

April 26, 2024

Fiscal Year Ended March 31, 2024 Results Briefing

The objective of the document is to provide information on the results of the fiscal year ended 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 March 2024. 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. (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 ended 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 the fiscal year ended March 2024

<Year-on-year comparison (vs. the fiscal year ended March 2023)>

- Operating revenue increased by 27.0% year on year (YoY). Over the same period, net operating revenue increased by 27.2%.
Equities trading income and brokerage commission increased due to strong market conditions both domestic and overseas.
- Selling, general, and administrative expenses increased by 0.8% YoY from higher office expenses and personal expenses.
- Ordinary income amounted to 18,061 million yen. Profit attributable to owners of parent increased significantly to 13,167 million yen.

	(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	4Q	3Q	TOTAL	TOTAL	TOTAL
Operating revenue	15,779	17,781	16,436	16,554	21,247	19,959	19,639	23,663	20.5%	66,551	84,509	27.0%
Net operating revenue	15,417	17,422	16,080	15,982	20,766	19,461	19,131	23,193	21.2%	64,902	82,553	27.2%
SG&A	16,957	16,808	16,550	15,620	16,603	16,285	16,349	17,203	5.2%	65,936	66,442	0.8%
Operating profit	-1,539	614	-469	361	4,163	3,175	2,781	5,990	115.3%	-1,034	16,111	—
Ordinary profit	-1,440	1,224	-489	1,127	4,573	3,947	2,863	6,676	133.2%	421	18,061	※—
Profit attributable to owners of parent	-772	803	2,466	-1,968	5,201	2,794	1,785	3,385	89.5%	529	13,167	※—
EPS (YEN)	-3.90	3.95	11.75	-9.56	25.35	13.56	8.73	16.66		2.59	64.29	
BPS (YEN)	824.60	823.21	844.48	843.45	867.44	898.86	912.90	978.65		843.45	978.65	
ROE										0.3%	7.1%	

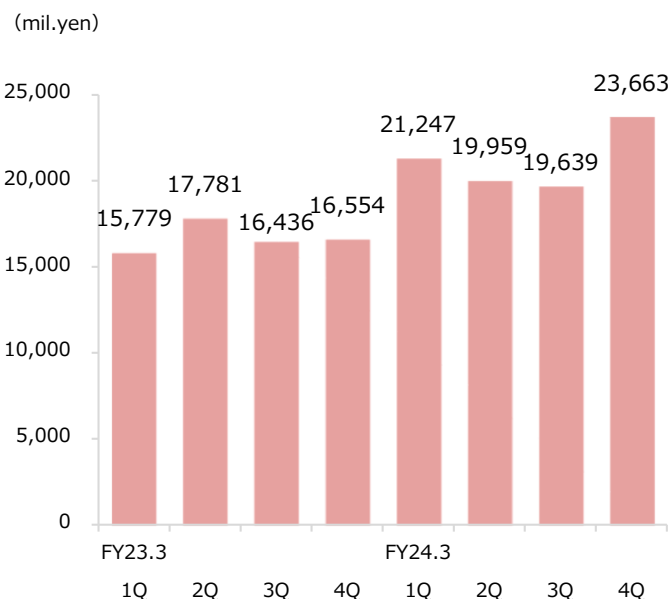
※In case of percentage changes from the previous term being equal to or higher than 1,000%, they are not shown.

Performance by Quarter (Consolidated)

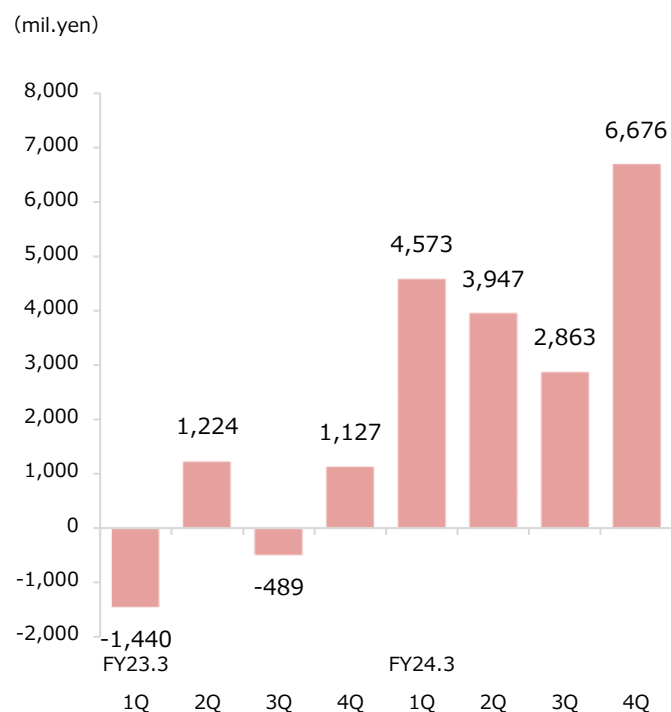
<Compared to previous quarter (vs. 3rd quarter of the fiscal year ended March 2024)>

- Operating revenue increased by 20.5% from the previous quarter. Net operating revenues increased by 21.2% quarter on quarter (QoQ). Brokerage commission increased due to strong market conditions both domestic and overseas.
 - Selling, general, and administrative expenses increased by 5.2% QoQ, due to higher office expenses and personal expenses.
 - Ordinary profit increased by 133.2% QoQ. Profit attributable to owners of parent increased by 89.5% QoQ.
- In the current quarter, gain on sale of investment securities was recorded as extraordinary profits. On the other hand, impairment losses were recorded as extraordinary losses.

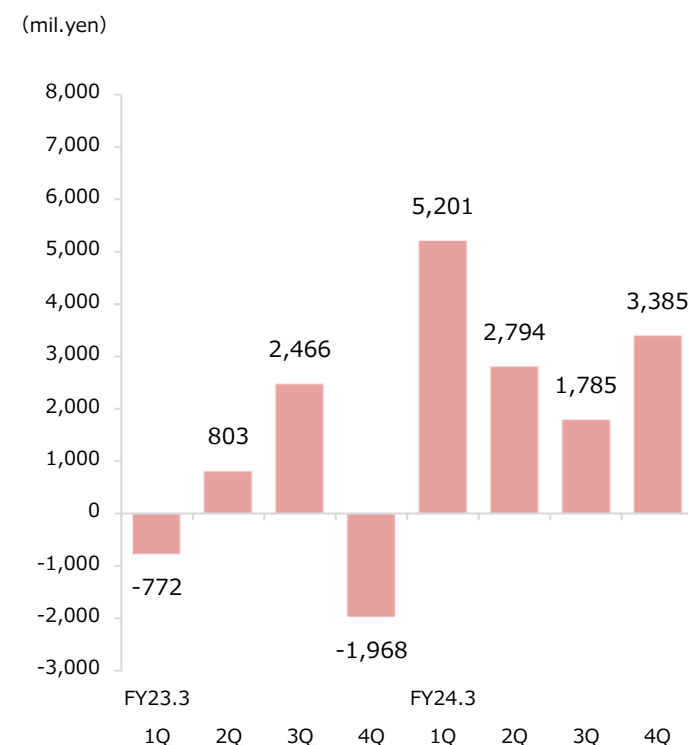
Operating revenue (quarterly)



Ordinary profit (quarterly)



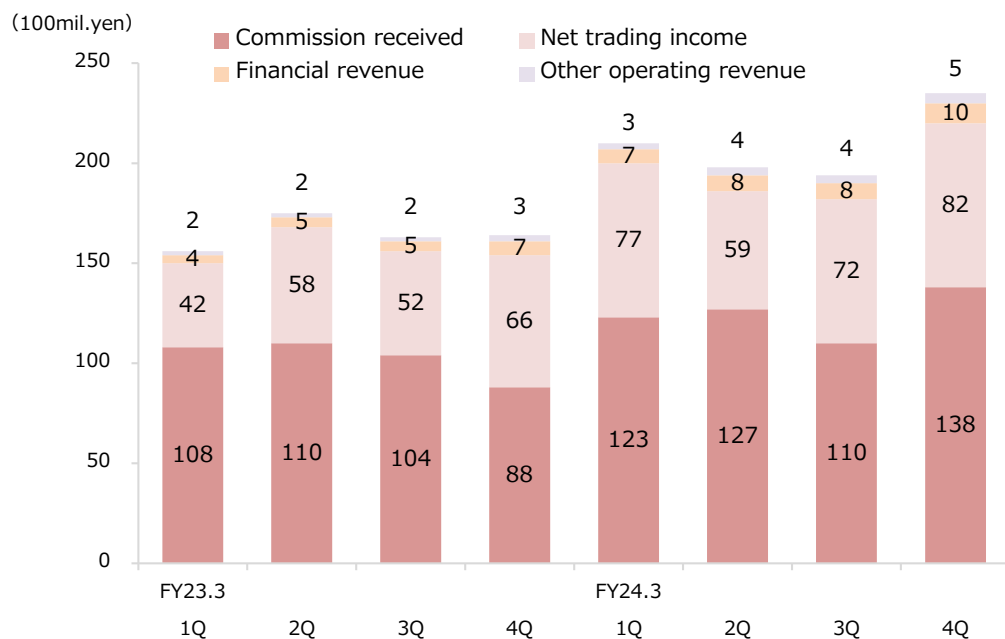
Profit attributable to owners of parent (quarterly)



