

July 28, 2023

# 1st Quarter of Fiscal Year Ending March 31, 2024 Results Briefing

The objective of the document is to provide information on the results of the 1st quarter of the fiscal year ending March 31, 2024 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 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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※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  
※From 1Q of FY ending 2024, the Group changed its reportable segment into a single segment of “the investment and financial service business”.

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

# Financial highlights of 1st quarter of fiscal year ending March 2024

(Cumulative: Three months from April 1, 2023 to June 30, 2023)

<Year-on-year comparison (vs. 1st quarter of FY ended March 2023(Cumulative: Three months from April 1, 2022 to June 30, 2022))>

- Operating revenue increased by 34.7% year on year (YoY). Over the same period, net operating revenue increased by 34.7%.  
Equities trading income and brokerage commission increased by rebound of equities trading volume by individual customers, reflecting the recovery in financial markets both domestic and overseas.
- Selling, general, and administrative expenses decreased by 2.1% YoY from lower personnel expenses, trading related expenses, and others.  
Expenses decreased due to deconsolidation of Okasan Asset Management.
- Ordinary income turned profitable to 4,573 million yen. Profit attributable to owners of parent amounted to 5,201 million yen.

					(In millions of yen)					(In millions of yen)		
	FY23.3				FY24.3	vs.FY23.3	FY23.3	FY24.3	vs.FY23.3	FY23.3	FY24.3	vs.FY23.3
	1Q	2Q	3Q	4Q	1Q	4Q	1QTOTAL	1QTOTAL	1QTOTAL	1QTOTAL	1QTOTAL	1QTOTAL
<b>Operating revenue</b>	15,779	17,781	16,436	16,554	<b>21,247</b>	<b>28.4%</b>	15,779	<b>21,247</b>	<b>34.7%</b>	15,779	<b>21,247</b>	<b>34.7%</b>
<b>Net operating revenue</b>	15,417	17,422	16,080	15,982	<b>20,766</b>	<b>29.9%</b>	15,417	<b>20,766</b>	<b>34.7%</b>	15,417	<b>20,766</b>	<b>34.7%</b>
<b>SG&amp;A</b>	16,957	16,808	16,550	15,620	<b>16,603</b>	<b>6.3%</b>	16,957	<b>16,603</b>	<b>-2.1%</b>	16,957	<b>16,603</b>	<b>-2.1%</b>
<b>Operating profit</b>	-1,539	614	-469	361	<b>4,163</b>	※-	-1,539	<b>4,163</b>	-	-1,539	<b>4,163</b>	-
<b>Ordinary profit</b>	-1,440	1,224	-489	1,127	<b>4,573</b>	<b>305.8%</b>	-1,440	<b>4,573</b>	-	-1,440	<b>4,573</b>	-
<b>Profit attributable to owners of parent</b>	-772	803	2,466	-1,968	<b>5,201</b>	-	-772	<b>5,201</b>	-	-772	<b>5,201</b>	-
<b>EPS (YEN)</b>	-3.90	3.95	11.75	-9.56	<b>25.35</b>	-	-3.90	<b>25.35</b>	-	-3.90	<b>25.35</b>	-
<b>BPS (YEN)</b>	824.60	823.21	844.48	843.45	<b>867.44</b>	-	824.60	<b>867.44</b>	-	824.60	<b>867.44</b>	-
<b>ROE (annualized)</b>							-	<b>11.9%</b>	-	-	<b>11.9%</b>	-

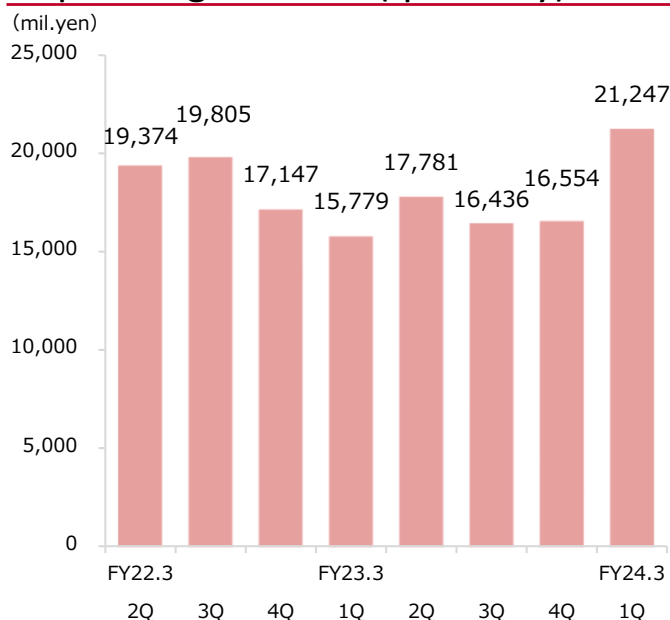
※In case of percentage changes from the previous term being equal to or higher than 1,000%, they are not shown.

# Performance by Quarter (Consolidated)

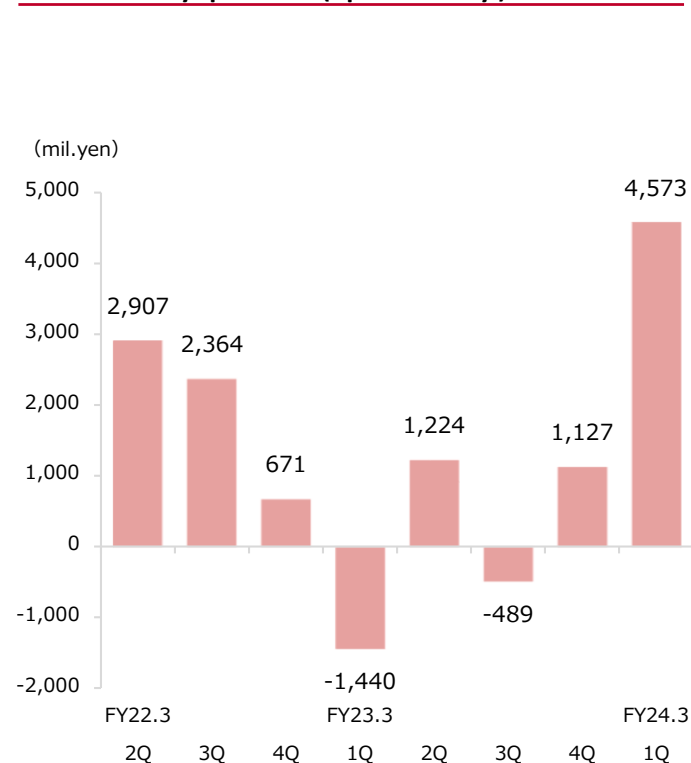
<Compared to previous quarter (vs. 4th quarter of the fiscal year ended March 2023)>

- Operating revenue increased by 28.4% from the previous quarter. Net operating revenues increased by 29.9% quarter on quarter (QoQ). Brokerage commission and equities trading income increased reflecting the recovery in financial markets both domestic and overseas. Investment trust sales increased as well, which caused increase in distribution fees.
- Selling, general, and administrative expenses increased by 6.3% QoQ, due to higher personnel expenses, trading related expenses, and others.
- Ordinary profit increased by 305.8% QoQ. Profit attributable to owners of parent turned profitable to 5,201 million yen. Gain on sale of investment securities is recorded as extraordinary income in the current quarter.

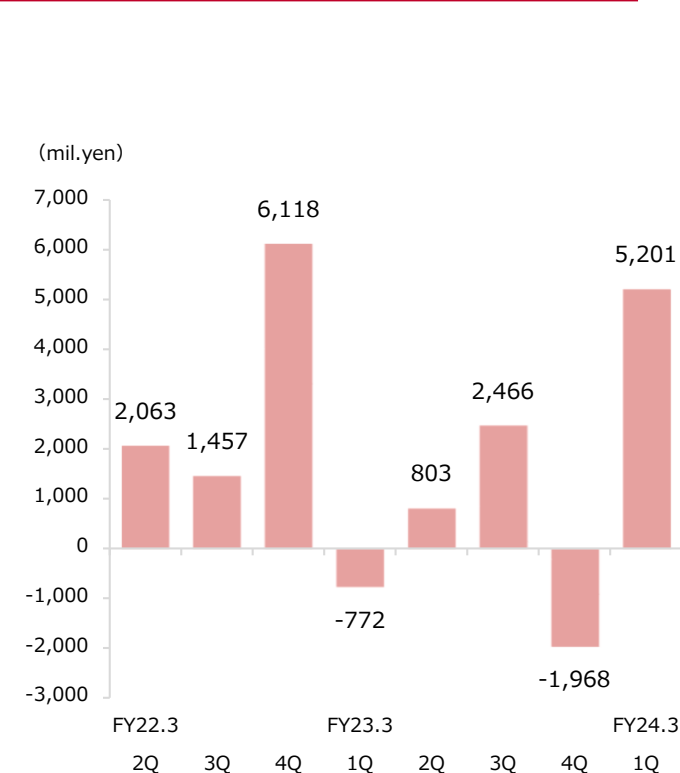
## Operating revenue (quarterly)



