

October 30, 2023

2nd Quarter of Fiscal Year Ending March 31, 2024 Results Briefing

The objective of the document is to provide information on the results of the 2nd 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 September 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.

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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 2nd quarter of fiscal year ending March 2024

(Cumulative: Six months from April 1, 2023 to September 30, 2023)

<Year-on-year comparison (vs. 2nd quarter of FY ended March 2023(Cumulative: Six months from April 1, 2022 to September 30, 2022))>

- Operating revenue increased by 22.8% year on year (YoY). Over the same period, net operating revenue increased by 22.5%.
Equities trading income and brokerage commission increased from a rise in equities trading volume by individual customers, reflecting the recovery in financial markets both domestic and overseas.
- Selling, general, and administrative expenses decreased by 2.6% YoY from lower trading related expenses and real estate expenses.
Expenses decreased due to deconsolidation of Okasan Asset Management.
- Ordinary income turned profitable to 8,521 million yen. Profit attributable to owners of parent amounted to 7,996 million yen.

	(In millions of yen)				(In millions of yen)		
	FY23.3				FY24.3 vs.FY23.3		
	1Q	2Q	3Q	4Q	1Q	2Q	1Q
Operating revenue	15,779	17,781	16,436	16,554	21,247	19,959	-6.1%
Net operating revenue	15,417	17,422	16,080	15,982	20,766	19,461	-6.3%
SG&A	16,957	16,808	16,550	15,620	16,603	16,285	-1.9%
Operating profit	-1,539	614	-469	361	4,163	3,175	-23.7%
Ordinary profit	-1,440	1,224	-489	1,127	4,573	3,947	-13.7%
Profit attributable to owners of parent	-772	803	2,466	-1,968	5,201	2,794	-46.3%
EPS (YEN)	-3.90	3.95	11.75	-9.56	25.35	13.56	
BPS (YEN)	824.60	823.21	844.48	843.45	867.44	898.86	
ROE (annualized)							
					(In millions of yen)		
					FY23.3 FY24.3 vs.FY23.3		
					2QTOTAL	2QTOTAL	2QTOTAL
Operating revenue					33,561	41,206	22.8%
Net operating revenue					32,840	40,228	22.5%
SG&A					33,765	32,889	-2.6%
Operating profit					-925	7,338	-
Ordinary profit					-216	8,521	-
Profit attributable to owners of parent					31	7,996	※-
EPS (YEN)					0.16	38.88	
BPS (YEN)					823.21	898.86	
ROE (annualized)					0.0%	8.9%	

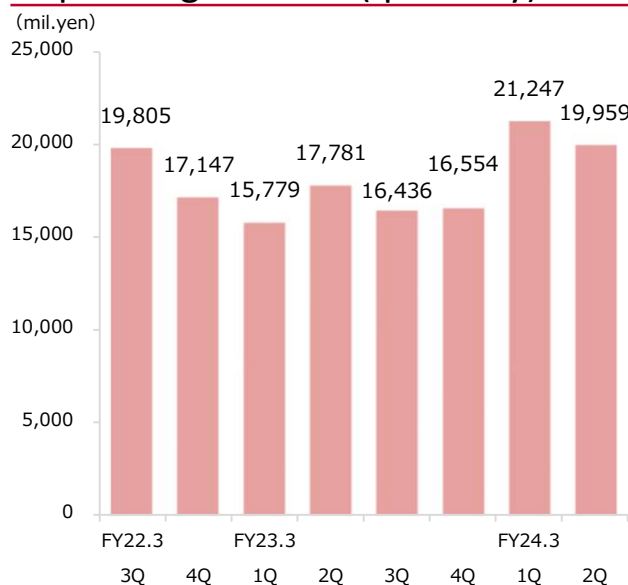
※In case of percentage changes from the previous term being equal to or higher than 1,000%, they are not shown.

Performance by Quarter (Consolidated)

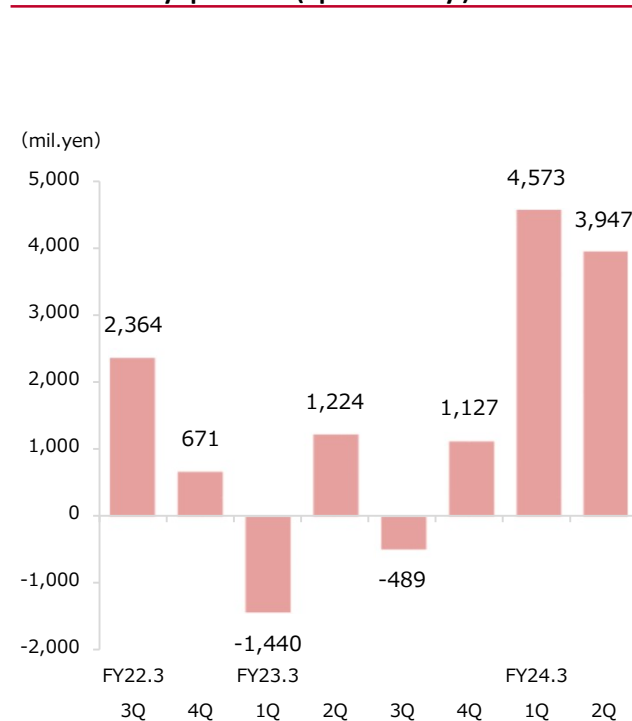
<Compared to previous quarter (vs. 1st quarter of the fiscal year ending March 2024)>

- Operating revenue decreased by 6.1% from the previous quarter. Net operating revenues decreased by 6.3% quarter on quarter (QoQ). Compared to 1Q with stronger revenue by the sharp recovery of equities trading volume by individual customers, equities trading income and brokerage commission declined.
- Selling, general, and administrative expenses decreased by 1.9% QoQ, due to lower office expenses and trading related expenses.
- Ordinary profit decreased 13.7% QoQ. Profit attributable to owners of parent decreased 46.3% QoQ.
Recorded gain on sale of investment securities as extraordinary income in the previous quarter.

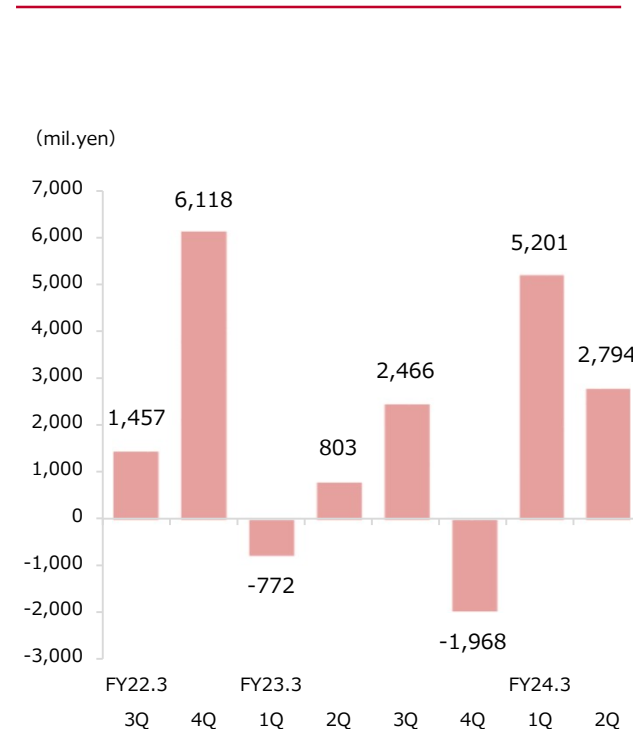
Operating revenue (quarterly)



Ordinary profit (quarterly)



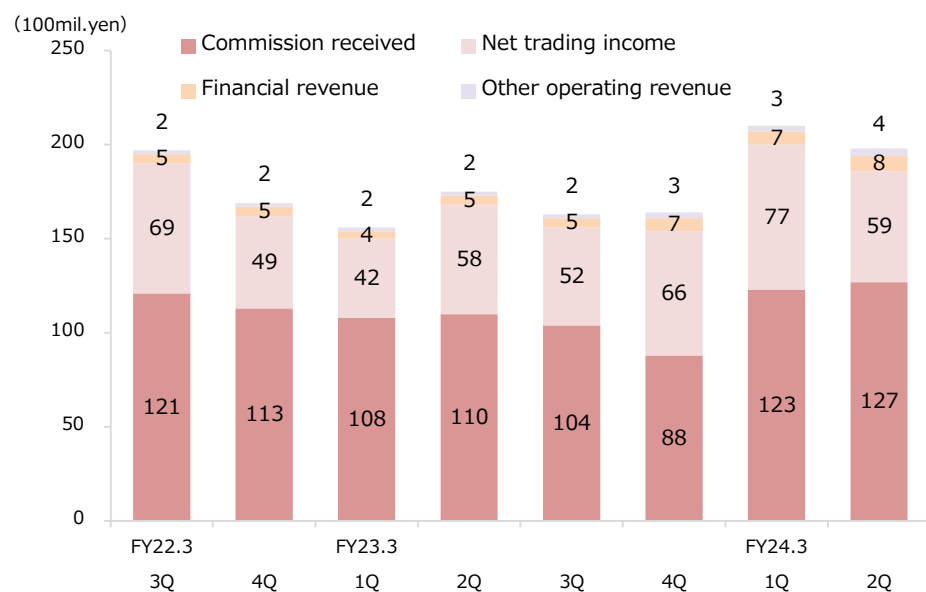
Profit attributable to owners of parent (quarterly)