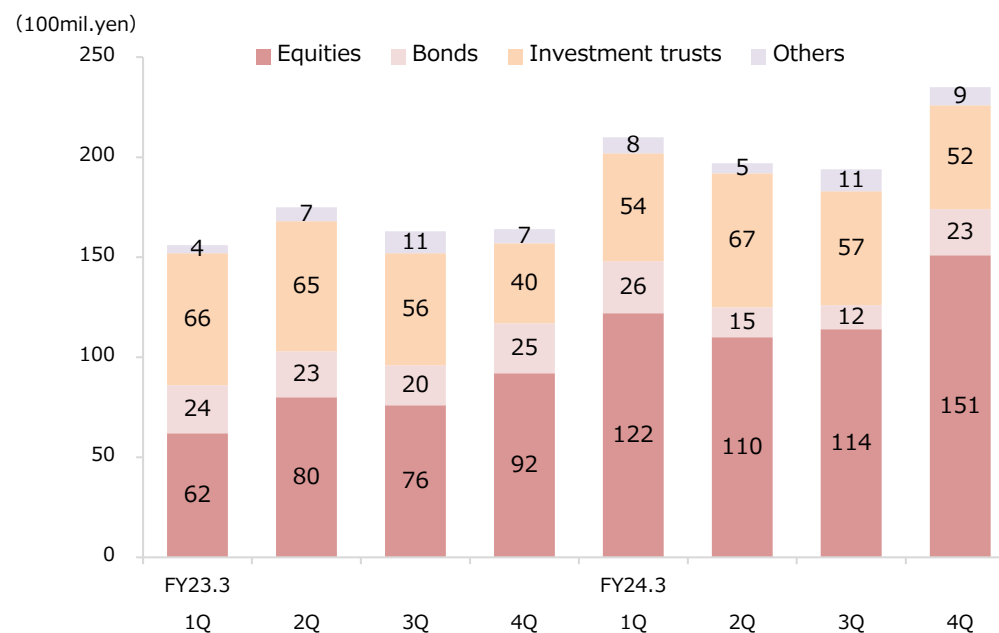
Operating Revenue I

(In millions of yen)										(In millions of yen)		
	FY23.3				FY24.3				vs.FY24.3	FY23.3	FY24.3	vs.FY23.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q	TOTAL	TOTAL	TOTAL
Commission received	10,807	11,098	10,411	8,802	12,363	12,754	11,021	13,809	25.3%	41,119	49,948	21.5%
Brokerage	3,830	3,867	4,143	4,322	6,053	5,417	4,825	7,877	63.3%	16,163	24,173	49.6%
Underwriting	37	168	235	173	560	289	169	440	160.4%	615	1,459	137.2%
Distribution	3,159	3,060	2,371	2,118	3,491	4,603	3,510	2,813	-19.9%	10,709	14,419	34.6%
Others	3,780	4,001	3,661	2,187	2,258	2,444	2,516	2,677	6.4%	13,631	9,896	-27.4%
Net trading income	4,235	5,862	5,223	6,626	7,711	5,902	7,287	8,239	13.1%	21,947	29,139	32.8%
Equities	2,152	3,735	3,025	4,272	5,674	4,838	5,922	6,372	7.6%	13,186	22,808	73.0%
Bonds	2,265	2,156	1,656	2,382	2,001	1,404	1,086	2,003	84.4%	8,461	6,496	-23.2%
Others	-182	-29	540	-28	34	-340	278	-136	-	299	-164	-
Financial revenue	498	584	577	793	794	878	887	1,027	15.8%	2,453	3,588	46.2%
Others	237	236	224	332	378	423	442	587	32.6%	1,030	1,832	77.8%
Operating revenue	15,779	17,781	16,436	16,554	21,247	19,959	19,639	23,663	20.5%	66,551	84,509	27.0%

Quarterly change in operating revenue

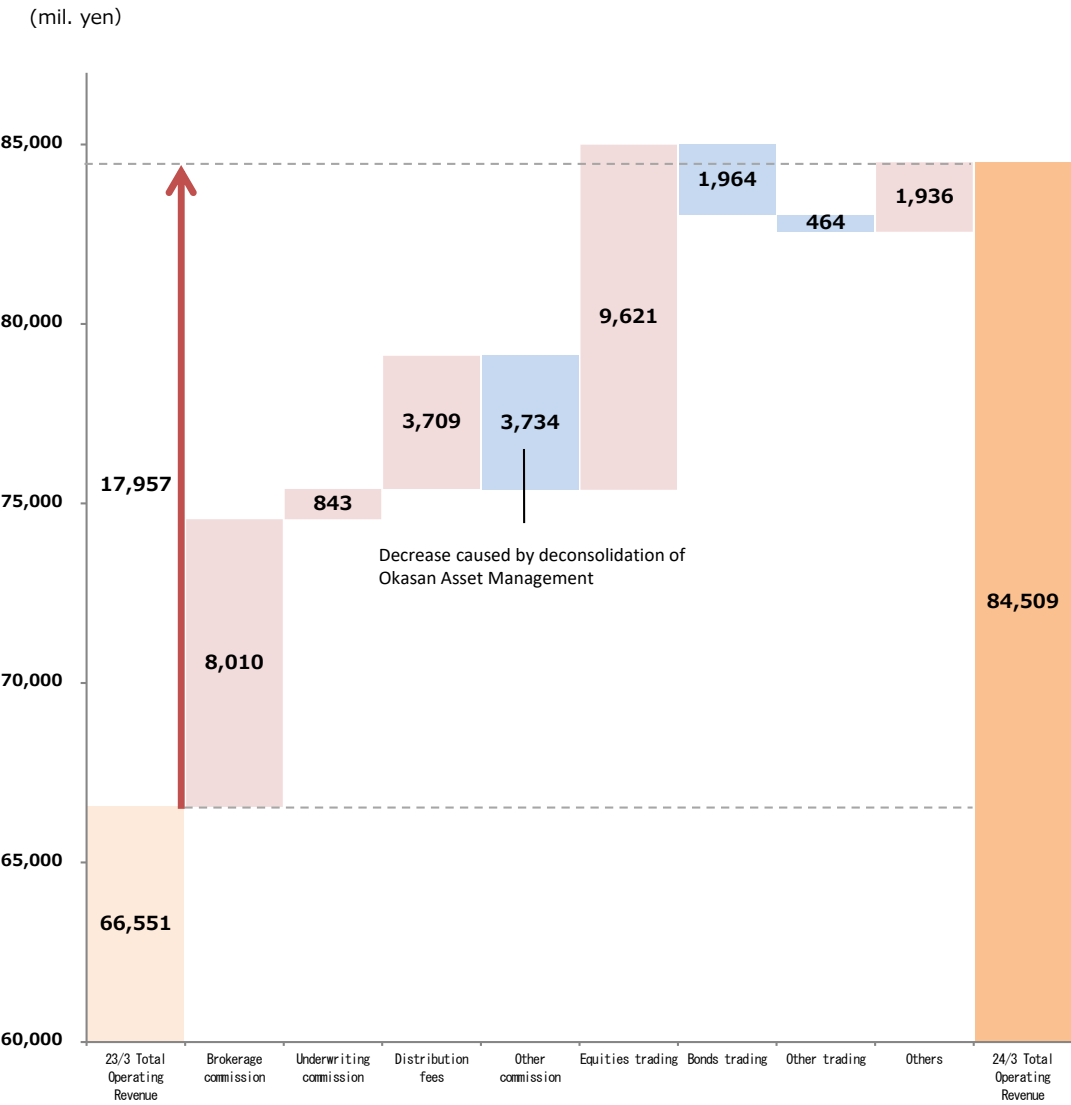


Quarterly change in operating revenue by product

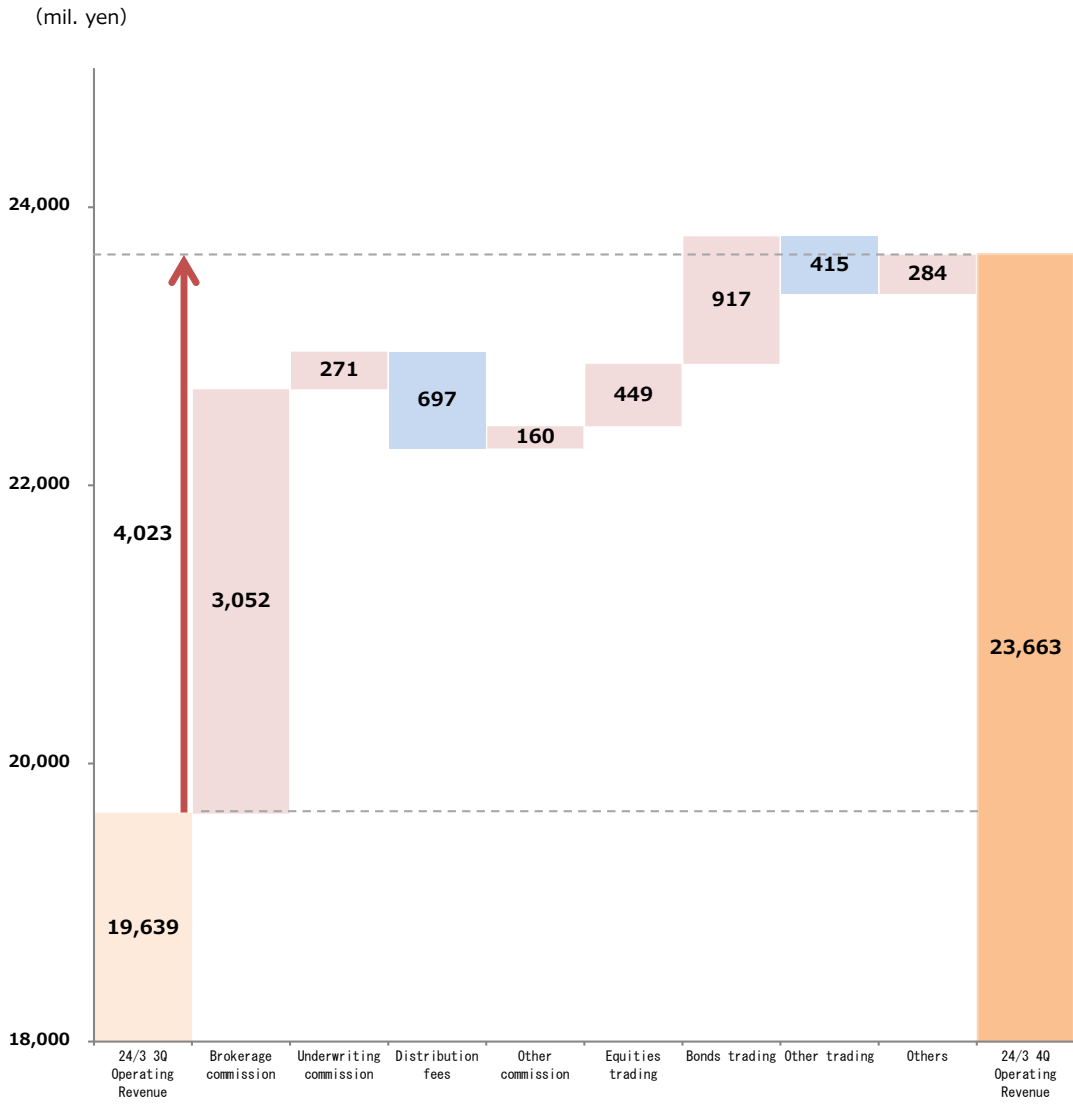


Operating Revenue II

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



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



※Figures less than 1million yen are omitted.

