

Non-consolidated Financial Results
for the Fiscal Year Ended March 31, 2025
(Under Japanese GAAP)

Company name: Matsui Securities Co., Ltd.

Listing: Tokyo Stock Exchange

Securities code: 8628

URL: <https://www.matsui.co.jp/company/>

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Scheduled date of annual general meeting of shareholders: June 29, 2025

Scheduled date to commence dividend payments: June 30, 2025

Scheduled date to file annual securities report: June 23, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded to the nearest millions, unless otherwise noted.)

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	39,204	6.5	37,135	5.4	15,636	3.1	15,292	1.6
March 31, 2024	36,801	—	35,245	24.0	15,165	33.6	15,054	33.8

	Profit		Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to operating revenue
Fiscal year ended	Millions of yen	%	Yen	Yen	%	%	%
March 31, 2025	10,501	7.3	40.80	40.71	13.8	1.3	39.9
March 31, 2024	9,790	25.2	38.06	37.99	12.9	1.4	41.2

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2025: None

For the fiscal year ended March 31, 2024: None

Notes:

“Operating revenue” and “Ratio of operating profit to operating revenue” in the preceding fiscal year have been reclassified to reflect changes in presentation in the current fiscal year. In addition, the percentages indicating year-on-year changes of “Operating revenue” in the preceding fiscal year is not shown because of the changes in presentation. For more details, please refer to (Notes- Changes in presentation) in the attached document.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	1,121,828	76,600	6.8	296.48
March 31, 2024	1,172,667	76,326	6.5	295.59

Reference: Equity

As of March 31, 2025: 76,328 million yen

As of March 31, 2024: 76,054 million yen

(3) Non-consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal Year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	-43,362	-4,373	53,202	81,716
March 31, 2024	-5,916	-8,883	8,621	76,249

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio	Ratio of dividends to net assets
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	—	20.00	—	20.00	40.00	10,291	105.1	13.5
Fiscal year ended March 31, 2025	—	22.00	—	18.00	40.00	10,297	98.0	13.5
Fiscal year ending March 31, 2026 (Forecast)	—	—	—	—	—		—	

Note: Forecast of the dividend for the fiscal year ends March 2026 is undecided at the time of filing of this financial results.

*Notes

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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement : None

(2) Number of issued shares (common shares)

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

Fiscal Year ended March 31, 2025	259,264,702	shares
Fiscal Year ended March 31, 2024	259,264,702	shares

2) Number of treasury shares at the end of the period

Fiscal Year ended March 31, 2025	1,819,109	shares
Fiscal Year ended March 31, 2024	1,970,709	shares

3) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2025	257,391,960	shares
Fiscal Year ended March 31, 2024	257,252,585	shares

*Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

*Proper use of earnings forecasts, and other special matters

The business results of securities brokerage companies depend on the market situation considerably, which makes it difficult to forecast the future business results. Accordingly, the Company does not issue such forecast while it discloses its monthly business information such as brokerage value, which may have considerable impacts on financial results.

Notice to Readers 1: This document is an English translation of summary information and financial statements with major notes presented in the original Japanese Financial Results ("Kessan Tanshin" dated April 28, 2025).

Notice to Readers 2: This English translation is prepared for reference purposes only and does not constitute any offer or sale of securities or other similar action whether inside or outside Japan. If any questions arise in this document, please refer to the original Japanese Financial Results.

Notice to Readers 3: The accompanying financial statements are prepared in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards. The financial statements are not intended to present the financial position and results of operations in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

Part 1. Overview of Business

1. Qualitative Information on Financial Results

(1) Status and analysis of results of operations

In the domestic stock market for the current fiscal year, the Nikkei Stock Average, which opened at the 40,600 yen level at the beginning of the fiscal year, temporarily fell to the 37,000 yen level in mid-April due to rising long-term interest rates in Japan and the United States and uncertainty over demand for semiconductors. However, stock prices rebounded, hitting a record high of 42,224 yen on July 11, reflecting the continuation of the Bank of Japan's accommodative monetary policy and purchase of export-related stocks due to the depreciation of the yen. However, from the beginning of August, stock prices plummeted against the backdrop of the appreciation of the yen due to the Bank of Japan's interest rate hike and concerns about a recession in the U.S. On August 5, stock prices plunged to 31,458 yen in the biggest one-day drop ever. After that, stock prices gradually recovered due to the Bank of Japan's cautious stance on interest rate hikes and concerns about the U.S. economic downturn, and rebounded to 37,919 yen at the end of September. From October, stock prices fluctuated around 39,000 yen due to the movements of the Ishiba administration, speculation surrounding the U.S. presidential election, and expectations and concerns about President Trump. From the late February, stock prices trended downward mainly due to uncertainty over the U.S. tariff policy and concerns about economic downturn, and fell below 36,000 yen in mid-March. After that, stock prices recovered to the 38,000 yen level, however plummeted due to the additional tariffs on automobiles by the U.S. government and concerns over reciprocal tariffs from April onwards, and the Nikkei Stock Average ended at 35,617 yen at the end of March.