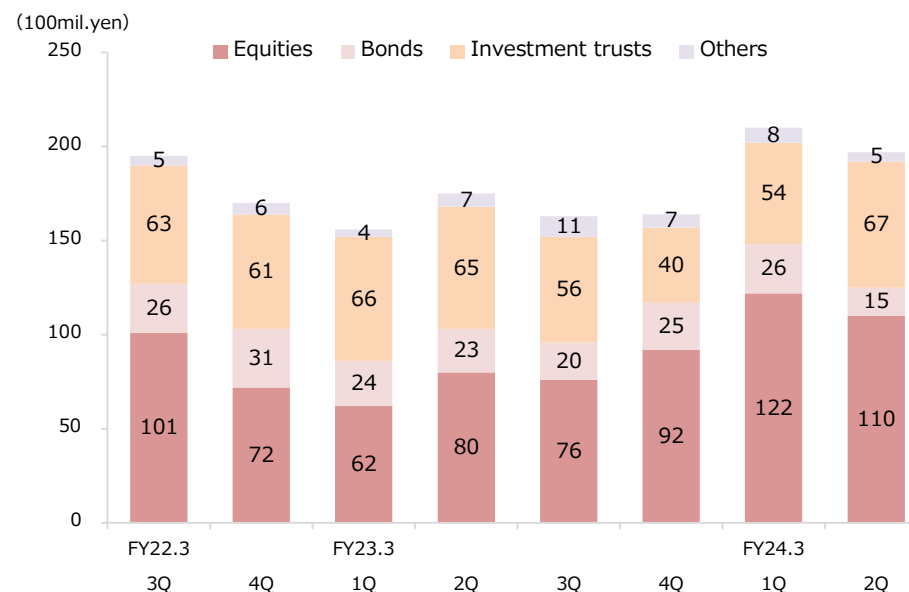
Operating Revenue I

	(In millions of yen)				(In millions of yen)			(In millions of yen)		
	FY23.3				FY24.3			vs.FY23.3		
	1Q	2Q	3Q	4Q	1Q	2Q	1Q	FY23.3 2QTOTAL	FY24.3 2QTOTAL	vs.FY23.3 2QTOTAL
Commission received	10,807	11,098	10,411	8,802	12,363	12,754	3.2%	21,905	25,117	14.7%
Brokerage	3,830	3,867	4,143	4,322	6,053	5,417	-10.5%	7,697	11,470	49.0%
Underwriting	37	168	235	173	560	289	-48.4%	206	849	311.6%
Distribution	3,159	3,060	2,371	2,118	3,491	4,603	31.9%	6,219	8,095	30.1%
Others	3,780	4,001	3,661	2,187	2,258	2,444	8.2%	7,782	4,702	-39.6%
Net trading income	4,235	5,862	5,223	6,626	7,711	5,902	-23.5%	10,098	13,613	34.8%
Equities	2,152	3,735	3,025	4,272	5,674	4,838	-14.7%	5,888	10,513	78.5%
Bonds	2,265	2,156	1,656	2,382	2,001	1,404	-29.8%	4,421	3,406	-23.0%
Others	-182	-29	540	-28	34	-340	-	-211	-306	-
Financial revenue	498	584	577	793	794	878	10.5%	1,082	1,673	54.6%
Others	237	236	224	332	378	423	12.0%	474	801	69.1%
Operating revenue	15,779	17,781	16,436	16,554	21,247	19,959	-6.1%	33,561	41,206	22.8%

Quarterly change in operating revenue

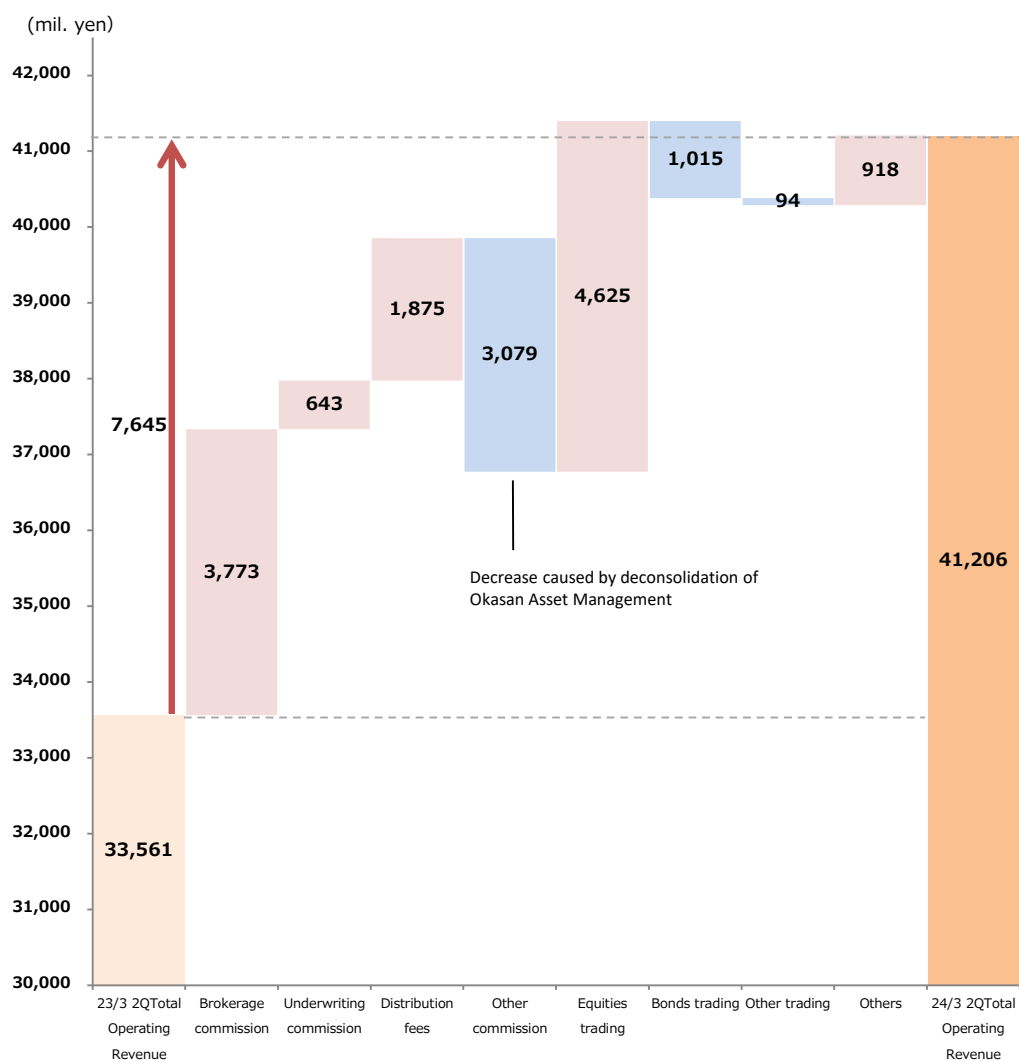


Quarterly change in operating revenue by product

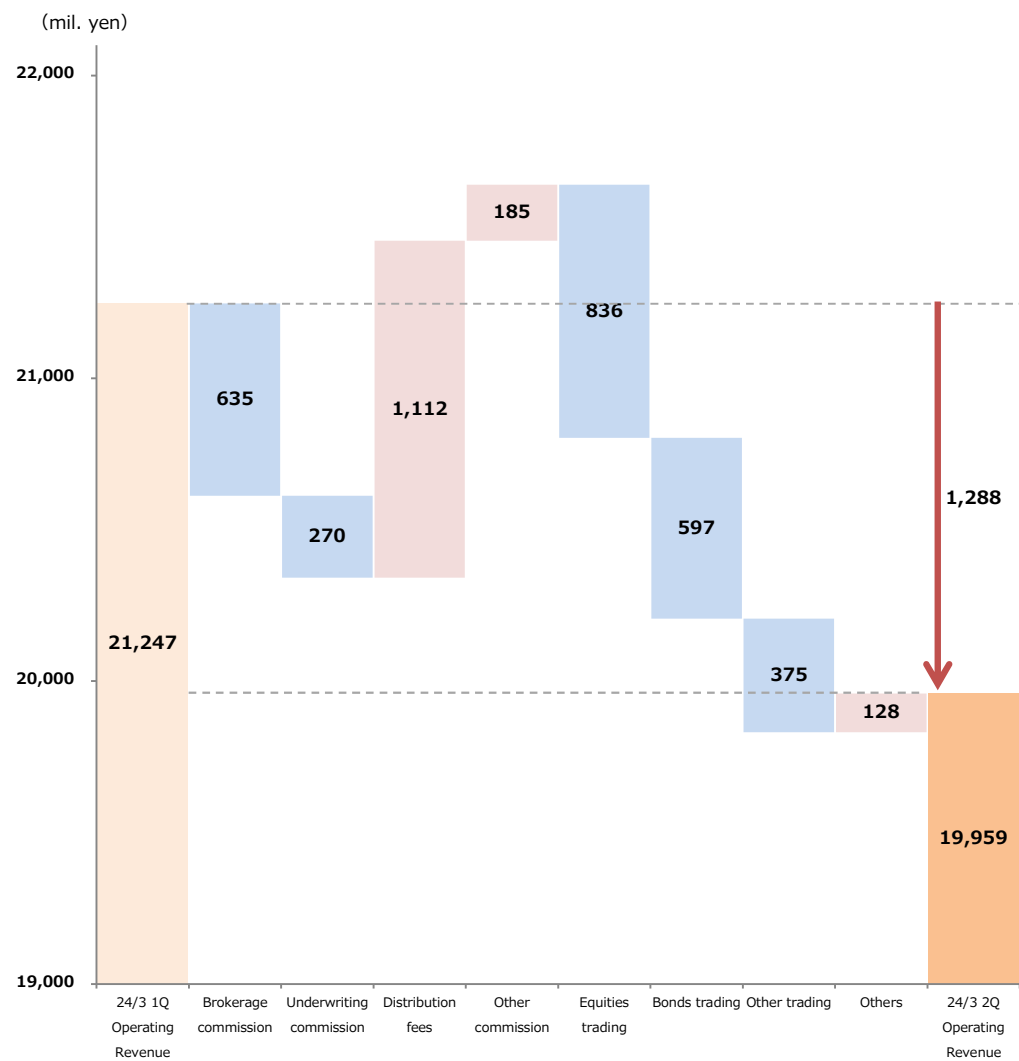


Operating Revenue II

Changing factors of operating revenue (vs. FY23.3 2QTotal)



Changing factors of operating revenue (vs. FY24.3 1Q)



※Figures less than 1million yen are omitted.

