

January 30, 2024

# 3rd Quarter of Fiscal Year Ending March 31, 2024 Results Briefing

The objective of the document is to provide information on the results of the 3rd 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 December 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. (currently SBI Okasan Asset Management) 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 3rd quarter of fiscal year ending March 2024

(Cumulative: Nine months from April 1, 2023 to December 31, 2023)

<Year-on-year comparison (vs. 3rd quarter of FY ended March 2023(Cumulative: Nine months from April 1, 2022 to December 31, 2022))>

- Operating revenue increased by 21.7% year on year (YoY). Over the same period, net operating revenue increased by 21.3%.  
Equities trading income and brokerage commission increased due to strong market conditions both domestic and overseas.
- Selling, general, and administrative expenses decreased by 2.1% YoY from lower trading related expenses and real estate expenses.  
Expenses decreased due to deconsolidation of Okasan Asset Management.
- Ordinary income turned profitable to 11,384 million yen. Profit attributable to owners of parent amounted to 9,782 million yen.

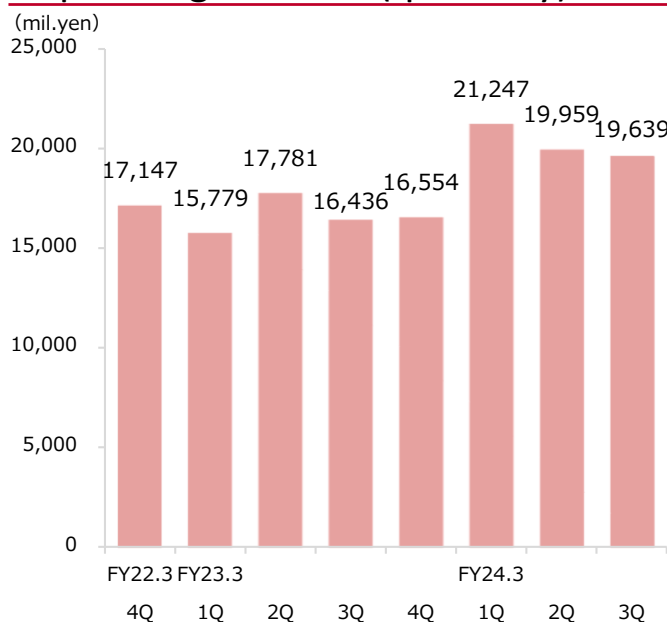
	(In millions of yen)								(In millions of yen)		
	FY23.3				FY24.3				vs.FY24.3	FY23.3	FY24.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q	3QTOTAL	3QTOTAL	3QTOTAL
<b>Operating revenue</b>	15,779	17,781	16,436	16,554	21,247	19,959	<b>19,639</b>	<b>-1.6%</b>	49,997	<b>60,846</b>	<b>21.7%</b>
<b>Net operating revenue</b>	15,417	17,422	16,080	15,982	20,766	19,461	<b>19,131</b>	<b>-1.7%</b>	48,920	<b>59,360</b>	<b>21.3%</b>
<b>SG&amp;A</b>	16,957	16,808	16,550	15,620	16,603	16,285	<b>16,349</b>	<b>0.4%</b>	50,316	<b>49,239</b>	<b>-2.1%</b>
<b>Operating profit</b>	-1,539	614	-469	361	4,163	3,175	<b>2,781</b>	<b>-12.4%</b>	-1,395	<b>10,120</b>	-
<b>Ordinary profit</b>	-1,440	1,224	-489	1,127	4,573	3,947	<b>2,863</b>	<b>-27.5%</b>	-705	<b>11,384</b>	-
<b>Profit attributable to owners of parent</b>	-772	803	2,466	-1,968	5,201	2,794	<b>1,785</b>	<b>-36.1%</b>	2,498	<b>9,782</b>	<b>291.6%</b>
<b>EPS (YEN)</b>	-3.90	3.95	11.75	-9.56	25.35	13.56	<b>8.73</b>		12.26	<b>47.64</b>	
<b>BPS (YEN)</b>	824.60	823.21	844.48	843.45	867.44	898.86	<b>912.90</b>		844.48	<b>912.90</b>	
<b>ROE (annualized)</b>									1.9%	<b>7.3%</b>	

# Performance by Quarter (Consolidated)

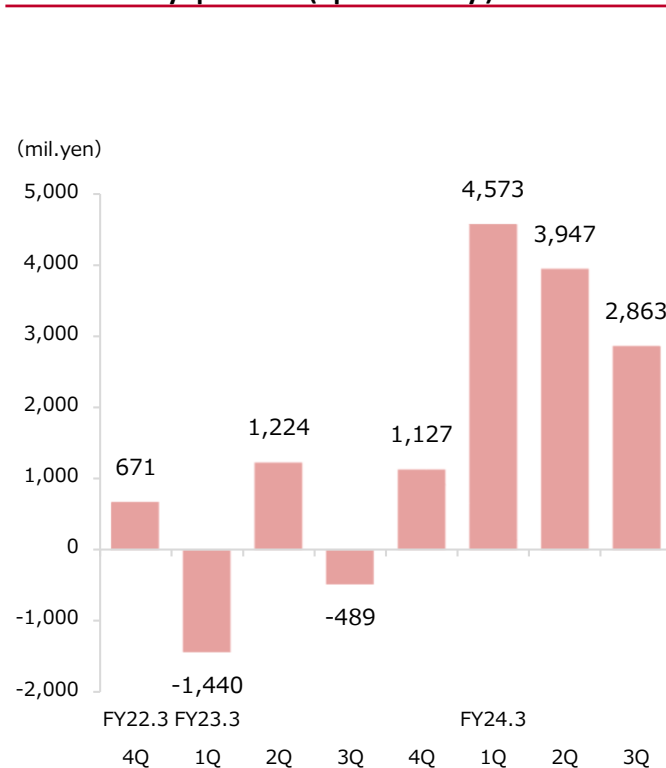
<Compared to previous quarter (vs. 2nd quarter of the fiscal year ending March 2024)>

- Operating revenue decreased by 1.6% from the previous quarter. Net operating revenues decreased by 1.7% quarter on quarter (QoQ). Investment trust-related income and brokerage commission related to domestic stocks decreased. On the other hand, equities trading income increased.
- Selling, general, and administrative expenses increased by 0.4% QoQ, due to higher trading related expenses and others.
- Ordinary profit decreased by 27.5% QoQ. Profit attributable to owners of parent decreased by 36.1% QoQ. In the current quarter, impairment loss on software, etc. was recorded as extraordinary losses.

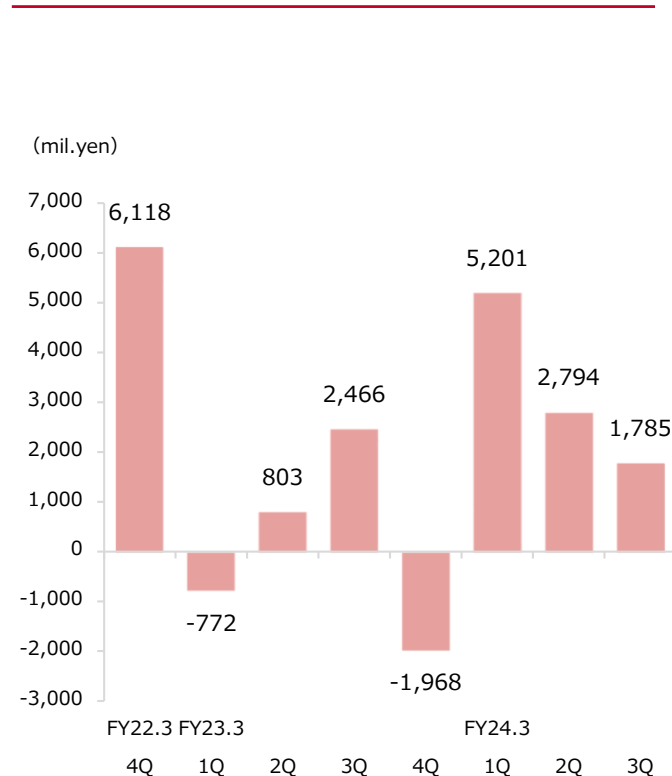
## Operating revenue (quarterly)



## Ordinary profit (quarterly)



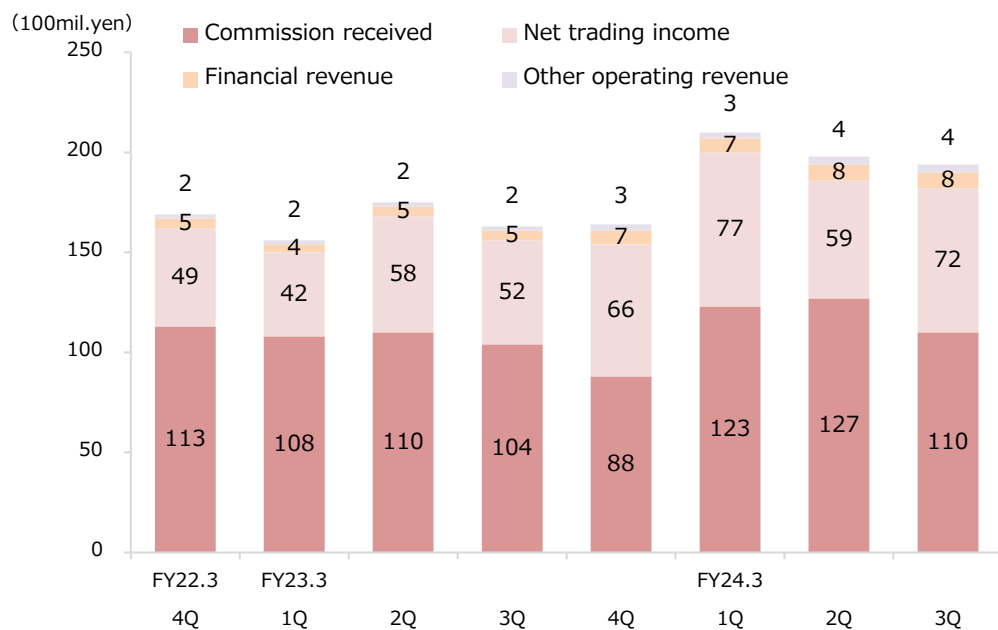
## Profit attributable to owners of parent (quarterly)



