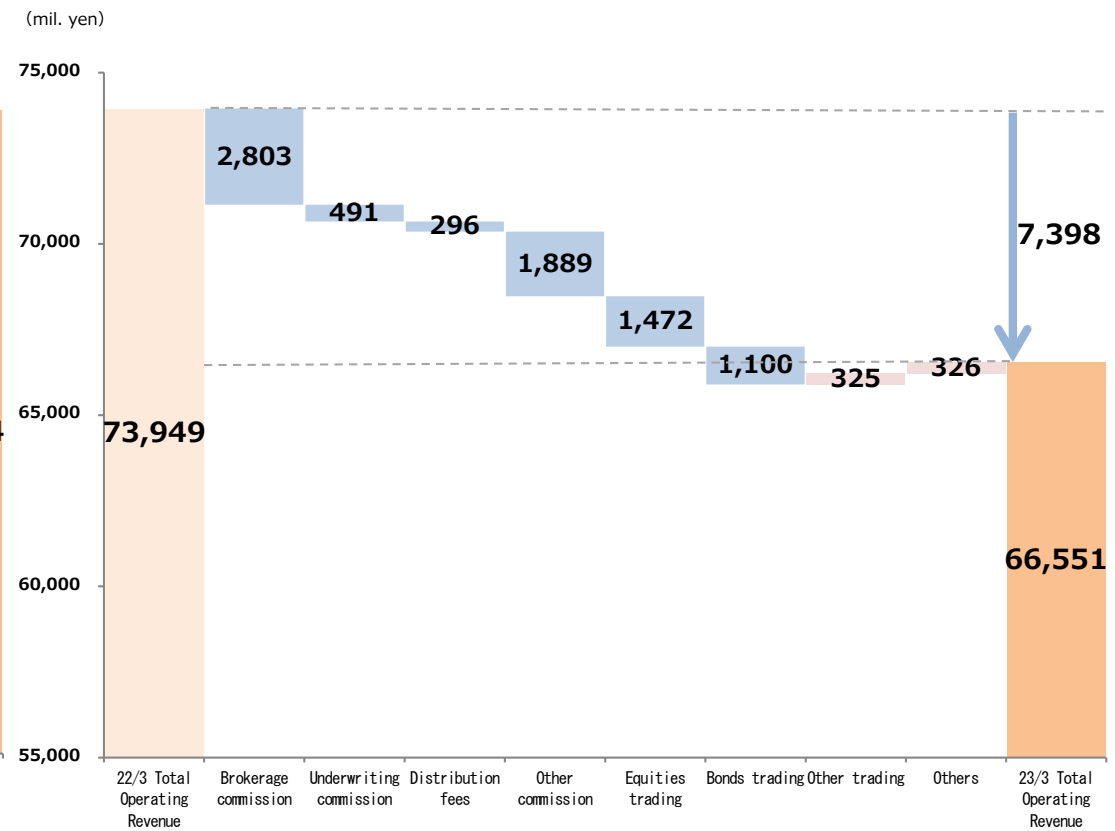


Operating Revenue II

Changing factors of operating revenue (vs. FY23.3 3Q)



Changing factors of operating revenue (vs. FY22.3 total)



Fees and Commission Received

<Compared to previous quarter>

Brokerage commission increased by 4.3% from the previous quarter, due to increase of domestic equities brokerage commission, reflecting the rebound of equities trading of individual customers.

Underwriting commission decreased by 26.3% QoQ, due to decline of the amount of underwriting in reaction to the lead management and large case underwriting in 3Q.

Distribution fees decreased by 10.7% QoQ, owing to lower sales of publicly offered investment trusts.

Other commission decreased by 40.2% QoQ. Trust fees decreased significantly upon the conversion of Okasan Asset Management into equity method affiliate company.

<Year-on-year comparison (cumulative)>

Brokerage commission decreased by 14.8% YoY, mainly due to decrease of commission related to foreign equities transaction.

Underwriting commission decreased by 44.4% YoY, affected from decrease of finance project of the whole market.

Distribution fees decreased by 2.7% YoY as sales growth of publicly offered investment trusts slowed down in the end of the fiscal year though solid in the first half.

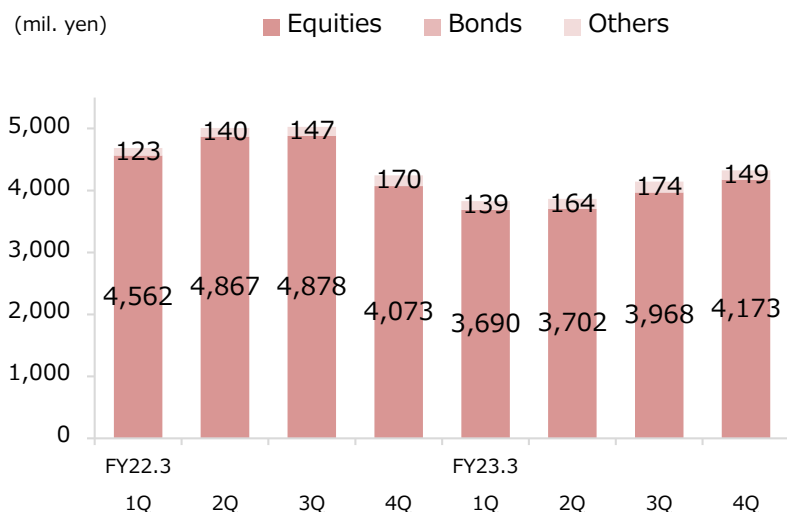
Other commission decreased by 12.2% YoY, due to decrease in trust fees and others.

	(In millions of yen)										(In millions of yen)		
	FY22.3				FY23.3				vs.FY23.3		FY22.3	FY23.3	vs.FY22.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q	TOTAL	TOTAL	TOTAL	
Brokerage	4,686	5,008	5,026	4,244	3,830	3,867	4,143	4,322	4.3%	18,966	16,163	-14.8%	
Equities	4,562	4,867	4,878	4,073	3,690	3,702	3,968	4,173	5.2%	18,383	15,533	-15.5%	
Bonds	0	0	0	0	0	0	0	-	-	0	0	-48.4%	
Others	123	140	147	170	139	164	174	149	-14.4%	582	629	8.0%	
Underwriting	108	291	350	356	37	168	235	173	-26.3%	1,106	615	-44.4%	
Equities	21	147	280	253	4	73	134	90	-32.8%	702	302	-56.9%	
Bonds	86	143	70	103	33	95	100	83	-17.5%	403	312	-22.7%	
Distribution	2,543	2,794	2,761	2,906	3,159	3,060	2,371	2,118	-10.7%	11,005	10,709	-2.7%	
Beneficiary Certificates	2,538	2,599	2,750	2,697	3,155	3,036	2,245	2,117	-5.7%	10,585	10,554	-0.3%	
Others	3,815	3,859	3,969	3,876	3,780	4,001	3,661	2,187	-40.2%	15,520	13,631	-12.2%	
Beneficiary Certificates	3,484	3,525	3,528	3,341	3,340	3,385	3,260	1,771	-45.7%	13,881	11,757	-15.3%	
Total	11,153	11,952	12,108	11,384	10,807	11,098	10,411	8,802	-15.5%	46,598	41,119	-11.8%	

