

## Translation

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# Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

October 30, 2024

Company name: OKASAN SECURITIES GROUP INC.  
Stock exchange listing: Tokyo, Nagoya  
Stock code: 8609  
URL: <https://www.okasan.jp/>  
Representative: SHINSHIBA Hiroyuki, President  
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Phone: +81-3-3272-2222  
Scheduled date to file Semi-annual Securities Report: November 13, 2024  
Scheduled date to commence dividend payments: –  
Preparation of supplementary material on financial results: Yes  
Holding of financial results meeting: None

(Amounts less than one million yen are rounded down)

## 1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2024	41,501	0.7	40,613	1.0	7,229	(1.5)	8,724	2.4	6,678	(16.5)
September 30, 2023	41,206	22.8	40,228	22.5	7,338	—	8,521	—	7,996	—

(Note) Comprehensive income: Six months ended September 30, 2024: ¥3,359 million [(80.0)%]

Six months ended September 30, 2023: ¥16,797 million [–%]

	Earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	32.91	32.82
September 30, 2023	38.88	38.75

(Note) The year-on-year change in profit attributable to owners of parent for the six months ended September 30, 2023 is shown as “–” because it exceeds 1,000%.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2024	1,249,784	203,209	16.2	1,004.92
As of March 31, 2024	1,207,779	214,156	16.5	978.65

(Reference) Equity: As of September 30, 2024: ¥202,560 million

As of March 31, 2024: ¥198,899 million

## 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	—	0.00	—	30.00	30.00
Year ending March 31, 2025	—	0.00			
Year ending March 31, 2025 (Forecast)			—	—	—

(Note) Revision to the forecast of cash dividends announced most recently: None

The dividend forecast for the fiscal year ending March 31, 2025 is still undecided.

## 3. Consolidated financial results forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

The Group operates principally in the financial instruments business, and its financial results are likely to be affected by market fluctuations. Because of the nature of its business and the consequential difficulty in predicting its future performance, the Group does not disclose forecasts of financial results.

## 4. Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

Changes in accounting policies due to other reasons: None

Changes in accounting estimates: None

Restatement: None

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2024	231,217,073 shares	As of March 31, 2024	231,217,073 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	29,648,766 shares	As of March 31, 2024	27,978,115 shares
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Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	202,924,413 shares	Six months ended September 30, 2023	205,640,320 shares
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\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

As stated in “3. Consolidated financial results forecasts for the fiscal year ending March 31, 2025,” because of the difficulty in predicting future performance, the dividend forecast for the fiscal year ending March 31, 2025 is undecided.

**Semi-annual consolidated financial statements**  
**(1) Consolidated balance sheet**

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	82,586	69,177
Segregated deposits	110,256	102,998
Segregated deposits for customers	107,160	99,820
Other segregated deposits	3,096	3,178
Trading products	284,513	377,048
Trading securities and other	284,461	377,015
Derivatives	51	33
Trade date accrual	31,454	22,590
Margin transaction assets	110,476	91,218
Margin loans	105,294	86,633
Cash collateral provided for securities borrowed in margin transactions	5,182	4,585
Loans secured by securities	431,439	422,379
Cash collateral provided for securities borrowed	0	–
Securities purchased under resale agreements	431,439	422,379
Advances paid	264	199
Short-term guarantee deposits	21,061	20,965
Accounts for non-delivered securities and others	25	48
Short-term loans receivable	13,178	24,413
Securities	44	43
Other current assets	6,595	9,517
Allowance for doubtful accounts	(53)	(25)
Total current assets	1,091,843	1,140,575
Non-current assets		
Property, plant and equipment	16,495	16,784
Intangible assets	6,861	6,672
Investments and other assets	92,578	85,751
Investment securities	83,996	77,145
Retirement benefit asset	4,159	4,144
Other	5,344	5,352
Allowance for doubtful accounts	(921)	(891)
Total non-current assets	115,936	109,208
Total assets	1,207,779	1,249,784