Fees and Commission Received

<Compared to previous quarter>

Brokerage commission increased by 63.3% from the previous quarter, due to increase of equities trading of individual customers.

Underwriting commission increased by 160.4% QoQ, owing to the large case underwriting of corporate bond.

Distribution fees decreased by 19.9% QoQ, due to the decrease of sales amount of publicly offered foreign stock investment trusts.

Other commission increased by 6.4% QoQ, from a rise in trust fees.

<Year-on-year comparison (cumulative)>

Brokerage commission increased by 49.6% YoY, due to the increase of equities brokerage commission, both domestic and overseas, reflecting the strong equities markets.

Underwriting commission increased by 137.2% YoY, due to the large case underwriting of corporate bond and IPO lead management.

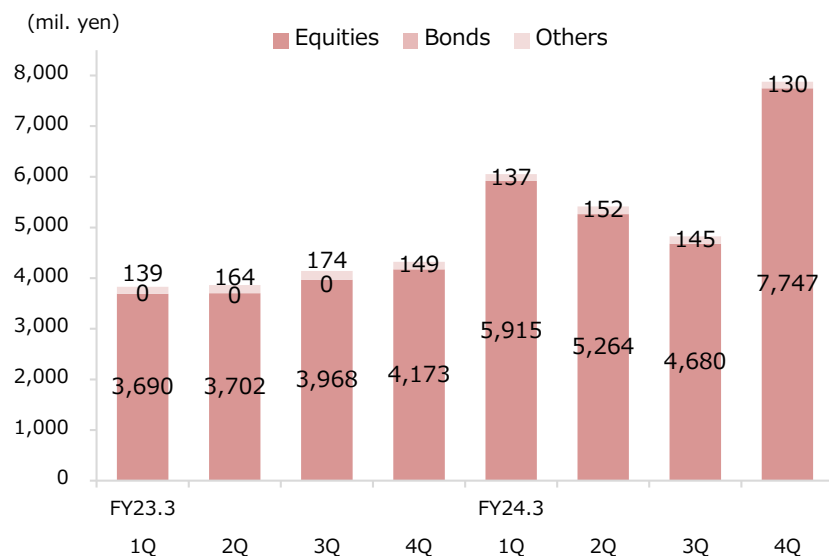
Distribution fees increased by 34.6% YoY, owing to higher sales primarily of publicly offered foreign and domestic stock investment trusts.

Other commission decreased by 27.4% YoY. Trust fees decreased upon the conversion of Okasan Asset Management into equity method affiliate company.

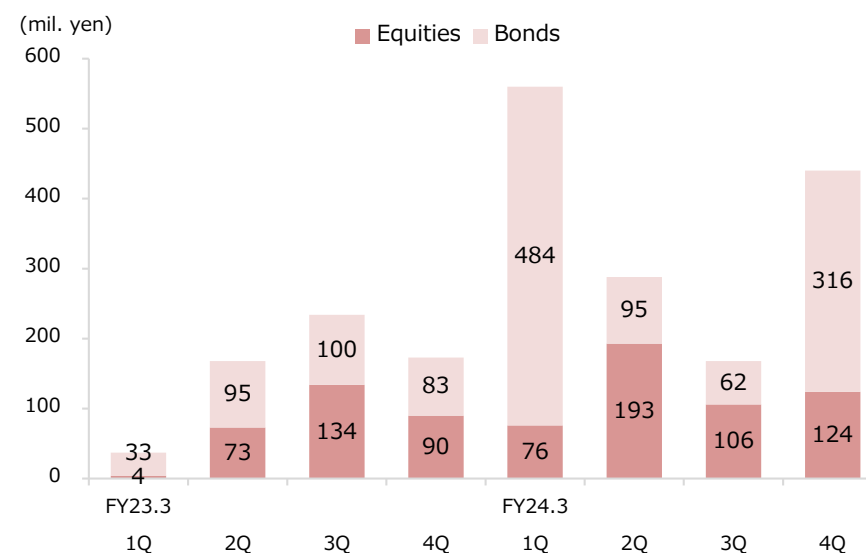
	(In millions of yen)										(In millions of yen)		
	FY23.3				FY24.3				vs.FY24.3		FY23.3	FY24.3	vs.FY23.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q		TOTAL	TOTAL	TOTAL
Brokerage	3,830	3,867	4,143	4,322	6,053	5,417	4,825	7,877	63.3%		16,163	24,173	49.6%
Equities	3,690	3,702	3,968	4,173	5,915	5,264	4,680	7,747	65.5%		15,533	23,607	52.0%
Bonds	0	0	0	—	—	—	—	—	—		0	—	—
Others	139	164	174	149	137	152	145	130	-9.8%		629	566	-10.0%
Underwriting	37	168	235	173	560	289	169	440	160.4%		615	1,459	137.2%
Equities	4	73	134	90	76	193	106	124	16.9%		302	500	65.3%
Bonds	33	95	100	83	484	95	62	316	403.4%		312	958	206.9%
Distribution	3,159	3,060	2,371	2,118	3,491	4,603	3,510	2,813	-19.9%		10,709	14,419	34.6%
Beneficiary Certificates	3,155	3,036	2,245	2,117	3,486	4,605	3,503	2,810	-19.8%		10,554	14,406	36.5%
Others	3,780	4,001	3,661	2,187	2,258	2,444	2,516	2,677	6.4%		13,631	9,896	-27.4%
Beneficiary Certificates	3,340	3,385	3,260	1,771	1,888	2,051	2,106	2,291	8.8%		11,757	8,339	-29.1%
Total	10,807	11,098	10,411	8,802	12,363	12,754	11,021	13,809	25.3%		41,119	49,948	21.5%

Fees and Commission Received by Category (Quarterly Transition)