## Ordinary profit (quarterly)



## Profit attributable to owners of parent (quarterly)

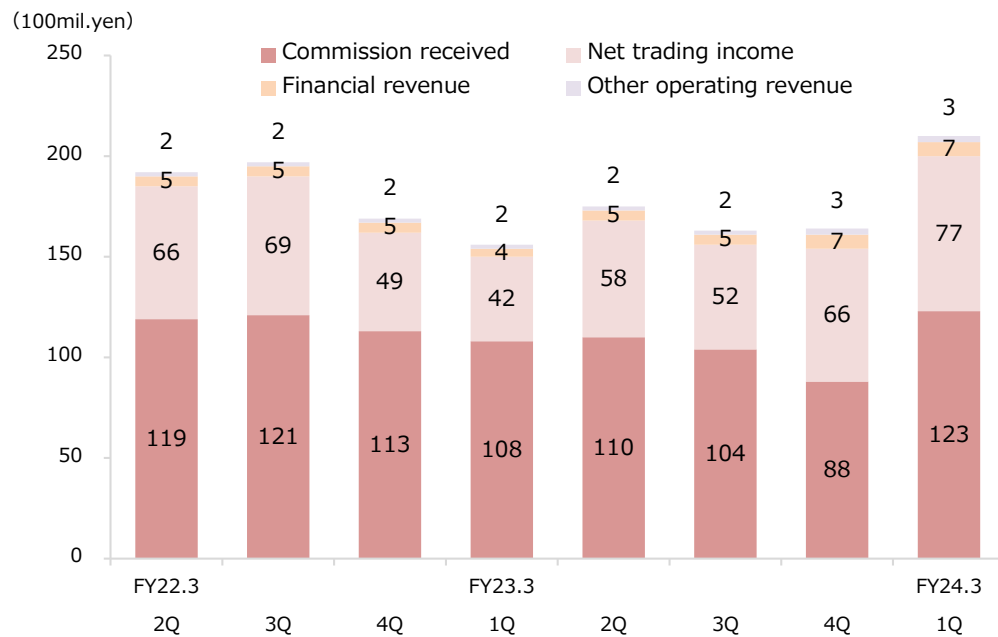


# Operating Revenue I

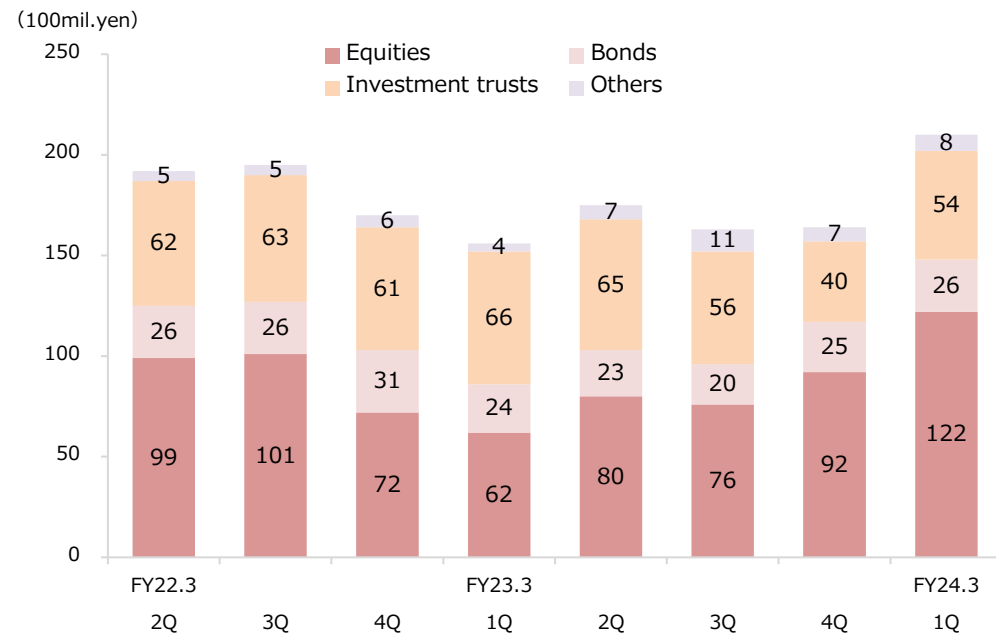
	(In millions of yen)				(In millions of yen)		(In millions of yen)		
	FY23.3				FY24.3 vs.FY23.3		FY23.3	FY24.3	vs.FY23.3
	1Q	2Q	3Q	4Q	1Q	4Q	1QTOTAL	1QTOTAL	1QTOTAL
<b>Commission received</b>	10,807	11,098	10,411	8,802	<b>12,363</b>	<b>40.5%</b>	10,807	<b>12,363</b>	<b>14.4%</b>
Brokerage	3,830	3,867	4,143	4,322	<b>6,053</b>	<b>40.0%</b>	3,830	<b>6,053</b>	<b>58.0%</b>
Underwriting	37	168	235	173	<b>560</b>	<b>222.9%</b>	37	<b>560</b>	※-
Distribution	3,159	3,060	2,371	2,118	<b>3,491</b>	<b>64.8%</b>	3,159	<b>3,491</b>	<b>10.5%</b>
Others	3,780	4,001	3,661	2,187	<b>2,258</b>	<b>3.2%</b>	3,780	<b>2,258</b>	<b>-40.3%</b>
<b>Net trading income</b>	4,235	5,862	5,223	6,626	<b>7,711</b>	<b>16.4%</b>	4,235	<b>7,711</b>	<b>82.1%</b>
Equities	2,152	3,735	3,025	4,272	<b>5,674</b>	<b>32.8%</b>	2,152	<b>5,674</b>	<b>163.6%</b>
Bonds	2,265	2,156	1,656	2,382	<b>2,001</b>	<b>-16.0%</b>	2,265	<b>2,001</b>	<b>-11.6%</b>
Others	-182	-29	540	-28	<b>34</b>	-	-182	<b>34</b>	-
<b>Financial revenue</b>	498	584	577	793	<b>794</b>	<b>0.2%</b>	498	<b>794</b>	<b>59.5%</b>
<b>Others</b>	237	236	224	332	<b>378</b>	<b>13.8%</b>	237	<b>378</b>	<b>59.0%</b>
<b>Operating revenue</b>	15,779	17,781	16,436	16,554	<b>21,247</b>	<b>28.4%</b>	15,779	<b>21,247</b>	<b>34.7%</b>

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

## Quarterly change in operating revenue

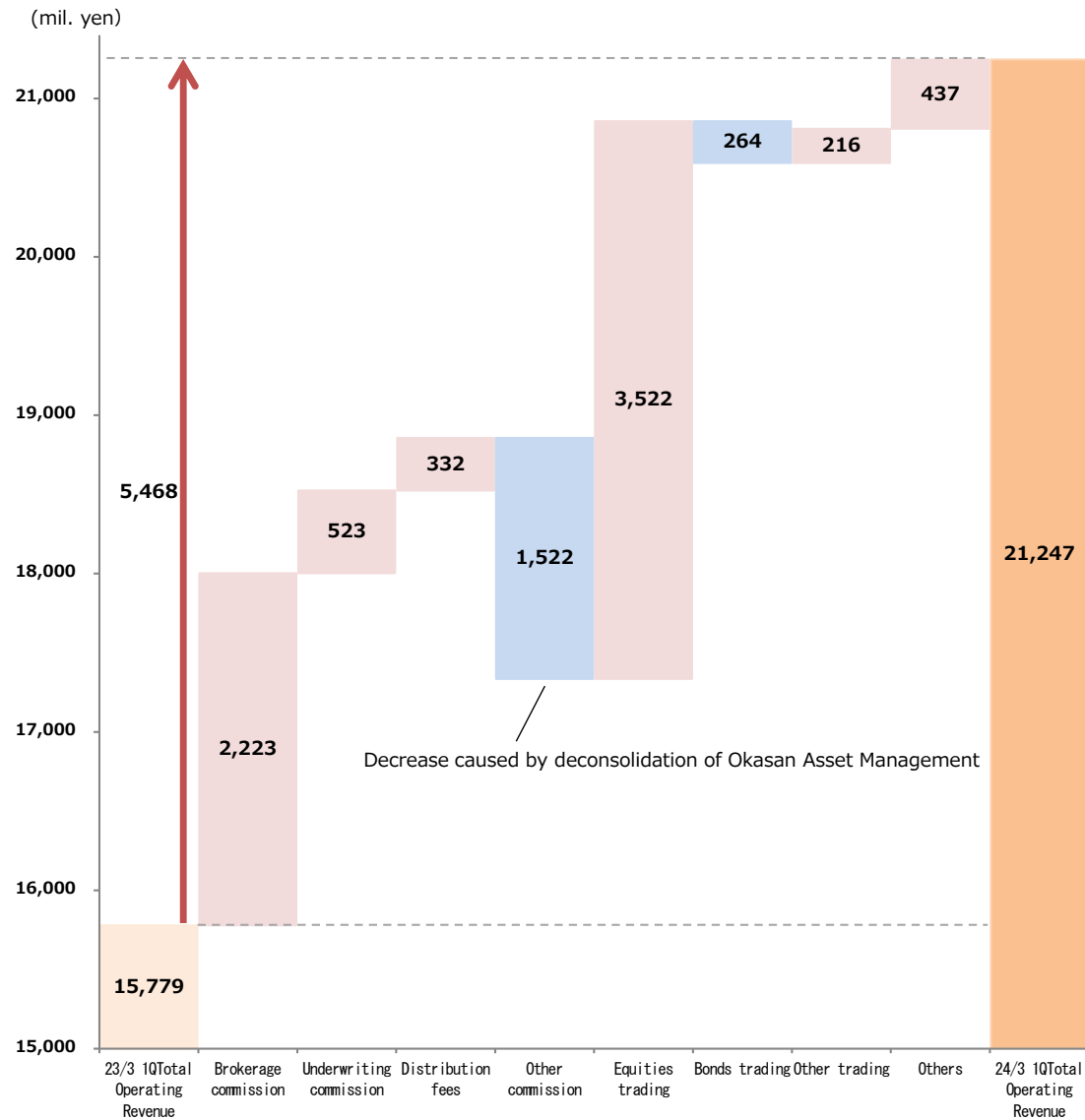


## Quarterly change in operating revenue by product



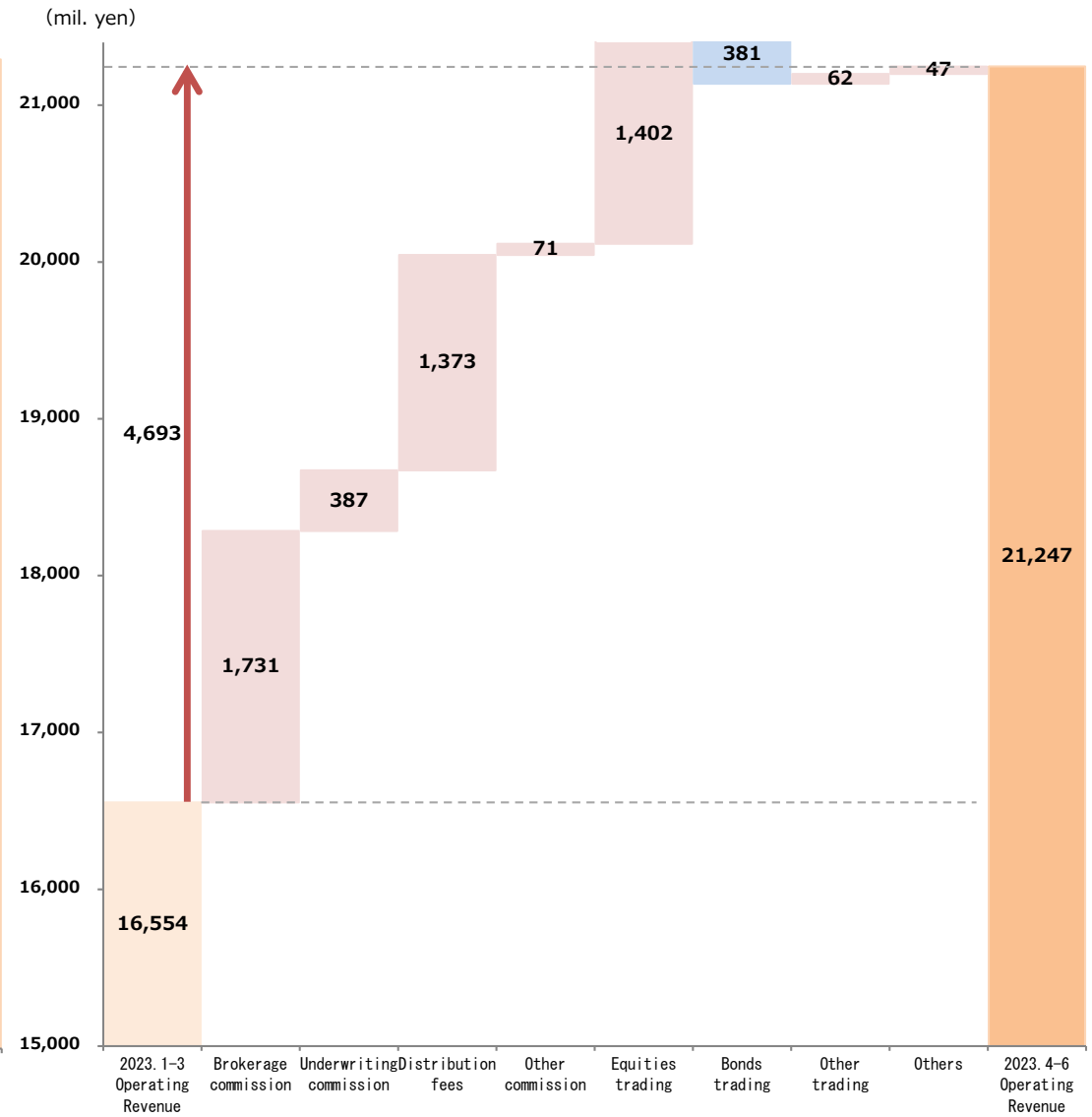
# Operating Revenue II

## Changing factors of operating revenue (vs. FY23.3 1Q)



※Figures less than 1million yen are omitted.