Under these circumstances, the total stock etc. brokerage trading value on the two exchanges (the Tokyo and Nagoya stock exchanges) increased by 13% year on year. For individual investors, who are our main customer base, have expanded their trading in both phases that expectations for Japanese equities rose due to the steady rise of stock prices and that the stock market got volatile. Overall individual stock etc. trading value on the two exchanges increased 16% year on year. The proportion of individual stock etc. brokerage trading value in these two markets was 24%, the same as in the preceding fiscal year. The Company's stock etc. brokerage trading value increased by 6% year on year.

Under the above background, operating revenue was 39,204 million yen (6.5% increase from the same period of the preceding fiscal year). Net operating revenue was 37,135 million yen (5.4% increase from the same period of the preceding fiscal year). Also, operating profit was 15,636 million yen (3.1% increase from the same period of the preceding fiscal year), ordinary profit was 15,292 million yen (1.6% increase from the same period of the preceding fiscal year), and net profit was 10,501 million yen (7.3% increase from the same period of the preceding fiscal year).

Revenue and expense items are as described below.

(Commissions received)

Commissions received was 19,969 million yen (2.1% decrease from the same period of the preceding fiscal year). Of this figure, brokerage commission was 18,892 million yen (2.5% decrease from the same period of the preceding fiscal year), mainly due to a decrease in the commission rate associated with an increase in the proportion of one day margin transactions (for which no commission is charged in principle) in the trading value of equity brokerage.

(Net trading income)

Net trading income was 3,752 million yen (36.2% increase from the same period of the preceding fiscal year) mainly due to FX trading gains.

(Net financial revenue)

Although revenue from margin transactions increased mainly due to an increase in average balance of the long position of margin transactions, interest expense also increased mainly due to a rise in interest rates. And also, income distributions from deposits increased reflecting higher interest rates. Under these circumstances, net financial revenue derived from subtracting financial expenses from financial revenue was 13,414 million yen (10.9% increase from the same period of the preceding fiscal year).

(Selling, general and administrative expenses)

Selling, general and administrative expenses increased by 7.1% compared to the same period of the preceding fiscal year to 21,499 million yen. This was mainly due to increases in depreciation, office expenses and personnel expenses associated with the expansion of the service and operational bases.

Note: The percentages indicating year-on-year changes of “Operating revenue”, “Net financial revenue”, and “Net trading income” have been reclassified reflecting changes in presentation in the current fiscal year. For more details, please refer to (Notes - Changes in presentation).

Against above background, ROE (return on equity) for the current fiscal year was 13.8%. The Company has adopted the mid-term to long-term objective to achieve ROE which exceeds the cost of shareholders' equity (8%). The ROE for the current fiscal year ended March 31, 2025 increased from 12.9% for the preceding fiscal year, reflecting an increase in net financial revenue and an increase in net trading income mainly due to FX trading gains. The Company will make efforts to improve capital efficiency going forward in the mid- to long-term.

(2) Factors which have a material impact on results of operations

The main business of the Company is stocks etc. brokerage trading business targeting individual investors, and of the revenue items, commissions received and in particular brokerage commission relating to the trading of stocks etc. have a material impact on the business performance of the Company. Furthermore, financial revenue arising mainly from margin transactions is a factor having a material impact on the business performance of the Company. However, the level of such revenues is largely affected by the stock market environment.

(3) Status and analysis of financial conditions

The main assets of the Company are customer-segregated fund trusts (included in segregated deposits) where deposits received and guarantee deposits received etc. from customers are entrusted to trust banks, and margin transaction assets mainly comprised of margin loans. On the other hand, funds are being procured through short-term borrowings etc. for the purpose of allocating to margin loans. The main liabilities of the Company are deposits received, guarantee deposits received and short-term borrowings.

As of the end of the accounting period, total assets was 1,121,828 million yen, a 4.3% decrease from the end of the preceding fiscal year. This was mainly due to an 11.3% decrease of segregated deposits to 621,312 million yen, reflecting a decrease in deposits received.