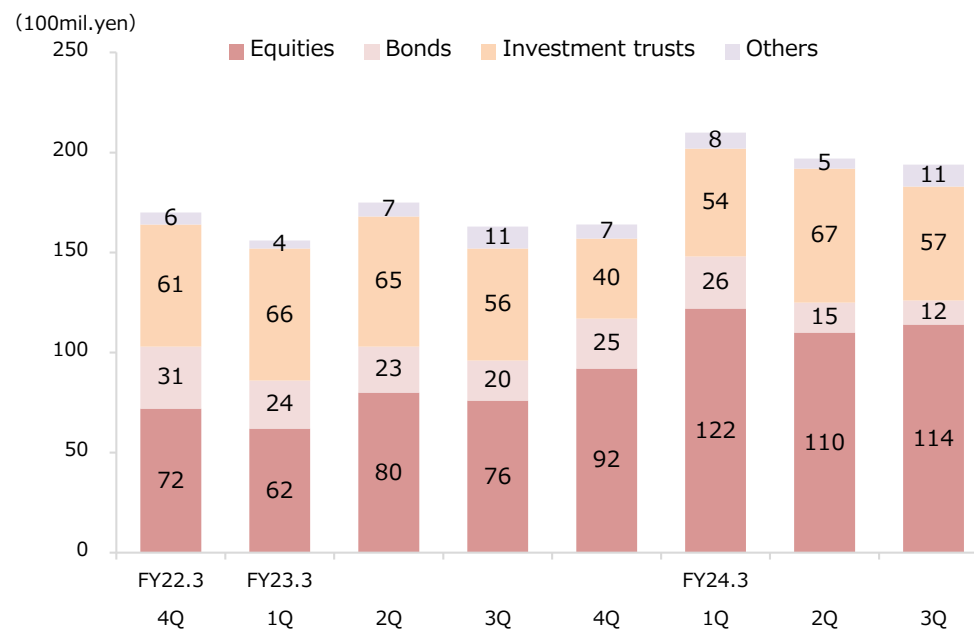
# Operating Revenue I

	(In millions of yen)				(In millions of yen)				(In millions of yen)		
	FY23.3				FY24.3				vs.FY24.3	FY23.3	FY24.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q	3QTOTAL	3QTOTAL	3QTOTAL
<b>Commission received</b>	10,807	11,098	10,411	8,802	12,363	12,754	<b>11,021</b>	<b>-13.6%</b>	32,317	<b>36,139</b>	<b>11.8%</b>
Brokerage	3,830	3,867	4,143	4,322	6,053	5,417	<b>4,825</b>	<b>-10.9%</b>	11,840	<b>16,295</b>	<b>37.6%</b>
Underwriting	37	168	235	173	560	289	<b>169</b>	<b>-41.5%</b>	441	<b>1,018</b>	<b>130.6%</b>
Distribution	3,159	3,060	2,371	2,118	3,491	4,603	<b>3,510</b>	<b>-23.7%</b>	8,591	<b>11,605</b>	<b>35.1%</b>
Others	3,780	4,001	3,661	2,187	2,258	2,444	<b>2,516</b>	<b>3.0%</b>	11,443	<b>7,219</b>	<b>-36.9%</b>
<b>Net trading income</b>	4,235	5,862	5,223	6,626	7,711	5,902	<b>7,287</b>	<b>23.5%</b>	15,321	<b>20,900</b>	<b>36.4%</b>
Equities	2,152	3,735	3,025	4,272	5,674	4,838	<b>5,922</b>	<b>22.4%</b>	8,914	<b>16,436</b>	<b>84.4%</b>
Bonds	2,265	2,156	1,656	2,382	2,001	1,404	<b>1,086</b>	<b>-22.6%</b>	6,078	<b>4,492</b>	<b>-26.1%</b>
Others	-182	-29	540	-28	34	-340	<b>278</b>	<b>-</b>	328	<b>-28</b>	<b>-</b>
<b>Financial revenue</b>	498	584	577	793	794	878	<b>887</b>	<b>1.0%</b>	1,660	<b>2,560</b>	<b>54.2%</b>
<b>Others</b>	237	236	224	332	378	423	<b>442</b>	<b>4.5%</b>	698	<b>1,244</b>	<b>78.3%</b>
<b>Operating revenue</b>	15,779	17,781	16,436	16,554	21,247	19,959	<b>19,639</b>	<b>-1.6%</b>	49,997	<b>60,846</b>	<b>21.7%</b>

## Quarterly change in operating revenue



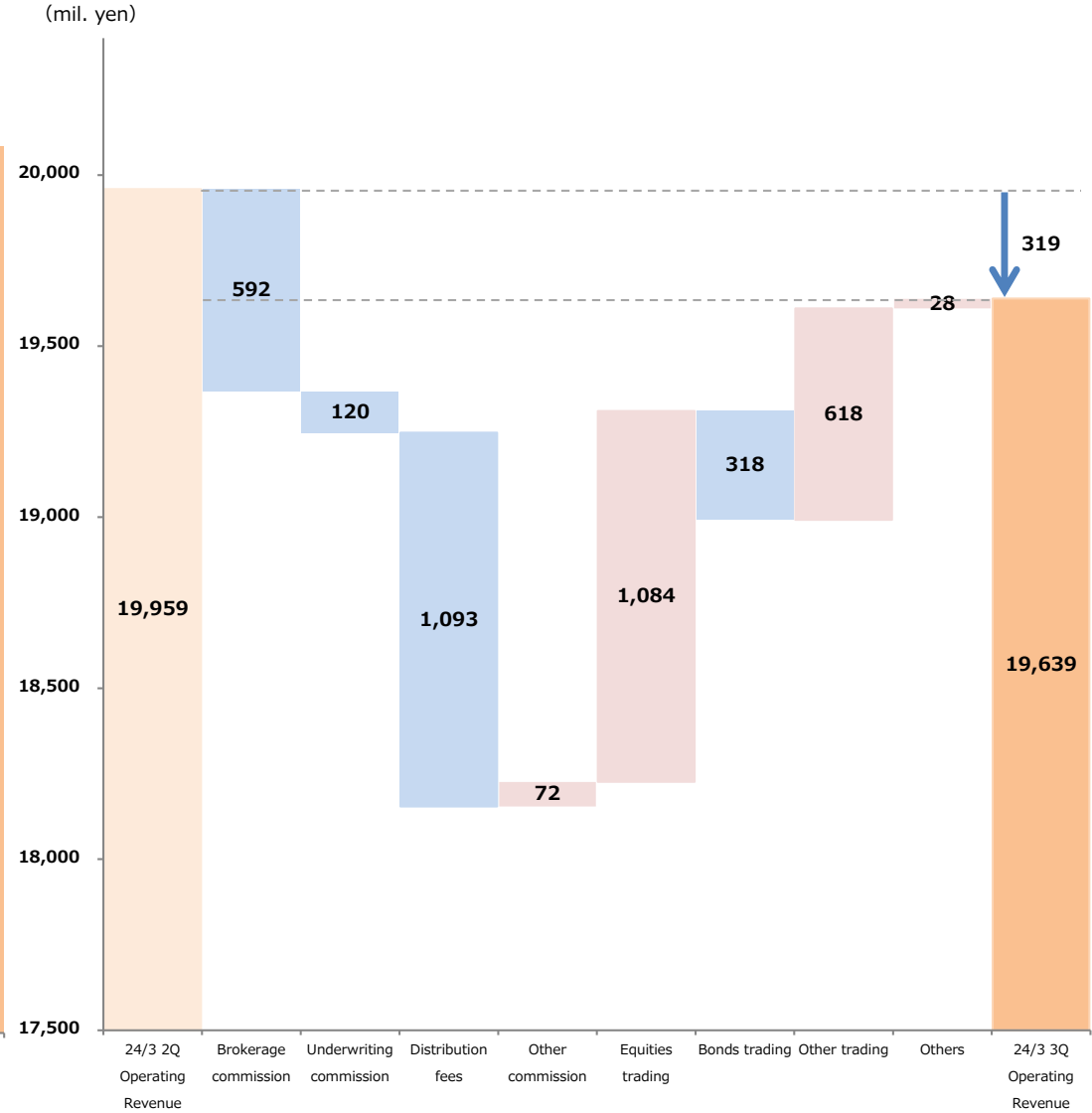
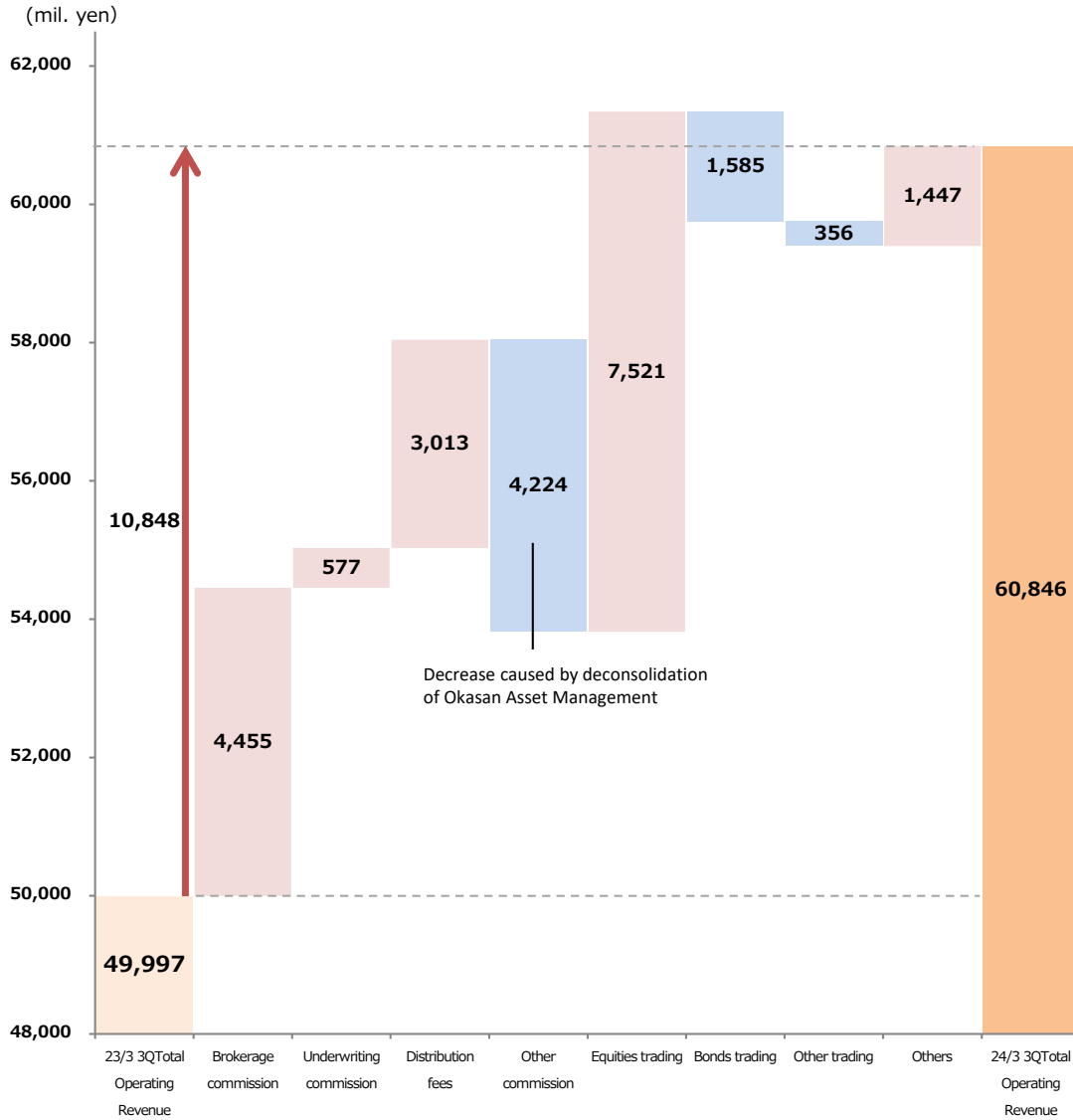
## Quarterly change in operating revenue by product



# Operating Revenue II

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

Changing factors of operating revenue (vs. FY24.3 2Q)



※Figures less than 1million yen are omitted.