## Changing factors of operating revenue (vs. FY23.3 4Q)



# Fees and Commission Received

## <Compared to previous quarter>

Brokerage commission increased by 40.0% from the previous quarter, due mainly to increase of domestic equities brokerage commission, reflecting the rebound of equities trading of individual customers.

Underwriting commission increased by 222.9% QoQ, owing to the large case underwriting of corporate bond.

Distribution fees increased by 64.8% QoQ, due to higher sales of publicly offered investment trusts.

Other commission increased by 3.2% QoQ, from a rise in trust fees.

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

Brokerage commission increased by 58.0% YoY, due mainly to increase of domestic equities brokerage commission, reflecting the financial markets recovery.

Underwriting commission increased by 14.9 times YoY, due to the increase of large case underwriting of corporate bond and IPO lead management.

Distribution fees increased by 10.5% YoY owing to higher sales of mainly publicly offered domestic stock investment trusts.

Other commission decreased by 40.3% YoY. Trust fees decreased upon the conversion of Okasan Asset Management into equity method affiliate company.

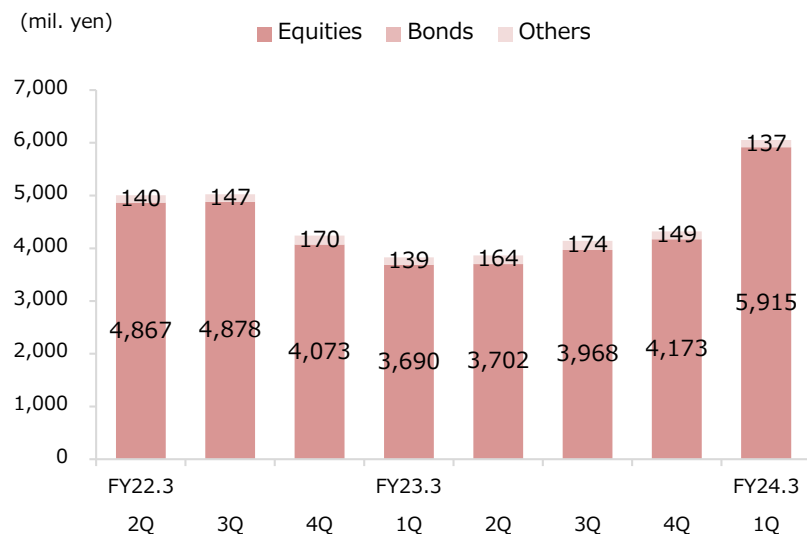
	(In millions of yen)							(In millions of yen)		
	FY23.3				FY24.3 vs.FY23.3		FY23.3	FY24.3	vs.FY23.3	
	1Q	2Q	3Q	4Q	1Q	4Q	1QTOTAL	1QTOTAL	1QTOTAL	
<b>Brokerage</b>	3,830	3,867	4,143	4,322	<b>6,053</b>	<b>40.0%</b>	3,830	<b>6,053</b>	<b>58.0%</b>	
Equities	3,690	3,702	3,968	4,173	<b>5,915</b>	<b>41.8%</b>	3,690	<b>5,915</b>	<b>60.3%</b>	
Bonds	0	0	0	–	–	–	0	–	–	
Others	139	164	174	149	<b>137</b>	<b>-8.0%</b>	139	<b>137</b>	<b>-1.7%</b>	
<b>Underwriting</b>	37	168	235	173	<b>560</b>	<b>222.9%</b>	37	<b>560</b>	<b>※–</b>	
Equities	4	73	134	90	<b>76</b>	<b>-15.7%</b>	4	<b>76</b>	<b>※–</b>	
Bonds	33	95	100	83	<b>484</b>	<b>482.7%</b>	33	<b>484</b>	<b>※–</b>	
<b>Distribution</b>	3,159	3,060	2,371	2,118	<b>3,491</b>	<b>64.8%</b>	3,159	<b>3,491</b>	<b>10.5%</b>	
Beneficiary Certificates	3,155	3,036	2,245	2,117	<b>3,486</b>	<b>64.7%</b>	3,155	<b>3,486</b>	<b>10.5%</b>	
<b>Others</b>	3,780	4,001	3,661	2,187	<b>2,258</b>	<b>3.2%</b>	3,780	<b>2,258</b>	<b>-40.3%</b>	
Beneficiary Certificates	3,340	3,385	3,260	1,771	<b>1,888</b>	<b>6.6%</b>	3,340	<b>1,888</b>	<b>-43.4%</b>	
<b>Total</b>	10,807	11,098	10,411	8,802	<b>12,363</b>	<b>40.5%</b>	10,807	<b>12,363</b>	<b>14.4%</b>	