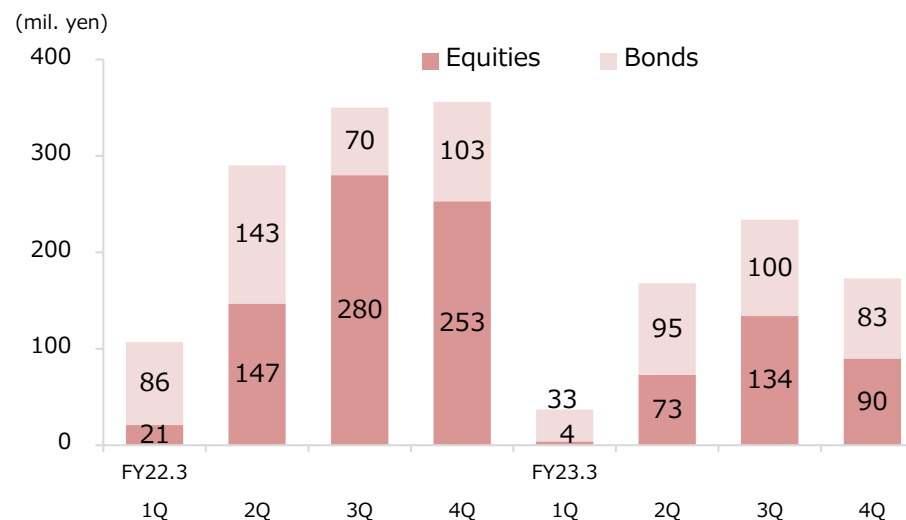
※ In case of percentage changes from the previous term being equal to or higher than 1,000%, they are not shown.

Fees and Commission Received by Category (Quarterly Transition)