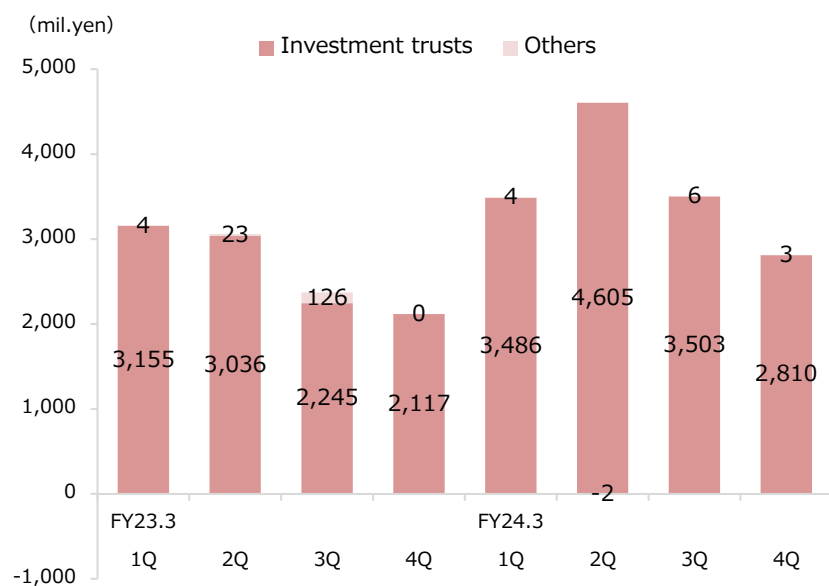
Brokerage



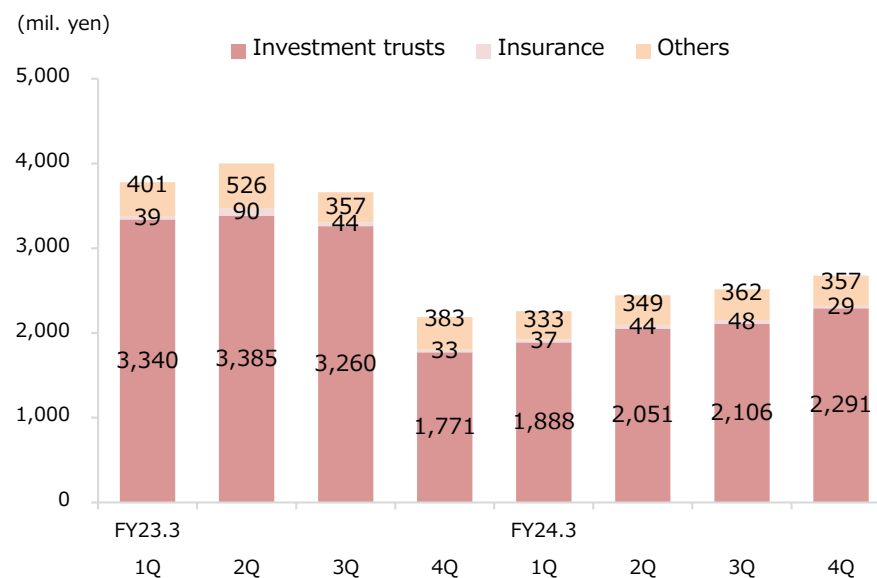
Underwriting



Distribution



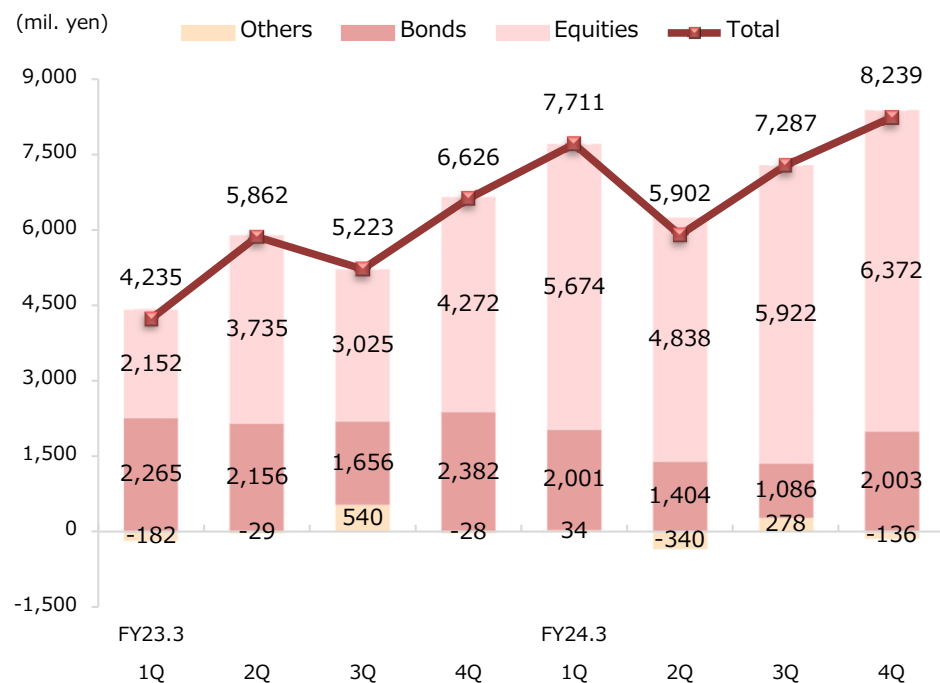
Others



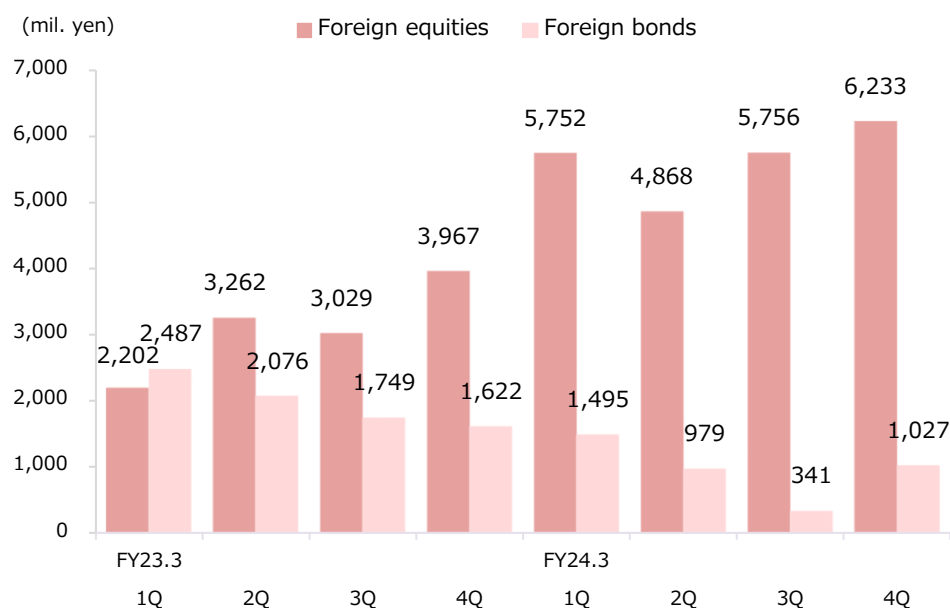
Net Trading Income

	(In millions of yen)					(In millions of yen)					(In millions of yen)		
	FY23.3					FY24.3				vs.FY24.3	FY23.3	FY24.3	vs.FY23.3
	1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q	3Q	TOTAL	TOTAL	TOTAL
Equities	2,152	3,735	3,025	4,272		5,674	4,838	5,922	6,372	7.6%	13,186	22,808	73.0%
Domestic equities	-49	473	-3	305		-77	-29	166	138	-16.8%	725	196	-72.9%
Foreign equities	2,202	3,262	3,029	3,967		5,752	4,868	5,756	6,233	8.3%	12,461	22,611	81.4%
Bonds and others	2,265	2,156	1,656	2,382		2,001	1,404	1,086	2,003	84.4%	8,461	6,496	-23.2%
Domestic bonds	-222	79	-92	760		506	424	744	975	31.1%	524	2,651	405.1%
Foreign bonds	2,487	2,076	1,749	1,622		1,495	979	341	1,027	200.7%	7,936	3,844	-51.6%
Others	-182	-29	540	-28		34	-340	278	-136	-	299	-164	-
Net trading income	4,235	5,862	5,223	6,626		7,711	5,902	7,287	8,239	13.1%	21,947	29,139	32.8%

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) increased by 5.2% QoQ, due to higher office expenses, personal expenses and others.

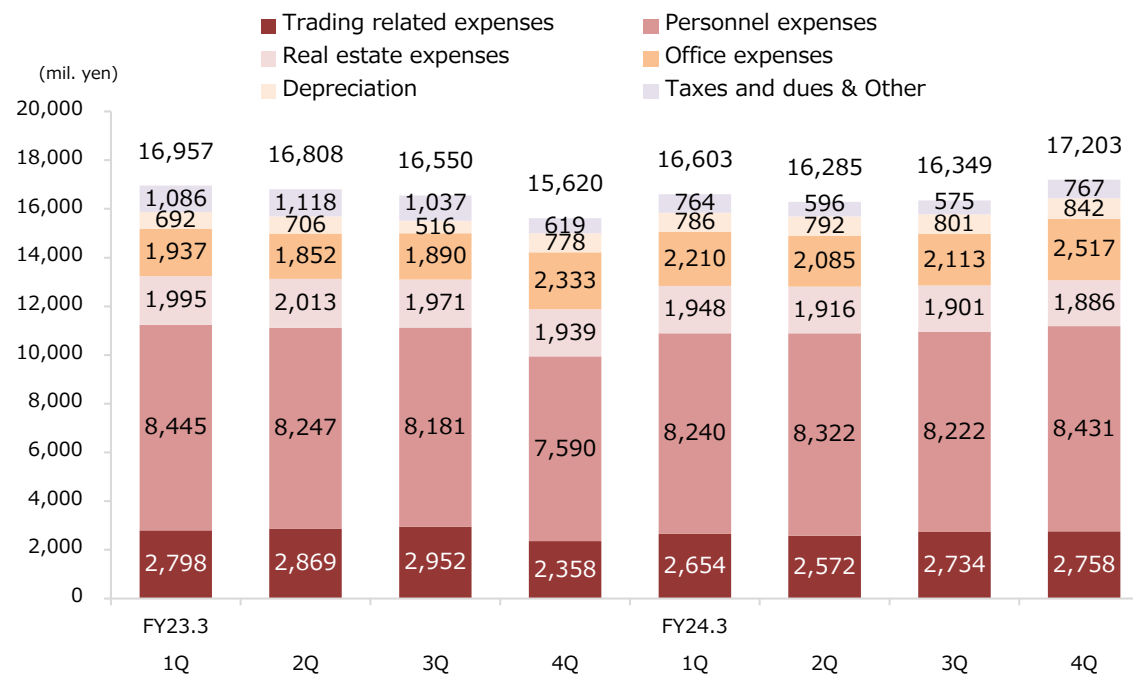
- Office expenses increased by 19.1% QoQ due to the increase of administrative outsourcing expenses.
- Personnel expenses (including bonuses and reserves) increased by 2.5% QoQ.

<Year-on-year comparison (cumulative)>

SG&A increased by 0.8% YoY, due to higher due to office expenses, personal expenses and others.

- Office expenses increased by 11.4% YoY. Personnel expenses (including bonuses and reserves) increased by 2.3% QoQ.
- Due to deconsolidation of Okasan Asset Management and others, mainly research fees included other expenses decreased.

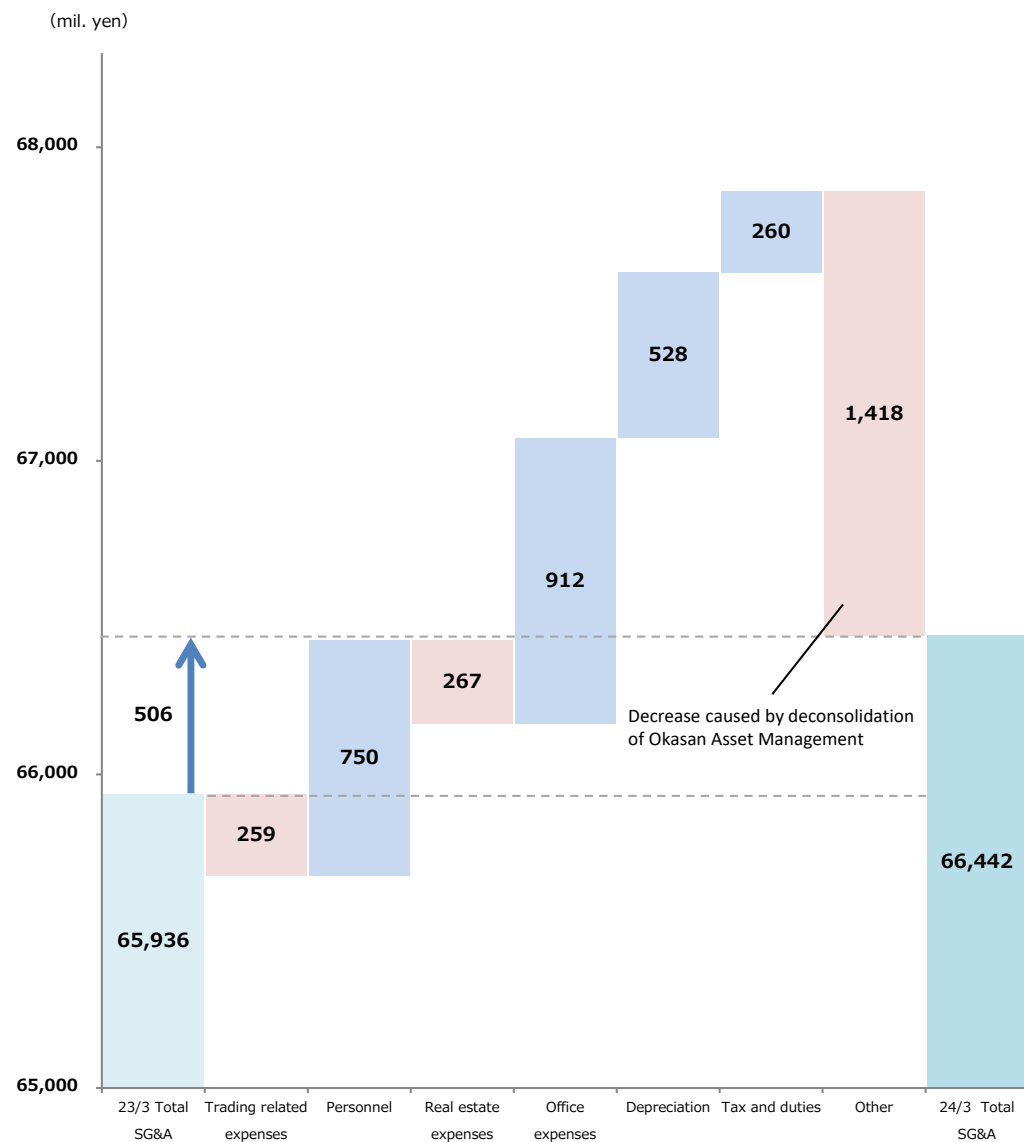
Change in Selling, General and Administrative Expenses