Total liabilities was 1,045,228 million yen, a 4.7% decrease from the end of the preceding fiscal year. This was mainly due to an 11.4% increase in the total amount of short-term borrowings and margin borrowings to 313,933 million yen and a 14.6% decrease in deposits received to 363,849 million yen.

Total net assets was 76,600 million yen, almost unchanged from the end of the preceding fiscal year. In the current fiscal year, the total amount of the year-end dividends for the fiscal year ended March 2024 and the interim dividends for the fiscal year ended March

2025, which was 10,809 million yen, was recorded, and at the same time a profit of 10,501 million yen was recorded.

(4) Status and analysis of cash flows

The status of various cash flows for the current fiscal year, and their underlying factors are described below.

(Cash flows from operating activities)

Cash flows from operating activities were minus 43,362 million yen (minus 5,916 million yen for the preceding fiscal year). This was mainly due to changes in margin transaction assets and margin transaction liabilities.

(Cash flows from investing activities)

Cash flows from investing activities were minus 4,373 million yen (minus 8,883 million yen for the preceding fiscal year). This was mainly due to the purchase of intangible assets and the purchase of investment securities.

(Cash flows from financing activities)

Cash flows from financing activities were plus 53,202 million yen (plus 8,621 million yen for the preceding fiscal year). This was mainly due to the net increase in short term borrowings, while there were dividend payments.

As a result of the above, the balance of cash and cash equivalents at the end of the current fiscal year was 81,716 million yen (76,249 million yen at the end of the preceding fiscal year).

(5) Analyses of sources of capital and liquidity of funds

The Company has positioned as its management strategy “Enhance lineup”, “Provide distinctive services,” and “Improvement of service quality.” Therefore, in each fiscal year, the Company continues to provide on-line securities trading services, and continuously makes capital investments mainly in systems necessary for introduction of various new services and enhancement of capacity, and improvement of the trading system. On the other hand, cash on hand is also necessary for day-to-day business operations, and also the Company needs funds for margin loans which is its main business. The Company has secured sufficient levels of cash on hand to handle settlements of cash payments to customers in relation to stock brokerage transactions and securities lending and borrowing etc. However the level is not necessarily stable depending on the status of day-to-day settlements etc.

The Company’s fund procurements are mainly conducted to correspond to the source of margin loans. Recurring margin loans are funded mainly by increase and decrease in short-term borrowings procured from financial institutions such as banks etc. In order to prepare for situations where margin loans increase significantly, the Company has made shelf registration so that it may flexibly procure funds through bond issues. However, as of the end of the current fiscal year, taking into account the levels of margin loans and internal reserves, a major portion of funds procurement was conducted by short-term borrowings including call money.

Furthermore, the Company secures safety of procurement of funds by making overdraft agreement and/or commitment line agreement with multiple financial institutions.

The Company has adopted the mid- to long-term objective to achieve an ROE exceeding its cost of shareholders’ equity and regarding return to shareholders, the Company’s policy is to payout dividends for more than the amounts equivalent to the cost of shareholders’ equity. The cost of shareholders’ equity as of the end of the current fiscal year ended March 31, 2025 is assumed to be 8% based on the capital asset valuation model, and we will achieve ROE above 8% as a medium- to long-term management target, as well as the Company

seeks to realize a dividend-on-equity (DOE) ratio of 8% or more for each fiscal year as a dividend policy, and the Company is targeting a dividend payout ratio for each fiscal year of 60% or higher. If internal reserves increase even after making returns to shareholders, it will use such funds effectively as sources for margin loans and for making capital investments.

2. Future outlook

As part of our management strategy, we will continue to focus our management resources on the online-based business. Going forward, we will work to strengthen our client base by developing and providing high value-added products and services that contribute to improving customer satisfaction. At the same time, we will focus on acquiring new client bases by actively expanding our online-based products and services.

The business results of securities brokerage companies depend on the market situation considerably, which makes it difficult to forecast the future business results. Accordingly, the Company does not issue such forecast while it discloses its monthly business information such as brokerage value, which may have considerable impacts on financial results.