# Fees and Commission Received

## <Compared to previous quarter>

Brokerage commission decreased by 10.9% from the previous quarter, due to decrease of equities trading of individual customers. Underwriting commission decreased by 41.5% QoQ, mainly due to a reaction from serving as PO and IPO lead manager in the previous quarter. Distribution fees decreased by 23.7% QoQ, due to the decrease of sales amount of publicly offered foreign stock investment trusts. Other commission increased by 3.0% QoQ, from a rise in trust fees.

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

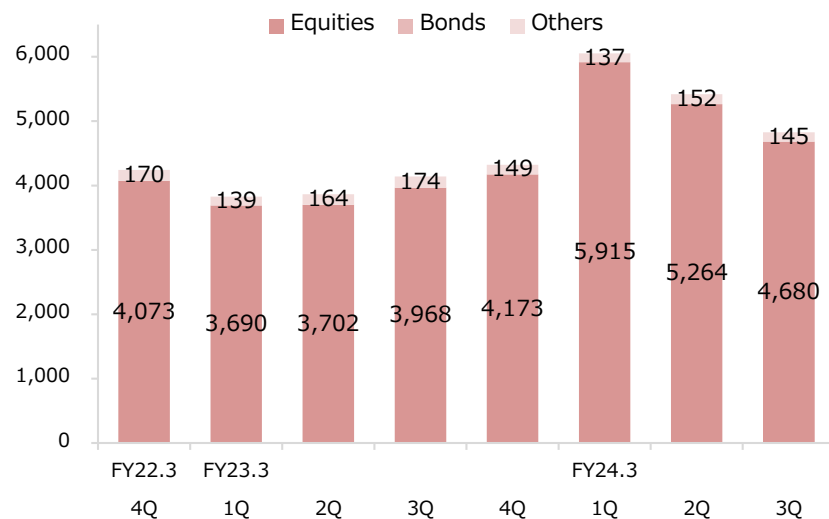
Brokerage commission increased by 37.6% YoY, due to the increase of equities brokerage commission, both domestic and overseas, reflecting the strong equities markets. Underwriting commission increased by 130.6% YoY, due to the large case underwriting of corporate bond and IPO lead management. Distribution fees increased by 35.1% YoY, owing to higher sales primarily of publicly offered foreign and domestic stock investment trusts. Other commission decreased by 36.9% 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		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q	FY23.3 3QTOTAL	FY24.3 3QTOTAL	vs.FY23.3 3QTOTAL
<b>Brokerage</b>	3,830	3,867	4,143	4,322	6,053	5,417	<b>4,825</b>	<b>-10.9%</b>	11,840	<b>16,295</b>	<b>37.6%</b>
Equities	3,690	3,702	3,968	4,173	5,915	5,264	<b>4,680</b>	<b>-11.1%</b>	11,360	<b>15,860</b>	<b>39.6%</b>
Bonds	0	0	0	-	-	-	-	-	0	-	-
Others	139	164	174	149	137	152	<b>145</b>	<b>-5.1%</b>	479	<b>435</b>	<b>-9.2%</b>
<b>Underwriting</b>	37	168	235	173	560	289	<b>169</b>	<b>-41.5%</b>	441	<b>1,018</b>	<b>130.6%</b>
Equities	4	73	134	90	76	193	<b>106</b>	<b>-45.1%</b>	212	<b>376</b>	<b>77.2%</b>
Bonds	33	95	100	83	484	95	<b>62</b>	<b>-34.3%</b>	229	<b>642</b>	<b>180.2%</b>
<b>Distribution</b>	3,159	3,060	2,371	2,118	3,491	4,603	<b>3,510</b>	<b>-23.7%</b>	8,591	<b>11,605</b>	<b>35.1%</b>
Beneficiary Certificates	3,155	3,036	2,245	2,117	3,486	4,605	<b>3,503</b>	<b>-23.9%</b>	8,437	<b>11,595</b>	<b>37.4%</b>
<b>Others</b>	3,780	4,001	3,661	2,187	2,258	2,444	<b>2,516</b>	<b>3.0%</b>	11,443	<b>7,219</b>	<b>-36.9%</b>
Beneficiary Certificates	3,340	3,385	3,260	1,771	1,888	2,051	<b>2,106</b>	<b>2.7%</b>	9,986	<b>6,047</b>	<b>-39.4%</b>
<b>Total</b>	10,807	11,098	10,411	8,802	12,363	12,754	<b>11,021</b>	<b>-13.6%</b>	32,317	<b>36,139</b>	<b>11.8%</b>