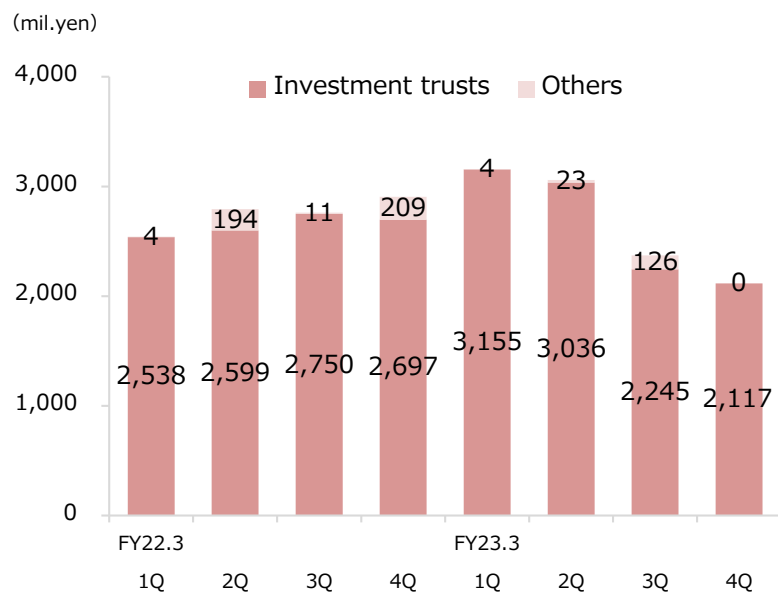
Brokerage



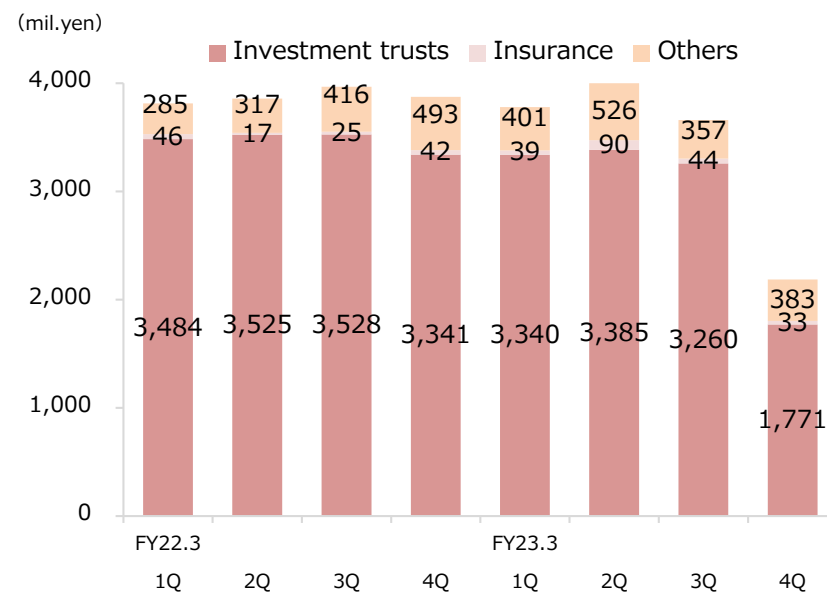
Underwriting



Distribution



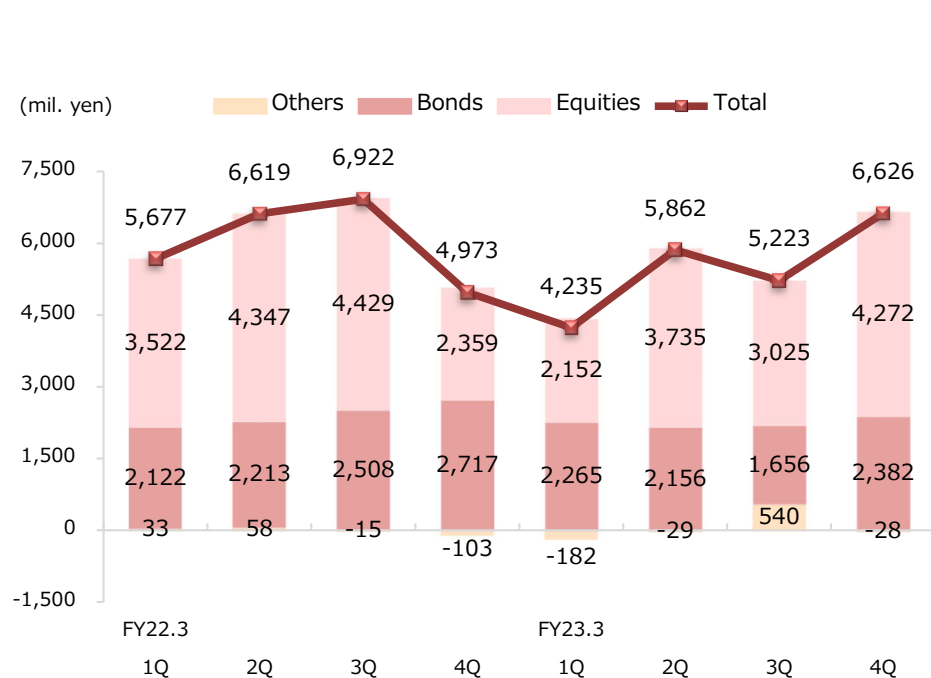
Others



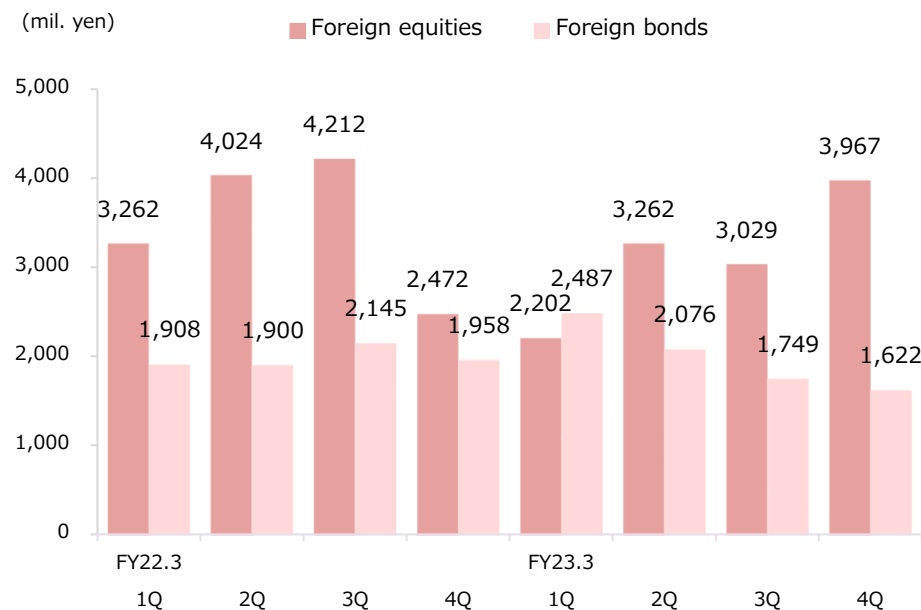
Net Trading Income

	FY22.3				FY23.3				vs.FY23.3		(In millions of yen)				
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q		FY22.3	FY23.3	vs.FY22.3		
													TOTAL	TOTAL	TOTAL
Equities	3,522	4,347	4,429	2,359	2,152	3,735	3,025	4,272	41.2%		14,658	13,186	-10.0%		
Domestic equities	259	322	216	-112	-49	473	-3	305	-		686	725	5.6%		
Foreign equities	3,262	4,024	4,212	2,472	2,202	3,262	3,029	3,967	30.9%		13,972	12,461	-10.8%		
Bonds and others	2,122	2,213	2,508	2,717	2,265	2,156	1,656	2,382	43.8%		9,561	8,461	-11.5%		
Domestic bonds	213	312	363	758	-222	79	-92	760	-		1,648	524	-68.1%		
Foreign bonds	1,908	1,900	2,145	1,958	2,487	2,076	1,749	1,622	-7.3%		7,912	7,936	0.3%		
Others	33	58	-15	-103	-182	-29	540	-28	-		-26	299	-		
Net trading income	5,677	6,619	6,922	4,973	4,235	5,862	5,223	6,626	26.9%		24,193	21,947	-9.3%		

Net income by products



Net income from foreign equities and bonds



SG&A : Selling, General and Administrative Expenses I

<Compared to previous quarter>

Selling, general, and administrative expenses (SG&A) decreased by 5.6% from the previous quarter, due to lower trading related expenses, personnel expenses, and others.

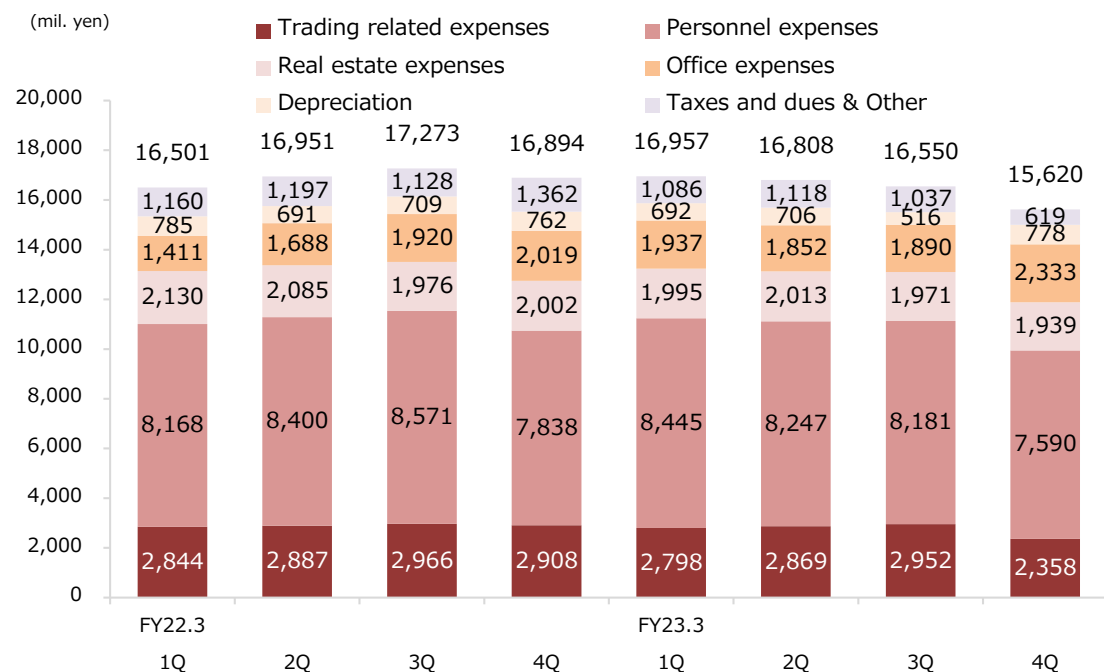
- Trading related expenses decreased by 20.1% QoQ due to deconsolidation of Okasan Asset Management and others.
- Personnel expenses (including bonus and allowance) decreased by 7.2% QoQ.
- Office expenses and depreciation increased due to core operational system transferring related expenses, and others.

<Year-on-year comparison (cumulative)>

SG&A decreased by 2.5% YoY, resulted from higher office expenses, in addition to lower trading related expenses, personnel expensed, and others.

- Office expenses increased by 13.9% YoY due to core operational system transferring related expenses, and others.
- Trading related expenses decreased by 5.4% QoQ due to deconsolidation of Okasan Asset Management and others.
- Personnel expenses (including bonus and allowance) decreased by 1.6% QoQ.

Change in Selling, General and Administrative Expenses



(In millions of yen)

(In millions of yen)

	FY22.3				FY23.3				vs.FY23.3	FY22.3	FY23.3	vs.FY22.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q			
Trading related expenses	2,844	2,887	2,966	2,908	2,798	2,869	2,952	2,358	-20.1%	11,606	10,979	-5.4%
Personnel expenses	8,168	8,400	8,571	7,838	8,445	8,247	8,181	7,590	-7.2%	32,978	32,465	-1.6%
Real estate expenses	2,130	2,085	1,976	2,002	1,995	2,013	1,971	1,939	-1.6%	8,195	7,920	-3.4%
Office expenses	1,411	1,688	1,920	2,019	1,937	1,852	1,890	2,333	23.4%	7,039	8,014	13.9%
Depreciation	785	691	709	762	692	706	516	778	50.8%	2,949	2,694	-8.7%
Taxes and dues	275	293	278	475	257	292	296	251	-15.3%	1,323	1,096	-17.1%
Other	885	904	850	887	829	826	741	368	-50.3%	3,528	2,765	-21.6%
SG&A	16,501	16,951	17,273	16,894	16,957	16,808	16,550	15,620	-5.6%	67,621	65,936	-2.5%

※ In case of percentage changes from the previous term being equal to or higher than 1,000%, they are not shown.