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

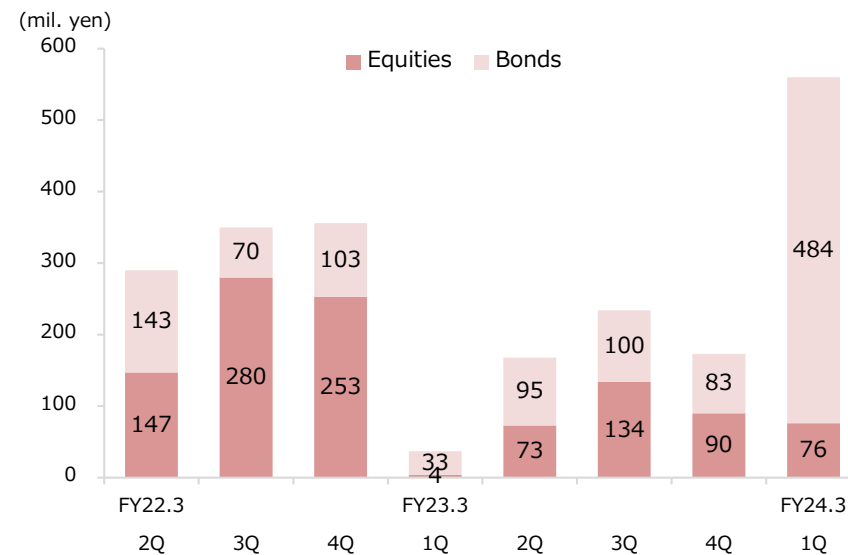


# Fees and Commission Received by Category (Quarterly Transition)

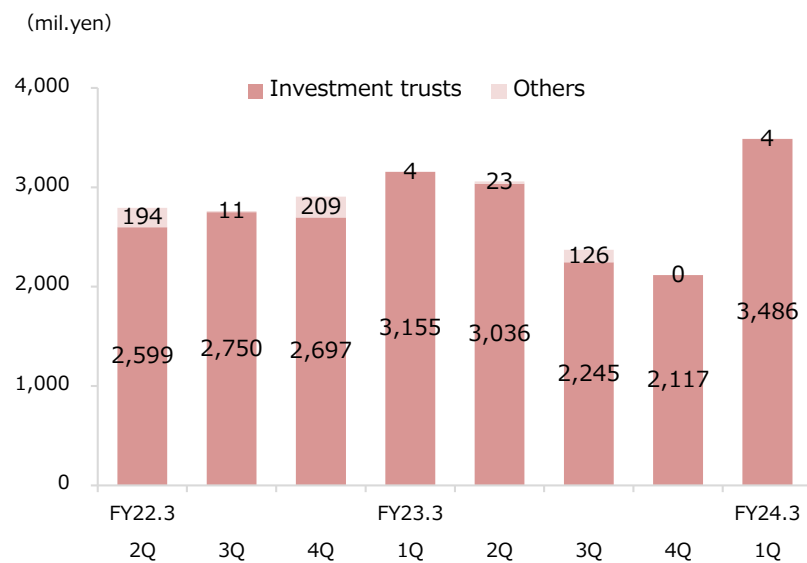
## Brokerage



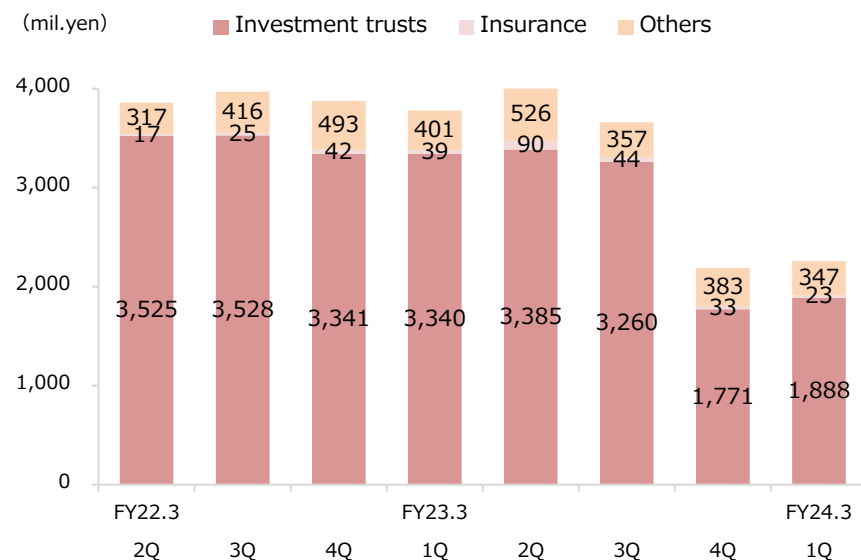
## Underwriting



## Distribution



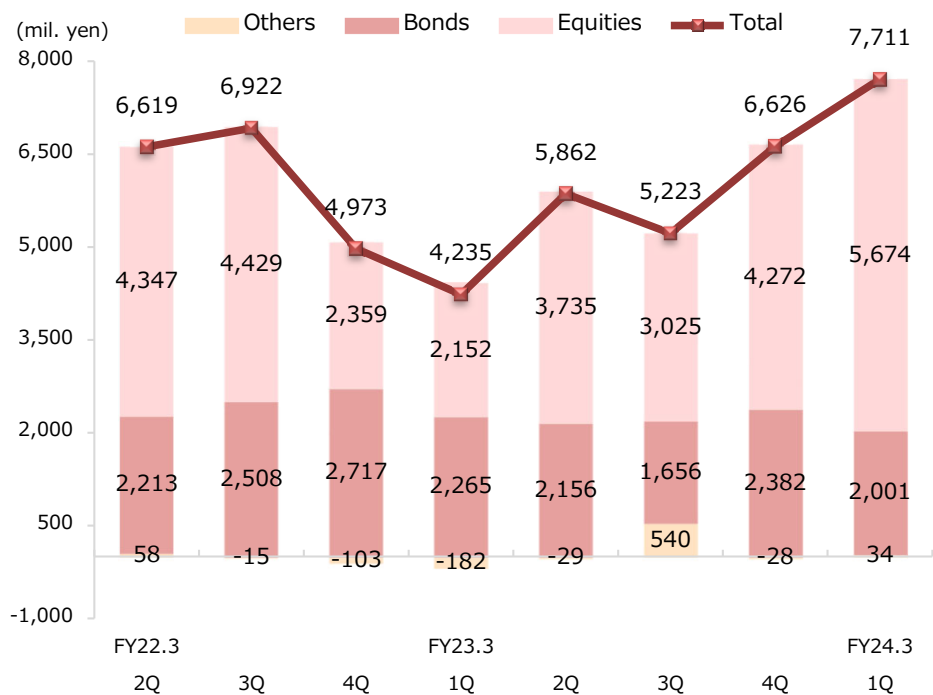
## Others



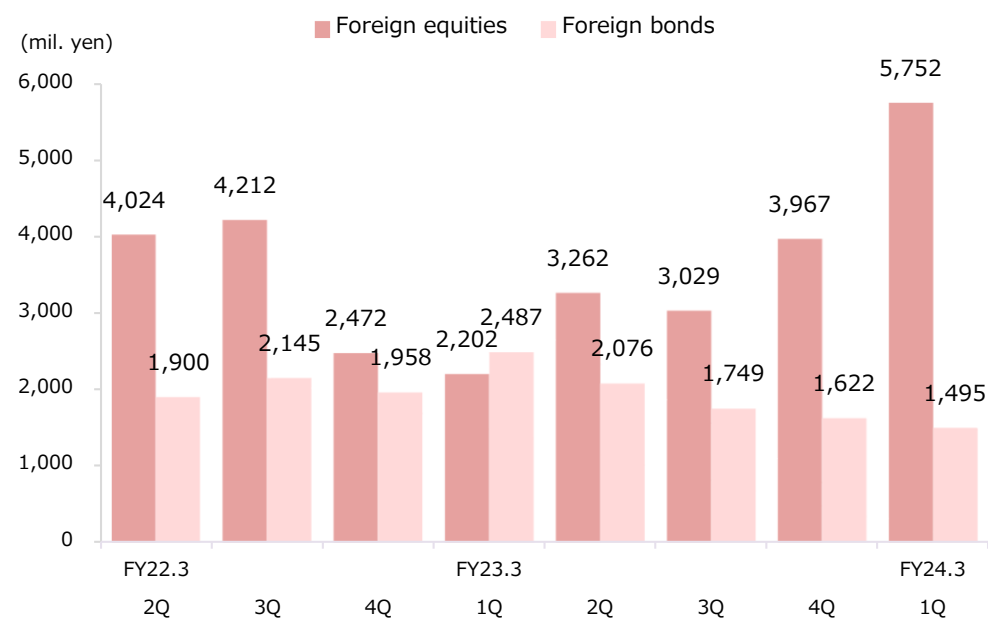
# Net Trading Income

	(In millions of yen)				(In millions of yen)		(In millions of yen)		
	FY23.3				FY24.3 vs.FY23.3		FY23.3	FY24.3	vs.FY23.3
	1Q	2Q	3Q	4Q	1Q	4Q	1QTOTAL	1QTOTAL	1QTOTAL
<b>Equities</b>	2,152	3,735	3,025	4,272	<b>5,674</b>	<b>32.8%</b>	2,152	<b>5,674</b>	<b>163.6%</b>
Domestic equities	-49	473	-3	305	<b>-77</b>	<b>-</b>	-49	<b>-77</b>	<b>-</b>
Foreign equities	2,202	3,262	3,029	3,967	<b>5,752</b>	<b>45.0%</b>	2,202	<b>5,752</b>	<b>161.2%</b>
<b>Bonds and others</b>	2,265	2,156	1,656	2,382	<b>2,001</b>	<b>-16.0%</b>	2,265	<b>2,001</b>	<b>-11.6%</b>
Domestic bonds	-222	79	-92	760	<b>506</b>	<b>-33.4%</b>	-222	<b>506</b>	<b>-</b>
Foreign bonds	2,487	2,076	1,749	1,622	<b>1,495</b>	<b>-7.8%</b>	2,487	<b>1,495</b>	<b>-39.9%</b>
<b>Others</b>	-182	-29	540	-28	<b>34</b>	<b>-</b>	-182	<b>34</b>	<b>-</b>
<b>Net trading income</b>	<b>4,235</b>	<b>5,862</b>	<b>5,223</b>	<b>6,626</b>	<b>7,711</b>	<b>16.4%</b>	<b>4,235</b>	<b>7,711</b>	<b>82.1%</b>

## 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) increased by 6.3% from the previous quarter, due to higher personnel expenses, trading related expenses, and others.

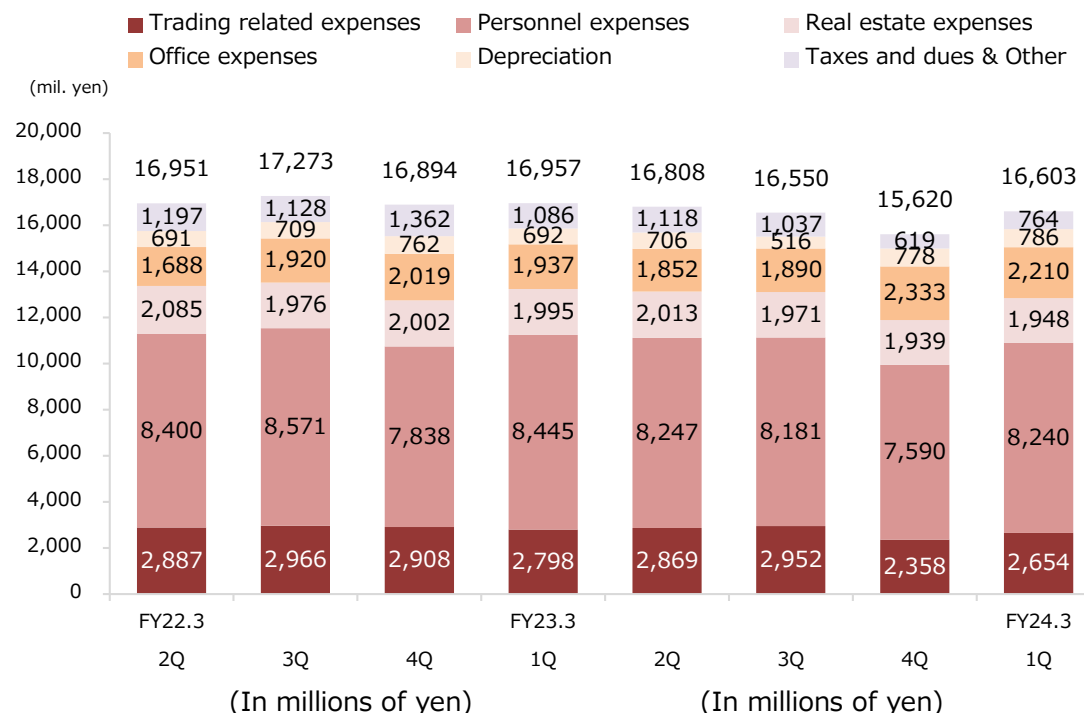
- Personnel expenses increased by 8.6% QoQ, due to increased bonus and allowance.
- Trading related expenses increased by 12.5% QoQ, due to increased advertising expenses and commission paid.

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

SG&A decreased by 2.1% YoY, resulted from higher office expenses, in addition to lower personnel expenses and trading related expenses.

- Office expenses increased by 14.0% YoY due to core operational system related expenses, and others.
- Due to deconsolidation of Okasan Asset Management and others, personnel expenses (including bonus and allowance) decreased by 2.4% QoQ, trading related expenses decreased by 5.2% QoQ. Other expenses decreased as well, because of lower research fees.

## Change in Selling, General and Administrative Expenses

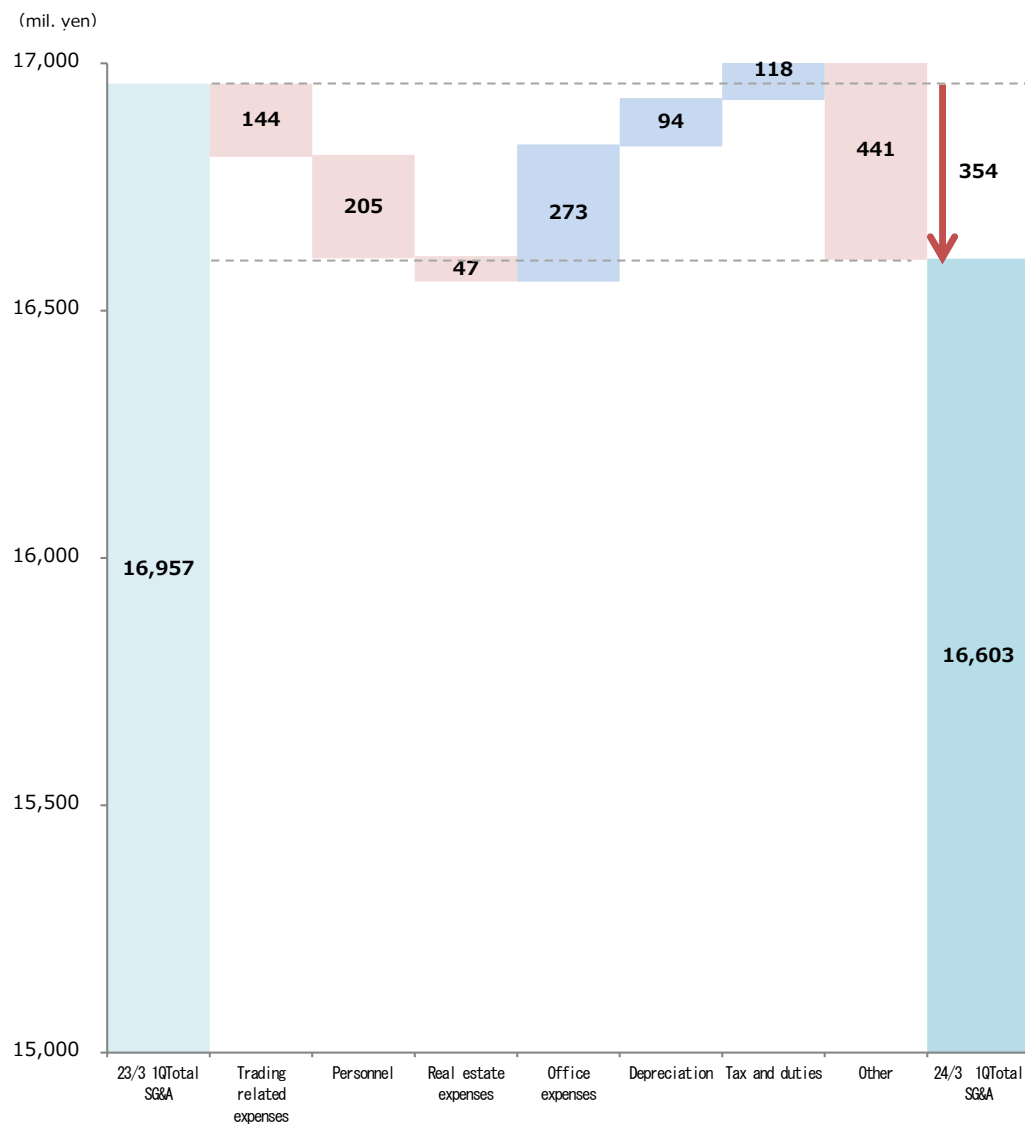


	FY23.3				FY24.3 vs.FY23.3	
	1Q	2Q	3Q	4Q	1Q	4Q
Trading related expenses	2,798	2,869	2,952	2,358	<b>2,654</b>	<b>12.5%</b>
Personnel expenses	8,445	8,247	8,181	7,590	<b>8,240</b>	<b>8.6%</b>
Real estate expenses	1,995	2,013	1,971	1,939	<b>1,948</b>	<b>0.5%</b>
Office expenses	1,937	1,852	1,890	2,333	<b>2,210</b>	<b>-5.3%</b>
Depreciation	692	706	516	778	<b>786</b>	<b>1.0%</b>
Taxes and dues	257	292	296	251	<b>375</b>	<b>49.5%</b>
Other	829	826	741	368	<b>388</b>	<b>5.5%</b>
<b>SG&amp;A</b>	<b>16,957</b>	<b>16,808</b>	<b>16,550</b>	<b>15,620</b>	<b>16,603</b>	<b>6.3%</b>