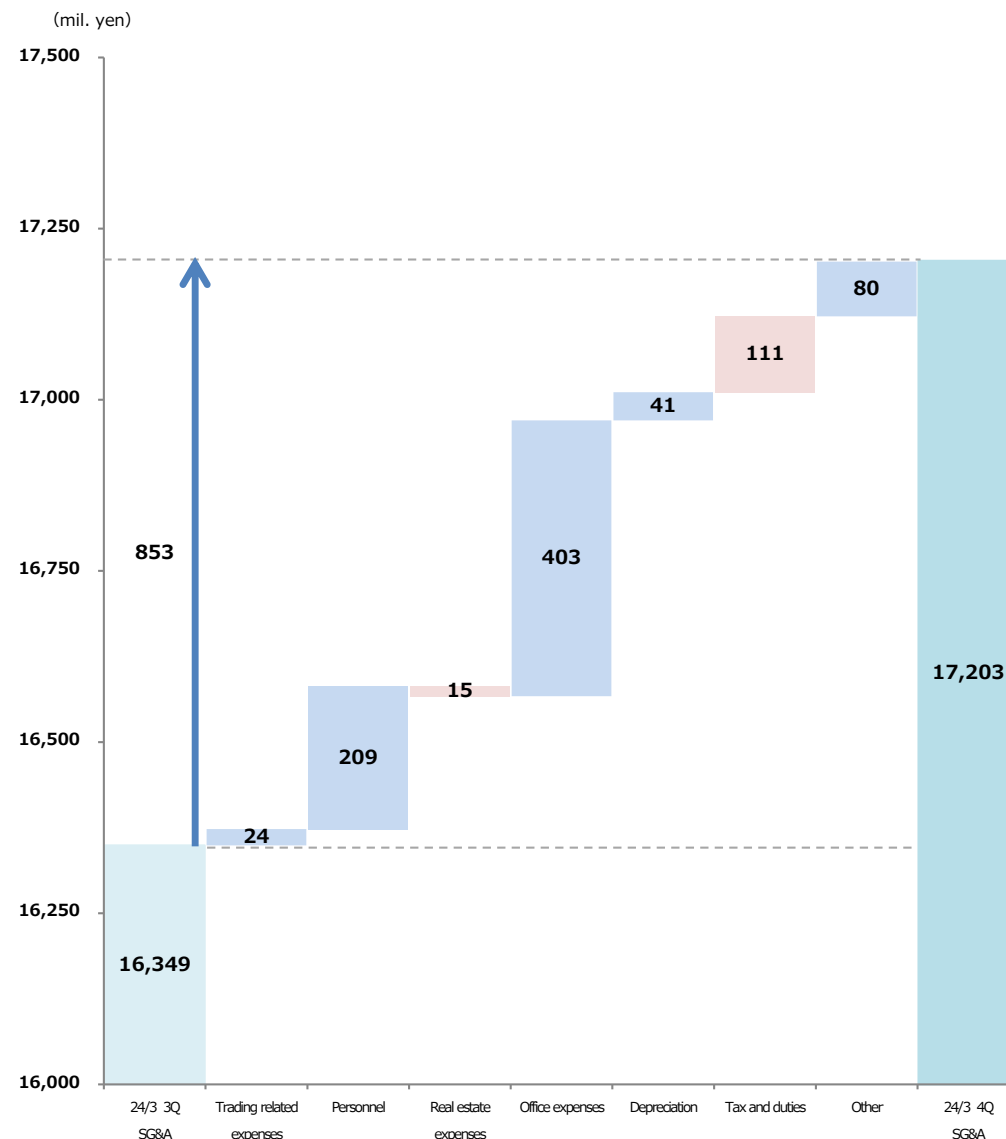
	FY23.3				FY24.3				vs.FY24.3 3Q	(In millions of yen)		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		FY23.3 TOTAL	FY24.3 TOTAL	vs.FY23.3 TOTAL
Trading related expenses	2,798	2,869	2,952	2,358	2,654	2,572	2,734	2,758	0.9%	10,979	10,720	-2.4%
Personnel expenses	8,445	8,247	8,181	7,590	8,240	8,322	8,222	8,431	2.5%	32,465	33,216	2.3%
Real estate expenses	1,995	2,013	1,971	1,939	1,948	1,916	1,901	1,886	-0.8%	7,920	7,652	-3.4%
Office expenses	1,937	1,852	1,890	2,333	2,210	2,085	2,113	2,517	19.1%	8,014	8,926	11.4%
Depreciation	692	706	516	778	786	792	801	842	5.1%	2,694	3,222	19.6%
Taxes and dues	257	292	296	251	375	319	275	387	40.5%	1,096	1,357	23.7%
Other	829	826	741	368	388	276	300	380	26.7%	2,765	1,347	-51.3%
SG&A	16,957	16,808	16,550	15,620	16,603	16,285	16,349	17,203	5.2%	65,936	66,442	0.8%

SG&A : Selling, General and Administrative Expenses II

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



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

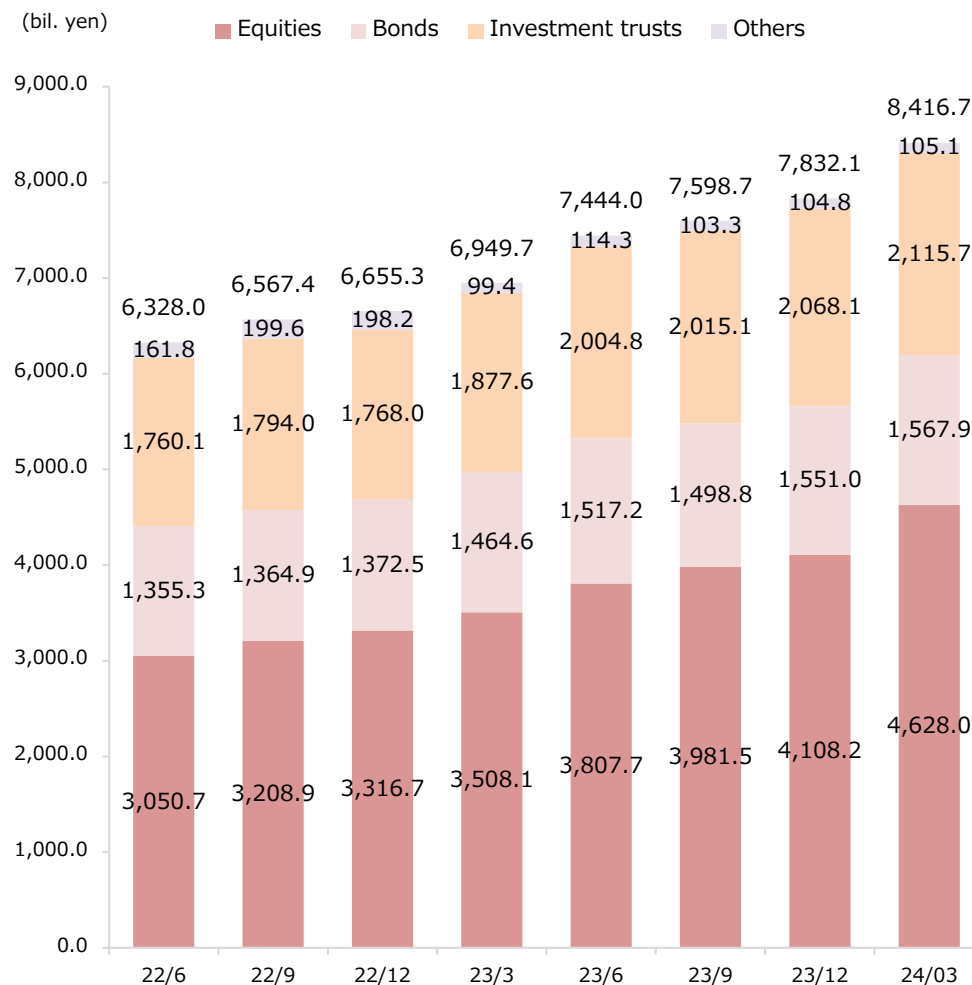


Group status

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)					(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	4Q	3Q		TOTAL	TOTAL	TOTAL
Operating revenue	15,779	17,781	16,436	16,554	21,247	19,959	19,639	23,663	20.5%		66,551	84,509	27.0%
Commission received	10,807	11,098	10,411	8,802	12,363	12,754	11,021	13,809	25.3%		41,119	49,948	21.5%
Net trading income	4,235	5,862	5,223	6,626	7,711	5,902	7,287	8,239	13.1%		21,947	29,139	32.8%
Financial revenue	498	584	577	793	794	878	887	1,027	15.8%		2,453	3,588	46.2%
Other operating revenue	237	236	224	332	378	423	442	587	32.6%		1,030	1,832	77.8%
Financial expenses	362	358	356	571	480	497	507	469	-7.6%		1,649	1,955	18.6%
Net operating revenue	15,417	17,422	16,080	15,982	20,766	19,461	19,131	23,193	21.2%		64,902	82,553	27.2%
SG&A	16,957	16,808	16,550	15,620	16,603	16,285	16,349	17,203	5.2%		65,936	66,442	0.8%
Operating profit (loss)	-1,539	614	-469	361	4,163	3,175	2,781	5,990	115.3%		-1,034	16,111	-
Non-operating income	151	661	43	831	430	814	132	1,089	725.3%		1,687	2,466	46.2%
Non-operating expenses	52	50	62	65	20	41	50	402	693.5%		231	515	122.8%
Ordinary profit (loss)	-1,440	1,224	-489	1,127	4,573	3,947	2,863	6,676	133.2%		421	18,061	※-
Extraordinary income	0	275	2,787	25	1,711	0	40	522	※-		3,089	2,275	-26.3%
Extraordinary losses	50	27	3	395	49	61	294	1,732	487.4%		476	2,138	348.8%
Profit before income taxes	-1,490	1,472	2,295	757	6,235	3,887	2,608	5,467	109.6%		3,034	18,199	499.8%
Income taxes - current	-101	191	55	181	838	1,396	494	2,997	506.8%		326	5,727	※-
Income taxes - deferred	-606	405	-162	2,484	148	-362	353	-1,236	-		2,120	-1,097	-
Profit (loss)	-782	876	2,402	-1,908	5,249	2,853	1,761	3,705	110.4%		587	13,570	※-
Profit(loss) attributable to non-controlling interests	-10	72	-63	59	47	58	-24	320	-		57	402	600.1%
Profit(loss) attributable to owners of parent	-772	803	2,466	-1,968	5,201	2,794	1,785	3,385	89.5%		529	13,167	※-