SG&A : Selling, General and Administrative Expenses II

Changing factors of SG&A (vs. FY23.3 3Q)



Changing factors of SG&A (vs. FY22.3 total)

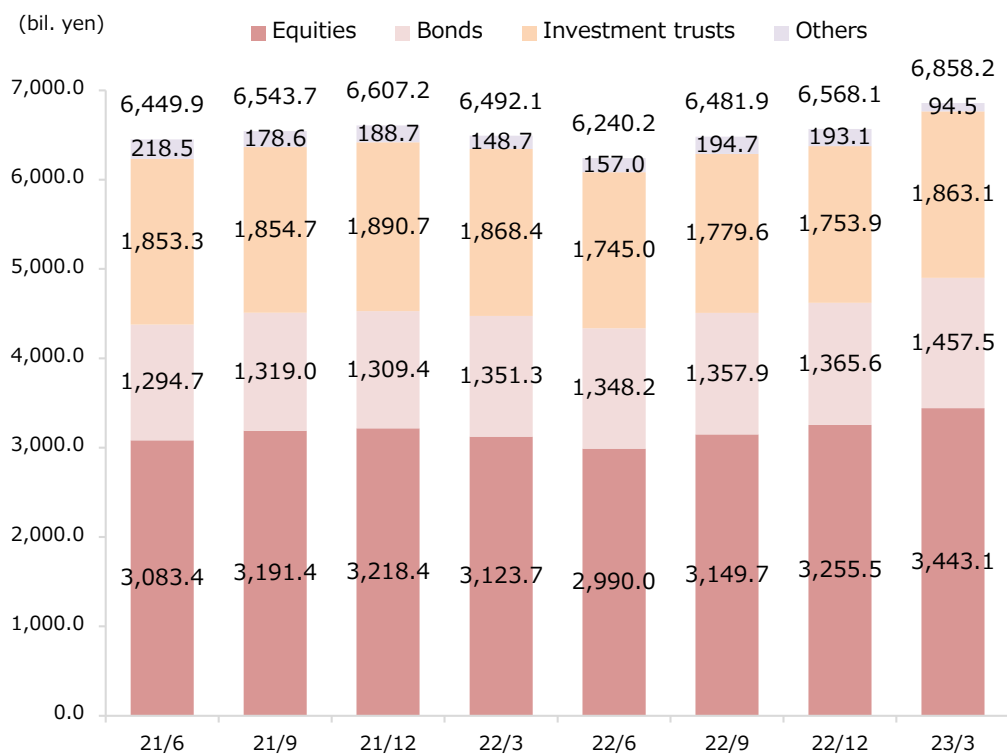


Assets under custody

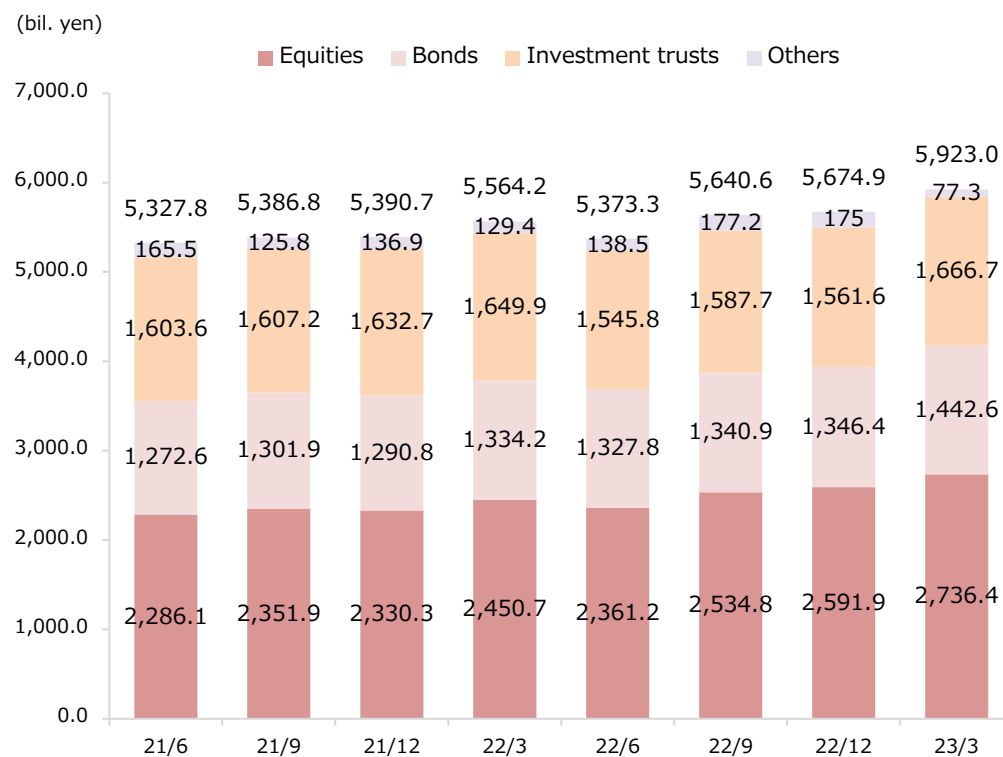
<Compared to the end of the previous fiscal year (vs. the end of March 2022)>

- On a consolidated basis, customers' assets under custody increased 366.1 billion yen from the end of the previous fiscal year to 6,858.2 billion yen.
- Customers' assets under custody of Okasan Securities increased 358.8 billion yen from the end of the previous fiscal year to 5,923 billion yen. Balance increased as a result of succession of Marusan Trade business from Marusan Securities Co., Ltd in July 2022.

Assets under Custody (Consolidated)



Okasan Securities Assets under Custody (non-consolidated)



Group status

Results by segment

Operating revenue

(In millions of yen)

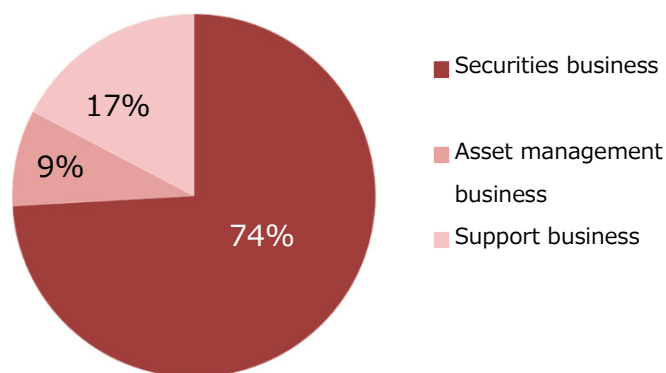
	FY22.3	FY23.3	vs.FY22.3
	TOTAL	TOTAL	TOTAL
Securities business	66,757	61,173	-8.4%
Asset management business	9,564	7,089	-25.9%
Support business	13,529	14,293	5.6%

Segment income

(In millions of yen)

	FY22.3	FY23.3	vs.FY22.3
	TOTAL	TOTAL	TOTAL
Securities business	5,338	-869	-
Asset management business	362	72	-79.9%
Support business	449	1,128	151.0%

Operating revenue



※ Above results by segment shows figures before consolidation adjustment.

※By conversion into equity method affiliate company, P/L of Okasan Asset Management Co., Ltd. was deconsolidated from 4Q of FY ended March 2023.