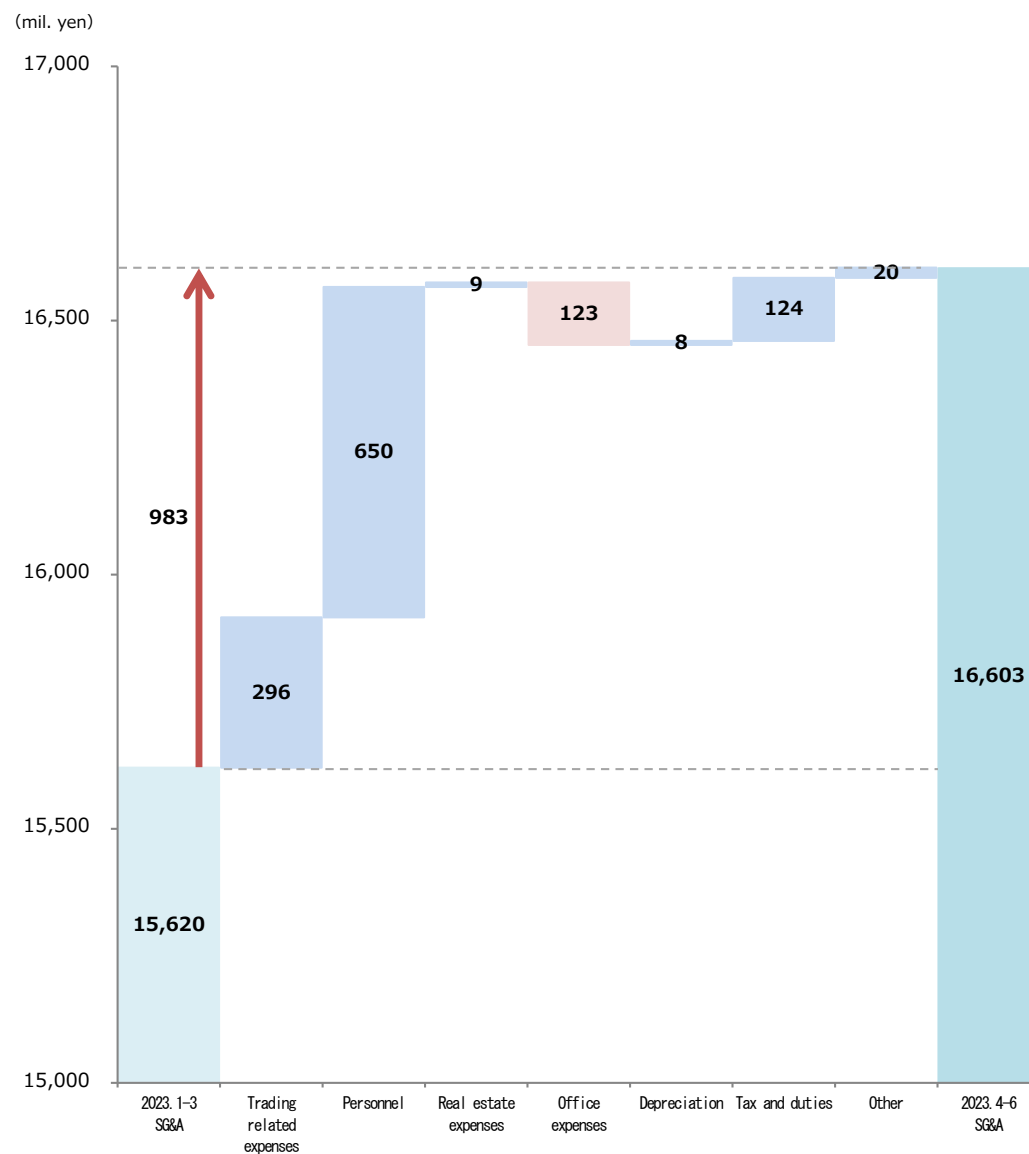
	FY23.3			FY24.3 vs.FY23.3		
	1QTOTAL	1QTOTAL	1QTOTAL	1QTOTAL	1QTOTAL	1QTOTAL
Trading related expenses	2,798	2,798	2,798	<b>2,654</b>	<b>2,654</b>	<b>-5.2%</b>
Personnel expenses	8,445	8,445	8,445	<b>8,240</b>	<b>8,240</b>	<b>-2.4%</b>
Real estate expenses	1,995	1,995	1,995	<b>1,948</b>	<b>1,948</b>	<b>-2.4%</b>
Office expenses	1,937	1,937	1,937	<b>2,210</b>	<b>2,210</b>	<b>14.0%</b>
Depreciation	692	692	692	<b>786</b>	<b>786</b>	<b>13.5%</b>
Taxes and dues	257	257	257	<b>375</b>	<b>375</b>	<b>45.9%</b>
Other	829	829	829	<b>388</b>	<b>388</b>	<b>-53.1%</b>
<b>SG&amp;A</b>	<b>16,957</b>	<b>16,957</b>	<b>16,957</b>	<b>16,603</b>	<b>16,603</b>	<b>-2.1%</b>

# SG&A : Selling, General and Administrative Expenses II

## Changing factors of SG&A (vs. FY23.3 1Q)

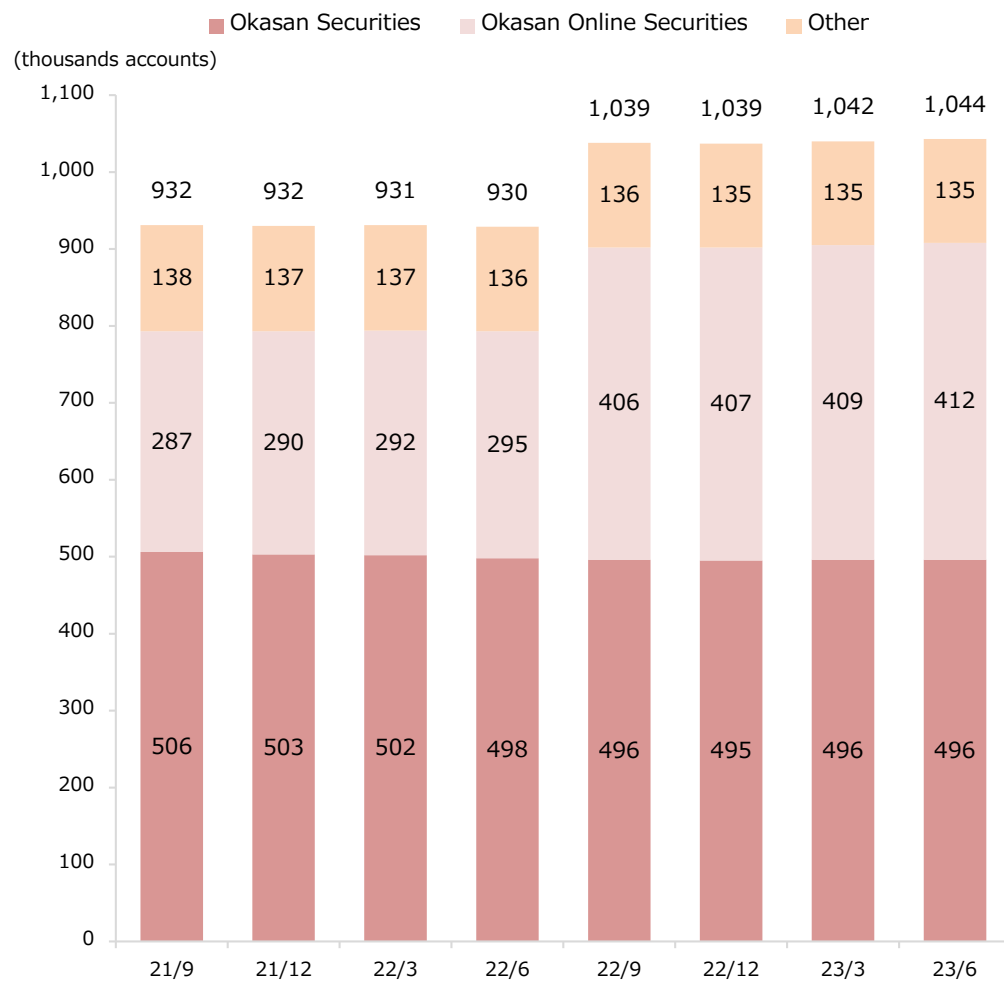


## Changing factors of SG&A (vs. FY23.3 4Q)

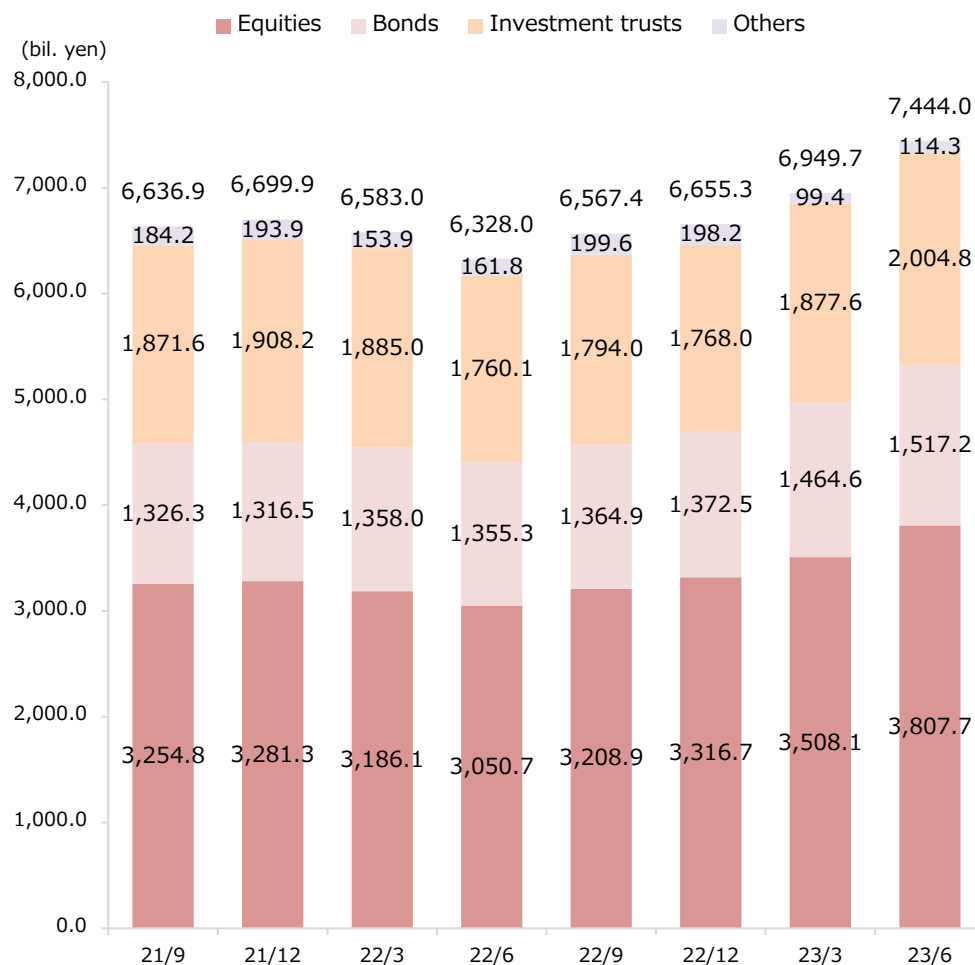


# Group status

## Number of accounts in the Group



## Assets under custody



※From 23/6, assets under custody of non-consolidated subsidiaries Mitsui Securities and Zukawa Securities have been added, and figures from 21/3 onward have been revised to the same standards.