3. Basic policies on distribution of profits and dividends for the current fiscal year and the next fiscal year

The Company's capital policy focuses on harmonizing its three financial imperatives - maintaining an appropriate level of capital that strikes a balance between soundness and efficiency, making strategic investments that contribute to future growth, and returning profits to shareholders in a way that meets their expectations - and on pursuing growth in corporate value through these efforts. The Company's basic policy for returning profits to shareholders is to pay dividends every fiscal year in accordance with business performance. The level of dividends is determined based on a dividend payout ratio of 60% or more and a dividend on equity (DOE) ratio of 8% or more, after comprehensive consideration of factors such as the optimal level of equity capital to support the Company's core margin transaction business and the strategic investment environment.

As the current period paid an interim dividend of 22 yen per share, including the year-end dividend of 18 yen per share (scheduled), the annual dividend is scheduled to be 40 yen per share. As a result, the payout ratio will be 98.0% and DOE will be 13.5%, which are in line with the basic policies.

The dividend for the next fiscal year has not yet been determined.

Part 2. Management Policy, Business Environment, and Issues to be Addressed, etc.

1. Basic management policy

Our corporate philosophy (MISSION) is “Supporting the prosperous lives of customers,” and our corporate goal (VISION) is “Delivering valuable financial products and services to retail investors.” In realizing our MISSION and VISION, we believe that providing superior customer experience value is of utmost importance.

By maintaining a strong financial base and providing a stable trading system and customer-oriented support system, we believe that responding to our customers' trust as a financial institution and maintaining and developing solid corporate activities will lead to “a sense of security in investing itself and in choosing a brokerage firm”, which we have defined as our first value to offer. In addition, we have defined “providing diverse ideas” regarding investment as our second value, in order to make investing itself fun, more accessible and attractive, and to make it an intellectually stimulating experience that leads to discovery and growth in the lives of our customers. These ideas are expressed in our corporate slogan, “As a reliable securities broker, we make investment fun and interesting”.

To embody our corporate slogan, we aim to provide “a stable trading environment” that earns the trust of our customers, “a wide variety of products that meet various customer needs” which lower the hurdles to starting investments and deliver opportunities for discovery and growth to more customers, “products and services with low trial barriers,” “simple and easy-to-understand services,” and aiming to take online securities one step further, “personalized services” that provide detailed responses in line with each customer's needs.

Furthermore, the Company has maintained an efficient operational structure by concentrating its management resources on online-based business. With the expansion of online-centric communication, we believe that the superiority of online-based business will further increase, and we will maintain our policy of concentrating on online-based business models.

2. Business environment

On-line stock brokerage services in Japan began in 1998. Since then, the proportion of customers of on-line brokerage firms within the total stock brokerage trading value by individual investors has continued to increase year-on-year, and currently makes up for over 90%. On the other hand, the ratio of shareholdings of on-line brokerage firms' customers to total shareholdings held by individuals still remains at around 30%, even though such ratio is increasing year-to-year. The inflow of share assets from face-to-face brokerage firms to on-line brokerage firms is continuing, and we believe that there is still room going forward for increase of stock trading value by individuals through on-line brokerage firms.

In the on-line securities industry, with respect to stock trading value by individuals, an oligopoly by the 5 main brokerage firms (i.e., Matsui Securities, SBI SECURITIES, Rakuten Securities, Mitsubishi UFJ eSmart Securities, Monex) is continuing, and there was no significant change in the ranking of each company's market share, and a constant state of equilibrium prevailed. However, with the decision by SBI Securities and Rakuten Securities to waive brokerage commissions on stocks in 2023, the companies are diversifying their revenue sources by focusing on expanding business into margin trading, FX (foreign exchange margin trading), investment trusts, wholesale business, asset management, and crypto asset-related business, among others. In this context, there is also a move toward greater scale by strengthening business and capital relationships with platform providers. We believe they are aiming a long-tail business model, in which each customer's assets and transaction size are small, but revenue is generated by approaching a large number of customers. On the other hand, the business model of online brokerage firms to date, while

appearing to have a broad customer base based on the number of accounts, has been to rely on a few customers with high trading frequency for the majority of their profits. Thus, we believe that the no commission policy of some competitors has triggered the emergence of the review of profit structure as a common theme in the industry, and as a result, the differences in business models and areas of focus among online securities firms have become clearer.

3. Management targets

We have established the following management objectives to achieve our corporate goals.

- (i) Provide high value-added services and receive appropriate compensation commensurate with the value.
- (ii) Aim to increase profits and shareholder value through effective utilization of management resources.
- (iii) Achieve ROE that exceeds the cost of shareholders' equity (currently 8%).

ROE for the current fiscal year was 13.8%, up from 12.9% in the preceding fiscal year, reflecting an increase in net financial revenue and net trading income mainly due to FX trading gains. We continue to achieve the above targets and will strive to improve capital efficiency over the medium to long term.