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)		
	FY22.3				FY23.3				vs.FY23.3		FY22.3	FY23.3	vs.FY22.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q	TOTAL	TOTAL	TOTAL	
Operating revenue	17,621	19,374	19,805	17,147	15,779	17,781	16,436	16,554	0.7%	73,949	66,551	-10.0%	
Commission received	11,153	11,952	12,108	11,384	10,807	11,098	10,411	8,802	-15.5%	46,598	41,119	-11.8%	
Net trading income	5,677	6,619	6,922	4,973	4,235	5,862	5,223	6,626	26.9%	24,193	21,947	-9.3%	
Financial revenue	531	563	538	546	498	584	577	793	37.4%	2,180	2,453	12.6%	
Other operating revenue	258	238	237	243	237	236	224	332	48.3%	978	1,030	5.3%	
Financial expenses	285	295	273	325	362	358	356	571	60.5%	1,180	1,649	39.7%	
Net operating revenue	17,336	19,078	19,532	16,821	15,417	17,422	16,080	15,982	-0.6%	72,769	64,902	-10.8%	
SG&A	16,501	16,951	17,273	16,894	16,957	16,808	16,550	15,620	-5.6%	67,621	65,936	-2.5%	
Operating profit (loss)	834	2,127	2,258	-72	-1,539	614	-469	361	-	5,148	-1,034	-	
Non-operating income	155	815	136	839	151	661	43	831	※-	1,946	1,687	-13.3%	
Non-operating expenses	35	35	29	94	52	50	62	65	4.9%	195	231	18.1%	
Ordinary profit (loss)	955	2,907	2,364	671	-1,440	1,224	-489	1,127	-	6,898	421	-93.9%	
Extraordinary income	7	376	-0	9,295	0	275	2,787	25	-99.1%	9,679	3,089	-68.1%	
Extraordinary losses	289	-218	44	1,108	50	27	3	395	※-	1,223	476	-61.0%	
Profit before income taxes	674	3,502	2,319	8,858	-1,490	1,472	2,295	757	-67.0%	15,354	3,034	-80.2%	
Income taxes - current	224	843	429	2,636	-101	191	55	181	227.7%	4,134	326	-92.0%	
Income taxes - deferred	-69	443	337	-591	-606	405	-162	2,484	-	119	2,120	※-	
Profit (loss)	518	2,215	1,552	6,814	-782	876	2,402	-1,908	-	11,100	587	-94.7%	
Profit(loss) attributable to non-controlling interests	85	152	94	695	-10	72	-63	59	-	1,027	57	-94.4%	
Profit(loss) attributable to owners of parent	433	2,063	1,457	6,118	-772	803	2,466	-1,968	-	10,073	529	-94.7%	

※ In case of percentage changes from the previous term being equal to or higher than 1,000%, they are not shown.

※ Effective from 4Q of FY ended March 2023, the Company has made change in presentation method, and figures in each quarterly result since FY ended March 2022 have been restated to reflect this change. "Foreign exchange gains" and "Foreign exchanges losses", previously stated as Non-operating income/expenses, have changed to be included within "Net trading income".

※Okasan Asset Management Co., Ltd. has become an equity method affiliate from a consolidated subsidiary as of the end of 3rd quarter of the fiscal year ended March 2023. Changes for B/S and P/L are as follows;
B/S : Deconsolidated from 3Q of FY ended March 2023 P/L : Deconsolidated from 4Q of FY ended March 2023

Balance Sheet Summary

(In millions of yen)

Assets	Mar.31, 2022	Mar.31, 2023	Changes from Mar.31, 2022
Current assets	735,086	785,227	50,141
Cash and deposits	86,946	88,460	1,514
Segregated deposits	90,874	95,397	4,523
Trading products	227,666	240,344	12,678
Margin transaction assets	63,432	90,768	27,336
Loans secured by securities	228,480	234,769	6,289
Other current assets	37,685	35,487	-2,198
Non-current assets	81,480	90,829	9,349
Property, plant and equipment	18,071	16,991	-1,080
Intangible assets	4,098	9,224	5,126
Investments and other assets	59,310	64,613	5,303
Total assets	816,567	876,057	59,490

(In millions of yen)

Liabilities and net assets	Mar.31, 2022	Mar.31, 2023	Changes from Mar.31, 2022
Current liabilities	595,610	660,017	64,407
Trading products	225,410	238,809	13,399
Margin transaction liabilities	25,421	24,612	-809
Borrowings secured by securities	97,518	108,711	11,193
Deposits received	61,423	60,174	-1,249
Guarantee deposits received	37,002	43,669	6,667
Short-term borrowings	138,513	152,897	14,384
Other current liabilities	10,320	31,142	20,822
Non-current liabilities	29,855	29,153	-702
Long-term borrowings	11,802	10,000	-1,802
Retirement benefit liability	6,407	5,798	-609
Other non-current liabilities	11,645	13,355	1,710
Reserves under special laws	1,241	1,247	6
Total liabilities	626,706	690,418	63,712
Share capital	18,589	18,589	-
Capital surplus	23,848	37,273	13,425
Retained earnings	120,984	118,548	-2,436
Treasury shares	-3,733	-11,470	-7,737
Accumulated other comprehensive income	8,179	10,076	1,897
Share acquisition rights	463	421	-42
Non-controlling interests	21,528	12,199	-9,329
Total net assets	189,860	185,638	-4,222
Total liabilities and net assets	816,567	876,057	59,490

※Okasan Asset Management Co., Ltd. has become an equity method affiliate from a consolidated subsidiary as of the end of 3rd quarter of the fiscal year ended March 2023.

Changes for B/S and P/L are as follows;

B/S : Deconsolidated from 3Q of FY ended March 2023 P/L : Deconsolidated from 4Q of FY ended March 2023

02. Reference Data

Performance by quarter (non-consolidated: Okasan Securities)

	(In millions of yen)									(In millions of yen)		
	FY22.3				FY23.3				vs.FY23.3	FY22.3	FY23.3	vs.FY22.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q	TOTAL	TOTAL	TOTAL
Operating revenue	12,624	14,316	14,636	13,086	11,781	13,780	12,839	13,977	8.9%	54,664	52,378	-4.2%
Commission received	7,001	7,764	7,841	7,970	7,475	7,778	7,257	6,974	-3.9%	30,577	29,486	-3.6%
Brokerage	3,011	3,239	3,204	2,969	2,647	2,756	2,998	3,041	1.5%	12,425	11,443	-7.9%
Underwriting	98	291	349	355	37	167	236	173	-26.7%	1,095	614	-43.9%
Distribution	2,201	2,491	2,462	2,632	2,878	2,721	2,102	1,840	-12.5%	9,788	9,542	-2.5%
Others	1,689	1,741	1,825	2,012	1,912	2,133	1,920	1,918	-0.1%	7,268	7,885	8.5%
Net trading income	5,323	6,250	6,516	4,690	3,921	5,526	5,120	6,327	23.6%	22,781	20,895	-8.3%
Equities	3,227	4,041	4,085	2,157	1,967	3,467	3,015	4,102	36.0%	13,512	12,552	-7.1%
Bonds	2,062	2,152	2,449	2,635	2,117	2,060	1,578	2,275	44.1%	9,301	8,032	-13.6%
Others	32	56	-18	-103	-164	-1	525	-50	-	-32	309	-
Financial revenue	300	300	278	426	385	475	461	675	46.4%	1,305	1,996	52.9%
Financial expenses	220	196	196	251	287	293	276	514	85.9%	865	1,371	58.5%
Net operating revenue	12,404	14,119	14,439	12,835	11,494	13,487	12,562	13,462	7.2%	53,799	51,006	-5.2%
SG&A	11,764	11,893	12,185	12,776	13,023	12,970	13,017	12,810	-1.6%	48,620	51,822	6.6%
Trading related expenses	1,717	1,821	1,866	2,042	1,923	2,006	2,061	1,865	-9.5%	7,448	7,856	5.5%
Personnel expenses	5,617	5,819	6,106	5,511	6,073	5,908	6,054	5,745	-5.1%	23,055	23,781	3.2%
Real estate expenses	2,059	1,851	1,813	1,847	1,885	1,897	1,842	1,838	-0.2%	7,572	7,463	-1.4%
Office expenses	1,910	1,892	1,953	2,747	2,633	2,580	2,541	2,759	8.6%	8,503	10,514	23.6%
Depreciation	136	132	109	111	105	114	119	136	13.8%	490	475	-3.0%
Taxes and dues	148	186	168	230	141	181	158	179	13.3%	734	661	-9.9%
Other	174	188	167	285	261	280	240	286	18.8%	815	1,068	31.0%
Operating profit (loss)	639	2,226	2,253	59	-1,529	517	-455	651	-	5,178	-815	-
Non-operating income	54	121	101	83	73	51	34	58	70.4%	360	218	-39.4%
Non-operating expenses	18	7	10	35	22	21	0	46	※-	72	90	25.2%
Ordinary profit (loss)	675	2,341	2,343	107	-1,477	547	-421	664	-	5,467	-687	-
Extraordinary income	-	44	-	-	-	-	-	-	-	44	-	-
Extraordinary losses	-	-	-	51	-	-	1	83	※-	51	85	67.6%
Profit before income taxes	675	2,385	2,343	56	-1,477	547	-423	580	-	5,460	-772	-
Income taxes - current	-5	864	419	-692	-227	-52	-15	51	-	586	-243	-
Income taxes - deferred	246	-99	319	-297	-455	131	-190	2,448	-	169	1,934	※-
Profit (loss)	433	1,621	1,604	1,045	-794	468	-216	-1,920	-	4,705	-2,463	-