# Statement of Income

	(In millions of yen)						(In millions of yen)		
	FY23.3				FY24.3 vs.FY23.3		FY23.3	FY24.3	vs.FY23.3
	1Q	2Q	3Q	4Q	1Q	1Q	1QTOTAL	1QTOTAL	1QTOTAL
<b>Operating revenue</b>	<b>15,779</b>	<b>17,781</b>	<b>16,436</b>	<b>16,554</b>	<b>21,247</b>	<b>28.4%</b>	<b>15,779</b>	<b>21,247</b>	<b>34.7%</b>
Commission received	10,807	11,098	10,411	8,802	<b>12,363</b>	<b>40.5%</b>	10,807	<b>12,363</b>	<b>14.4%</b>
Net trading income	4,235	5,862	5,223	6,626	<b>7,711</b>	<b>16.4%</b>	4,235	<b>7,711</b>	<b>82.1%</b>
Financial revenue	498	584	577	793	<b>794</b>	<b>0.2%</b>	498	<b>794</b>	<b>59.5%</b>
Other operating revenue	237	236	224	332	<b>378</b>	<b>13.8%</b>	237	<b>378</b>	<b>59.0%</b>
Financial expenses	362	358	356	571	<b>480</b>	<b>-16.0%</b>	362	<b>480</b>	<b>32.7%</b>
Net operating revenue	15,417	17,422	16,080	15,982	<b>20,766</b>	<b>29.9%</b>	15,417	<b>20,766</b>	<b>34.7%</b>
<b>SG&amp;A</b>	<b>16,957</b>	<b>16,808</b>	<b>16,550</b>	<b>15,620</b>	<b>16,603</b>	<b>6.3%</b>	<b>16,957</b>	<b>16,603</b>	<b>-2.1%</b>
Operating profit (loss)	-1,539	614	-469	361	<b>4,163</b>	※-	-1,539	<b>4,163</b>	-
Non-operating income	151	661	43	831	<b>430</b>	<b>-48.2%</b>	151	<b>430</b>	<b>183.9%</b>
Non-operating expenses	52	50	62	65	<b>20</b>	<b>-69.4%</b>	52	<b>20</b>	<b>-62.0%</b>
<b>Ordinary profit (loss)</b>	<b>-1,440</b>	<b>1,224</b>	<b>-489</b>	<b>1,127</b>	<b>4,573</b>	<b>305.8%</b>	<b>-1,440</b>	<b>4,573</b>	-
Extraordinary income	0	275	2,787	25	<b>1,711</b>	※-	0	<b>1,711</b>	※-
Extraordinary losses	50	27	3	395	<b>49</b>	<b>-87.5%</b>	50	<b>49</b>	<b>-1.7%</b>
Profit before income taxes	-1,490	1,472	2,295	757	<b>6,235</b>	<b>723.7%</b>	-1,490	<b>6,235</b>	-
Income taxes - current	-101	191	55	181	<b>838</b>	<b>363.0%</b>	-101	<b>838</b>	-
Income taxes - deferred	-606	405	-162	2,484	<b>148</b>	<b>-94.0%</b>	-606	<b>148</b>	-
Profit (loss)	-782	876	2,402	-1,908	<b>5,249</b>	-	-782	<b>5,249</b>	-
Profit(loss) attributable to non-controlling interests	-10	72	-63	59	<b>47</b>	<b>-20.7%</b>	-10	<b>47</b>	-
<b>Profit(loss) attributable to owners of parent</b>	<b>-772</b>	<b>803</b>	<b>2,466</b>	<b>-1,968</b>	<b>5,201</b>	-	<b>-772</b>	<b>5,201</b>	-

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

# Balance Sheet Summary

(In millions of yen)

Assets	Mar.31, 2023	Mar.31, 2024	Changes from Mar.31, 2023
<b>Current assets</b>	785,227	<b>814,354</b>	<b>29,127</b>
Cash and deposits	88,460	<b>80,706</b>	<b>-7,754</b>
Segregated deposits	95,397	<b>109,499</b>	<b>14,102</b>
Trading products	240,344	<b>210,867</b>	<b>-29,477</b>
Margin transaction assets	90,768	<b>96,935</b>	<b>6,167</b>
Loans secured by securities	234,769	<b>282,177</b>	<b>47,408</b>
Other current assets	35,487	<b>34,168</b>	<b>-1,319</b>
<b>Non-current assets</b>	90,829	<b>96,045</b>	<b>5,216</b>
Property, plant and equipment	16,991	<b>16,806</b>	<b>-185</b>
Intangible assets	9,224	<b>9,025</b>	<b>-199</b>
Investments and other assets	64,613	<b>70,214</b>	<b>5,601</b>
<b>Total assets</b>	876,057	<b>910,400</b>	<b>34,343</b>

(In millions of yen)

Liabilities and net assets	Mar.31, 2023	Mar.31, 2024	Changes from Mar.31, 2023
<b>Current liabilities</b>	660,017	<b>687,675</b>	<b>27,658</b>
Trading products	238,809	<b>244,944</b>	<b>6,135</b>
Margin transaction liabilities	24,612	<b>26,971</b>	<b>2,359</b>
Borrowings secured by securities	108,711	<b>152,331</b>	<b>43,620</b>
Deposits received	60,174	<b>83,757</b>	<b>23,583</b>
Guarantee deposits received	43,669	<b>48,286</b>	<b>4,617</b>
Short-term borrowings	152,897	<b>113,791</b>	<b>-39,106</b>
Other current liabilities	31,142	<b>17,593</b>	<b>-13,549</b>
<b>Non-current liabilities</b>	29,153	<b>30,345</b>	<b>1,192</b>
Long-term borrowings	10,000	<b>9,600</b>	<b>-400</b>
Retirement benefit liability	5,798	<b>5,725</b>	<b>-73</b>
Other non-current liabilities	13,355	<b>15,019</b>	<b>1,664</b>
<b>Reserves under special laws</b>	1,247	<b>873</b>	<b>-374</b>
<b>Total liabilities</b>	690,418	<b>718,894</b>	<b>28,476</b>
Share capital	18,589	<b>18,589</b>	<b>-</b>
Capital surplus	37,273	<b>37,272</b>	<b>-1</b>
Retained earnings	118,548	<b>119,647</b>	<b>1,099</b>
Treasury shares	-11,470	<b>-11,401</b>	<b>69</b>
Accumulated other comprehensive income	10,076	<b>13,981</b>	<b>3,905</b>
Share acquisition rights	421	<b>284</b>	<b>-137</b>
Non-controlling interests	12,199	<b>13,132</b>	<b>933</b>
<b>Total net assets</b>	185,638	<b>191,506</b>	<b>5,868</b>
<b>Total liabilities and net assets</b>	876,057	<b>910,400</b>	<b>34,343</b>

## **02. Reference Data**



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

					(In millions of yen)				
	FY23.3				FY24.3		vs.FY23.3		
	1Q	2Q	3Q	4Q	1Q	4Q	FY23.3 1QTOTAL	FY24.3 1QTOTAL	vs.FY23.3 1QTOTAL
<b>Operating revenue</b>	<b>11,781</b>	<b>13,780</b>	<b>12,839</b>	<b>13,977</b>	<b>17,874</b>	<b>27.9%</b>	<b>11,781</b>	<b>17,874</b>	<b>51.7%</b>
Commission received	7,475	7,778	7,257	6,974	<b>9,869</b>	<b>41.5%</b>	7,475	<b>9,869</b>	<b>32.0%</b>
Brokerage	2,647	2,756	2,998	3,041	<b>4,145</b>	<b>36.3%</b>	2,647	<b>4,145</b>	<b>56.6%</b>
Underwriting	37	167	236	173	<b>559</b>	<b>223.2%</b>	37	<b>559</b>	※ -
Distribution	2,878	2,721	2,102	1,840	<b>3,218</b>	<b>74.9%</b>	2,878	<b>3,218</b>	<b>11.8%</b>
Others	1,912	2,133	1,920	1,918	<b>1,945</b>	<b>1.4%</b>	1,912	<b>1,945</b>	<b>1.7%</b>
Net trading income	3,921	5,526	5,120	6,327	<b>7,346</b>	<b>16.1%</b>	3,921	<b>7,346</b>	<b>87.4%</b>
Equities	1,967	3,467	3,015	4,102	<b>5,420</b>	<b>32.1%</b>	1,967	<b>5,420</b>	<b>175.5%</b>
Bonds	2,117	2,060	1,578	2,275	<b>1,879</b>	<b>-17.4%</b>	2,117	<b>1,879</b>	<b>-11.2%</b>
Others	-164	-1	525	-50	<b>46</b>	-	-164	<b>46</b>	-
Financial revenue	385	475	461	675	<b>658</b>	<b>-2.5%</b>	385	<b>658</b>	<b>70.8%</b>
Financial expenses	287	293	276	514	<b>408</b>	<b>-20.5%</b>	287	<b>408</b>	<b>42.0%</b>
Net operating revenue	11,494	13,487	12,562	13,462	<b>17,465</b>	<b>29.7%</b>	11,494	<b>17,465</b>	<b>51.9%</b>
<b>SG&amp;A</b>	<b>13,023</b>	<b>12,970</b>	<b>13,017</b>	<b>12,810</b>	<b>13,567</b>	<b>5.9%</b>	<b>13,023</b>	<b>13,567</b>	<b>4.2%</b>
Trading related expenses	1,923	2,006	2,061	1,865	<b>2,104</b>	<b>12.8%</b>	1,923	<b>2,104</b>	<b>9.4%</b>
Personnel expenses	6,073	5,908	6,054	5,745	<b>6,303</b>	<b>9.7%</b>	6,073	<b>6,303</b>	<b>3.8%</b>
Real estate expenses	1,885	1,897	1,842	1,838	<b>1,826</b>	<b>-0.6%</b>	1,885	<b>1,826</b>	<b>-3.1%</b>
Office expenses	2,633	2,580	2,541	2,759	<b>2,647</b>	<b>-4.1%</b>	2,633	<b>2,647</b>	<b>0.5%</b>
Depreciation	105	114	119	136	<b>137</b>	<b>0.7%</b>	105	<b>137</b>	<b>30.6%</b>
Taxes and dues	141	181	158	179	<b>229</b>	<b>27.9%</b>	141	<b>229</b>	<b>62.8%</b>
Other	261	280	240	286	<b>317</b>	<b>11.0%</b>	261	<b>317</b>	<b>21.6%</b>
Operating profit (loss)	-1,529	517	-455	651	<b>3,897</b>	<b>498.0%</b>	-1,529	<b>3,897</b>	-
Non-operating income	73	51	34	58	<b>53</b>	<b>-7.9%</b>	73	<b>53</b>	<b>-27.0%</b>
Non-operating expenses	22	21	0	46	<b>17</b>	<b>-61.8%</b>	22	<b>17</b>	<b>-19.8%</b>
<b>Ordinary profit (loss)</b>	<b>-1,477</b>	<b>547</b>	<b>-421</b>	<b>664</b>	<b>3,934</b>	<b>492.5%</b>	<b>-1,477</b>	<b>3,934</b>	-
Extraordinary income	-	-	-	-	<b>368</b>	-	-	<b>368</b>	-
Extraordinary losses	-	-	1	83	-	-	-	-	-
Profit before income taxes	-1,477	547	-423	580	<b>4,302</b>	<b>641.7%</b>	-1,477	<b>4,302</b>	-
Income taxes - current	-227	-52	-15	51	<b>505</b>	<b>873.4%</b>	-227	<b>505</b>	-
Income taxes - deferred	-455	131	-190	2,448	<b>150</b>	<b>-93.9%</b>	-455	<b>150</b>	-
<b>Profit (loss)</b>	<b>-794</b>	<b>468</b>	<b>-216</b>	<b>-1,920</b>	<b>3,646</b>	-	<b>-794</b>	<b>3,646</b>	-