4. Medium- to Long-term Company Management Strategy

The Company has established the following four management strategies to achieve its management targets and is working to realize them.

- (i) “Build a strong brand” to be recognized as a major online securities company.
- (ii) “Enhance lineup” of financial products and services to be provided as an online securities company, and “Provide distinctive services” with an awareness of uniqueness.
- (iii) “Improvement of service quality” to continue to provide superior customer experience value.
- (iv) “Realization of a diverse and autonomous organization” as the foundation to support the provision of these businesses and services.

5. Operational and financial issues to be addressed in priority

In executing the medium - to long-term management strategy based on the basic management policy and management targets described above, the Company's operational and financial issues to be addressed in priority are as follows.

1) Building a strong brand

We believe that promoting business development that combines “reliability as a financial institution” and “intellectual entertainment” will contribute to building a strong brand. In terms of improving “reliability as a financial institution,” in order to be recognized by customers as a financial institution with which they can do business with a sense of security, we are striving to maintain and develop solid corporate activities by providing a solid financial base and stable transaction systems, strengthen compliance systems that contribute to maintaining and improving our reliability as a financial institution, and support systems that are close to our customers. In addition, recognition of a financial institution contributes to the credibility of that financial institution, and we will continuously work to strengthen recognition in order to maintain and expand our customer base over the long term.

During the current fiscal year, we stepped up its efforts to raise awareness. For example, we reeled Japanese actor Nanao to star in a new television commercial that embodies the integrity and professionalism the Company owns. In addition, we launched an original game

called "MONEY TRADE FIGHT by Matsui Securities," which incorporates an investment element into the popular game "Fortnite."

On the other hand, we will work on the point of promoting "intellectual entertainment" through the development of products and services, marketing activities, provision of investment information, and support at call centers.

In the current fiscal year, we continued to release numerous video contents that convey the "fun and interesting" of investment. The "Asset Management! MANABERU Lovely" series, launched in 2020, has been released in season 15 and has been a popular content for a long time. In addition, new popular content such as "Stock Consultation Office where it's difficult to make an appointment," where analysts give advice on actual stock trading by famous celebrities, has been born. As a result, the number of subscribers to the official YouTube channel has exceeded 440,000 and the total number of views has exceeded 100 million, making it one of the largest channels operated by major securities companies. In addition, "Money Satellite", the exclusive video channel for the account holders, continues to provide investment information that supports asset management for beginners to advanced investors. We enhanced new content such as videos in which famous analysts explain high-news topics and videos in which market information on investment is explained in an easy-to-understand manner using animation, and strived to provide various ideas that lead to discovery and growth for customers. In other IPO issues popular among individual investors, we strengthened our ties with venture capital firms to increase the number of underwriting, resulting in an underwriting participation rate of over 67%, ranking us second in the industry in terms of the number of IPO issues handled.

2) Enhance lineup and offer distinctive services

In order to become the online securities company of choice for our customers, it is essential for us to provide financial products and services that meet the diverse needs of individual investors, who differ in age, preferences, and asset status. Considering that more than 40% of our new account openers are investment novices in their 30s or younger, we need to further expand the gateway to investment by diversifying our financial products and services, as well as provide a standard range of financial products and services to eliminate "reasons for non-selection" when customers are considering a securities firm.

In the current fiscal year, we announced the launch of a credit-card investment trusts accumulation service in collaboration with Japan Credit Bureau, Ltd. Preparations are under way for the service's launch in fiscal 2025. In addition, we have expanded the sweep deposit function of "MATSUI Bank", a banking service that makes securities trading more comfortable, from only Japanese equities to investment trusts, realizing a more seamless link. By raising the interest rate on ordinary deposits to 0.41% per annum, we have not only provided a service that enables the effective use of standby funds, but also strengthened our contact points with customers who use banking services. In the Forex business, we expanded the range of trading options by launching transactions in USD / CAD and EUR / CHF, which are suitable for a repeating auto-trade function, allowing transactions in a total of 22 currency pairs.

3) Improvement of quality of service

Since there is no significant difference in the financial products offered by online securities companies, we believe that we can be recognized as a high-value brokerage firm for our customers by providing superior customer experience value, such as by enhancing our service level and continuously providing highly convenient trading and information tools. Although we maintain online-based business model, we believe that providing opportunities for human touch communication regarding customer inquiries and consultations enhance the customer experience value as well.