※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
Current assets	785,227	1,091,843	306,616
Cash and deposits	88,460	82,586	-5,874
Segregated deposits	95,397	110,256	14,859
Trading products	240,344	284,513	44,169
Margin transaction assets	90,768	110,476	19,708
Loans secured by securities	234,769	431,439	196,670
Other current assets	35,487	72,570	37,083
Non-current assets	90,829	115,936	25,107
Property, plant and equipment	16,991	16,495	-496
Intangible assets	9,224	6,861	-2,363
Investments and other assets	64,613	92,578	27,965
Total assets	876,057	1,207,779	331,722

(In millions of yen)

Liabilities and net assets	Mar.31, 2023	Mar.31, 2024	Changes from Mar.31, 2023
Current liabilities	660,017	960,485	300,468
Trading products	238,809	438,673	199,864
Margin transaction liabilities	24,612	22,774	-1,838
Borrowings secured by securities	108,711	200,854	92,143
Deposits received	60,174	83,750	23,576
Guarantee deposits received	43,669	39,752	-3,917
Short-term borrowings	152,897	157,191	4,294
Other current liabilities	31,142	17,488	-13,654
Non-current liabilities	29,153	32,158	3,005
Long-term borrowings	10,000	6,728	-3,272
Retirement benefit liability	5,798	5,418	-380
Other non-current liabilities	13,355	20,012	6,657
Reserves under special laws	1,247	978	-269
Total liabilities	690,418	993,623	303,205
Share capital	18,589	18,589	0
Capital surplus	37,273	37,959	686
Retained earnings	118,548	127,612	9,064
Treasury shares	-11,470	-13,089	-1,619
Accumulated other comprehensive income	10,076	27,827	17,751
Share acquisition rights	421	266	-155
Non-controlling interests	12,199	14,990	2,791
Total net assets	185,638	214,156	28,518
Total liabilities and net assets	876,057	1,207,779	331,722

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	4Q	3Q	TOTAL	TOTAL	TOTAL
Operating revenue	11,781	13,780	12,839	13,977	17,874	16,573	16,632	19,245	15.7%	52,378	70,326	34.3%
Commission received	7,475	7,778	7,257	6,974	9,869	10,266	8,794	10,566	20.1%	29,486	39,496	33.9%
Brokerage	2,647	2,756	2,998	3,041	4,145	3,689	3,315	5,400	62.9%	11,443	16,550	44.6%
Underwriting	37	167	236	173	559	282	183	432	136.3%	614	1,457	137.2%
Distribution	2,878	2,721	2,102	1,840	3,218	4,175	3,107	2,421	-22.1%	9,542	12,923	35.4%
Others	1,912	2,133	1,920	1,918	1,945	2,118	2,188	2,311	5.6%	7,885	8,563	8.6%
Net trading income	3,921	5,526	5,120	6,327	7,346	5,583	7,097	7,800	9.9%	20,895	27,828	33.2%
Equities	1,967	3,467	3,015	4,102	5,420	4,650	5,801	5,973	3.0%	12,552	21,846	74.0%
Bonds	2,117	2,060	1,578	2,275	1,879	1,266	1,035	1,944	87.8%	8,032	6,125	-23.7%
Others	-164	-1	525	-50	46	-333	260	-117	-	309	-143	-
Financial revenue	385	475	461	675	658	724	740	878	18.6%	1,996	3,002	50.3%
Financial expenses	287	293	276	514	408	439	448	418	-6.6%	1,371	1,714	25.0%
Net operating revenue	11,494	13,487	12,562	13,462	17,465	16,134	16,184	18,827	16.3%	51,006	68,611	34.5%
SG&A	13,023	12,970	13,017	12,810	13,567	13,360	13,635	13,867	1.7%	51,822	54,431	5.0%
Trading related expenses	1,923	2,006	2,061	1,865	2,104	2,036	2,241	2,153	-3.9%	7,856	8,536	8.6%
Personnel expenses	6,073	5,908	6,054	5,745	6,303	6,460	6,432	6,485	0.8%	23,781	25,682	8.0%
Real estate expenses	1,885	1,897	1,842	1,838	1,826	1,787	1,843	1,865	1.2%	7,463	7,323	-1.9%
Office expenses	2,633	2,580	2,541	2,759	2,647	2,523	2,584	2,710	4.9%	10,514	10,465	-0.5%
Depreciation	105	114	119	136	137	113	113	122	7.6%	475	487	2.4%
Taxes and dues	141	181	158	179	229	218	182	239	30.9%	661	870	31.6%
Other	261	280	240	286	317	219	237	291	23.0%	1,068	1,065	-0.3%
Operating profit (loss)	-1,529	517	-455	651	3,897	2,774	2,548	4,959	94.6%	-815	14,180	-
Non-operating income	73	51	34	58	53	48	54	37	-30.8%	218	193	-11.4%
Non-operating expenses	22	21	0	46	17	27	7	444	※ -	90	497	449.9%
Ordinary profit (loss)	-1,477	547	-421	664	3,934	2,795	2,595	4,552	75.4%	-687	13,877	-
Extraordinary income	-	-	-	-	368	0	-	-75	-	-	293	-
Extraordinary losses	-	-	1	83	-	-	-	143	-	85	143	67.9%
Profit before income taxes	-1,477	547	-423	580	4,302	2,796	2,595	4,333	67.0%	-772	14,027	-
Income taxes - current	-227	-52	-15	51	505	1,202	278	1,982	610.8%	-243	3,969	-
Income taxes - deferred	-455	131	-190	2,448	150	-459	465	-731	-	1,934	-575	-
Profit (loss)	-794	468	-216	-1,920	3,646	2,053	1,851	3,081	66.5%	-2,463	10,632	-

※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

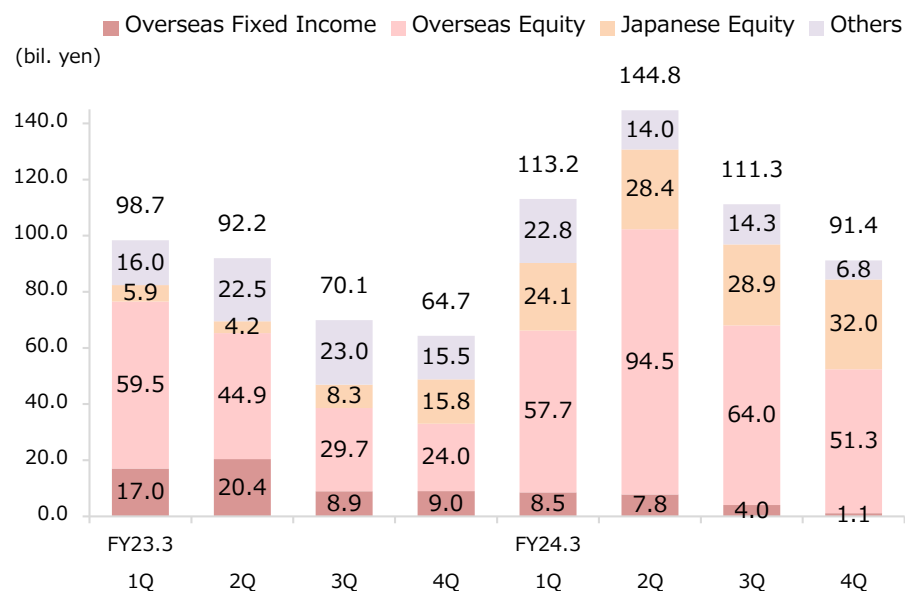
<Compared to previous quarter>

- Investment trust sales decreased by 17.9% QoQ to 91.4 billion yen.
 - Subscription commissions decreased by 22.1% QoQ to 2,421 million yen.
 - Agent commissions increased by 8.8% QoQ to 1,989 million yen.
 - Foreign bonds sales amount increased by 3.0% QoQ to 22.1 billion yen.
- Discontinued selling private offering structured bonds for individual since September 2023.

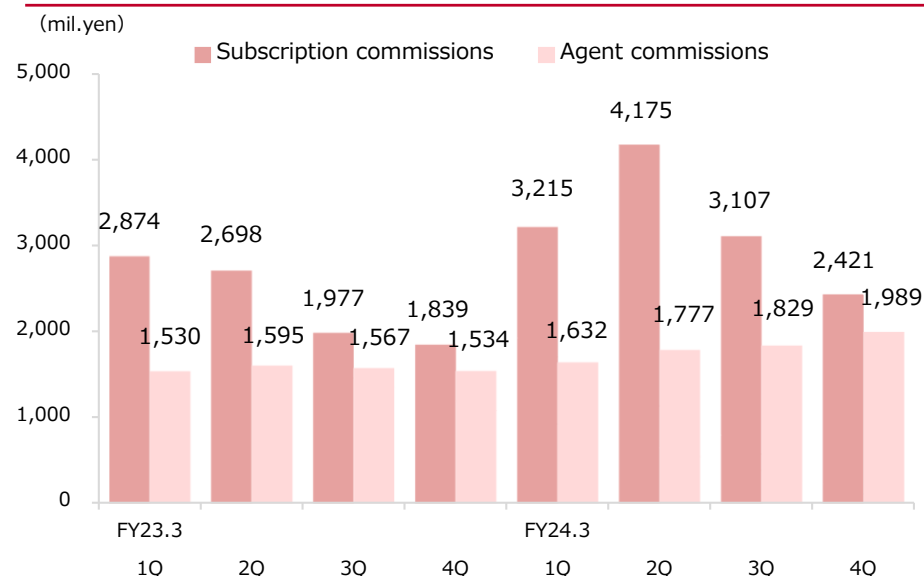
Top selling investment trusts

Fund	Management	Company
World Semiconductor Related Focus Fund	SBI Okasan Asset Management	
Japan High Dividend Rebalance Open	SBI Okasan Asset Management	
Shin India Value Growth Equity Fund	SBI Okasan Asset Management	