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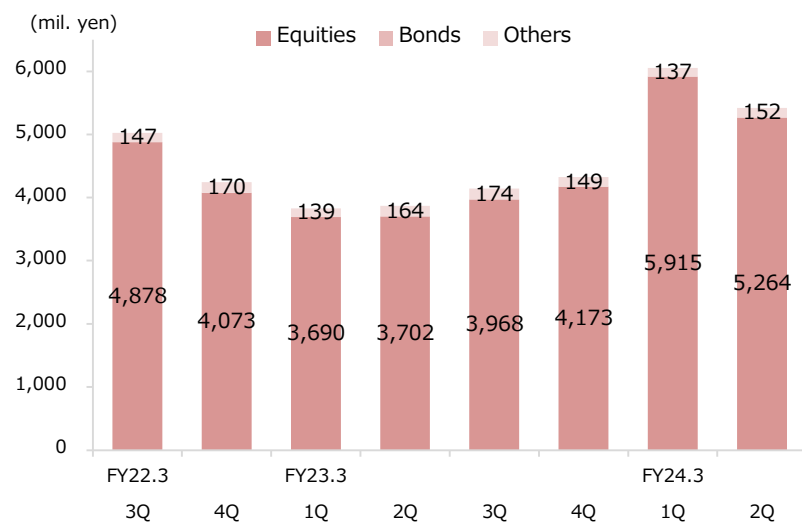
Other commission increased by 8.2% QoQ, from a rise in trust fees.

Other commission decreased by 39.6% YoY. Trust fees decreased upon the conversion of Okasan Asset Management into equity method affiliate company.

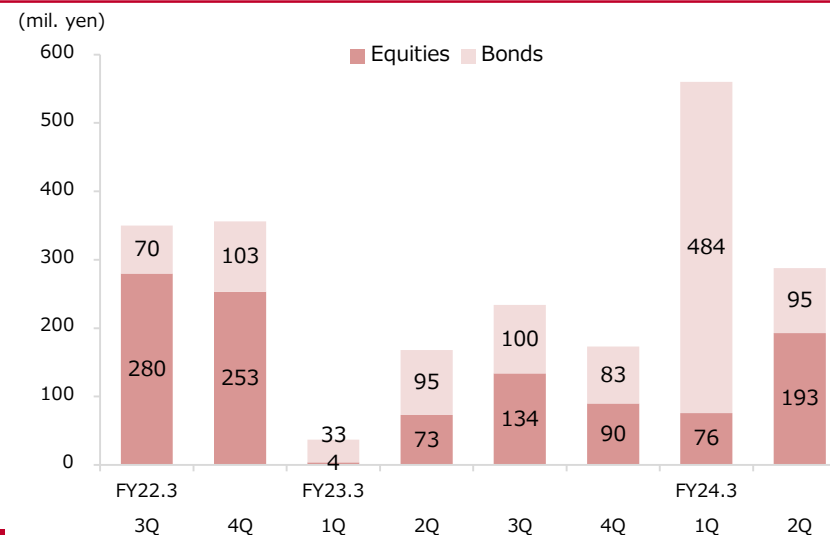
	(In millions of yen)							(In millions of yen)		
	FY23.3				FY24.3		vs.FY24.3	FY23.3	FY24.3	vs.FY23.3
	1Q	2Q	3Q	4Q	1Q	2Q	1Q	2QTOTAL	2QTOTAL	2QTOTAL
Brokerage	3,830	3,867	4,143	4,322	6,053	5,417	-10.5%	7,697	11,470	49.0%
Equities	3,690	3,702	3,968	4,173	5,915	5,264	-11.0%	7,392	11,180	51.2%
Bonds	0	0	0	—	—	—	—	0	—	—
Others	139	164	174	149	137	152	11.1%	304	290	-4.7%
Underwriting	37	168	235	173	560	289	-48.4%	206	849	311.6%
Equities	4	73	134	90	76	193	154.2%	77	269	246.7%
Bonds	33	95	100	83	484	95	-80.3%	128	579	350.9%
Distribution	3,159	3,060	2,371	2,118	3,491	4,603	31.9%	6,219	8,095	30.1%
Beneficiary Certificates	3,155	3,036	2,245	2,117	3,486	4,605	32.1%	6,191	8,092	30.7%
Others	3,780	4,001	3,661	2,187	2,258	2,444	8.2%	7,782	4,702	-39.6%
Beneficiary Certificates	3,340	3,385	3,260	1,771	1,888	2,051	8.6%	6,725	3,940	-41.4%
Total	10,807	11,098	10,411	8,802	12,363	12,754	3.2%	21,905	25,117	14.7%

Fees and Commission Received by Category (Quarterly Transition)