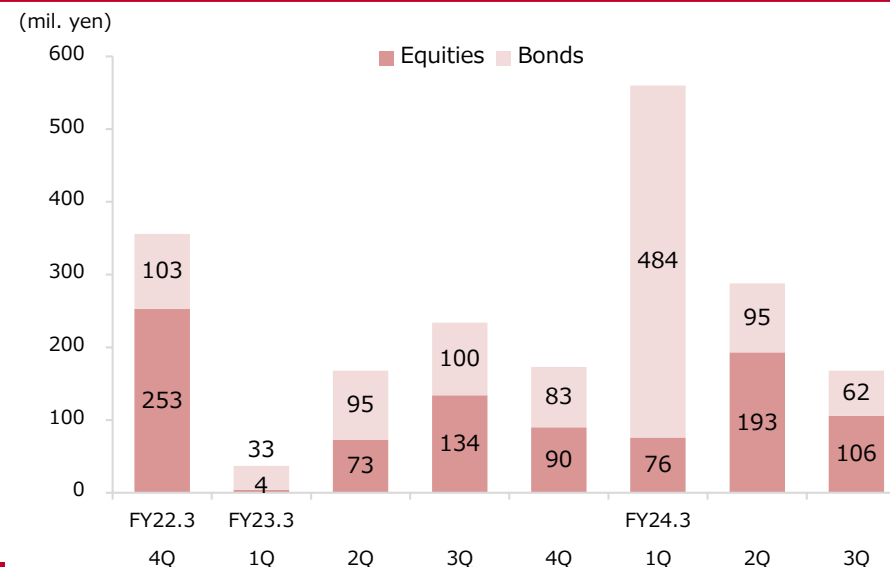


# Fees and Commission Received by Category (Quarterly Transition)

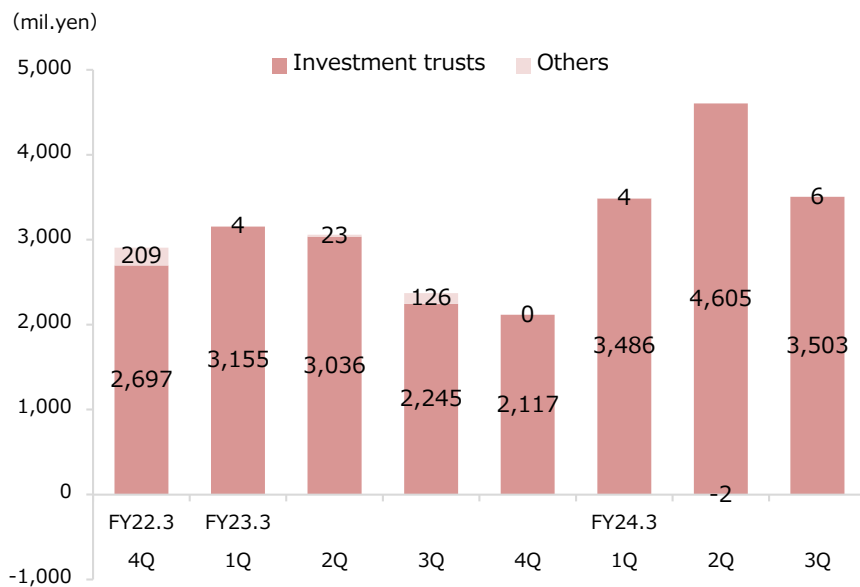
## Brokerage



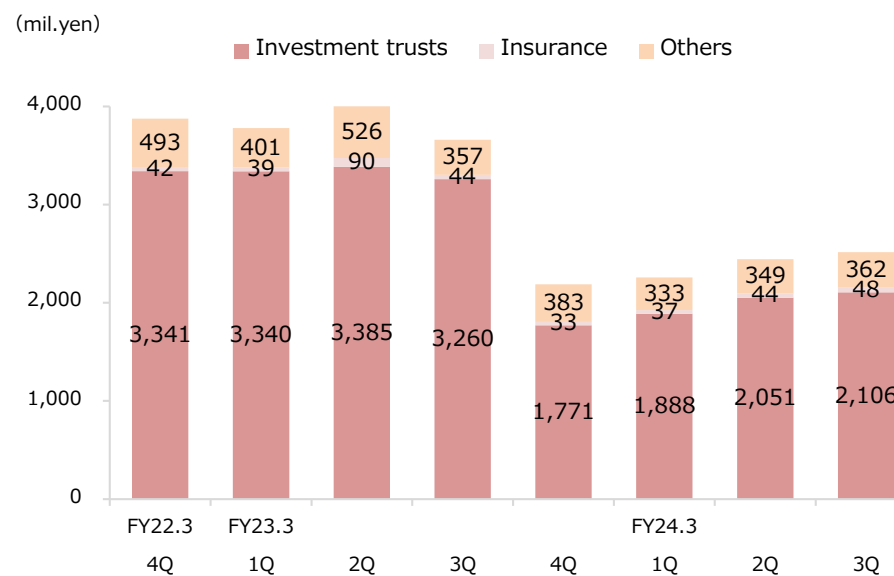
## Underwriting



## Distribution



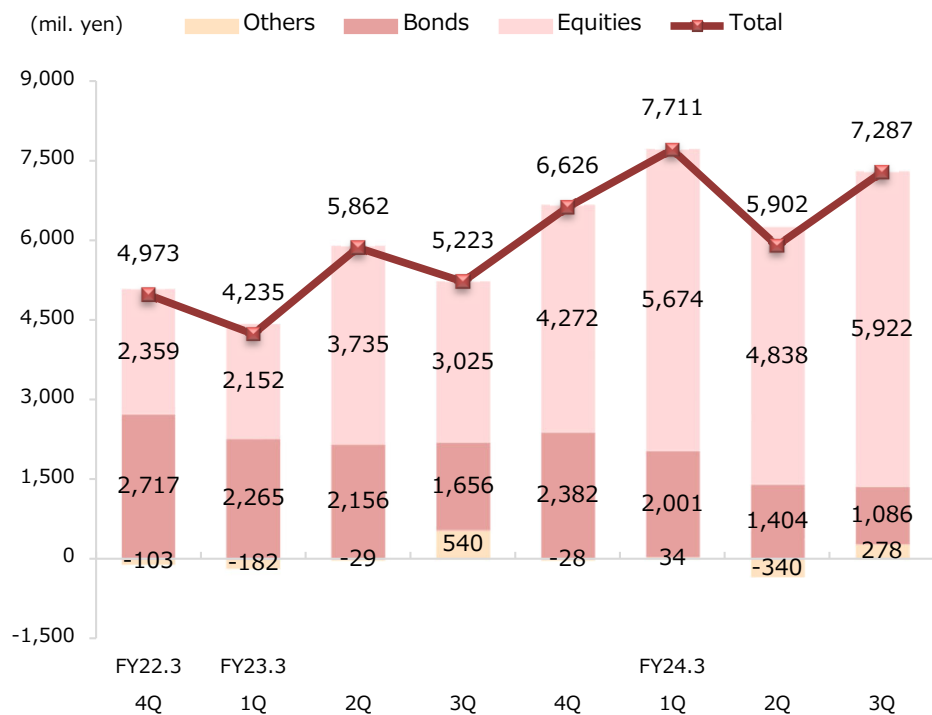
## Others



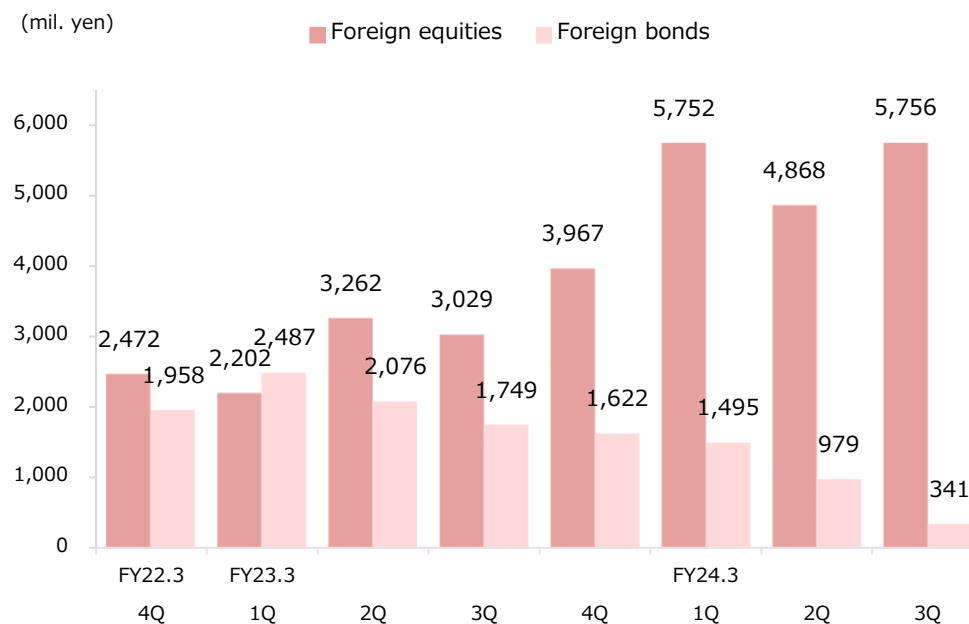
# Net Trading Income

	(In millions of yen)				(In millions of yen)				(In millions of yen)		
	FY23.3				FY24.3				vs.FY24.3		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q	FY23.3 3QTOTAL	FY24.3 3QTOTAL	vs.FY23.3 3QTOTAL
<b>Equities</b>	2,152	3,735	3,025	4,272	5,674	4,838	<b>5,922</b>	<b>22.4%</b>	8,914	<b>16,436</b>	<b>84.4%</b>
Domestic equities	-49	473	-3	305	-77	-29	<b>166</b>	-	419	<b>58</b>	<b>-86.0%</b>
Foreign equities	2,202	3,262	3,029	3,967	5,752	4,868	<b>5,756</b>	<b>18.2%</b>	8,494	<b>16,377</b>	<b>92.8%</b>
<b>Bonds and others</b>	2,265	2,156	1,656	2,382	2,001	1,404	<b>1,086</b>	<b>-22.6%</b>	6,078	<b>4,492</b>	<b>-26.1%</b>
Domestic bonds	-222	79	-92	760	506	424	<b>744</b>	<b>75.2%</b>	-235	<b>1,675</b>	-
Foreign bonds	2,487	2,076	1,749	1,622	1,495	979	<b>341</b>	<b>-65.1%</b>	6,314	<b>2,817</b>	<b>-55.4%</b>
<b>Others</b>	-182	-29	540	-28	34	-340	<b>278</b>	-	328	<b>-28</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>5,902</b>	<b>7,287</b>	<b>23.5%</b>	<b>15,321</b>	<b>20,900</b>	<b>36.4%</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 0.4% QoQ, due to higher trading related expenses, and others.

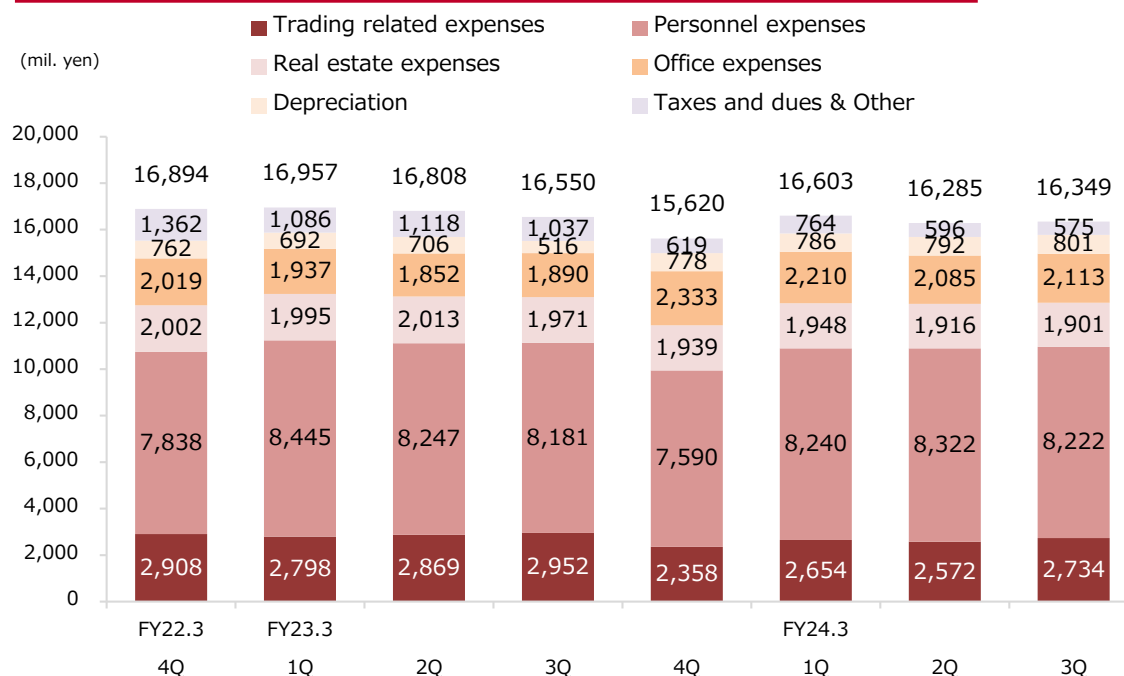
- Trading related expenses increased by 6.3% QoQ due to the increase of advertising expenses.
- Personnel costs (including bonuses and reserves) decreased by 1.2% QoQ.

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

SG&A decreased by 2.1% YoY, resulted from lower trading related expenses and real estate expenses, despite the increase of office expenses.

- Office expenses increased by 12.8% YoY due to system related expenses, and others.
- Due to deconsolidation of Okasan Asset Management and others, trading related expenses decreased by 7.6% YoY, real estate expenses decreased by 3.6% YoY. Other expenses decreased as well, because of lower research fees.