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

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

\* Excluding data of Okasan Online Securities Company

## <Compared to previous quarter>

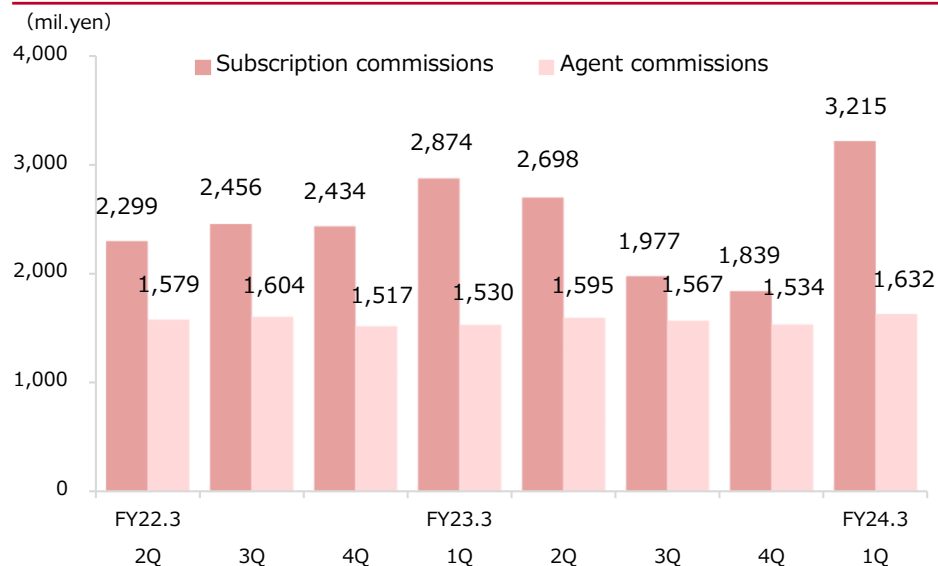
- Investment trust sales increased by 74.8% from the previous quarter to 113.2 billion yen.
- Subscription commissions increased by 74.8% QoQ to 3,215 million yen.
- Agent commissions increased by 6.4% QoQ to 1,632 million yen.
- Foreign bonds sales amount decreased by 37.8% QoQ to 27.4 billion yen.

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

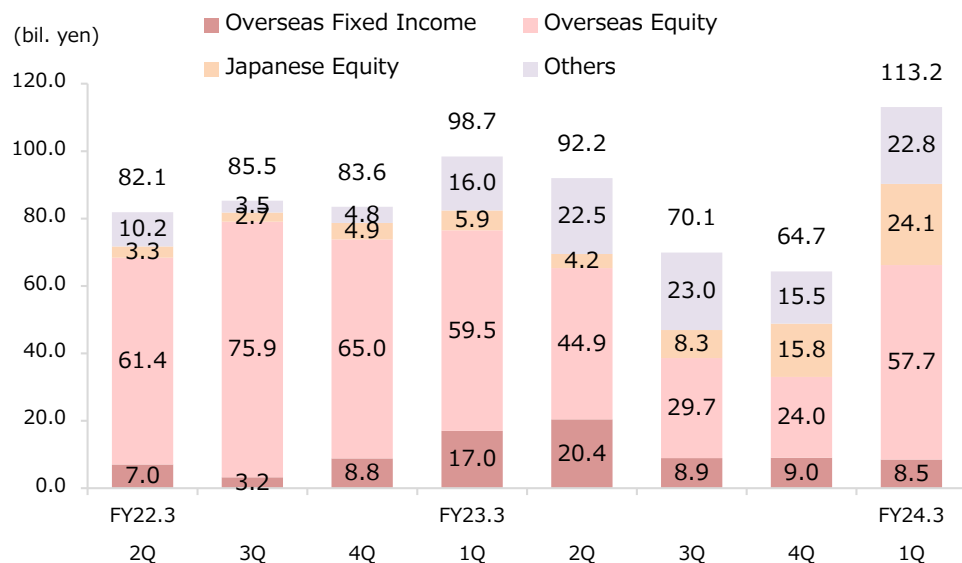
- Investment trust sales increased by 14.1% YoY to 113.2 billion yen. Caused by rise of sales of publicly offered domestic stock investment trusts.
- Subscription commissions increased by 11.9% YoY to 3,215 million yen.
- Agent commissions increased by 6.7% QoQ to 1,632 million yen.
- Foreign bonds sales amount decreased by 56.5% YoY to 27.4 billion yen. Due to decline of sales volume of private offering structured bonds for individual customers and foreign government bonds for corporate customers.

## Investment trusts commissions

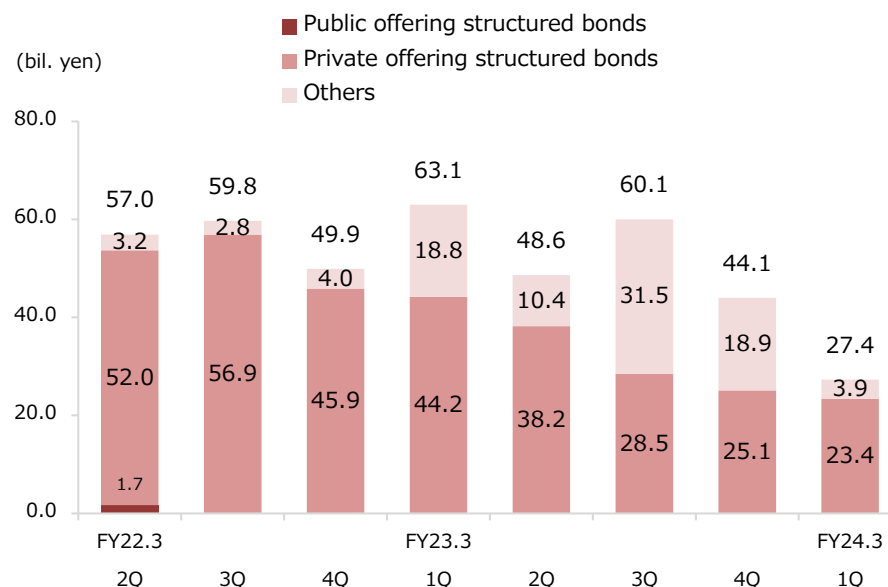
※Including data of Okasan Online Securities Company since FY22.3 4Q



## Investment trusts sales amount



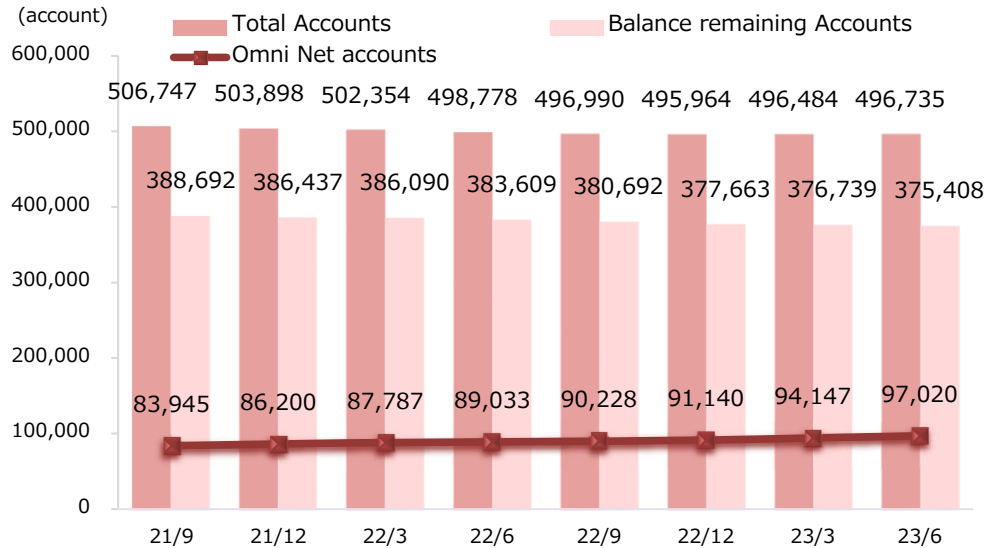
## Foreign bonds sales amount



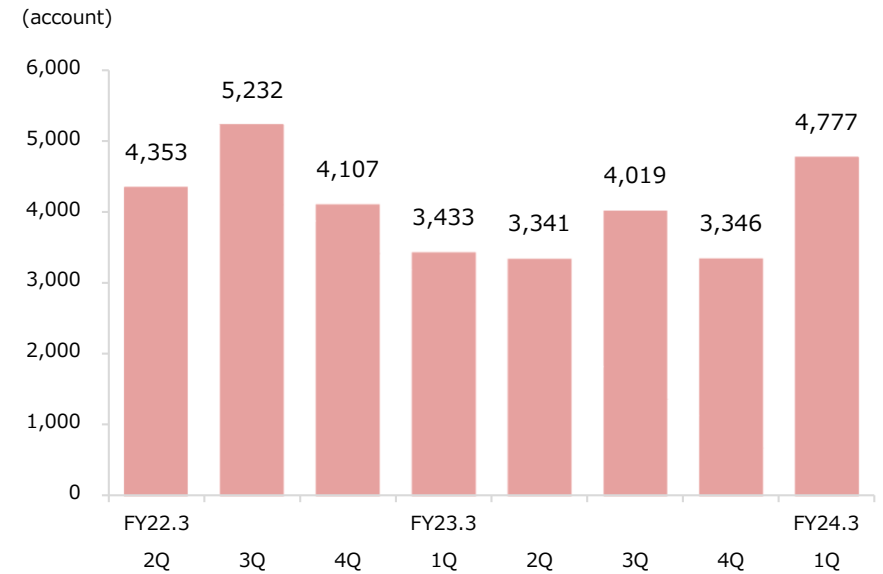
# Number of accounts / Net inflow of assets (non-consolidated: Okasan Securities)