※ In case of percentage changes from the previous term being equal to or higher than 1,000%, they are not shown.

※ Effective from 4Q of FY ended March 2023, the Company has made change in presentation method, and figures in each quarterly result since FY ended March 2022 have been restated to reflect this change. "Foreign exchange gains" and "Foreign exchanges losses", previously stated as Non-operating income/expenses, have changed to be included within "Net trading income".

※ Okasan Securities and Okasan Online Securities integrated as of January 1, 2022.

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

* Excluding data of Okasan Online Securities Company

<Compared to previous quarter>

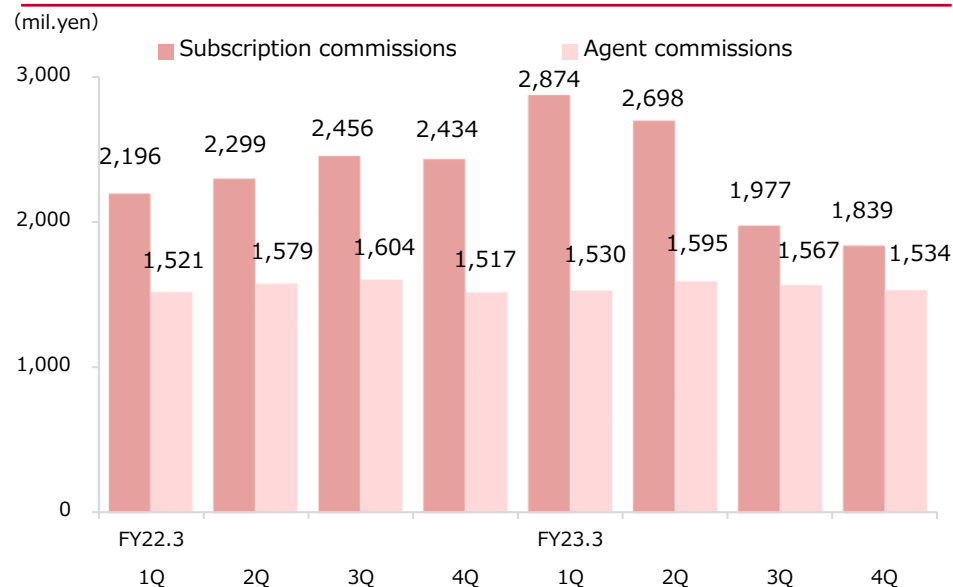
- Investment trust sales decreased by 7.7% from the previous quarter to 64.7 billion yen.
- Subscription commissions decreased by 7.0% QoQ to 1,839 million yen.
- Agent commissions decreased by 2.1% QoQ to 1,534 million yen.
- Foreign bonds sales amount decreased by 26.7% QoQ to 44.1 billion yen.

<Year-on-year comparison (cumulative)>

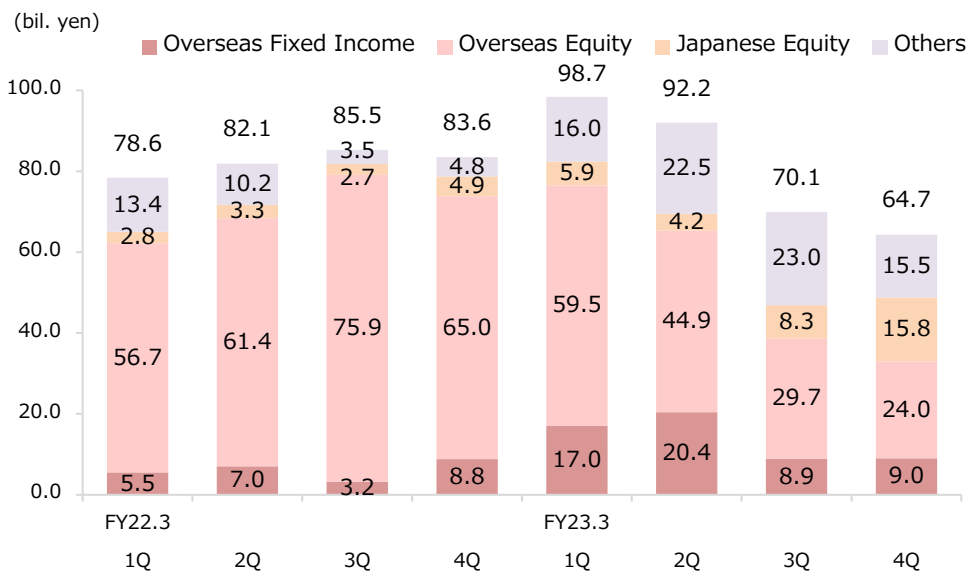
- Investment trust sales decreased by 1.2% YoY to 325.7 billion yen. Though the sales growth of publicly offered investment trusts was solid in the first half of the year, slowed down in the latter half reflecting unsolid market environment.
- Subscription commissions and agent commissions remained almost flat YoY at 9,389 million yen, 6,227 million yen, respectively.
- Foreign bonds sales amount decreased by 2.4% YoY to 2,160 billion yen. While sales volume of bonds for corporate customers increased, sales of structured bonds decreased.