## Change in Selling, General and Administrative Expenses

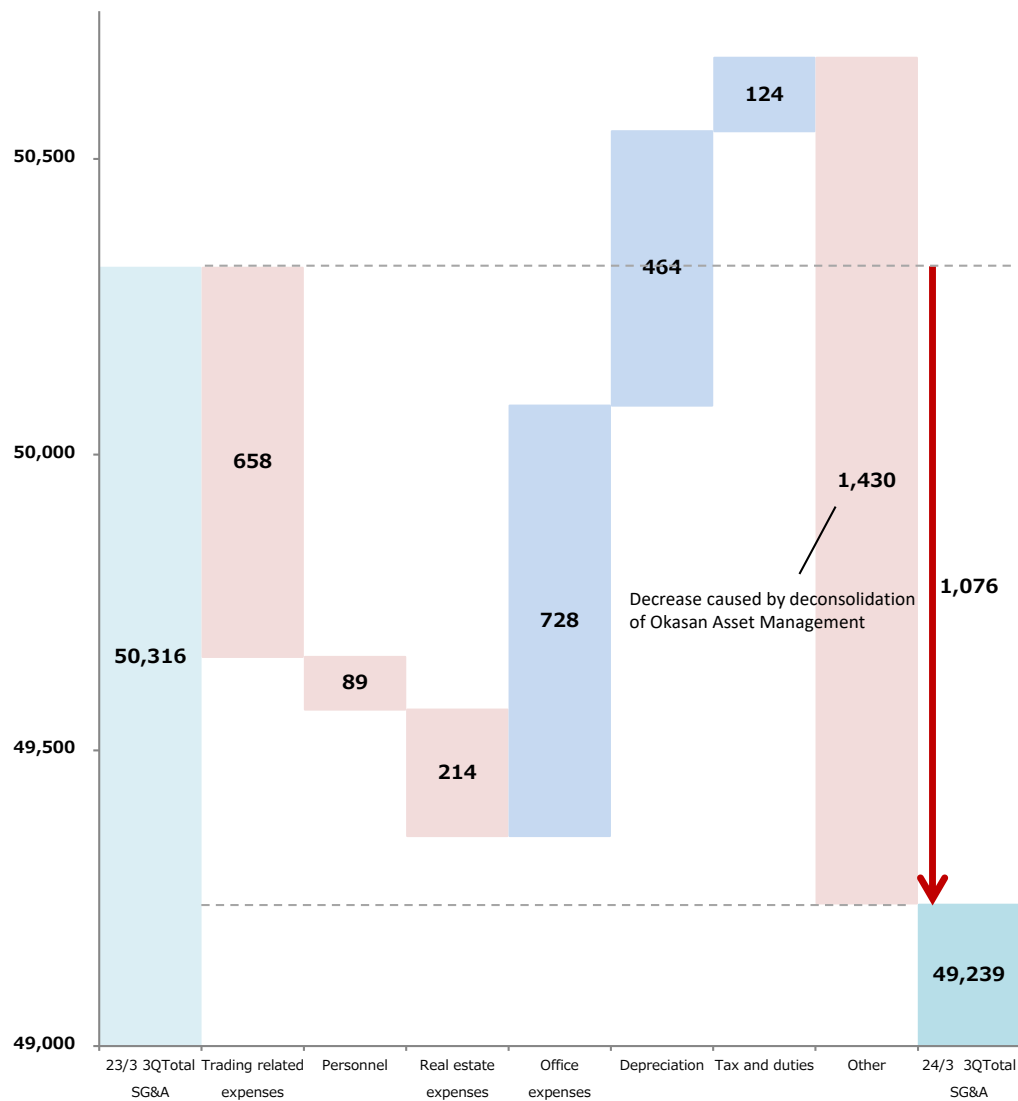


	FY23.3				FY24.3				vs.FY24.3	(In millions of yen)		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q		FY23.3	FY24.3	vs.FY23.3
Trading related expenses	2,798	2,869	2,952	2,358	2,654	2,572	<b>2,734</b>	<b>6.3%</b>	8,620	<b>7,962</b>	<b>-7.6%</b>	
Personnel expenses	8,445	8,247	8,181	7,590	8,240	8,322	<b>8,222</b>	<b>-1.2%</b>	24,874	<b>24,784</b>	<b>-0.4%</b>	
Real estate expenses	1,995	2,013	1,971	1,939	1,948	1,916	<b>1,901</b>	<b>-0.7%</b>	5,981	<b>5,766</b>	<b>-3.6%</b>	
Office expenses	1,937	1,852	1,890	2,333	2,210	2,085	<b>2,113</b>	<b>1.4%</b>	5,681	<b>6,409</b>	<b>12.8%</b>	
Depreciation	692	706	516	778	786	792	<b>801</b>	<b>1.1%</b>	1,915	<b>2,380</b>	<b>24.2%</b>	
Taxes and dues	257	292	296	251	375	319	<b>275</b>	<b>-13.7%</b>	845	<b>970</b>	<b>14.7%</b>	
Other	829	826	741	368	388	276	<b>300</b>	<b>8.5%</b>	2,396	<b>966</b>	<b>-59.7%</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>16,285</b>	<b>16,349</b>	<b>0.4%</b>	<b>50,316</b>	<b>49,239</b>	<b>-2.1%</b>	

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

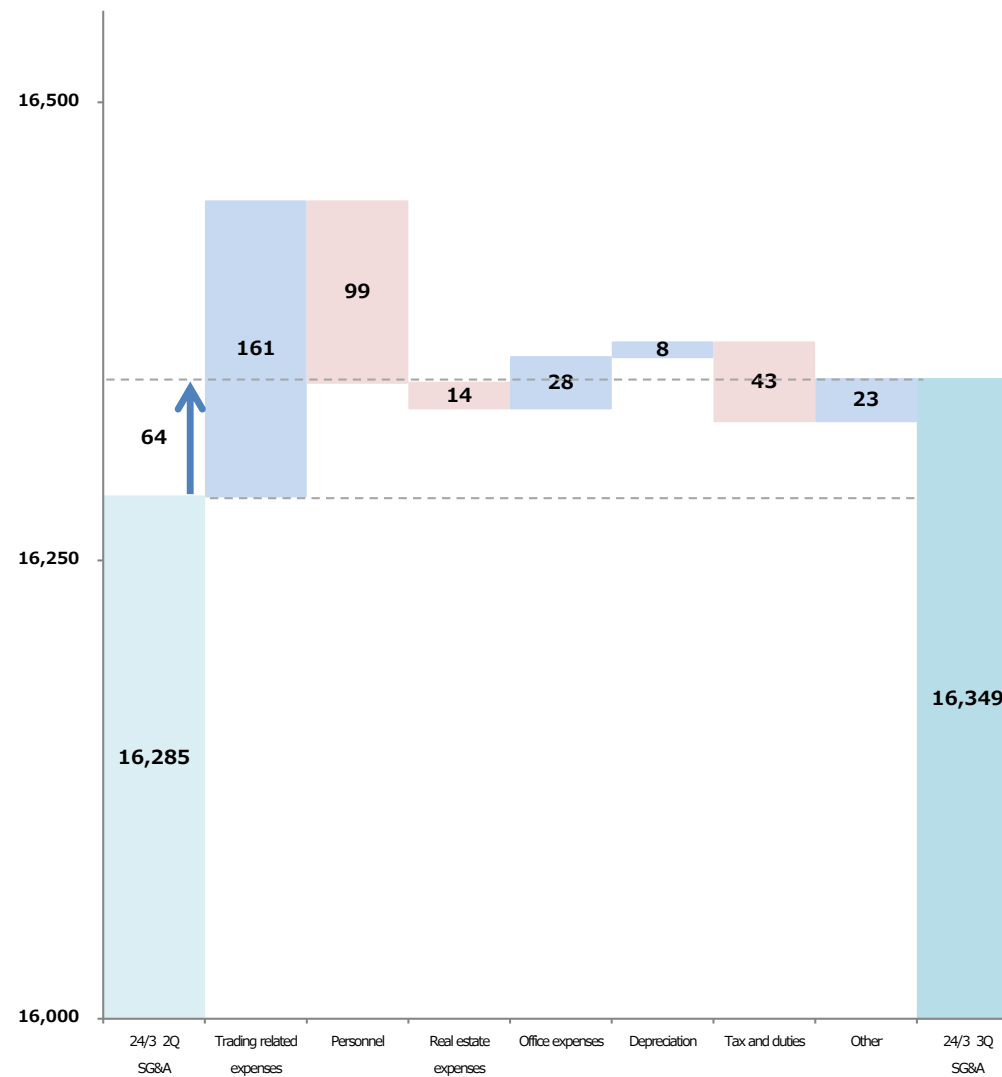
Changing factors of SG&A (vs. FY23.3 3QTotal)

(mil. yen)



Changing factors of SG&A (vs. FY24.3 2Q)

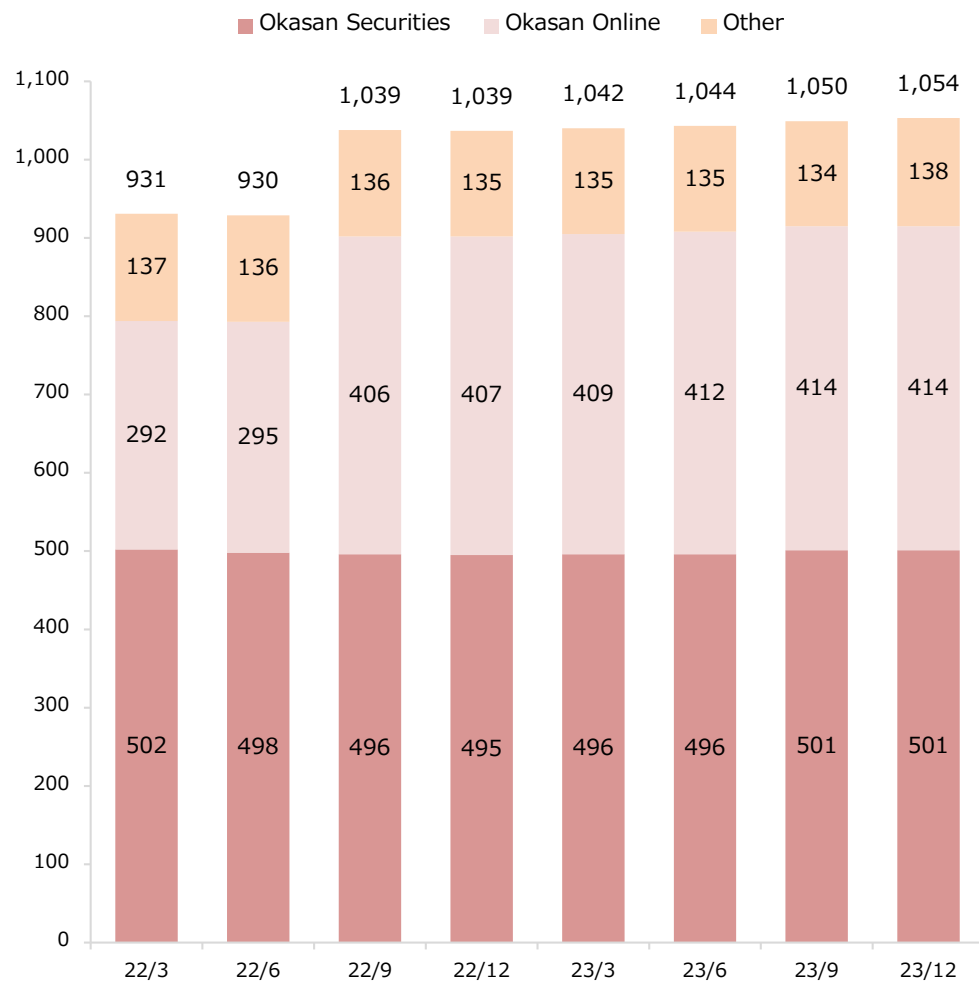
(mil. yen)