During the current fiscal year, we added "TSE trading breakdown data function" to Japanese Equities app, a trading tool that provides a breakdown of trading values and volumes for individual stocks on the day of trading, making it possible to conduct more sophisticated analysis. We also added "PTS batch switching function" to improve the convenience of

trading during PTS night time sessions. In addition, we significantly revamped the Forex app to create a more comfortable trading environment with new functions such as a profit and loss calendar that makes it easy to grasp daily profit and loss.

In the area of customer support, we have expanded the capacity of our call centers so that they can always be reached by telephone. The call center response rate is over 90% throughout the year. In addition, “Share Trading Helpline” provides services that enable comfortable transactions by closely following the wishes of each client and their investment style, and supporting decision-making on matters such as stock searches and transaction timing. As a result, for the 14th consecutive year, we have received the highest rating of "three stars" in the 2024 Securities Industry Rating for Inquiry Desks, sponsored by the third party rating agency HDI-Japan (Help Desk Association).

Part 3. Basic Approach to the Selection of Accounting Standards

As the Company is engaged in the securities business in Japan, the Company will adopt generally accepted accounting principles in Japan for the time being.

Part 4. Financial Statements and Major Notes

1. Balance Sheet

	(Millions of yen)	
	Preceding fiscal year (March 31, 2024)	Current fiscal year (March 31, 2025)
Assets		
Current Assets		
Cash and deposits	72,280	67,374
Segregated deposits	700,212	621,312
Money held in trust	3,969	14,342
Trading products	4,614	8,442
Trading securities and other	0	11
Derivatives	4,614	8,431
Trade date accrual	20	—
Margin transaction assets	322,388	338,636
Margin loans	311,624	333,359
Cash collateral provided for securities borrowed in margin transactions	10,763	5,277
Loans secured by securities	28,218	23,982
Cash collateral provided for securities borrowed	28,218	23,982
Advances paid	70	263
Advances paid for customers	70	97
Other advances paid	0	167
Deposits paid for underwritten offering, etc.	2,013	1,764
Short-term guarantee deposits	11,585	16,111
Advance payments	4	3
Prepaid expenses	307	382
Accounts receivable – other	141	287
Accrued revenue	6,648	7,582
Other	-	0
Allowance for doubtful accounts	(16)	(10)
Total current assets	1,152,453	1,100,470
Non-current assets		
Property, plant and equipment	1,806	1,675
Buildings, net	349	364
Equipment	1,457	1,311
Intangible assets	8,805	8,838
Software	8,805	8,838
Other	0	0
Investments and other assets	9,603	10,844
Investment securities	6,649	7,698
Investments in capital	8	8
Long-term loans receivable	315	306
Guarantee deposits	740	954
Long-term prepaid expenses	116	188
Deferred tax assets	1,821	1,742
Long-term receivables	761	489
Other	85	84
Allowance for doubtful accounts	(893)	(626)
Total non-current assets	20,214	21,358
Total assets	1,172,667	1,121,828

	(Millions of yen)	
	Preceding fiscal year (March 31, 2024)	Current fiscal year (March 31, 2025)
Liabilities		
Current liabilities		
Trading products	979	504
Derivatives	979	504
Trade date accrual	—	430
Margin transaction liabilities	96,026	44,376
Margin borrowings	42,861	10,983
Cash received for securities sold in margin transactions	53,164	33,394
Borrowings secured by securities	38,106	40,538
Cash collateral received for securities lent	38,106	40,538
Deposits received	425,836	363,849
Deposits from customers	408,629	353,283
Other deposits received	17,207	10,567
Guarantee deposits received	285,297	280,349
Short-term borrowings	238,900	302,950
Unearned revenue	17	15
Accounts payable – other	623	554
Accrued expenses	2,420	4,002
Income taxes payable	3,144	2,407
Provision for bonuses	325	370
Other	206	163
Total current liabilities	1,091,878	1,040,508
Non-current liabilities		
Long-term borrowings	50	—
Other	281	334
Total non-current liabilities	331	334
Reserves under special laws		
Reserve for financial instruments transaction liabilities	4,133	4,385
Total reserves under special laws	4,133	4,385
Total liabilities	1,096,342	1,045,228
Net assets		
Shareholders' equity		
Share capital	11,945	11,945
Capital surplus		
Legal capital surplus	9,793	9,793
Other capital surplus	13	11
Total capital surplus	9,805	9,804
Retained earnings		
Legal retained earnings	159	159
Other retained earnings		
Retained earnings brought forward	55,244	54,937
Total retained earnings	55,403	55,095
Treasury shares	(1,490)	(1,375)
Total shareholders' equity	75,663	75,469
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	391	860
Total valuation and translation adjustments	391	860
Share acquisition rights	271	272
Total net assets	76,326	76,600
Total liabilities and net assets	1,172,667	1,121,828