Investment trusts commissions

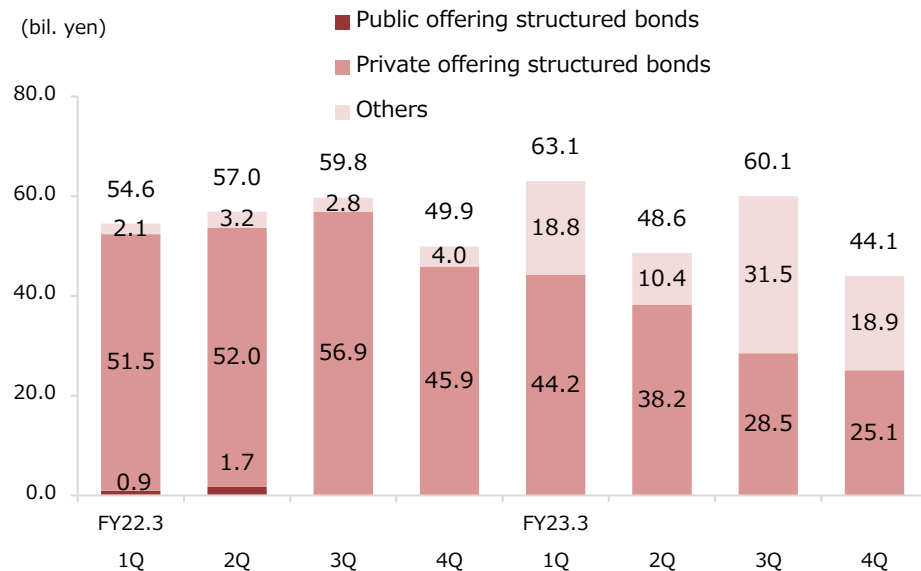
※Including data of Okasan Online Securities Company since FY22.3 4Q



Investment trusts sales amount



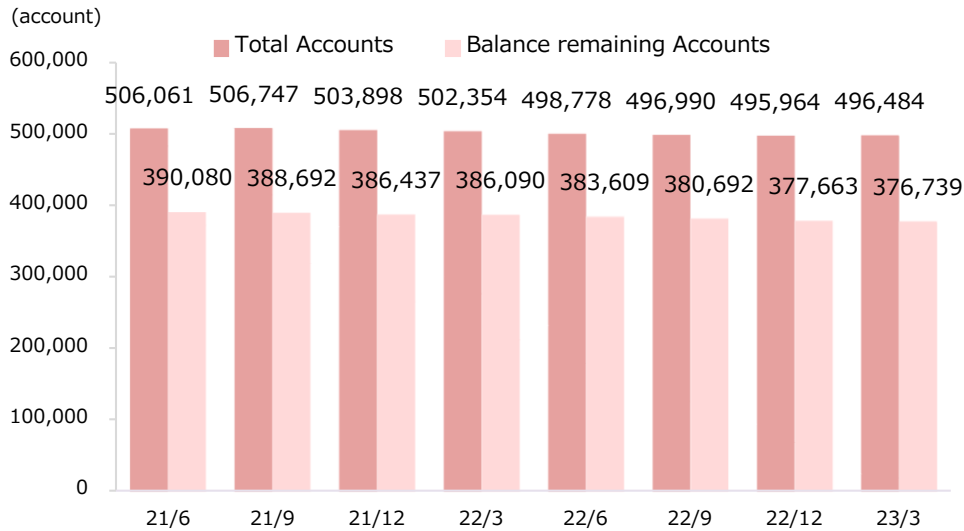
Foreign bonds sales amount



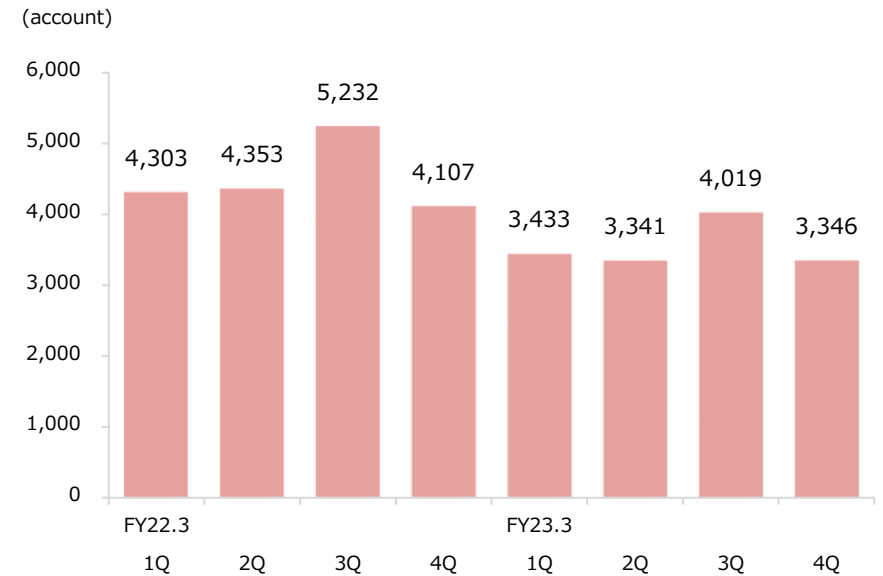
Number of accounts / Net inflow of assets (non-consolidated: Okasan Securities)

* Excluding data of Okasan Online Securities Company

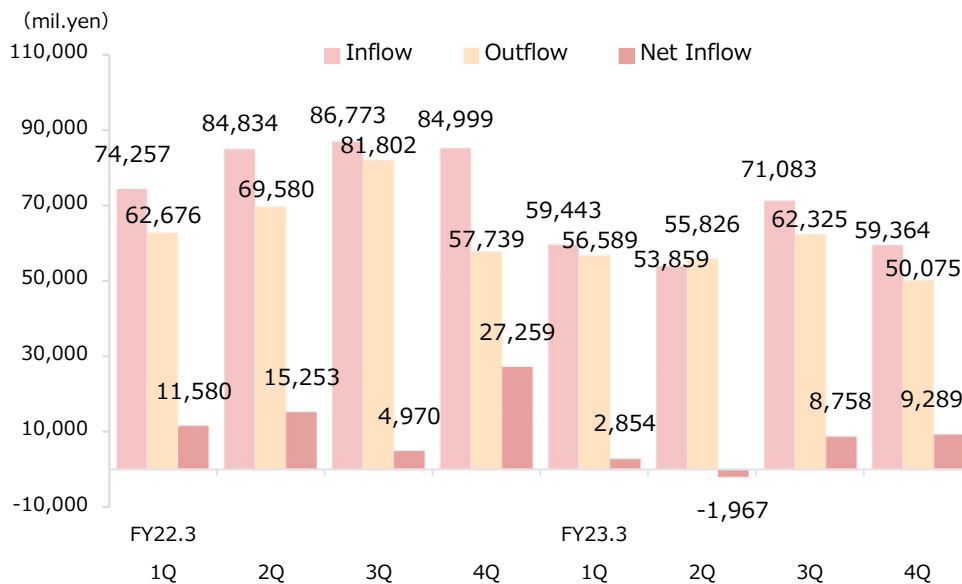
Number of customer accounts



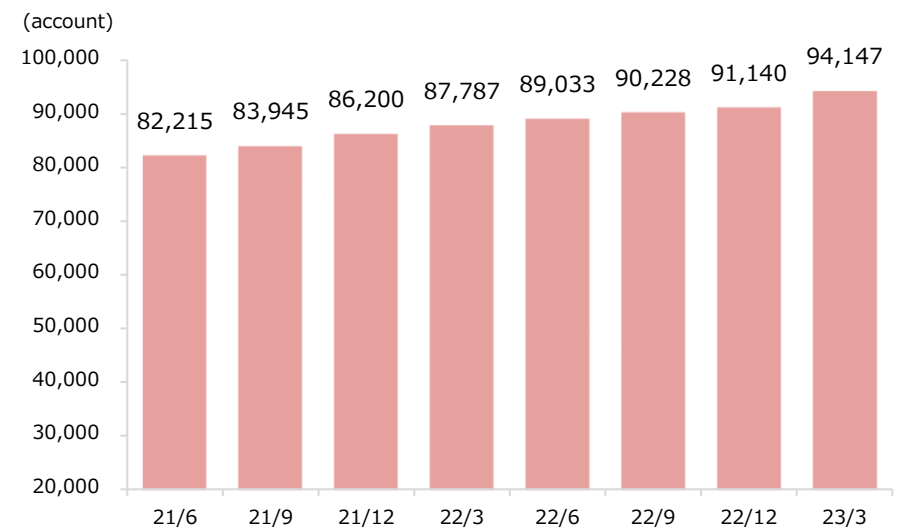
Number of new accounts



Net Asset Inflow (Individual customers)