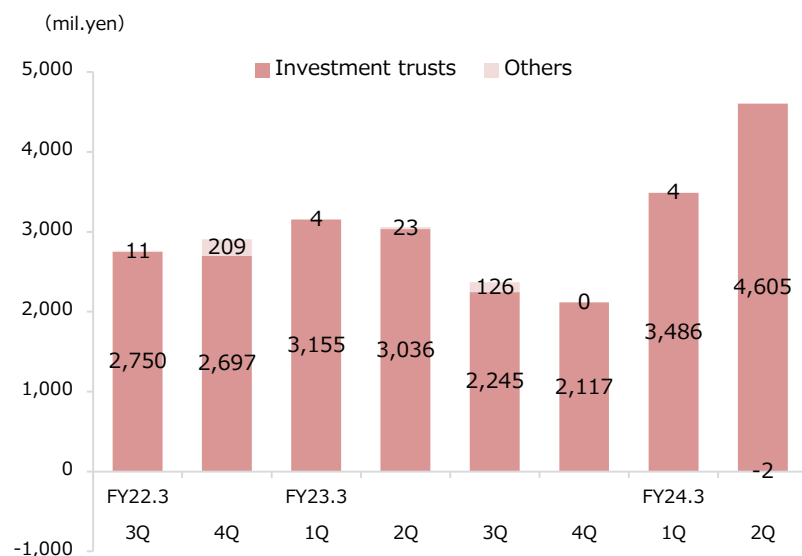
Brokerage



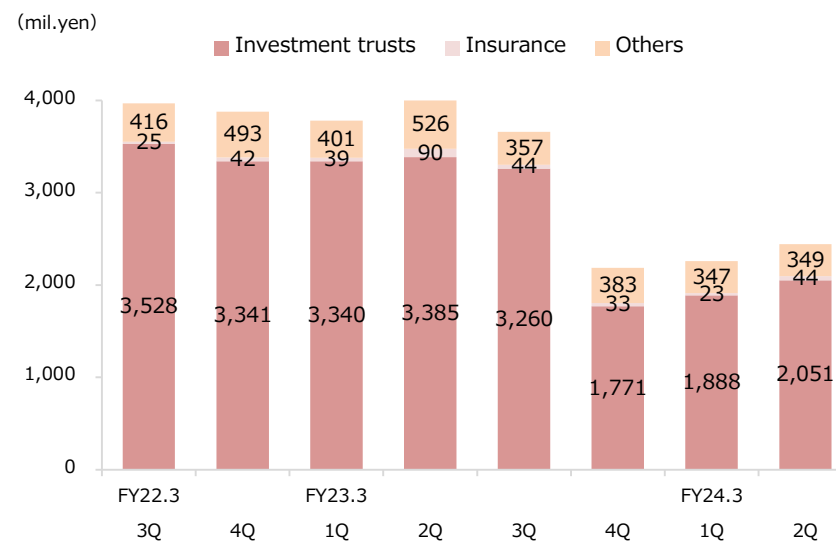
Underwriting



Distribution



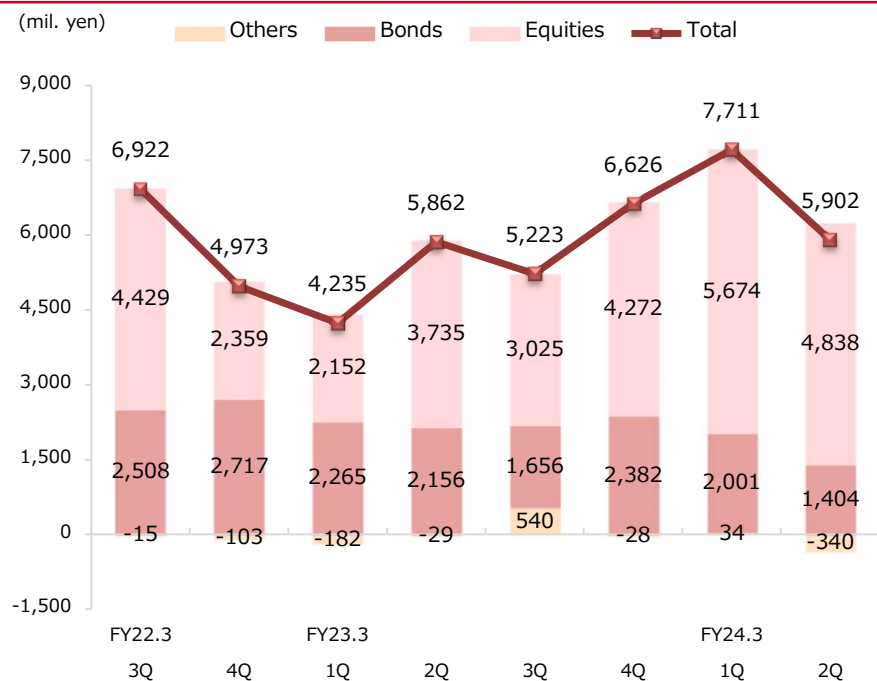
Others



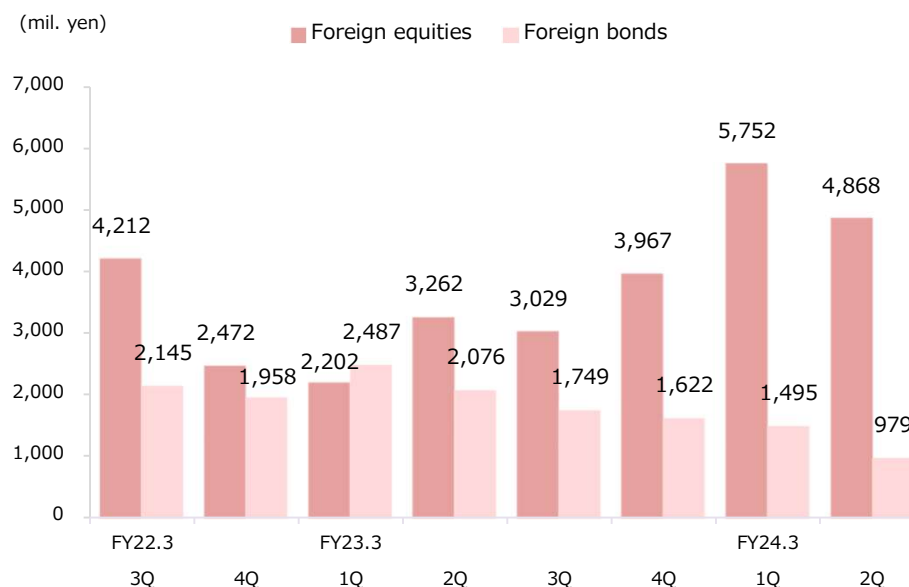
Net Trading Income

(In millions of yen)								(In millions of yen)		
	FY23.3				FY24.3		vs.FY24.3	FY23.3	FY24.3	vs.FY23.3
	1Q	2Q	3Q	4Q	1Q	2Q	1Q	2QTOTAL	2QTOTAL	2QTOTAL
Equities	2,152	3,735	3,025	4,272	5,674	4,838	-14.7%	5,888	10,513	78.5%
Domestic equities	-49	473	-3	305	-77	-29	—	423	-107	—
Foreign equities	2,202	3,262	3,029	3,967	5,752	4,868	-15.4%	5,465	10,620	94.3%
Bonds and others	2,265	2,156	1,656	2,382	2,001	1,404	-29.8%	4,421	3,406	-23.0%
Domestic bonds	-222	79	-92	760	506	424	-16.1%	-142	931	—
Foreign bonds	2,487	2,076	1,749	1,622	1,495	979	-34.5%	4,564	2,475	-45.8%
Others	-182	-29	540	-28	34	-340	—	-211	-306	—
Net trading income	4,235	5,862	5,223	6,626	7,711	5,902	-23.5%	10,098	13,613	34.8%

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 1.9% from the previous quarter, due to lower office expenses, trading related expenses, and others.

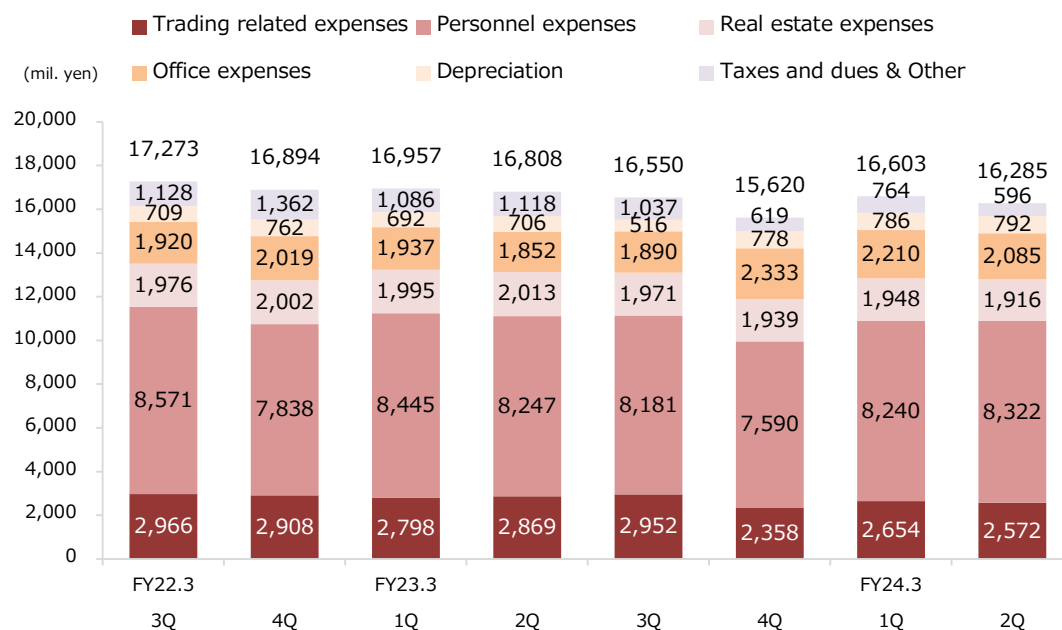
- Office expenses decreased by 5.6% QoQ, due to decline of office outsourcing expenses.
- Trading related expenses decreased by 3.1% QoQ, due to decline of advertising expenses.

<Year-on-year comparison (cumulative)>

SG&A decreased by 2.6% YoY, resulted from higher office expenses, in addition to lower trading related expenses and real estate expenses.

- Office expenses increased by 13.3% YoY due to core operational system related expenses, and others.
- Due to deconsolidation of Okasan Asset Management and others, trading related expenses decreased by 7.8% QoQ, real estate expenses decreased by 3.6% QoQ. Other expenses decreased as well, because of lower research fees.

Change in Selling, General and Administrative Expenses



(In millions of yen)

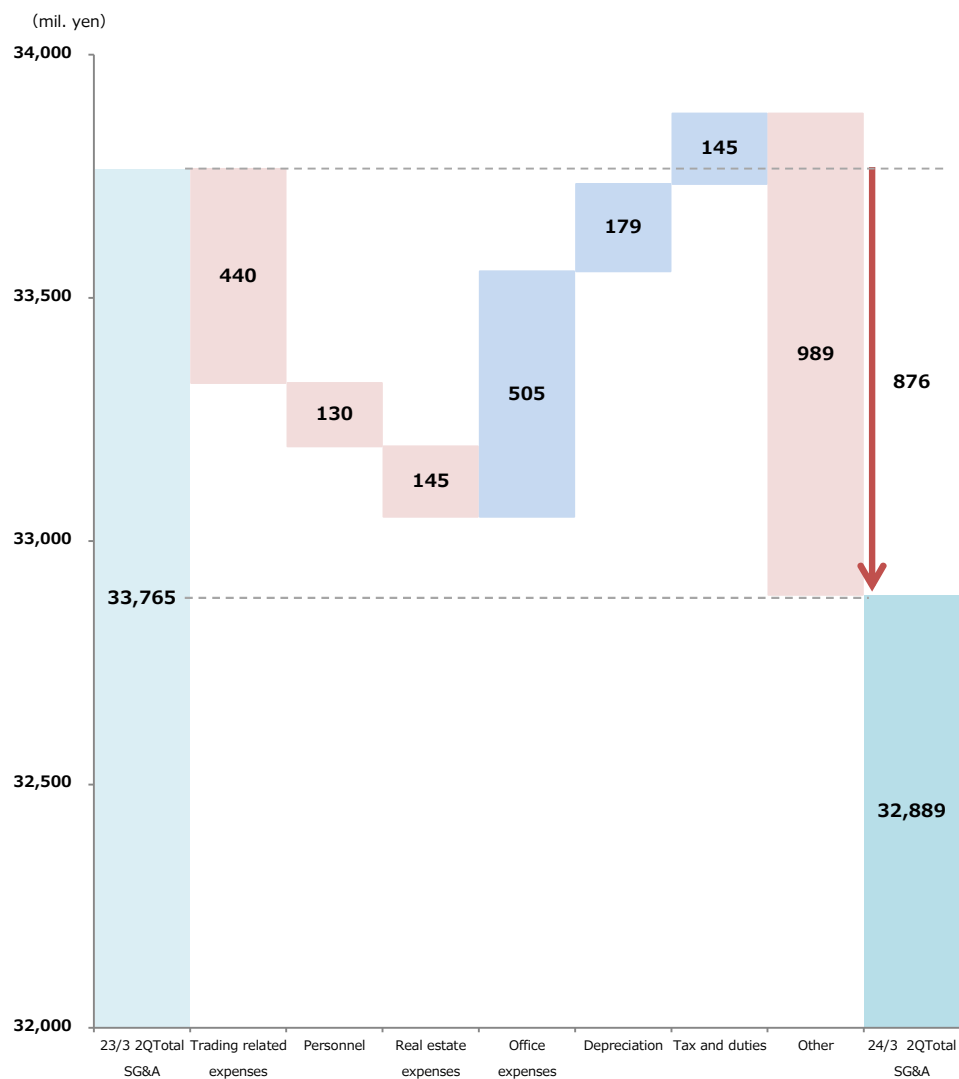
(In millions of yen)

	FY23.3				FY24.3		vs.FY24.3
	1Q	2Q	3Q	4Q	1Q	2Q	
Trading related expenses	2,798	2,869	2,952	2,358	2,654	2,572	-3.1%
Personnel expenses	8,445	8,247	8,181	7,590	8,240	8,322	1.0%
Real estate expenses	1,995	2,013	1,971	1,939	1,948	1,916	-1.6%
Office expenses	1,937	1,852	1,890	2,333	2,210	2,085	-5.6%
Depreciation	692	706	516	778	786	792	0.8%
Taxes and dues	257	292	296	251	375	319	-15.0%
Other	829	826	741	368	388	276	-28.8%
SG&A	16,957	16,808	16,550	15,620	16,603	16,285	-1.9%