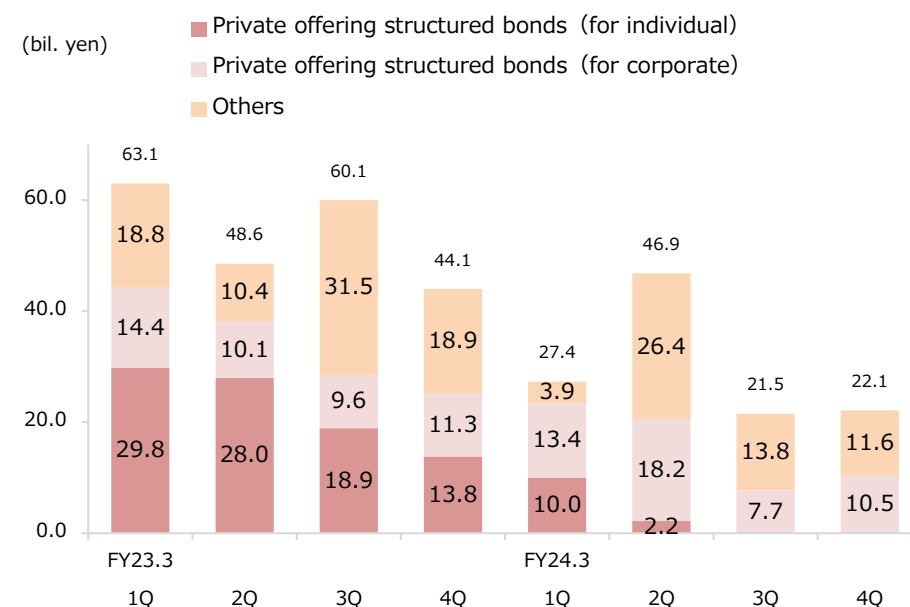
Investment trusts sales amount ※Excluding MRF, MMF, and private placement.



Investment trusts commissions ※Including data of Okasan Online Securities Company



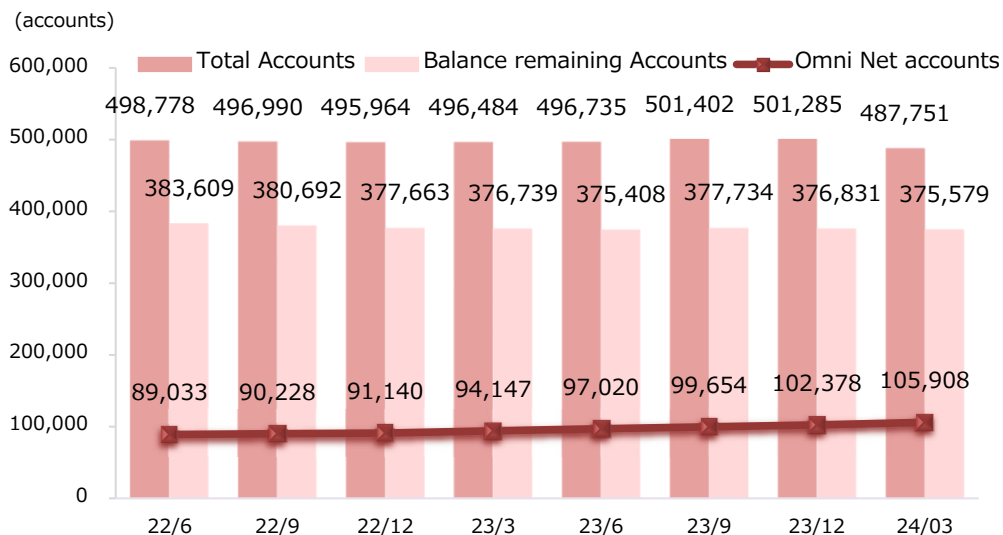
Foreign bonds sales amount



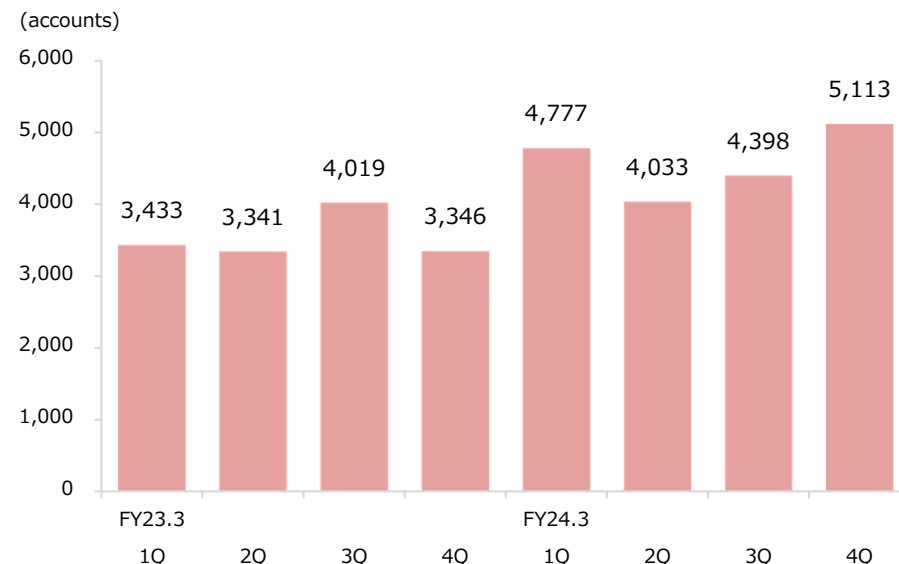
Number of accounts / Net inflow of assets (non-consolidated: Okasan Securities)

* Excluding data of Okasan Online Securities Company

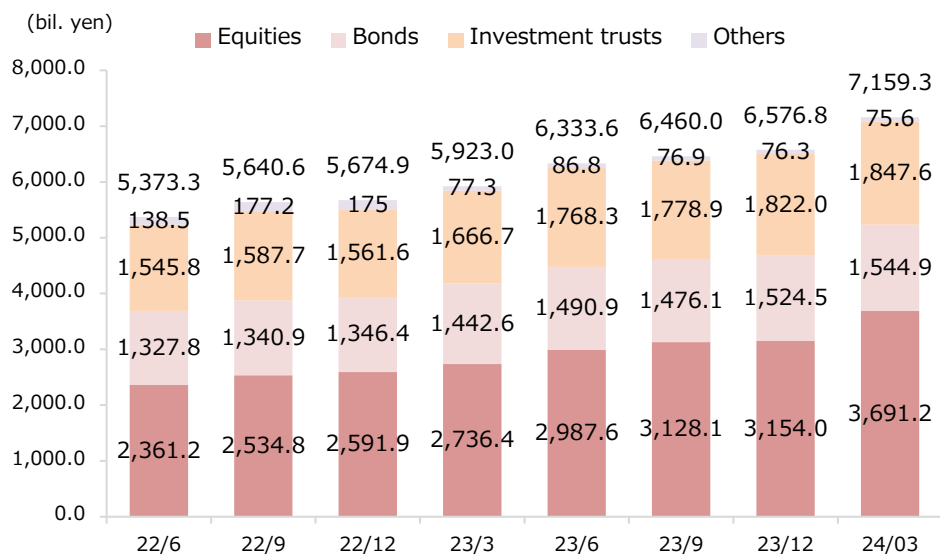
Number of customer accounts



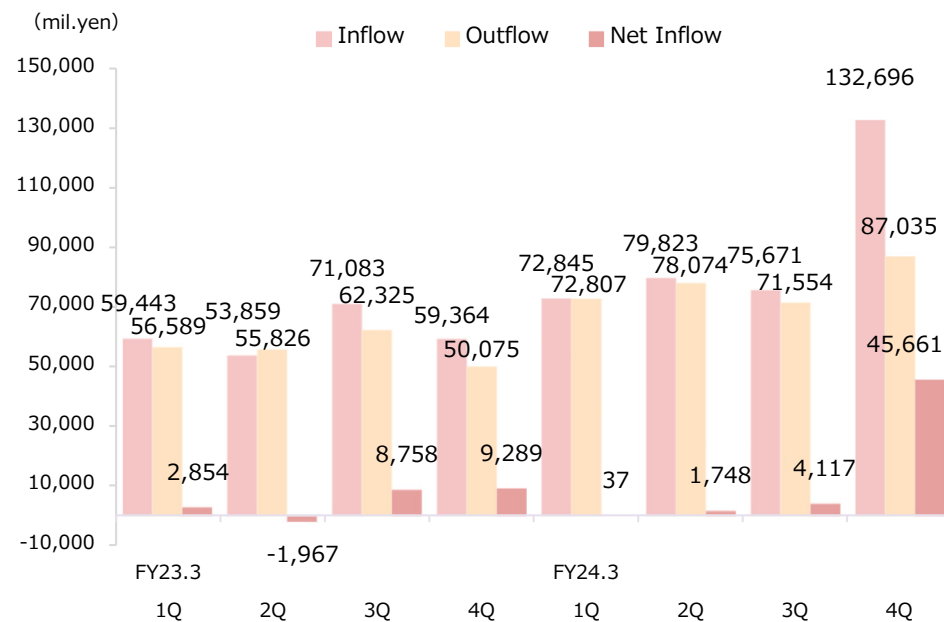
Number of new accounts



Assets under custody ※Including data of Okasan Online Securities Company



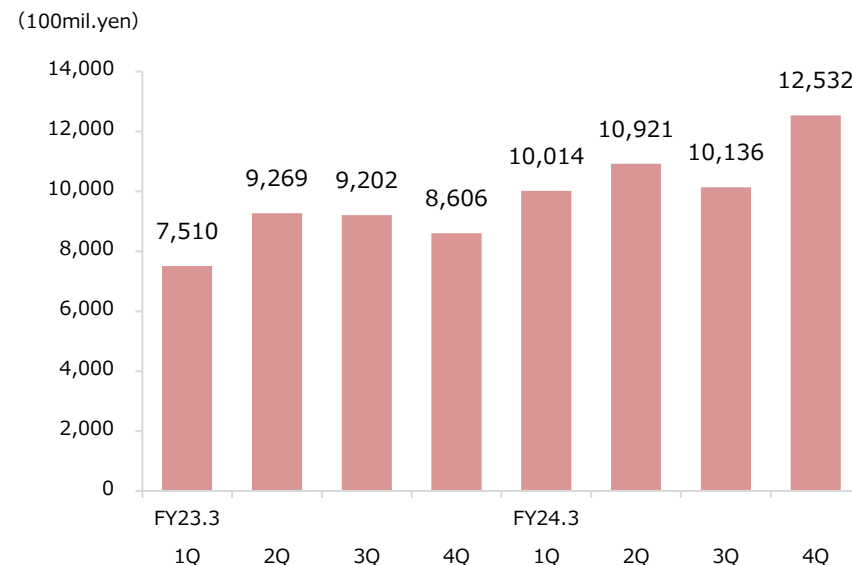
Net Assets inflow (Individual customers)