2. Statement of Income

	(Millions of yen)	
	Preceding fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Operating revenue		
Commission received	20,390	19,969
Brokerage commission	19,368	18,892
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	70	67
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	0	0
Other commission received	952	1,011
Net trading income	2,755	3,752
Financial revenue	13,656	15,483
Total operating revenue	36,801	39,204
Financial expenses	1,555	2,069
Net operating revenue	35,245	37,135
Selling, general and administrative expenses		
Trading related expenses	6,682	6,752
Personnel expenses	3,589	3,955
Real estate expenses	991	1,112
Office expenses	4,925	5,348
Depreciation	3,193	3,638
Taxes and dues	443	467
Provision of allowance for doubtful accounts	(10)	11
Other	266	217
Total selling, general and administrative expenses	20,080	21,499
Operating profit	15,165	15,636
Non-operating income		
Dividend income	7	8
Gain on investments in investment partnerships	57	87
Other	19	17
Total non-operating income	83	112
Non-operating expenses		
Loss on investments in investment partnerships	182	435
Other	12	21
Total non-operating expenses	194	456
Ordinary profit	15,054	15,292
Extraordinary income		
Gain on sale of non-current assets	0	—
Gain on sale of investment securities	35	—
Total extraordinary income	35	—
Extraordinary losses		
Loss on sale and retirement of non-current assets	10	43
Provision of reserve for financial instruments transaction liabilities	1,035	252
Total extraordinary losses	1,045	295
Profit before income taxes	14,043	14,996
Income taxes – current	4,605	4,639
Income taxes – deferred	(352)	(144)
Total income taxes	4,253	4,495
Profit	9,790	10,501

3. Statement of changes in equity

Preceding fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other Retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	11,945	9,793	10	9,803	159	55,743	55,902
Changes during period							
Dividends of surplus						(10,289)	(10,289)
Profit						9,790	9,790
Purchase of treasury shares							
Disposal of treasury shares			3	3			
Net changes in items other than shareholders' equity							
Total changes during period	-	-	3	3	-	(499)	(499)
Balance at end of period	11,945	9,793	13	9,805	159	55,244	55,403

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(1,557)	76,092	23	23	238	76,353
Changes during period						
Dividends of surplus		(10,289)				(10,289)
Profit		9,790				9,790
Purchase of treasury shares	(0)	(0)				(0)
Disposal of treasury shares	68	70				70
Net changes in items other than shareholders' equity			368	368	33	402
Total changes during period	67	(429)	368	368	33	(27)
Balance at end of period	(1,490)	75,663	391	391	271	76,326

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other Retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	11,945	9,793	13	9,805	159	55,244	55,403
Changes during period							
Dividends of surplus						(10,809)	(10,809)
Profit						10,501	10,501
Disposal of treasury shares			(1)	(1)			
Net changes in items other than shareholders' equity							
Total changes during period	-	-	(1)	(1)	-	(308)	(308)
Balance at end of period	11,945	9,793	11	9,804	159	54,937	55,095

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(1,490)	75,663	391	391	271	76,326
Changes during period						
Dividends of surplus		(10,809)				(10,809)
Profit		10,501				10,501
Disposal of treasury shares	115	113				113
Net changes in items other than shareholders' equity			469	469	0	469
Total changes during period	115	(195)	469	469	0	275
Balance at end of period	(1,375)	75,469	860	860	272	76,600