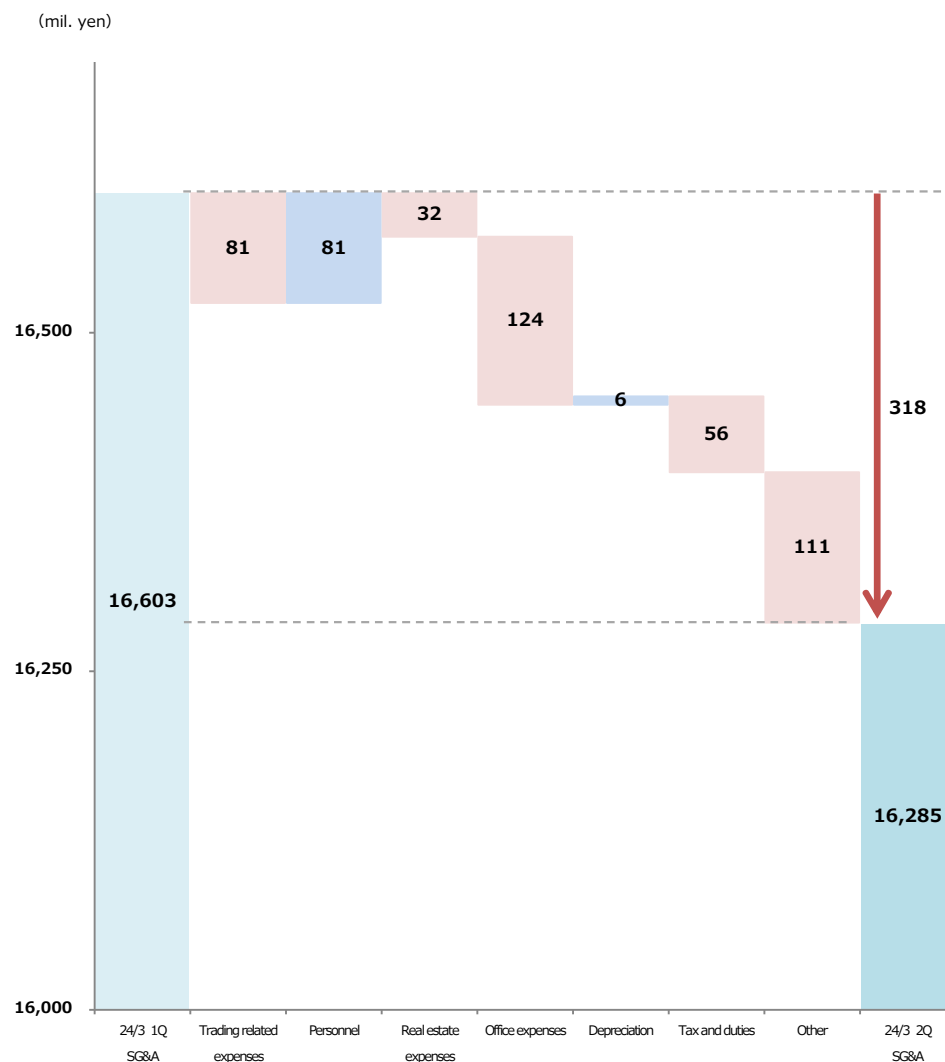
	FY23.3	FY24.3	vs.FY23.3
	2QTOTAL	2QTOTAL	2QTOTAL
Trading related expenses	5,668	5,227	-7.8%
Personnel expenses	16,693	16,562	-0.8%
Real estate expenses	4,009	3,864	-3.6%
Office expenses	3,790	4,295	13.3%
Depreciation	1,399	1,578	12.8%
Taxes and dues	549	694	26.5%
Other	1,655	665	-59.8%
SG&A	33,765	32,889	-2.6%

SG&A : Selling, General and Administrative Expenses II

Changing factors of SG&A (vs. FY23.3 2QTotal)



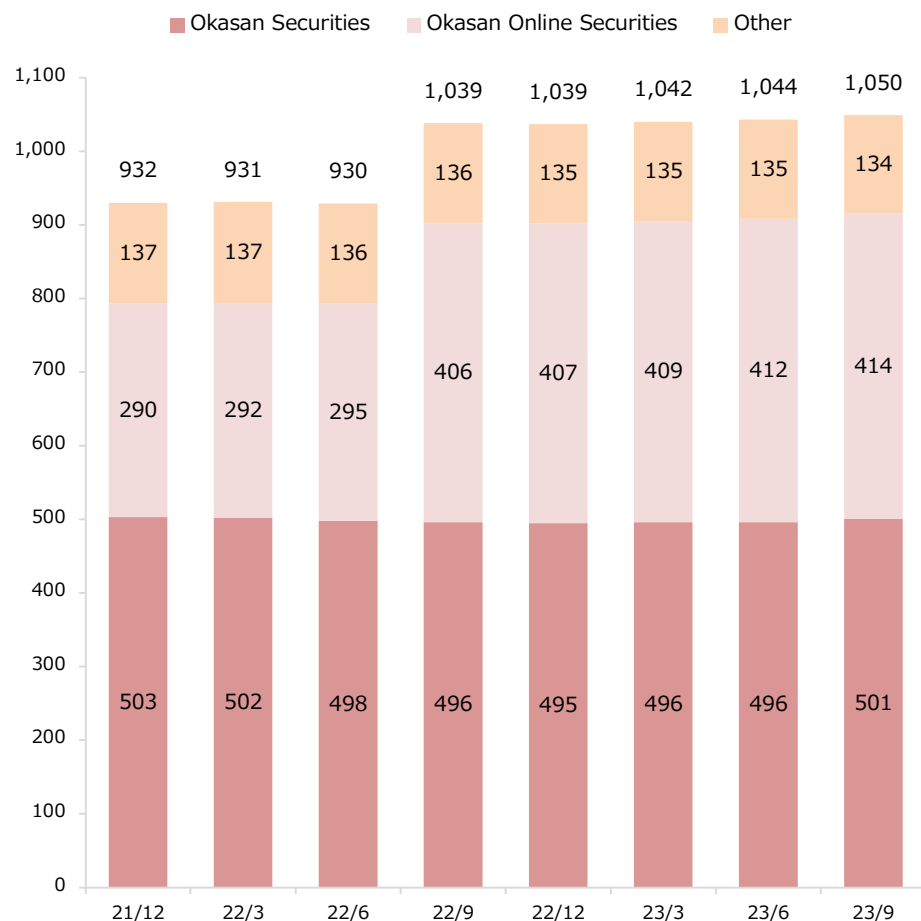
Changing factors of SG&A (vs. FY24.3 1Q)



Group status

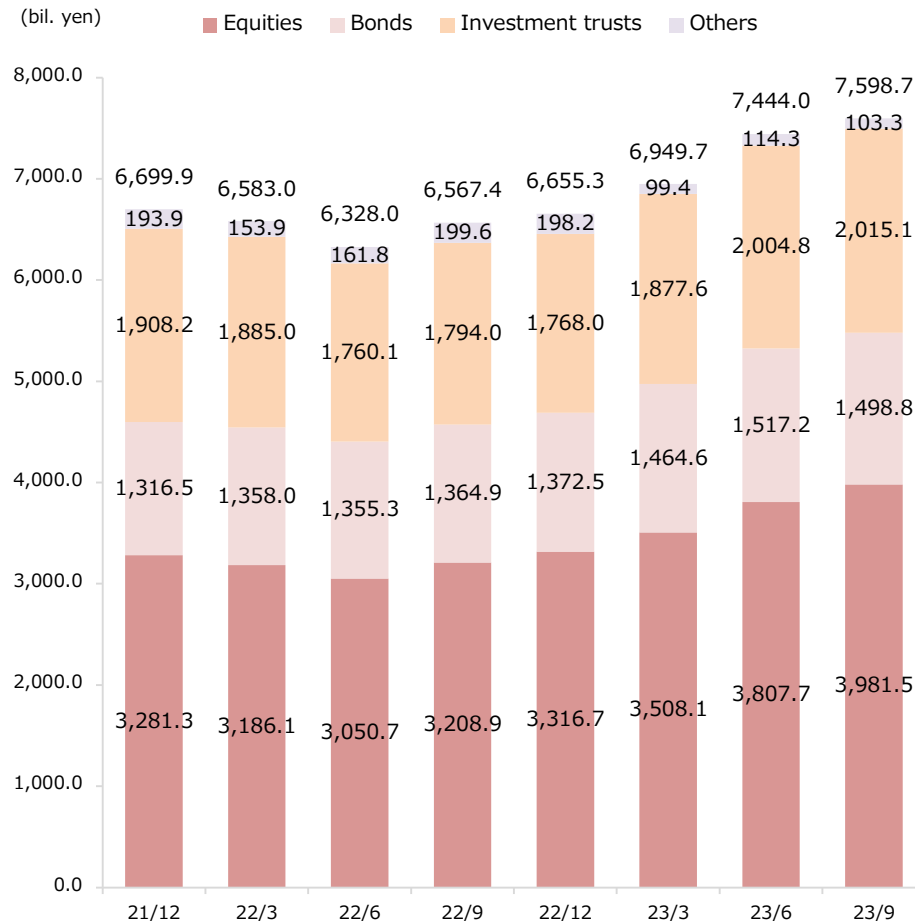
Number of accounts in the Group

(thousands accounts)



Assets under custody

(bil. yen)