\* Excluding data of Okasan Online Securities Company

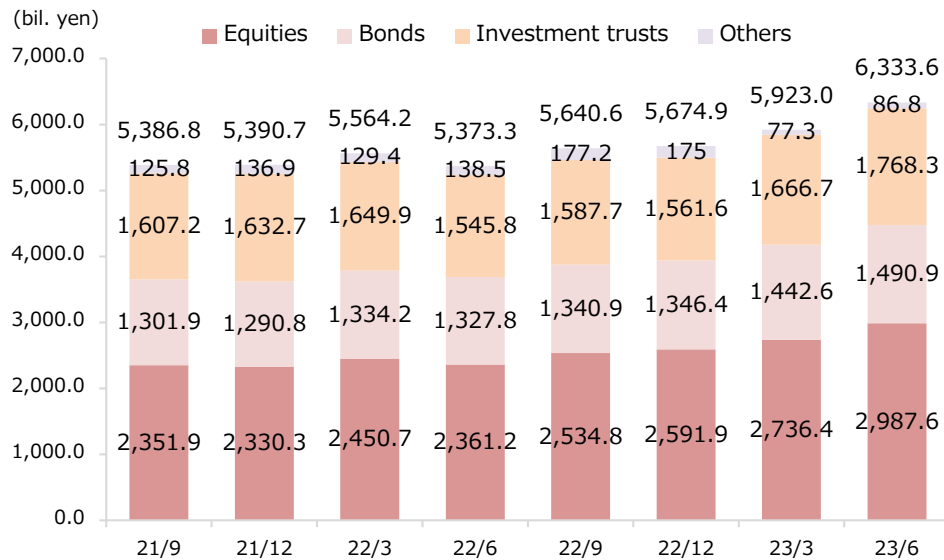
## Number of customer accounts



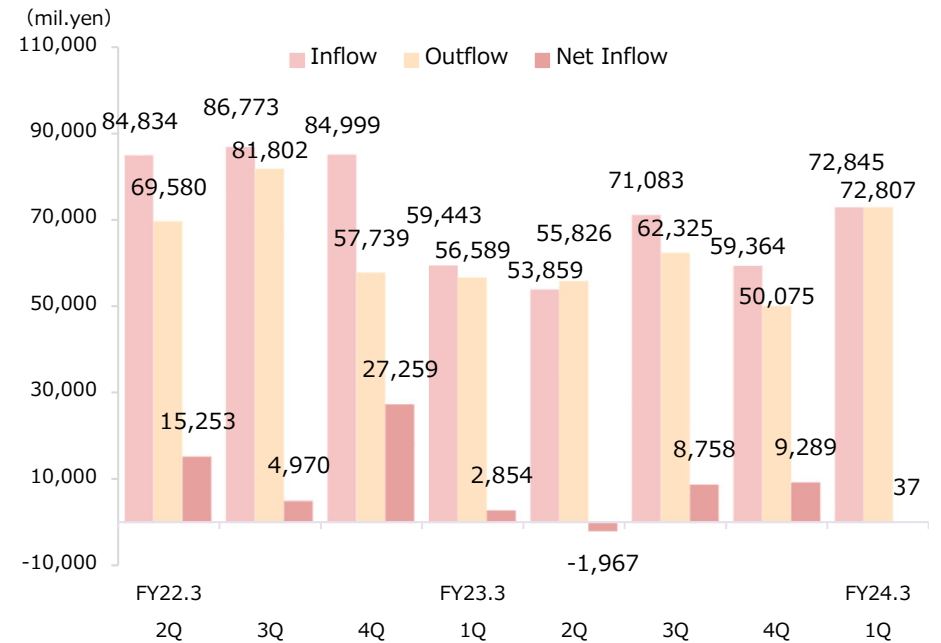
## Number of new accounts



## Assets under custody



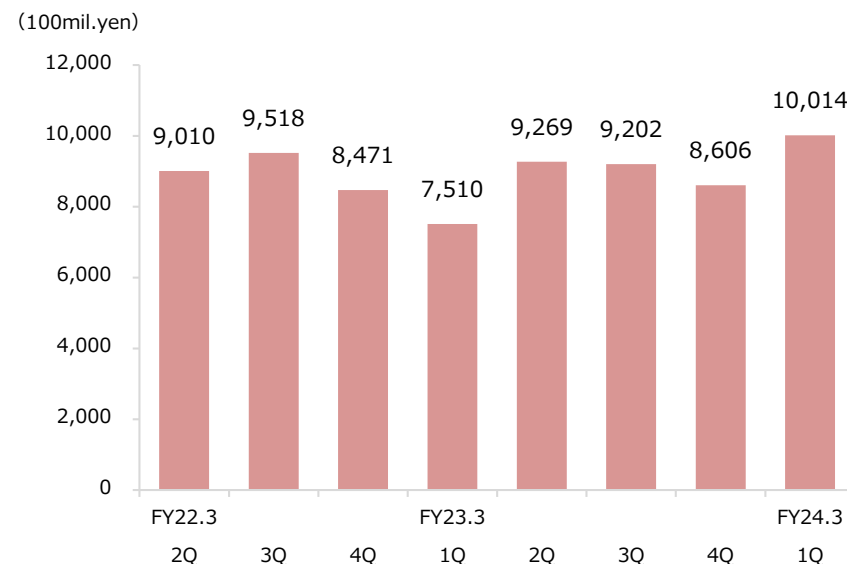
## Net Assets inflow (Individual customers)



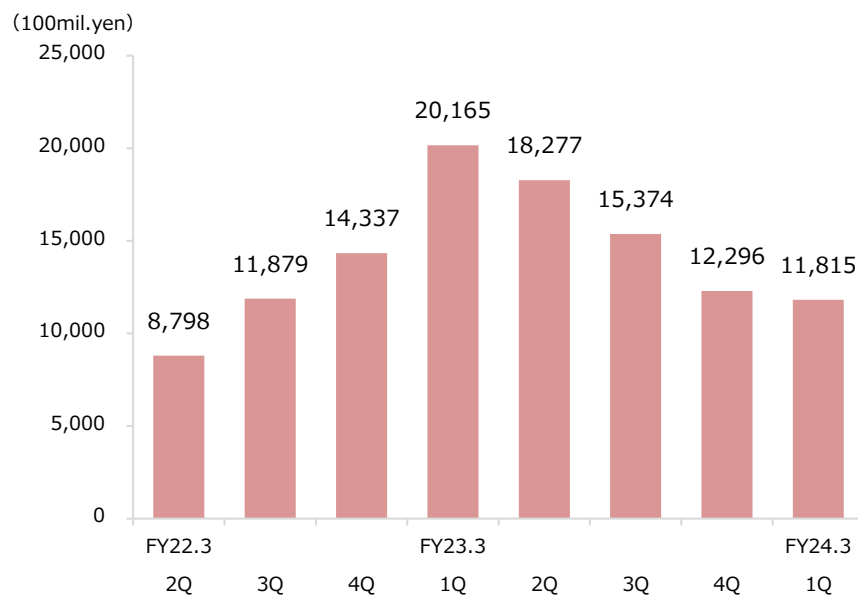
# Business Data of Okasan Online Securities Company

- Trading volume of domestic equities rebounded reflecting the market recovery.
- “Click 365(exchange listed FX Daily Futures contracts)” contract amount decreased compared to the previous quarter, which was at high level amount due to exchange rate fluctuation.
- “Click kabu 365(exchange listed Equity Index Daily Futures contracts)” contract amount recorded the highest in the past 2 years, on the back of stock price rise.

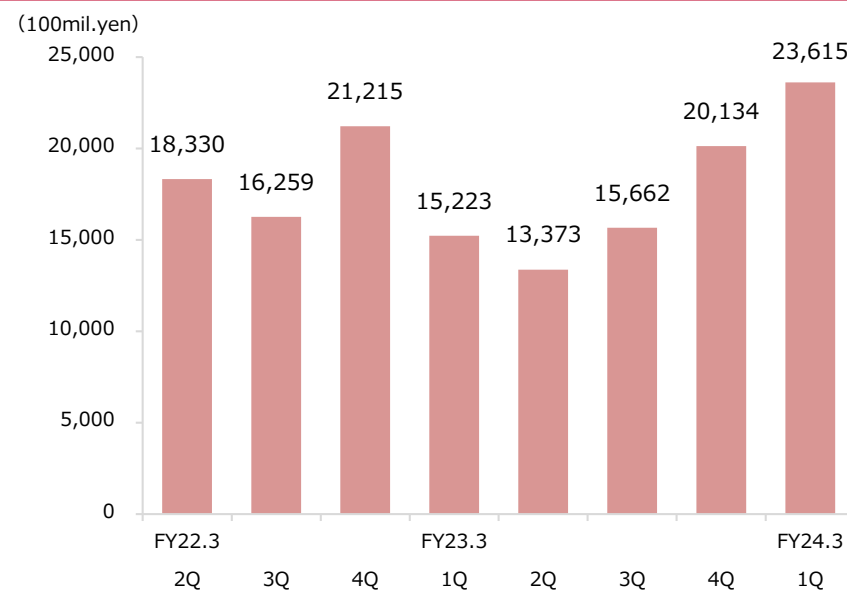
## Domestic equities trading volume



## “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 ratio rose 13.9 percentage points from the end of the previous fiscal year to 396.9%.

- While customer risk equivalents increased, higher basic items caused rise of the ratio.

(In millions of yen)

		FY23.3				FY24.3		vs.FY23.3
		1Q	2Q	3Q	4Q	1Q	4Q	
Basic items	(A)	75,040	75,509	75,292	73,371	77,018	3,647	
Complementary items	Appraisal gains (losses) etc.	10	24	24	16	16	-	
	Security transaction responsibility reserve	1,130	1,130	1,131	1,136	768	-368	
	General provision for loan losses	10	12	14	30	35	5	
	Short-term subordinated debt	6,000	6,000	6,000	6,000	6,000	-	
Total	(B)	7,151	7,166	7,170	7,182	6,819	-363	
Assets to be deducted	(C)	14,067	14,187	14,474	11,898	11,512	-386	
Unfixed equity capital	(A) + (B) - (C)	(D)	68,124	68,488	67,987	68,655	72,326	3,671
Risk equivalents	Market risk equivalents	3,533	2,454	2,868	3,117	3,222	105	
	Customer risk equivalents	1,502	1,626	1,659	1,912	2,127	215	
	Basic risk equivalents	12,635	12,859	13,046	12,892	12,869	-23	
	Total	(E)	17,672	16,940	17,574	17,921	18,219	298
<b>Capital adequacy ratio</b>	<b>(D) / (E) × 100 (%)</b>	<b>385.4%</b>	<b>404.2%</b>	<b>386.8%</b>	<b>383.0%</b>	<b>396.9%</b>	<b>13.9p</b>	

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

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