4. Statement of Cash Flows

	(Millions of yen)	
	Preceding fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Cash flows from operating activities		
Profit (loss) before income taxes	14,043	14,996
Depreciation	3,193	3,638
Increase (decrease) in allowance for doubtful accounts	(232)	(272)
Increase (decrease) in provision for bonuses	21	46
Increase (decrease) in reserve for financial instruments transaction liabilities	1,035	252
Interest and dividend income	(13,514)	(15,357)
Interest expenses	1,490	2,001
Loss (gain) on sale and retirement of non-current assets	10	43
Loss (gain) on sale of investment securities	(35)	—
Decrease (increase) in segregated deposits	(146,900)	78,900
Decrease (increase) in trading products - assets (liabilities)	65	(4,303)
Decrease (increase) in trade date accrual	(5)	450
Decrease/increase in margin transaction assets/liabilities	(241)	(67,898)
Decrease (increase) in loans secured by securities	(2,314)	4,236
Decrease/increase in advance paid/deposits received	99,814	(62,179)
Increase (decrease) in borrowings secured by securities	(1,346)	2,432
Increase (decrease) in guarantee deposits received	34,470	(4,948)
Decrease (increase) in short-term guarantee deposits	(3,476)	(4,526)
Other, net	(1,280)	1,751
Subtotal	(15,201)	(50,738)
Interest and dividends received	14,150	14,490
Interest paid	(1,495)	(1,922)
Income taxes paid	(3,370)	(5,192)
Net cash provided by (used in) operating activities	(5,916)	(43,362)
Cash flows from investing activities		
Purchase of property, plant and equipment	(658)	(430)
Proceeds from sale of property, plant and equipment	0	—
Purchase of intangible assets	(4,900)	(3,236)
Purchase of investment securities	(3,496)	(1,044)
Proceeds from sale of investment securities	52	—
Other, net	119	337
Net cash provided by (used in) investing activities	(8,883)	(4,373)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	19,000	64,100
Repayments of long-term borrowings	(100)	(100)
Purchase of treasury shares	(0)	—
Proceeds from exercise of employee share options	0	0
Dividends paid	(10,279)	(10,798)
Net cash provided by (used in) financing activities	8,621	53,202
Effect of exchange rate change on cash and cash equivalents	1	1
Net increase (decrease) in cash and cash equivalents	(6,177)	5,467
Cash and cash equivalents at beginning of period	82,427	76,249
Cash and cash equivalents at end of period	76,249	81,716

5. Notes on Financial Statements

1) (Notes - Uncertainties of entity's ability to continue as going concern)

Not applicable.

2) (Notes - Changes in presentation)

In the current fiscal year, the presentation of revenue and expense arising from payments and receipts of swap points to and from customers concerning FX (Foreign Exchange Margin Trading) was changed from accounting as “Financial revenue” and “Financial expenses” to accounting as “Net trading income”.

Although we have been accounting receipts of swap points from customers as “Financial revenue” and payments of them to customers as “Financial expenses”, we have come to a conclusion that accounting them as “Net trading income” which includes net dealing revenue arising from cover trades and marry trades would contribute an enhancement of value of financial statements considering the expansion of our FX business.

As a result of this, in the statement of income for the preceding accounting period, “Financial revenue” and “Financial expenses” decreased by 3,004 million yen and 3,406 million yen respectively, while “Net trading income” decreased by 402 million yen which is the equivalent of the discrepancy of them. “Operating revenue” decreased by 3,406 million yen as a result of the decrease of “Financial revenue” and the decrease of “Net trading income”. “Net operating revenue”, “Operating profit”, “Ordinary profit”, “Profit before income taxes” and “Profit” stay unchanged.

In the statement of cash flows for the preceding accounting period, “Interest and dividends received” and “Interest paid” in cash flows from operating activities decreased by 2,082 million yen and 2,973 million yen, respectively. In addition, the amount of 3,004 million yen related to swap point income included in “Interest and dividend income” and the amount of 3,406 million yen related to swap point payment included in “Interest expenses” in the cash flows from operating activities were both reclassified to “Other, net”. “Other, net” decreased by 489 million yen as a result of the above effects.

3) (Notes - Segment information)

Disclosures on segment information are omitted since the Company is a provider of on-line securities trading service comprising a single segment.

4) (Notes - Equity in earnings (losses) of affiliates if equity method is applied)

Not applicable.

5) (Notes - Per share information)

Current fiscal year (From April 1, 2024 to March 31, 2025)	
Net assets per share	296.48 Yen
Basic earnings per share	40.80 Yen
Diluted earnings per share	40.71 Yen

*Note: Calculation basis

Basic earnings per share and diluted earnings per share

Items	Current fiscal year (From April 1, 2024 to March 31, 2025)
Basic earnings per share	
Profit (Millions of yen)	10,501
Profit not attributed to common stock (Millions of yen)	—
Profit attributed to common stock (Millions of yen)	10,501
Average number of shares of common stock outstanding (Shares)	257,391,960
Diluted earnings per share	
Increase of common stock (Shares)	530,893
(Of the above, subscription right to shares (Shares))	(530,893)
Outline of share acquisition rights or others without dilution effects which are not considered in the calculation of diluted earnings per share	—

6) (Notes - Significant events after reporting period)

Not applicable.