※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.FY24.3	FY23.3	FY24.3	vs.FY23.3
	1Q	2Q	3Q	4Q	1Q	2Q	1Q	2QTOTAL	2QTOTAL	2QTOTAL
Operating revenue	15,779	17,781	16,436	16,554	21,247	19,959	-6.1%	33,561	41,206	22.8%
Commission received	10,807	11,098	10,411	8,802	12,363	12,754	3.2%	21,905	25,117	14.7%
Net trading income	4,235	5,862	5,223	6,626	7,711	5,902	-23.5%	10,098	13,613	34.8%
Financial revenue	498	584	577	793	794	878	10.5%	1,082	1,673	54.6%
Other operating revenue	237	236	224	332	378	423	12.0%	474	801	69.1%
Financial expenses	362	358	356	571	480	497	3.6%	720	978	35.7%
Net operating revenue	15,417	17,422	16,080	15,982	20,766	19,461	-6.3%	32,840	40,228	22.5%
SG&A	16,957	16,808	16,550	15,620	16,603	16,285	-1.9%	33,765	32,889	-2.6%
Operating profit (loss)	-1,539	614	-469	361	4,163	3,175	-23.7%	-925	7,338	-
Non-operating income	151	661	43	831	430	814	89.0%	812	1,244	53.2%
Non-operating expenses	52	50	62	65	20	41	109.2%	103	62	-39.9%
Ordinary profit (loss)	-1,440	1,224	-489	1,127	4,573	3,947	-13.7%	-216	8,521	-
Extraordinary income	0	275	2,787	25	1,711	0	-100.0%	275	1,712	521.3%
Extraordinary losses	50	27	3	395	49	61	24.2%	77	110	43.3%
Profit before income taxes	-1,490	1,472	2,295	757	6,235	3,887	-37.7%	-18	10,123	-
Income taxes - current	-101	191	55	181	838	1,396	66.6%	89	2,235	※-
Income taxes - deferred	-606	405	-162	2,484	148	-362	-	-201	-214	-
Profit (loss)	-782	876	2,402	-1,908	5,249	2,853	-45.6%	93	8,102	※-
Profit(loss) attributable to non-controlling interests	-10	72	-63	59	47	58	24.8%	61	106	71.8%
Profit(loss) attributable to owners of parent	-772	803	2,466	-1,968	5,201	2,794	-46.3%	31	7,996	※-

※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	Sep.30, 2023	Changes from Mar.31, 2023
Current assets	785,227	885,147	99,920
Cash and deposits	88,460	82,156	-6,304
Segregated deposits	95,397	103,121	7,724
Trading products	240,344	233,066	-7,278
Margin transaction assets	90,768	116,664	25,896
Loans secured by securities	234,769	306,606	71,837
Other current assets	35,487	43,530	8,043
Non-current assets	90,829	101,213	10,384
Property, plant and equipment	16,991	16,640	-351
Intangible assets	9,224	8,812	-412
Investments and other assets	64,613	75,760	11,147
Total assets	876,057	986,360	110,303

(In millions of yen)

Liabilities and net assets	Mar.31, 2023	Sep.30, 2023	Changes from Mar.31, 2023
Current liabilities	660,017	757,852	97,835
Trading products	238,809	322,693	83,884
Margin transaction liabilities	24,612	26,204	1,592
Borrowings secured by securities	108,711	131,943	23,232
Deposits received	60,174	85,998	25,824
Guarantee deposits received	43,669	44,280	611
Short-term borrowings	152,897	136,495	-16,402
Other current liabilities	31,142	10,236	-20,906
Non-current liabilities	29,153	29,301	148
Long-term borrowings	10,000	7,614	-2,386
Retirement benefit liability	5,798	5,669	-129
Other non-current liabilities	13,355	16,018	2,663
Reserves under special laws	1,247	873	-374
Total liabilities	690,418	788,027	97,609
Share capital	18,589	18,589	-
Capital surplus	37,273	37,959	686
Retained earnings	118,548	122,441	3,893
Treasury shares	-11,470	-11,088	382
Accumulated other comprehensive income	10,076	17,346	7,270
Share acquisition rights	421	266	-155
Non-controlling interests	12,199	12,818	619
Total net assets	185,638	198,332	12,694
Total liabilities and net assets	876,057	986,360	110,303

02. Reference Data

Performance by quarter (non-consolidated: Okasan Securities)

(In millions of yen)

	FY23.3				FY24.3		vs.FY24.3
	1Q	2Q	3Q	4Q	1Q	2Q	1Q
Operating revenue	11,781	13,780	12,839	13,977	17,874	16,573	-7.3%
Commission received	7,475	7,778	7,257	6,974	9,869	10,266	4.0%
Brokerage	2,647	2,756	2,998	3,041	4,145	3,689	-11.0%
Underwriting	37	167	236	173	559	282	-49.5%
Distribution	2,878	2,721	2,102	1,840	3,218	4,175	29.7%
Others	1,912	2,133	1,920	1,918	1,945	2,118	8.9%
Net trading income	3,921	5,526	5,120	6,327	7,346	5,583	-24.0%
Equities	1,967	3,467	3,015	4,102	5,420	4,650	-14.2%
Bonds	2,117	2,060	1,578	2,275	1,879	1,266	-32.7%
Others	-164	-1	525	-50	46	-333	-
Financial revenue	385	475	461	675	658	724	10.1%
Financial expenses	287	293	276	514	408	439	7.4%
Net operating revenue	11,494	13,487	12,562	13,462	17,465	16,134	-7.6%
SG&A	13,023	12,970	13,017	12,810	13,567	13,360	-1.5%
Trading related expenses	1,923	2,006	2,061	1,865	2,104	2,036	-3.2%
Personnel expenses	6,073	5,908	6,054	5,745	6,303	6,460	2.5%
Real estate expenses	1,885	1,897	1,842	1,838	1,826	1,787	-2.2%
Office expenses	2,633	2,580	2,541	2,759	2,647	2,523	-4.7%
Depreciation	105	114	119	136	137	113	-17.1%
Taxes and dues	141	181	158	179	229	218	-4.9%
Other	261	280	240	286	317	219	-31.0%
Operating profit (loss)	-1,529	517	-455	651	3,897	2,774	-28.8%
Non-operating income	73	51	34	58	53	48	-10.6%
Non-operating expenses	22	21	0	46	17	27	53.3%
Ordinary profit (loss)	-1,477	547	-421	664	3,934	2,795	-28.9%
Extraordinary income	-	-	-	-	368	0	-99.8%
Extraordinary losses	-	-	1	83	-	-	-
Profit before income taxes	-1,477	547	-423	580	4,302	2,796	-35.0%
Income taxes - current	-227	-52	-15	51	505	1,202	137.7%
Income taxes - deferred	-455	131	-190	2,448	150	-459	-
Profit (loss)	-794	468	-216	-1,920	3,646	2,053	-43.7%

(In millions of yen)

	FY23.3	FY24.3	vs.FY23.3
	2QTOTAL	2QTOTAL	2QTOTAL
Operating revenue	25,562	34,448	34.8%
Commission received	15,254	20,135	32.0%
Brokerage	5,403	7,835	45.0%
Underwriting	205	842	310.7%
Distribution	5,599	7,393	32.0%
Others	4,046	4,064	0.4%
Net trading income	9,447	12,930	36.9%
Equities	5,434	10,071	85.3%
Bonds	4,178	3,145	-24.7%
Others	-165	-286	-
Financial revenue	860	1,382	60.7%
Financial expenses	580	847	46.0%
Net operating revenue	24,981	33,600	34.5%
SG&A	25,993	26,927	3.6%
Trading related expenses	3,930	4,141	5.4%
Personnel expenses	11,982	12,764	6.5%
Real estate expenses	3,782	3,614	-4.4%
Office expenses	5,213	5,170	-0.8%
Depreciation	220	251	14.1%
Taxes and dues	323	448	38.9%
Other	541	537	-0.9%
Operating profit (loss)	-1,011	6,672	-
Non-operating income	125	102	-18.8%
Non-operating expenses	43	44	3.3%
Ordinary profit (loss)	-929	6,729	-
Extraordinary income	-	369	-
Extraordinary losses	-	-	-
Profit before income taxes	-929	7,098	-
Income taxes - current	-279	1,708	-
Income taxes - deferred	-323	-308	-
Profit (loss)	-326	5,699	-

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

* Excluding data of Okasan Online Securities Company

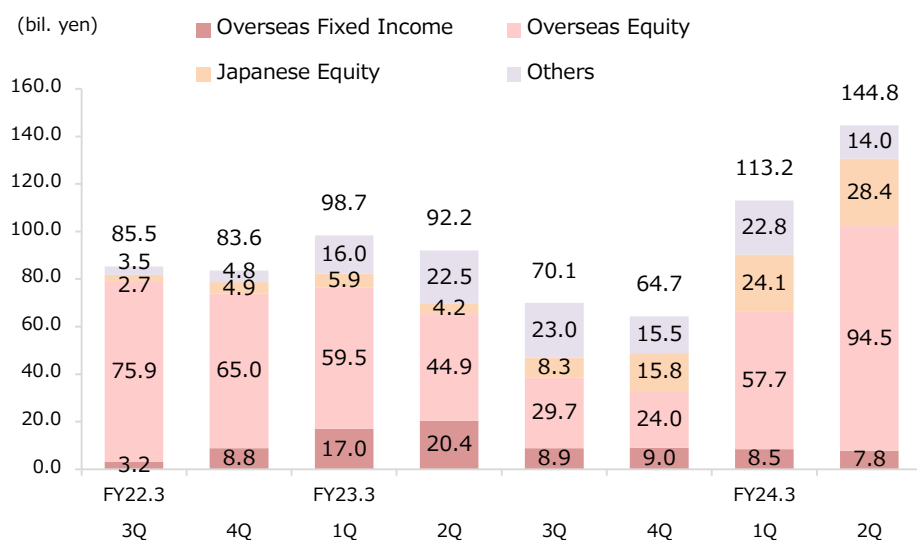
<Compared to previous quarter>

- Investment trust sales increased by 27.8% from the previous quarter to 144.8 billion yen.
- Subscription commissions increased by 29.8% QoQ to 4,175 million yen.
- Agent commissions increased by 8.8% QoQ to 1,777 million yen.
- Foreign bonds sales amount increased by 71.2% QoQ to 46.9 billion yen.