# Group status

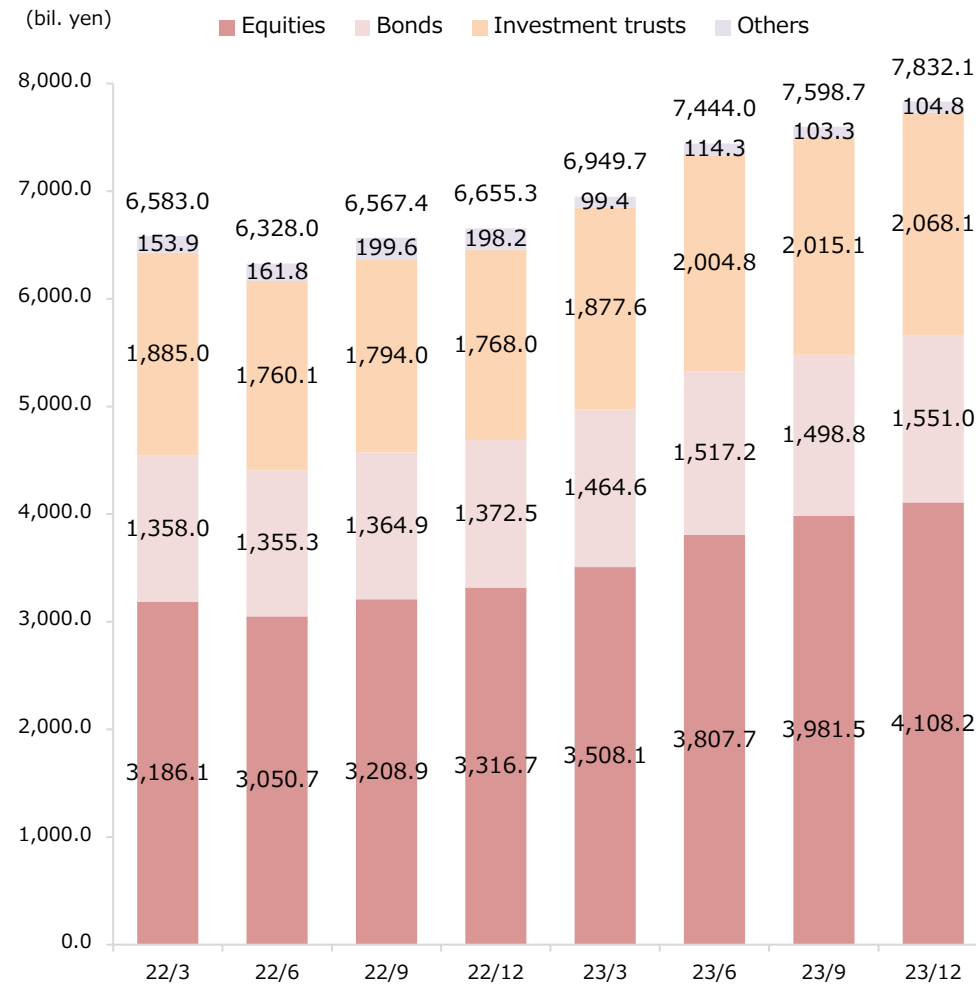
## Number of accounts in the Group

(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	3Q	2Q	3QTOTAL	3QTOTAL	3QTOTAL	
<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>19,959</b>	<b>19,639</b>	<b>-1.6%</b>	<b>49,997</b>	<b>60,846</b>	<b>21.7%</b>	
Commission received	10,807	11,098	10,411	8,802	12,363	12,754	<b>11,021</b>	<b>-13.6%</b>	32,317	<b>36,139</b>	<b>11.8%</b>	
Net trading income	4,235	5,862	5,223	6,626	7,711	5,902	<b>7,287</b>	<b>23.5%</b>	15,321	<b>20,900</b>	<b>36.4%</b>	
Financial revenue	498	584	577	793	794	878	<b>887</b>	<b>1.0%</b>	1,660	<b>2,560</b>	<b>54.2%</b>	
Other operating revenue	237	236	224	332	378	423	<b>442</b>	<b>4.5%</b>	698	<b>1,244</b>	<b>78.3%</b>	
Financial expenses	362	358	356	571	480	497	<b>507</b>	<b>2.0%</b>	1,077	<b>1,486</b>	<b>37.9%</b>	
Net operating revenue	15,417	17,422	16,080	15,982	20,766	19,461	<b>19,131</b>	<b>-1.7%</b>	48,920	<b>59,360</b>	<b>21.3%</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>16,285</b>	<b>16,349</b>	<b>0.4%</b>	<b>50,316</b>	<b>49,239</b>	<b>-2.1%</b>	
Operating profit (loss)	-1,539	614	-469	361	4,163	3,175	<b>2,781</b>	<b>-12.4%</b>	-1,395	<b>10,120</b>	<b>-</b>	
Non-operating income	151	661	43	831	430	814	<b>132</b>	<b>-83.8%</b>	855	<b>1,376</b>	<b>60.9%</b>	
Non-operating expenses	52	50	62	65	20	41	<b>50</b>	<b>21.0%</b>	165	<b>112</b>	<b>-32.0%</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>3,947</b>	<b>2,863</b>	<b>-27.5%</b>	<b>-705</b>	<b>11,384</b>	<b>-</b>	
Extraordinary income	0	275	2,787	25	1,711	0	<b>40</b>	<b>※-</b>	3,063	<b>1,752</b>	<b>-42.8%</b>	
Extraordinary losses	50	27	3	395	49	61	<b>294</b>	<b>380.3%</b>	80	<b>405</b>	<b>403.5%</b>	
Profit before income taxes	-1,490	1,472	2,295	757	6,235	3,887	<b>2,608</b>	<b>-32.9%</b>	2,277	<b>12,731</b>	<b>459.1%</b>	
Income taxes - current	-101	191	55	181	838	1,396	<b>494</b>	<b>-64.6%</b>	144	<b>2,729</b>	<b>※-</b>	
Income taxes - deferred	-606	405	-162	2,484	148	-362	<b>353</b>	<b>-</b>	-363	<b>138</b>	<b>-</b>	
Profit (loss)	-782	876	2,402	-1,908	5,249	2,853	<b>1,761</b>	<b>-38.3%</b>	2,496	<b>9,864</b>	<b>295.2%</b>	
Profit(loss) attributable to non-controlling interests	-10	72	-63	59	47	58	<b>-24</b>	<b>-</b>	-2	<b>82</b>	<b>-</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>2,794</b>	<b>1,785</b>	<b>-36.1%</b>	<b>2,498</b>	<b>9,782</b>	<b>291.6%</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	Dec.31, 2023	Changes from Mar.31, 2023
<b>Current assets</b>	785,227	<b>853,538</b>	<b>68,311</b>
Cash and deposits	88,460	<b>74,634</b>	<b>-13,826</b>
Segregated deposits	95,397	<b>104,811</b>	<b>9,414</b>
Trading products	240,344	<b>217,536</b>	<b>-22,808</b>
Margin transaction assets	90,768	<b>109,764</b>	<b>18,996</b>
Loans secured by securities	234,769	<b>320,538</b>	<b>85,769</b>
Other current assets	35,487	<b>26,253</b>	<b>-9,234</b>
<b>Non-current assets</b>	90,829	<b>102,588</b>	<b>11,759</b>
Property, plant and equipment	16,991	<b>16,448</b>	<b>-543</b>
Intangible assets	9,224	<b>8,230</b>	<b>-994</b>
Investments and other assets	64,613	<b>77,910</b>	<b>13,297</b>
<b>Total assets</b>	876,057	<b>956,127</b>	<b>80,070</b>

(In millions of yen)

Liabilities and net assets	Mar.31, 2023	Dec.31, 2023	Changes from Mar.31, 2023
<b>Current liabilities</b>	660,017	<b>726,456</b>	<b>66,439</b>
Trading products	238,809	<b>298,849</b>	<b>60,040</b>
Margin transaction liabilities	24,612	<b>21,449</b>	<b>-3,163</b>
Borrowings secured by securities	108,711	<b>78,061</b>	<b>-30,650</b>
Deposits received	60,174	<b>93,185</b>	<b>33,011</b>
Guarantee deposits received	43,669	<b>44,560</b>	<b>891</b>
Short-term borrowings	152,897	<b>130,517</b>	<b>-22,380</b>
Other current liabilities	31,142	<b>59,831</b>	<b>28,689</b>
<b>Non-current liabilities</b>	29,153	<b>29,875</b>	<b>722</b>
Long-term borrowings	10,000	<b>7,614</b>	<b>-2,386</b>
Retirement benefit liability	5,798	<b>5,630</b>	<b>-168</b>
Other non-current liabilities	13,355	<b>16,630</b>	<b>3,275</b>
<b>Reserves under special laws</b>	1,247	<b>873</b>	<b>-374</b>
<b>Total liabilities</b>	690,418	<b>757,205</b>	<b>66,787</b>
Share capital	18,589	<b>18,589</b>	<b>0</b>
Capital surplus	37,273	<b>37,959</b>	<b>686</b>
Retained earnings	118,548	<b>124,227</b>	<b>5,679</b>
Treasury shares	-11,470	<b>-13,089</b>	<b>-1,619</b>
Accumulated other comprehensive income	10,076	<b>17,855</b>	<b>7,779</b>
Share acquisition rights	421	<b>266</b>	<b>-155</b>
Non-controlling interests	12,199	<b>13,113</b>	<b>914</b>
<b>Total net assets</b>	185,638	<b>198,921</b>	<b>13,283</b>
<b>Total liabilities and net assets</b>	876,057	<b>956,127</b>	<b>80,070</b>

## **02. Reference Data**



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

	(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	3Q	2Q	3QTOTAL	3QTOTAL	3QTOTAL	
<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>16,573</b>	<b>16,632</b>	<b>0.4%</b>	<b>38,401</b>	<b>51,080</b>	<b>33.0%</b>	
Commission received	7,475	7,778	7,257	6,974	9,869	10,266	<b>8,794</b>	<b>-14.3%</b>	22,512	<b>28,930</b>	<b>28.5%</b>	
Brokerage	2,647	2,756	2,998	3,041	4,145	3,689	<b>3,315</b>	<b>-10.1%</b>	8,401	<b>11,150</b>	<b>32.7%</b>	
Underwriting	37	167	236	173	559	282	<b>183</b>	<b>-35.2%</b>	441	<b>1,025</b>	<b>132.3%</b>	
Distribution	2,878	2,721	2,102	1,840	3,218	4,175	<b>3,107</b>	<b>-25.6%</b>	7,701	<b>10,501</b>	<b>36.3%</b>	
Others	1,912	2,133	1,920	1,918	1,945	2,118	<b>2,188</b>	<b>3.3%</b>	5,967	<b>6,252</b>	<b>4.8%</b>	
Net trading income	3,921	5,526	5,120	6,327	7,346	5,583	<b>7,097</b>	<b>27.1%</b>	14,567	<b>20,027</b>	<b>37.5%</b>	
Equities	1,967	3,467	3,015	4,102	5,420	4,650	<b>5,801</b>	<b>24.7%</b>	8,450	<b>15,872</b>	<b>87.8%</b>	
Bonds	2,117	2,060	1,578	2,275	1,879	1,266	<b>1,035</b>	<b>-18.2%</b>	5,757	<b>4,181</b>	<b>-27.4%</b>	
Others	-164	-1	525	-50	46	-333	<b>260</b>	<b>-</b>	360	<b>-26</b>	<b>-</b>	
Financial revenue	385	475	461	675	658	724	<b>740</b>	<b>2.3%</b>	1,321	<b>2,123</b>	<b>60.6%</b>	
Financial expenses	287	293	276	514	408	439	<b>448</b>	<b>2.1%</b>	857	<b>1,296</b>	<b>51.1%</b>	
Net operating revenue	11,494	13,487	12,562	13,462	17,465	16,134	<b>16,184</b>	<b>0.3%</b>	37,544	<b>49,784</b>	<b>32.6%</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>13,360</b>	<b>13,635</b>	<b>2.1%</b>	<b>39,011</b>	<b>40,563</b>	<b>4.0%</b>	
Trading related expenses	1,923	2,006	2,061	1,865	2,104	2,036	<b>2,241</b>	<b>10.0%</b>	5,991	<b>6,382</b>	<b>6.5%</b>	
Personnel expenses	6,073	5,908	6,054	5,745	6,303	6,460	<b>6,432</b>	<b>-0.4%</b>	18,036	<b>19,197</b>	<b>6.4%</b>	
Real estate expenses	1,885	1,897	1,842	1,838	1,826	1,787	<b>1,843</b>	<b>3.2%</b>	5,624	<b>5,458</b>	<b>-3.0%</b>	
Office expenses	2,633	2,580	2,541	2,759	2,647	2,523	<b>2,584</b>	<b>2.4%</b>	7,754	<b>7,754</b>	<b>0.0%</b>	
Depreciation	105	114	119	136	137	113	<b>113</b>	<b>-0.1%</b>	339	<b>364</b>	<b>7.4%</b>	
Taxes and dues	141	181	158	179	229	218	<b>182</b>	<b>-16.5%</b>	481	<b>631</b>	<b>31.0%</b>	
Other	261	280	240	286	317	219	<b>237</b>	<b>8.1%</b>	782	<b>774</b>	<b>-1.1%</b>	
Operating profit (loss)	-1,529	517	-455	651	3,897	2,774	<b>2,548</b>	<b>-8.1%</b>	-1,467	<b>9,221</b>	<b>-</b>	
Non-operating income	73	51	34	58	53	48	<b>54</b>	<b>12.3%</b>	160	<b>156</b>	<b>-2.4%</b>	
Non-operating expenses	22	21	0	46	17	27	<b>7</b>	<b>-70.9%</b>	44	<b>52</b>	<b>19.5%</b>	
<b>Ordinary profit (loss)</b>	<b>-1,477</b>	<b>547</b>	<b>-421</b>	<b>664</b>	<b>3,934</b>	<b>2,795</b>	<b>2,595</b>	<b>-7.2%</b>	<b>-1,351</b>	<b>9,324</b>	<b>-</b>	
Extraordinary income	-	-	-	-	368	0	-	-	-	<b>369</b>	<b>-</b>	
Extraordinary losses	-	-	1	83	-	-	-	-	1	-	-	
Profit before income taxes	-1,477	547	-423	580	4,302	2,796	<b>2,595</b>	<b>-7.2%</b>	-1,352	<b>9,694</b>	<b>-</b>	
Income taxes - current	-227	-52	-15	51	505	1,202	<b>278</b>	<b>-76.8%</b>	-295	<b>1,987</b>	<b>-</b>	
Income taxes - deferred	-455	131	-190	2,448	150	-459	<b>465</b>	<b>-</b>	-514	<b>156</b>	<b>-</b>	
<b>Profit (loss)</b>	<b>-794</b>	<b>468</b>	<b>-216</b>	<b>-1,920</b>	<b>3,646</b>	<b>2,053</b>	<b>1,851</b>	<b>-9.9%</b>	<b>-542</b>	<b>7,550</b>	<b>-</b>	