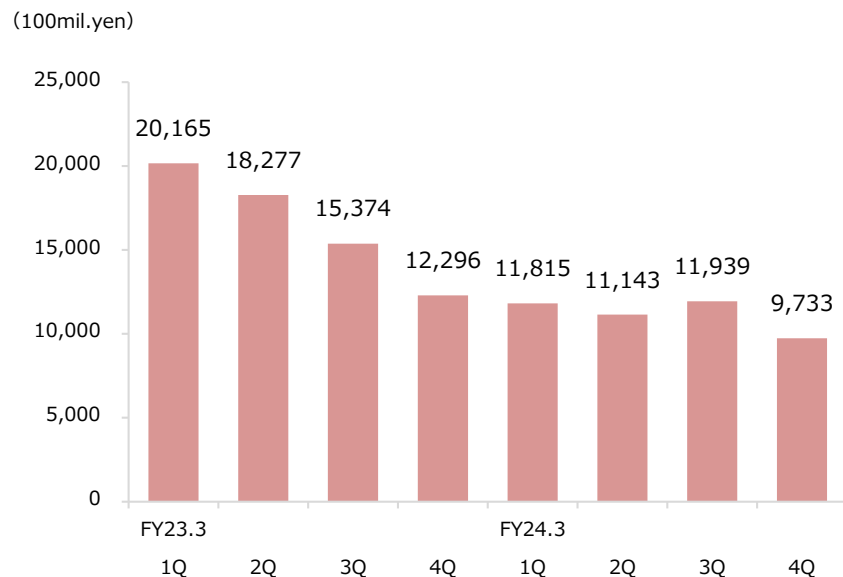
Business Data of Okasan Online Securities Company

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

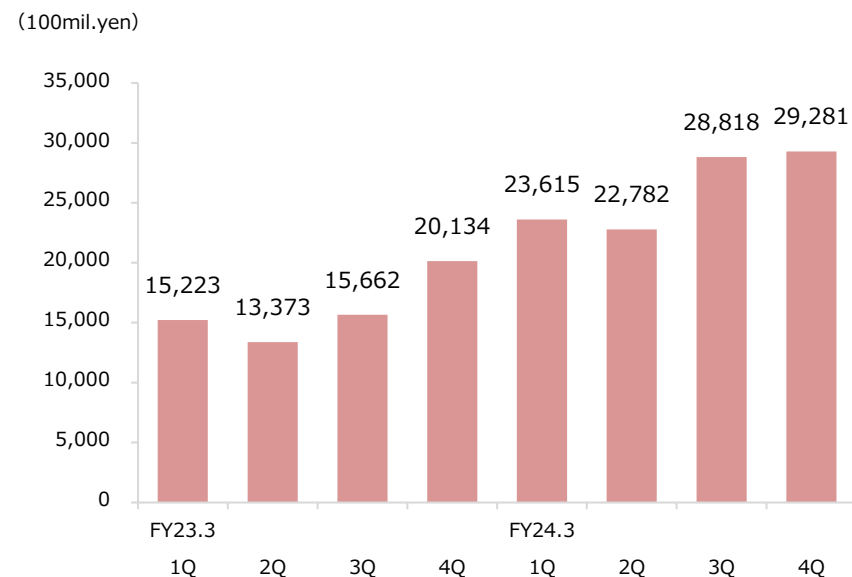
Domestic equities trading volume



“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 declined 70.7 percentage points from the end of the previous fiscal year to 312.3%.

- While unfixed equity capital remains flat, increased market risk equivalents caused decrease of the ratio.

(In millions of yen)										
		FY23.3				FY24.3				vs.FY23.3
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	4Q
Basic items	(A)	75,040	75,509	75,292	73,371	77,018	79,071	80,922	75,372	2,001
Complementary items	Appraisal gains (losses) etc.	10	24	24	16	16	34	34	30	14
	Security transaction responsibility reserve	1,130	1,130	1,131	1,136	768	767	767	843	-293
	General provision for loan losses	10	12	14	30	35	39	40	53	23
	Short-term subordinated debt	6,000	6,000	6,000	6,000	6,000	6,000	6,000	4,000	-2,000
	Total	(B)	7,151	7,166	7,170	7,182	6,819	6,841	6,843	-2,255
Assets to be deducted	(C)	14,067	14,187	14,474	11,898	11,512	12,132	11,971	11,660	-238
Unfixed equity capital	(A) + (B) - (C)	(D)	68,124	68,488	67,987	68,655	72,326	73,780	75,794	-16
Risk equivalents	Market risk equivalents		3,533	2,454	2,868	3,117	3,222	2,618	2,875	6,409
	Customer risk equivalents		1,502	1,626	1,659	1,912	2,127	2,299	2,151	2,392
	Basic risk equivalents		12,635	12,859	13,046	12,892	12,869	12,901	12,855	13,176
	Total	(E)	17,672	16,940	17,574	17,921	18,219	17,819	17,882	21,977
Capital adequacy ratio	(D) / (E) × 100 (%)		385.4%	404.2%	386.8%	383.0%	396.9%	414.0%	423.8%	312.3%
										-70.7p

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

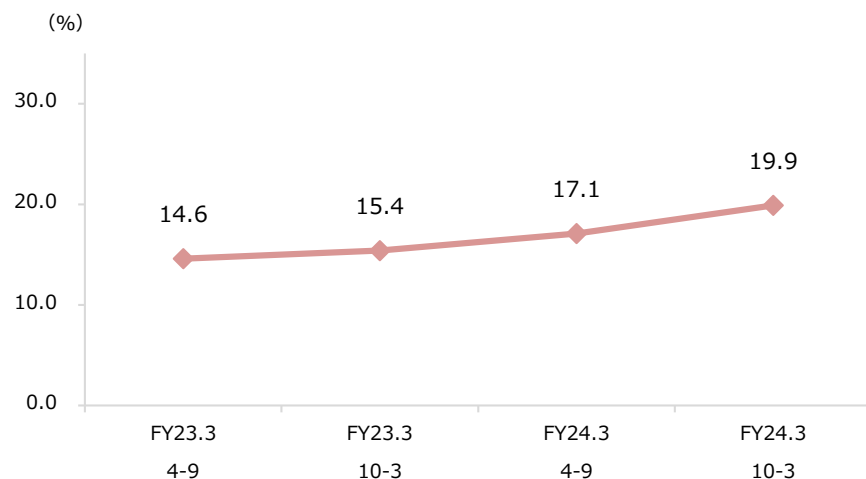
Target indicators of the medium-term management plan

Stakeholder	Item	Target for FY2028 March	As of March 2023	→ As of March 2024
Customer	Assets under custody	¥10.0 trillion	¥6.9 trillion	→ ¥8.4 trillion
	Investment trust assets under custody	¥3.0 trillion	¥1.8 trillion	→ ¥2.1 trillion
	Customer satisfaction indicator*1	7.0 pt	5.8 pt (Mar. 2023 survey)	→ 6.5 pt (Mar. 2024 survey)
Employee	Employee engagement*1 [Desire to continue working for the company]	Sustainable improvement of the score	—	→ 6.26 pt (Jan. 2024 survey) ※Out of 10pt
	Number of salesperson*1	2,000	1,428	→ 1,408
Business Partner	Number of companies utilizing the platform	130	53	→ 62
	Number of contracted IFA corporation	100	40	→ 49
	Number of companies utilizing the system	30	13	→ 13
Shareholder	ROE (Return on Equity)	8.0 %	0.3 %	→ 7.1 %
	Total dividend payout ratio	50.0 %	29.5~1,248.0 % (FY2021.3~FY2023.3)	→ 61.4 % (expected)
	Cost coverage ratio*2	30.0 %	Approximately 15 %	→ 18.5 %

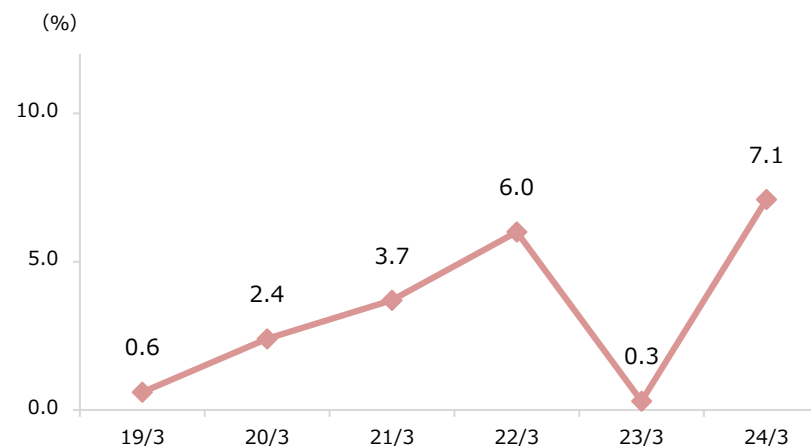
*1. Data of Okasan Securities(core securities company)on standalone basis

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

Cost coverage ratio



ROE



Group Topics

Okasan Securities Group

- Started Medium-Term Management Plan for the five-year period from April 2023 to March 2028.
- 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)
- Acquisition of own shares (November, December)
- Conducted a public offering for the issuance of 100th anniversary commemorative ST bond through collaboration in the security token business (December)

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)
- Business transfer agreement for acquisition of the Click 365(exchange listed FX Daily Futures contracts) from Nissan Securities (November)
- Initiated preparations for the implementation of the investment discretionary platform “4RAP” of FOLIO (November)
- Absorption-type company split agreement for acquisition of the Click 365(exchange listed FX Daily Futures contracts) from SBI Sumishin Net Bank (December)

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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