<Year-on-year comparison (cumulative)>

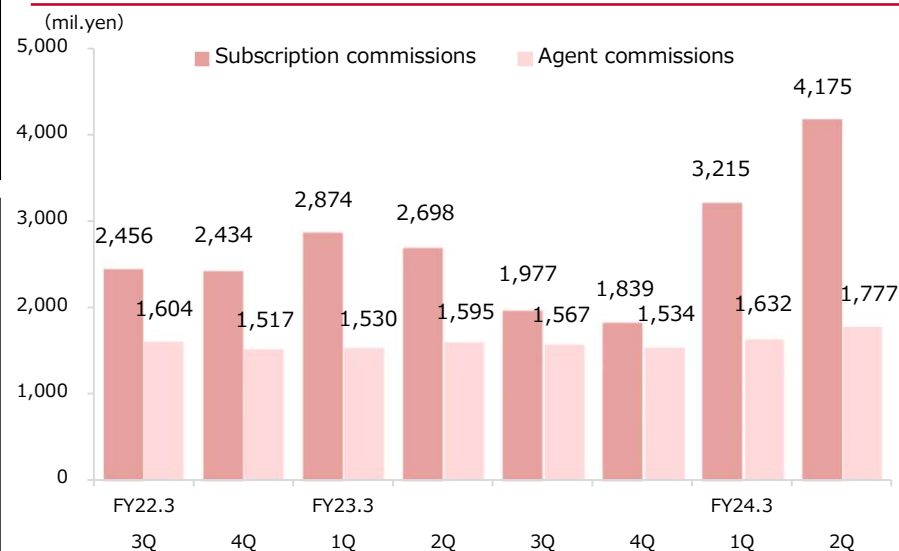
- Investment trust sales increased by 35.1% YoY to 258.1 billion yen. Caused by rise of sales of publicly offered foreign and domestic stock investment trusts.
- Subscription commissions increased by 32.6% YoY to 7,390 million yen.
- Agent commissions increased by 9.1% YoY to 3,410 million yen.
- Foreign bonds sales amount decreased by 33.4% YoY to 74.3 billion yen. While higher sales of foreign bonds for corporate customers, decline of sales volume of private offering structured bonds for individual customers as discontinued sales during 2Q.

Investment trusts sales amount

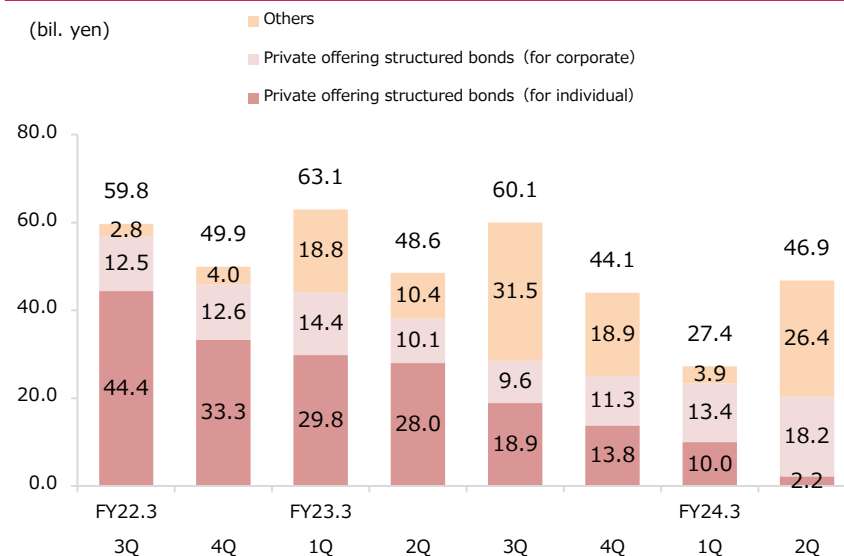


Investment trusts commissions

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



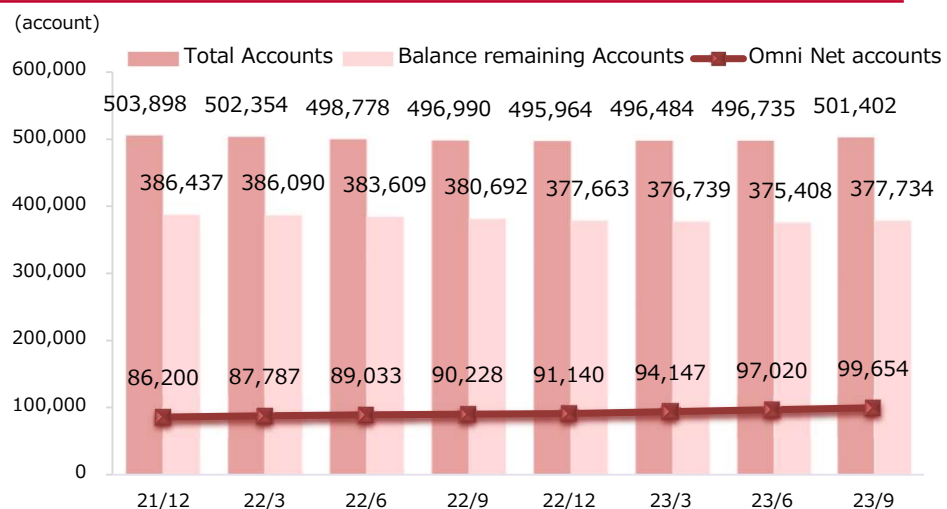
Foreign bonds sales amount



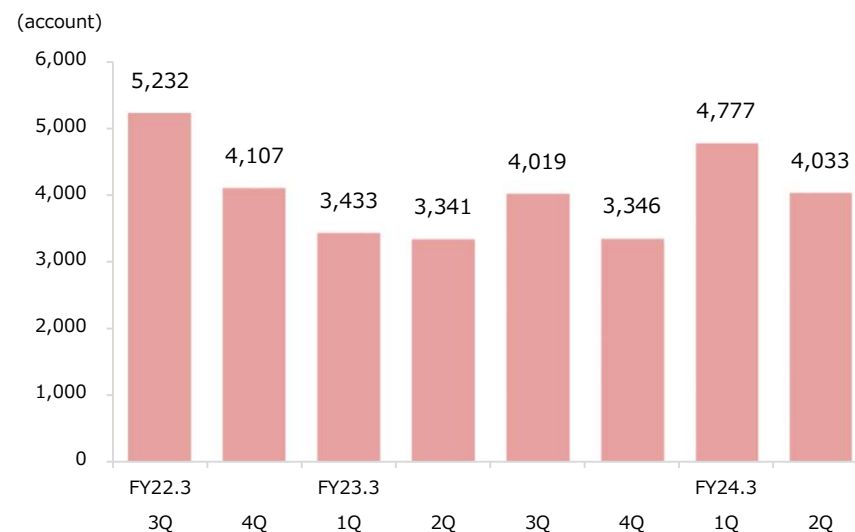
Number of accounts / Net inflow of assets (non-consolidated: Okasan Securities)