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

\* Excluding data of Okasan Online Securities Company

## <Compared to previous quarter>

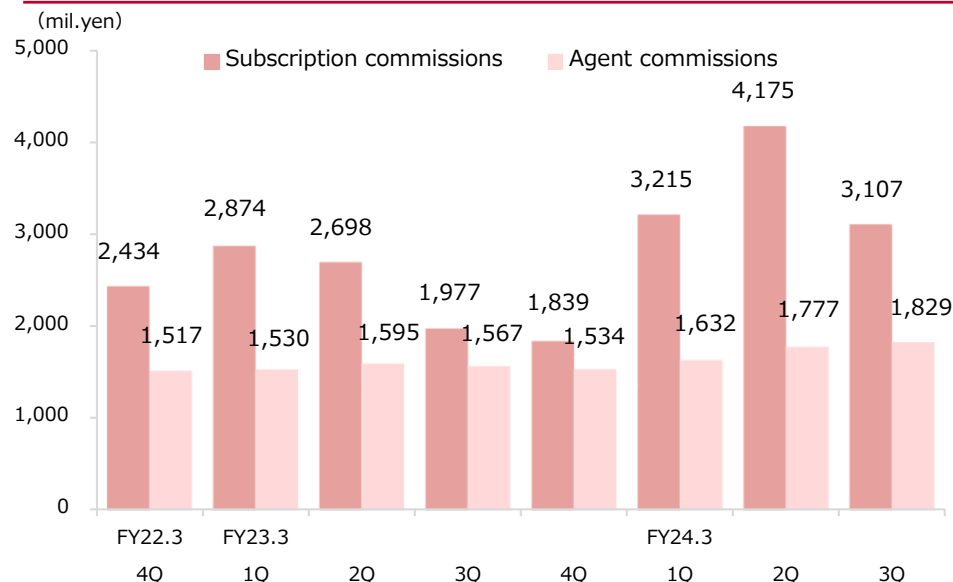
- Investment trust sales decreased by 23.1% QoQ to 111.3 billion yen.
- Subscription commissions decreased by 25.6% QoQ to 3,107 million yen.
- Agent commissions increased by 2.9% QoQ to 1,829 million yen.
- Foreign bonds sales amount decreased by 54.1% QoQ to 21.5 billion yen.

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

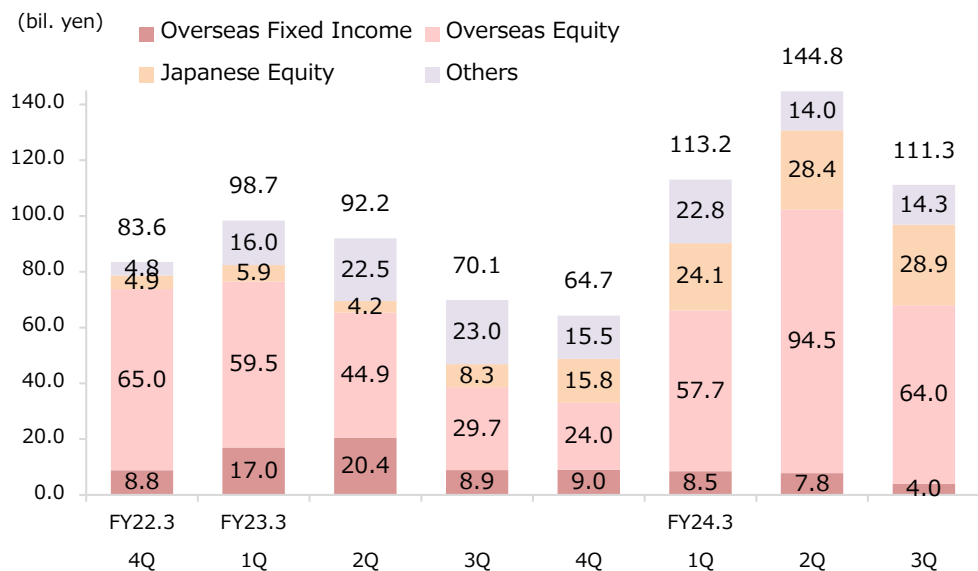
- Investment trust sales increased by 41.4% YoY to 369.4 billion yen. Caused by rise of publicly offered foreign and domestic stock investment trusts sales.
- Subscription commissions increased by 39.0% YoY to 10.4 billion yen.
- Agent commissions increased by 11.6% QoQ to 5,239 million yen.
- Foreign bonds sales amount decreased by 44.2% YoY to 95.8 billion yen, due to private offering structured bonds for individual customers as discontinued sales during 2Q.

## Investment trusts commissions

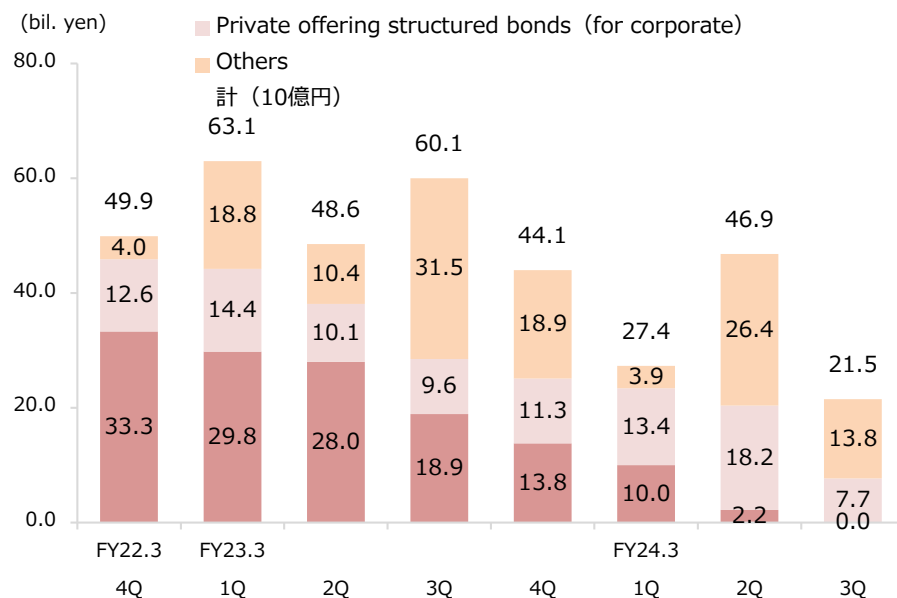
※Including data of Okasan Online Securities Company



## Investment trusts sales amount



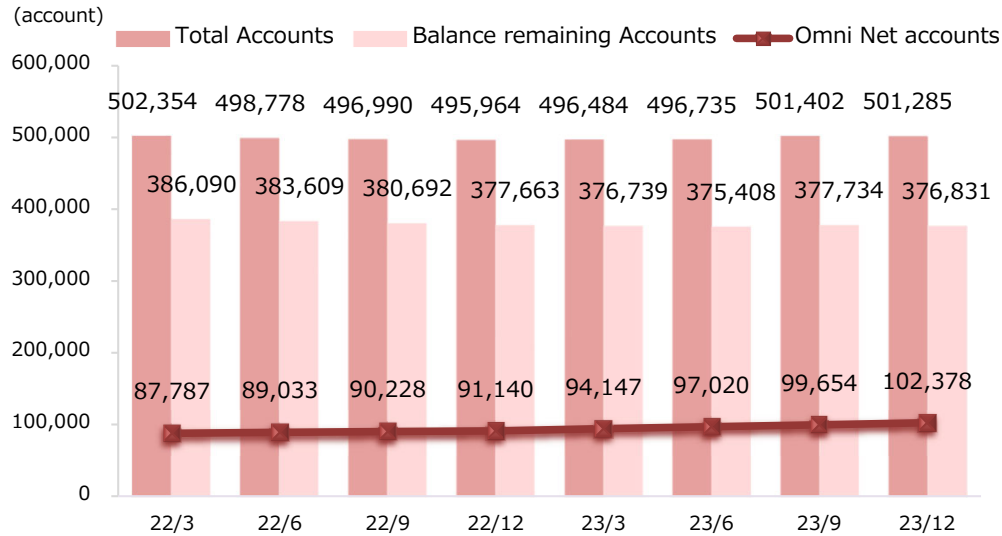
## Foreign bonds sales amount



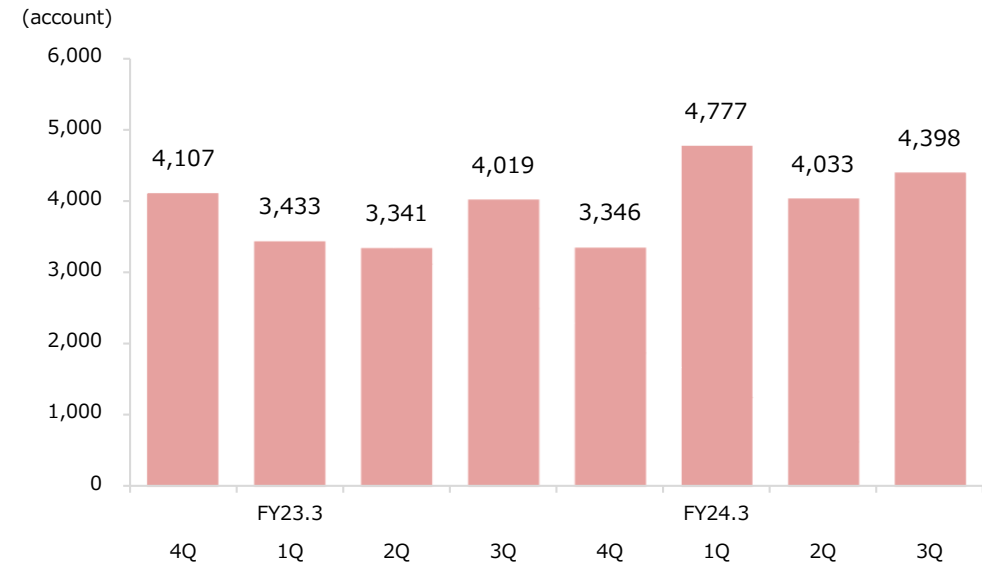
# Number of accounts / Net inflow of assets (non-consolidated: Okasan Securities)