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Trading products	438,673	425,102
Trading securities and other	438,204	425,012
Derivatives	469	89
Margin transaction liabilities	22,774	18,437
Margin borrowings	12,839	11,028
Cash received for securities sold in margin transactions	9,934	7,409
Borrowings secured by securities	200,854	272,208
Cash collateral received for securities lent	3,850	2,509
Securities sold under repurchase agreements	197,004	269,698
Deposits received	83,750	106,819
Guarantee deposits received	39,752	38,944
Payables for securities to receive over due for delivery	46	41
Short-term borrowings	157,191	141,209
Current portion of bonds payable	2,000	2,000
Income taxes payable	5,752	3,416
Provision for bonuses	2,825	2,683
Other current liabilities	6,864	5,151
Total current liabilities	960,485	1,016,014
Non-current liabilities		
Long-term borrowings	6,728	5,942
Deferred tax liabilities	16,223	14,450
Provision for retirement benefits for directors (and other officers)	145	129
Retirement benefit liability	5,418	5,327
Other noncurrent liabilities	3,643	3,579
Total non-current liabilities	32,158	29,429
Reserves under special laws		
Reserve for financial instruments transaction liabilities	978	1,130
Total reserves under special laws	978	1,130
Total liabilities	993,623	1,046,574
<b>Net assets</b>		
Shareholders' equity		
Share capital	18,589	18,589
Capital surplus	37,959	45,075
Retained earnings	127,612	128,038
Treasury shares	(13,089)	(14,209)
Total shareholders' equity	171,072	177,494
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	24,168	21,757
Revaluation reserve for land	330	486
Foreign currency translation adjustment	1,376	1,142
Remeasurements of defined benefit plans	1,951	1,679
Total accumulated other comprehensive income	27,827	25,065
Share acquisition rights	266	229
Non-controlling interests	14,990	419
Total net assets	214,156	203,209
Total liabilities and net assets	1,207,779	1,249,784

**(2) Consolidated statement of income (cumulative) and consolidated statement of comprehensive income (cumulative)**

**Consolidated statement of income (cumulative)**

Six months ended September 30

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Operating revenue		
Commission received	25,117	25,662
Brokerage commission	11,470	11,776
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	849	745
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	8,095	7,174
Other commission received	4,702	5,966
Net trading income	13,613	12,914
Financial revenue	1,673	2,089
Other operating revenue	801	834
Total operating revenue	41,206	41,501
Financial expenses	978	887
Net operating revenue	40,228	40,613
Selling, general and administrative expenses	32,889	33,384
Trading related expenses	5,227	5,140
Personnel expenses	16,562	16,823
Real estate expenses	3,864	4,074
Office expenses	4,295	4,386
Depreciation	1,578	1,552
Taxes and dues	694	701
Provision of allowance for doubtful accounts	13	(28)
Other	652	733
Operating profit	7,338	7,229
Non-operating income	1,244	1,640
Dividend income	787	969
Share of profit of entities accounted for using equity method	170	387
Other	286	282
Non-operating expenses	62	145
Interest expenses	15	10
Loss on valuation of investment securities	27	0
Loss on investments in investment partnerships	—	37
Loss on sale and retirement of non-current assets	5	42
Other	13	55
Ordinary profit	8,521	8,724

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Extraordinary income		
Gain on sale of investment securities	1,268	1,426
Reversal of reserve for financial instruments transaction liabilities	374	–
Gain on reversal of share acquisition rights	68	–
Total extraordinary income	1,712	1,426
Extraordinary losses		
Impairment losses	–	43
Loss on sale of investment securities	14	–
Loss on valuation of investment securities	96	41
Loss on valuation of golf club membership	–	0
Provision of reserve for financial instruments transaction liabilities	–	152
Total extraordinary losses	110	237
Profit before income taxes	10,123	9,913
Income taxes - current	2,235	3,076
Income taxes - deferred	(214)	(313)
Total income taxes	2,020	2,762
Profit	8,102	7,150
Profit attributable to non-controlling interests	106	471
Profit attributable to owners of parent	7,996	6,678

**Consolidated statement of comprehensive income (cumulative)**

Six months ended September 30

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	8,102	7,150
Other comprehensive income		
Valuation difference on available-for-sale securities	8,098	(3,166)
Foreign currency translation adjustment	505	(234)
Remeasurements of defined benefit plans, net of tax	(131)	(266)
Share of other comprehensive income of entities accounted for using equity method	222	(123)
Total other comprehensive income	8,695	(3,790)
Comprehensive income	16,797	3,359
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	15,265	3,760
Comprehensive income attributable to non-controlling interests	1,532	(401)