Number of Omni Net accounts (former Online Trade Account)



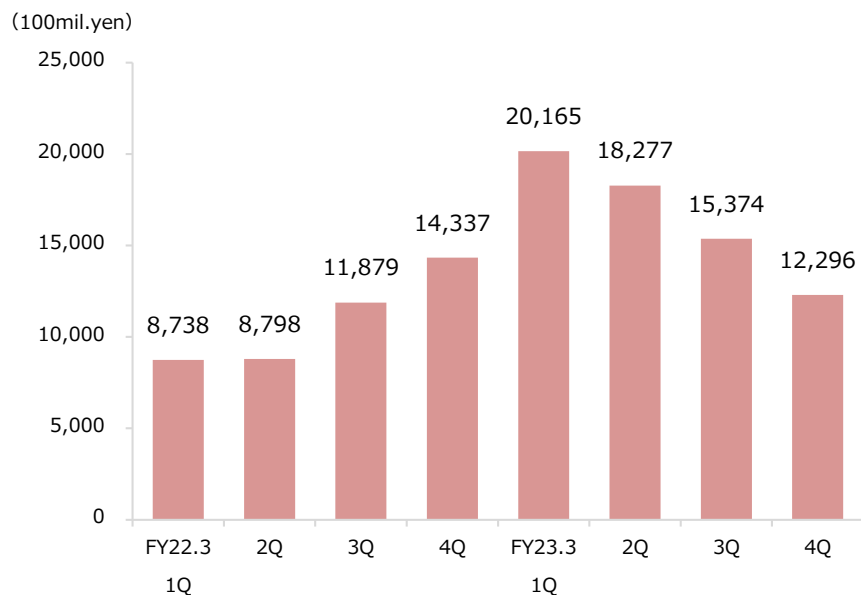
Business Data of Okasan Online Securities Company

- Completed succession of Marusan Trade business from Marusan Securities Co., Ltd. In July 2022.
- Trading volume of domestic equities rebounded since the 2nd quarter. Profit related to domestic equities increased as well.
- “Click 365(exchange listed FX Daily Futures contracts)” contract amount increased, compared to the previous fiscal year, due to exchange rate fluctuation.

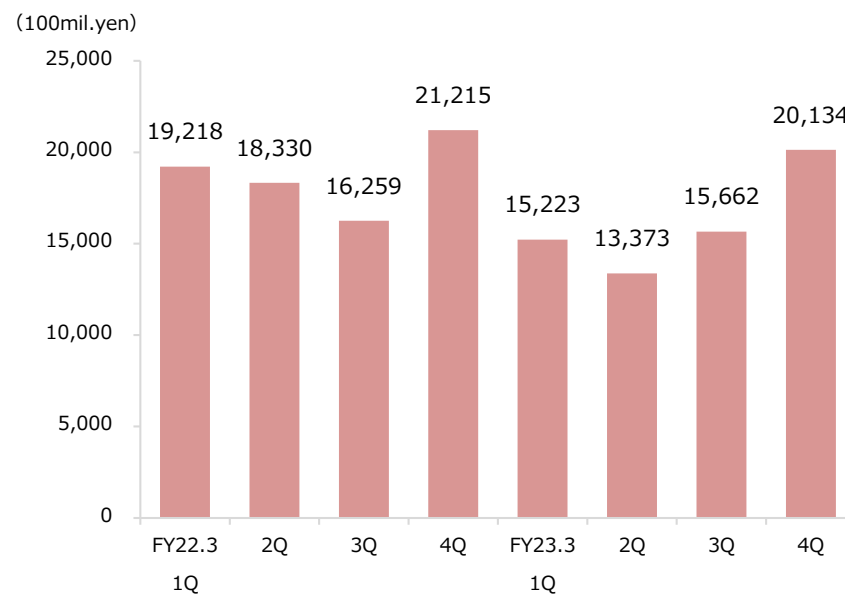
Domestic equities trading volume



“Click 365” contract amount



“Click kabu365” contract amount



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

<Compared to the end of the previous fiscal year>

The capital adequacy requirement ratio declined 11.9 percentage points from the end of the previous fiscal year to 383.0%.

- Lower basic items and lower assets to be deducted caused decline of the ratio.

		FY22.3				FY23.3				vs.FY22.3		
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	4Q		
Basic items		(A)	71,933	73,554	75,159	76,046	75,040	75,509	75,292	73,371	-2,675	
Complementary items	Appraisal gains (losses) etc.		20	–	–	10	10	24	24	16	6	
	Security transaction responsibility reserve		774	774	774	1,130	1,130	1,130	1,131	1,136	6	
	General provision for loan losses		–	–	–	15	10	12	14	30	15	
	Short-term subordinated debt		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	–	
Total		(B)	6,794	6,774	6,774	7,156	7,151	7,166	7,170	7,182	26	
Assets to be deducted		(C)	13,198	13,455	13,124	13,953	14,067	14,187	14,474	11,898	-2,055	
Unfixed equity capital		(A) + (B) – (C)	(D)	65,529	66,874	68,809	69,249	68,124	68,488	67,987	68,655	-594
Risk equivalents	Market risk equivalents		3,165	2,139	3,316	3,287	3,533	2,454	2,868	3,117	-170	
	Customer risk equivalents		1,099	1,253	1,155	1,509	1,502	1,626	1,659	1,912	403	
	Basic risk equivalents		11,494	11,653	11,678	12,738	12,635	12,859	13,046	12,892	154	
	Total	(E)	15,759	15,046	16,150	17,534	17,672	16,940	17,574	17,921	387	
Capital adequacy ratio		(D) / (E) × 100 (%)	415.8%	444.4%	426.0%	394.9%	385.4%	404.2%	386.8%	383.0%	-11.9p	

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

※ Okasan Securities and Okasan Online Securities integrated as of January 1, 2022.

Group Topics

Okasan Securities Group

- Transition to Prime Market of Tokyo Stock Exchange; Premier Market of Nagoya Stock Exchange (April 2022)
- Disclosure based on the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD) (June)
- Reorganizing six consolidated subsidiaries into wholly owned subsidiaries (October)
- Made Okasan Asset Management into a joint corporation between SBI Group (November)
- Acquisition of own shares (From November to March 2023)
- Transferred core operational system to industrial standard, shared-use system (January 2023)
- Announced new Medium-term Management Plan (March)

Okasan Securities

- Organizational reform (Established Okasan Kansai Securities Company and Corporate Business Planning Dept., reorganized Regional Corporate Business Division) (May, December 2022)
- Ikeda becomes new President (June)
- Underwriting “Peace Building Bond” issued by JICA (Japan International Cooperation Agency) (July)
- Completed succession of Marusan Trade business from Marusan Securities (Okasan Online) (July)
- Release of investment information portal website for customers (August)
- Started off-floor distributions (Okasan Online) (September)
- Opened Satellite Place in the Tokyo Metropolitan area (Narimasu and Kumagaya) (October, January 2023)

Other subsidiaries

- Okasan Niigata Securities: Egoshi becomes new Chairman and President (June 2022)
- Okasan Capital Partners: Fujino becomes new President (June)
- Securities Japan: Started goal-based approach wrap service (February 2023)

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