* Excluding data of Okasan Online Securities Company

Number of customer accounts

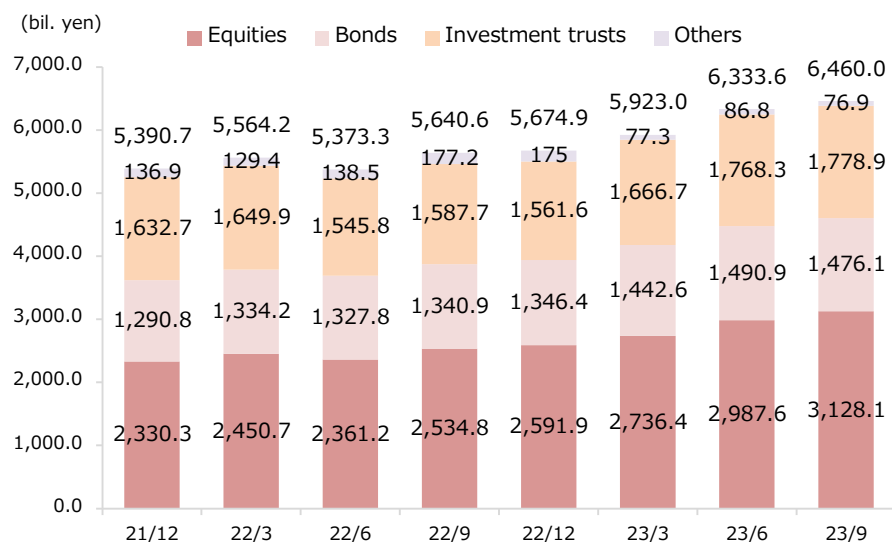


Number of new accounts

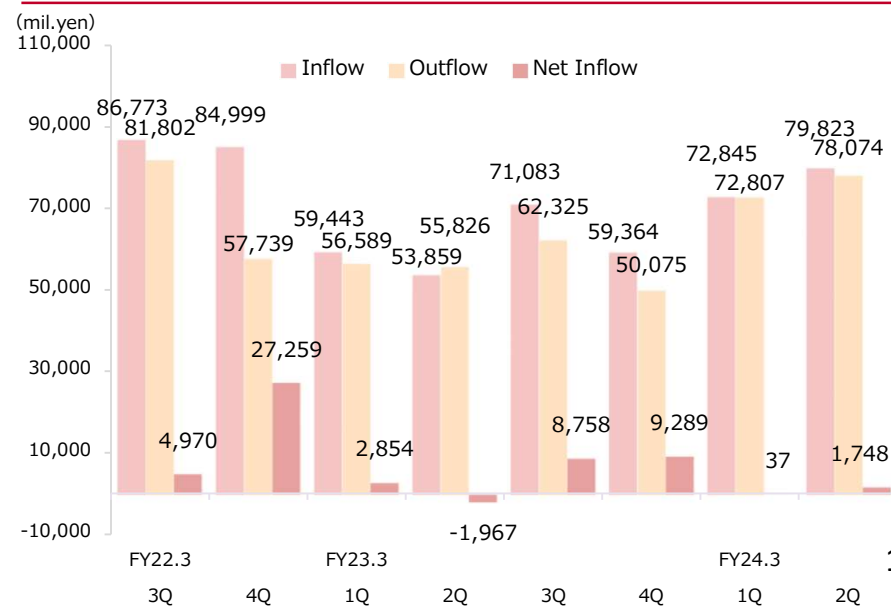


Assets under custody

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



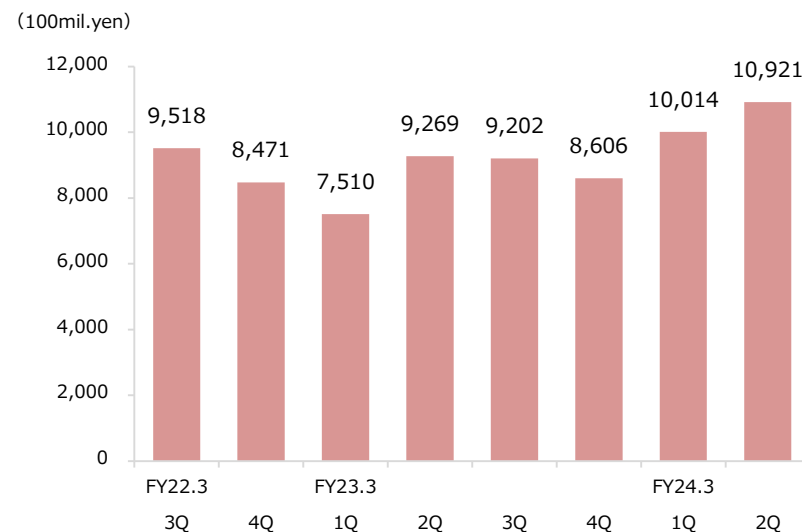
Net Assets inflow (Individual customers)



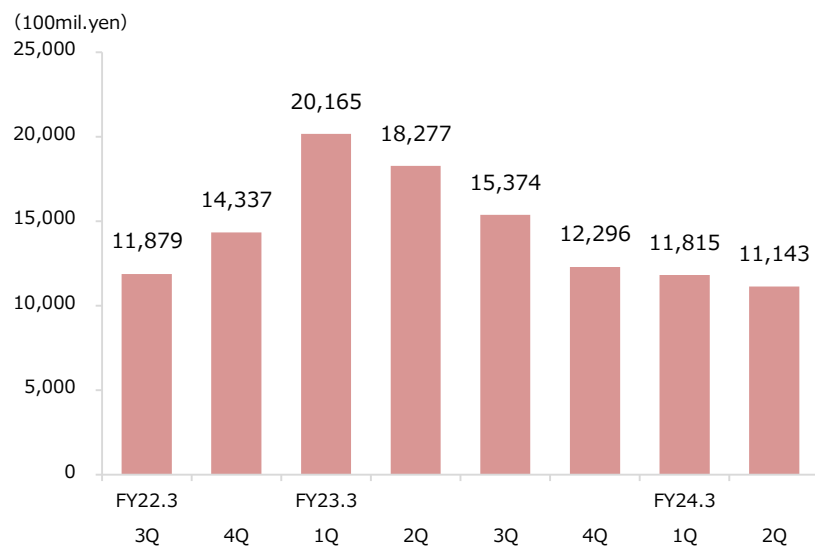
Business Data of Okasan Online Securities Company

- Trading volume of domestic equities and “Click kabu 365 (exchange listed Equity Index Daily Futures contracts)” contract amount remained at high level, reflecting the continuing active trading.
- “Click 365(exchange listed FX Daily Futures contracts)” contract amount decreased compared to the previous period last year, which was at high level amount due to exchange rate fluctuation.

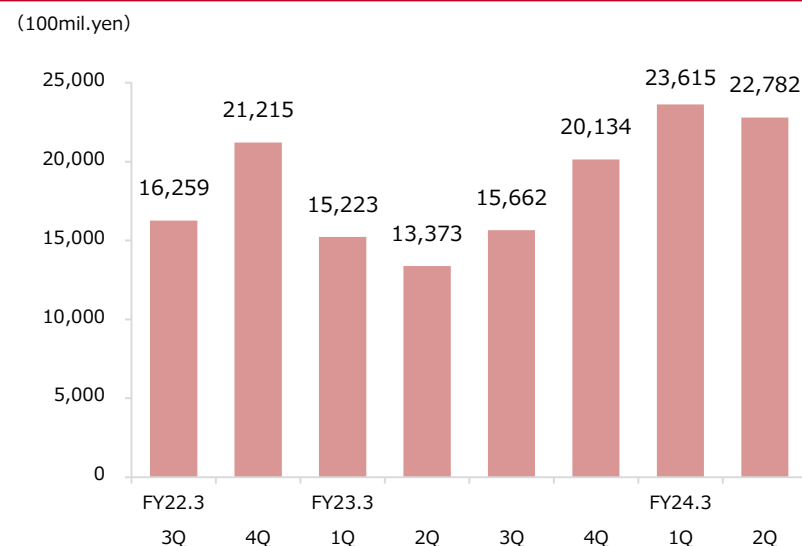
Domestic equities trading volume



“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 ratio rose 31.0 percentage points from the end of the previous fiscal year to 414.0%.

- Rise in basic items and decreased market risk equivalents caused rise of the ratio.

		(In millions of yen)							
			FY23.3				FY24.3		vs.FY23.3
			1Q	2Q	3Q	4Q	1Q	2Q	4Q
Basic items	(A)		75,040	75,509	75,292	73,371	77,018	79,071	5,700
Complementary items	Appraisal gains (losses) etc.		10	24	24	16	16	34	18
	Security transaction responsibility reserve		1,130	1,130	1,131	1,136	768	767	-369
	General provision for loan losses		10	12	14	30	35	39	9
	Short-term subordinated debt		6,000	6,000	6,000	6,000	6,000	6,000	–
	Total	(B)	7,151	7,166	7,170	7,182	6,819	6,841	-341
Assets to be deducted	(C)		14,067	14,187	14,474	11,898	11,512	12,132	234
Unfixed equity capital	(A) + (B) – (C)	(D)	68,124	68,488	67,987	68,655	72,326	73,780	5,125
Risk equivalents	Market risk equivalents		3,533	2,454	2,868	3,117	3,222	2,618	-499
	Customer risk equivalents		1,502	1,626	1,659	1,912	2,127	2,299	387
	Basic risk equivalents		12,635	12,859	13,046	12,892	12,869	12,901	9
	Total	(E)	17,672	16,940	17,574	17,921	18,219	17,819	-102
Capital adequacy ratio (D) / (E) ×100 (%)			385.4%	404.2%	386.8%	383.0%	396.9%	414.0%	31.0p

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

Target indicators of the medium-term management plan

Stakeholder	Item	Target for FY2028 March	As of March 2023	→ As of September 2023 (current)
Customer	Assets under custody	¥10.0 trillion	¥6.9 trillion	→ ¥7.6 trillion
	Investment trust assets under custody	¥3.0 trillion	¥1.9 trillion	→ ¥2.0 trillion
	Customer satisfaction indicator*1	7.0 pt	5.8 pt (Mar. 2023 survey)	→ 6.1 pt (Sep. 2023 survey)
Employee	Employee engagement*1 [Desire to continue working for the company]	Sustainable improvement of the score	—	(Start measurement in FY2024.3)
	Number of salesperson*1	2,000	1,428	→ 1,505
Business Partner	Number of companies utilizing the platform	130	53	→ 58
	Number of contracted IFA corporation	100	40	→ 45
	Number of companies utilizing the system	30	13	→ 13
Shareholder	ROE (Return on Equity)	8.0 %	0.3 % (Annualized)	→ 8.9 % (FY24.3 2Qtotal · annualized)
	Total dividend payout ratio	50.0 %	29.5~1,248.0 % (FY2021.3~FY2023.3)	* Scheduled purchase of treasury shares in the 2nd half of FY2024 (up to ¥2 billion), dividends amount undetermined
	Cost coverage ratio*2	30.0 %	Approximately 15 %	→ 15.8 % (FY24.3 2Qtotal)

*1. Data of Okasan Securities(core securities company)on standalone basis

*2. Ratio of "recurring fee revenue/SG&A" in Okasan Securities Marketing Management Division

Group Topics

Okasan Securities Group

- Celebrated the 100th anniversary of its foundation (April 2023)
- Organizational reform (Establish Structural Reform Project Dept., Financial Policy Planning & Research Dept. and Global Strategy Dept.) (April)
- Started collaboration with FIXER for the utilization of generative AI (Chat GPT and others) (May)
- Introduce of restricted share-based remuneration plan for whole Group employees (July)

Okasan Securities

- Organizational reform (Establish Okasan Tokai Securities Company, Okasan Nishinohon Securities Company, Omori Satellite Place, Private Banking Dept., Customer Support Office, and Omninet Promotion Dept.) (April 2023)
- Transferred to Company with an Audit and Supervisory Committee (June)
- Basic agreement for starting banking services utilizing BaaS with GMO Aozora Net Bank (September)

Other subsidiaries

- Okasan Information Systems: Mr. Ikeda appointed as new President (April 2023)
- Securities Japan: Started handling defined contribution-type corporate pension plans (May)
- Sanen Securities: Mr. Hayakawa appointed as new President (June)
- Okasan Business Service: Mr. Tono appointed as new President (June)
- Okasan Kogyo: Mr. Mori appointed as new President (June)
- Securities Japan: Business transfer agreement related to IFA conversion with Shinbayashi Securities (June)



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