\* Excluding data of Okasan Online Securities Company

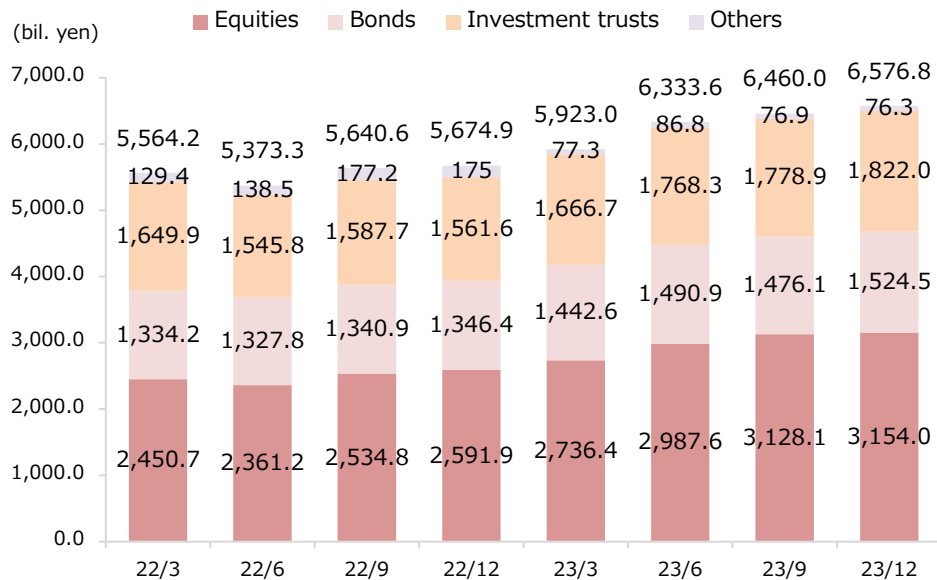
## Number of customer accounts



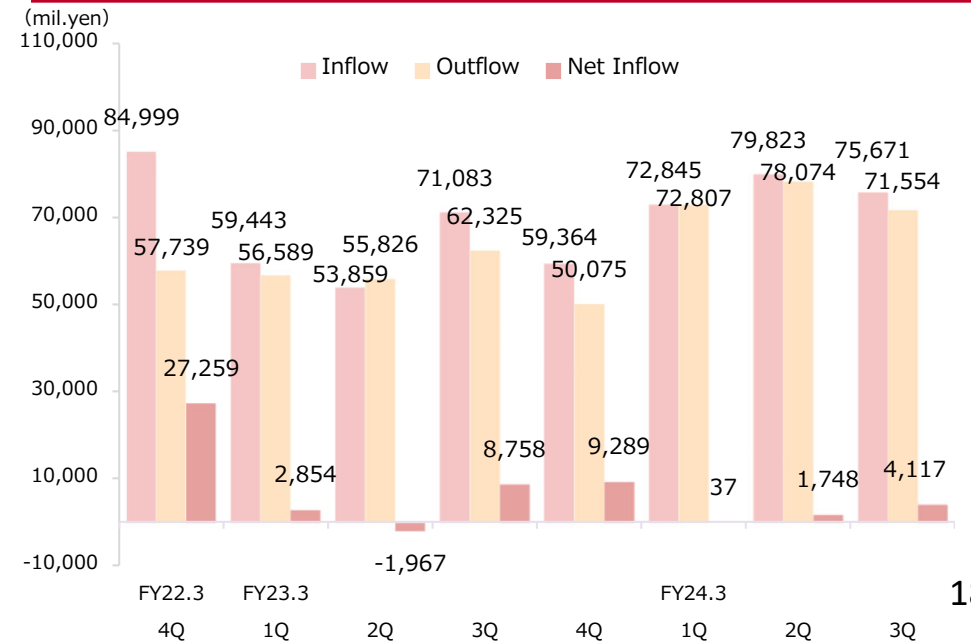
## Number of new accounts



## Assets under custody ※Including data of Okasan Online Securities Company



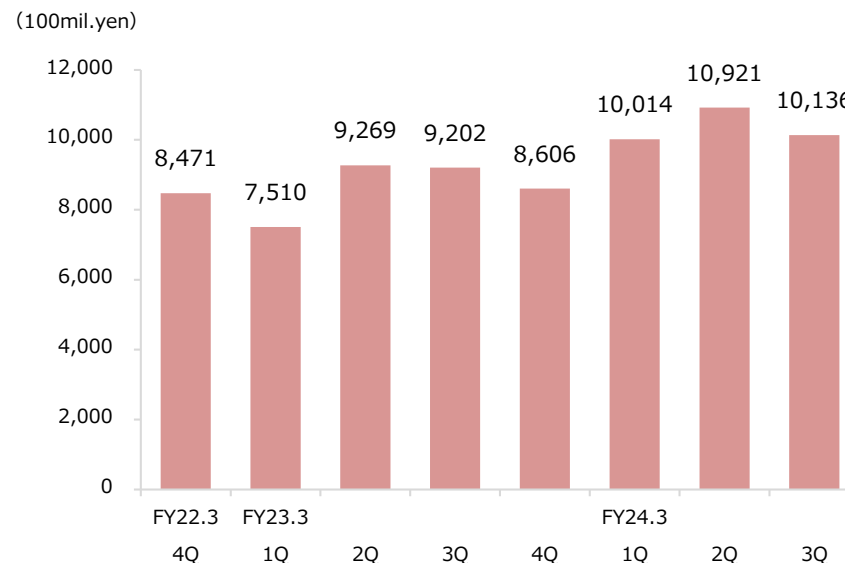
## Net Assets inflow (Individual customers)



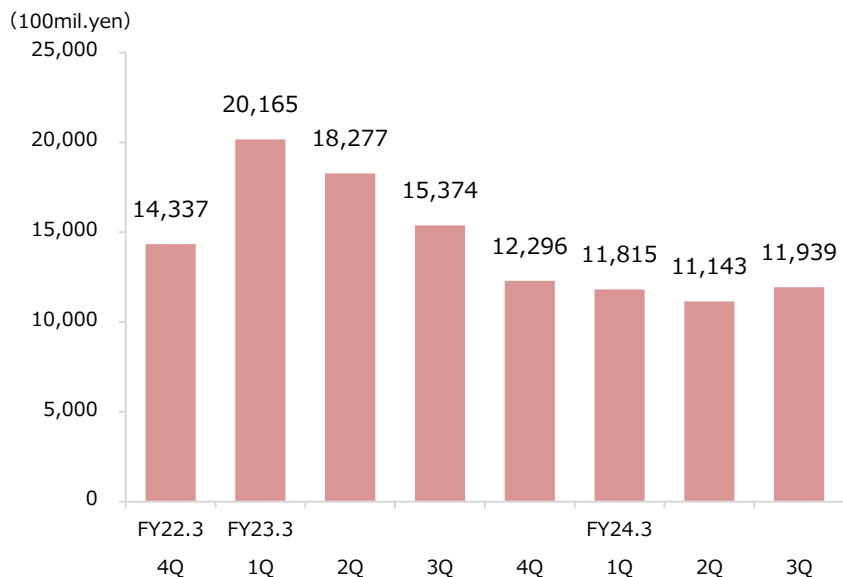
# Business Data of Okasan Online Securities Company

- Trading volume of domestic equities decreased from previous quarter but remained at a high level.
- “Click 365(exchange listed FX Daily Futures contracts)” contract amount showed an increase compared to the previous quarter.
- “Click kabu 365 (exchange listed Equity Index Daily Futures contracts)” contract amount remained at highest level in the past two years, due to rising stock prices.

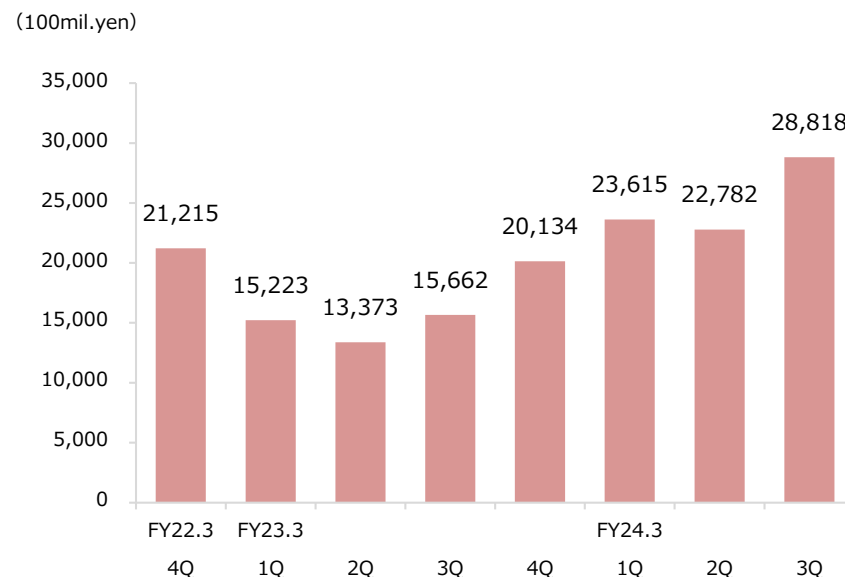
## Domestic equities trading volume



## “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 40.8 percentage points from the end of the previous fiscal year to 423.8%.

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

(In millions of yen)

		FY23.3				FY24.3				vs.FY23.3
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Basic items	(A)	75,040	75,509	75,292	73,371	77,018	79,071	80,922	7,551	
Complementary items	Appraisal gains (losses) etc.	10	24	24	16	16	34	34	18	
	Security transaction responsibility reserve	1,130	1,130	1,131	1,136	768	767	767	-369	
	General provision for loan losses	10	12	14	30	35	39	40	10	
	Short-term subordinated debt	6,000	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	6,843	-339	
Assets to be deducted	(C)	14,067	14,187	14,474	11,898	11,512	12,132	11,971	73	
Unfixed equity capital	(A) + (B) - (C)	(D)	68,124	68,488	67,987	68,655	72,326	73,780	75,794	7,139
Risk equivalents	Market risk equivalents	3,533	2,454	2,868	3,117	3,222	2,618	2,875	-242	
	Customer risk equivalents	1,502	1,626	1,659	1,912	2,127	2,299	2,151	239	
	Basic risk equivalents	12,635	12,859	13,046	12,892	12,869	12,901	12,855	-37	
	Total	(E)	17,672	16,940	17,574	17,921	18,219	17,819	17,882	-39
<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>414.0%</b>	<b>423.8%</b>	<b>40.8p</b>	

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

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