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January 28, 2025

Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Under Japanese GAAP)

Company name: Kyokuto Securities Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 8706
URL: https:// www.kyokuto-sec.co.jp
Representative: Kazuhiro KIKUCHI, President and Chief Executive Officer
Inquiries: Shunzo KAYANUMA, Senior Managing Director
Telephone: +81-03-3666-5130

Scheduled date of commencement of payment of dividends: —
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 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	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	6,518	21.3	6,465	21.2	2,523	46.4	3,351	44.4	4,289	57.2
December 31, 2023	5,372	66.1	5,333	66.9	1,723	—	2,321	—	2,727	724.9

Note: Comprehensive income For the nine months ended December 31, 2024: ¥1,941 million [△58.6%]
For the nine months ended December 31, 2023: ¥4,690 million [215.2%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	134.46	—
December 31, 2023	85.51	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	79,172	51,456	65.0	1,612.97
March 31, 2024	83,534	53,675	64.2	1,682.18

Reference: Equity
As of December 31, 2024: ¥51,456 million
As of March 31, 2024: ¥53,663 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	30.00	—	80.00	110.00
Fiscal year ending March 31, 2025	—	50.00	—		

Note: Revisions to the forecast of cash dividends most recently announced: None

Kyokuto Securities Co., Ltd. and its consolidated subsidiaries do not disclose forecast of financial results.
Please refer to page 5 for further information.

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: 0 companies
Excluded: 0 companies

(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

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

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of December 31, 2024	32,779,000 shares
As of March 31,2024	32,779,000 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2024	877,595 shares
As of March 31, 2024	877,595 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2024	31,901,405 shares
Nine months ended December 31, 2023	31,901,405 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Proper use of earnings forecasts, and other special matters
The earnings forecasts are not disclosed Please refer to page 5 for further information.

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BUSINESS RESULTS

1. Qualitative Information on Business Results for the Nine Months Ended December 31, 2024

(1) Information on Business Results

In the domestic and foreign economies during the nine month ended December 31, 2024 (from April 1 to December 31, 2024) of the current consolidated fiscal year, Japanese economy recovered moderately and U.S. economy remained steady. The Bank of Japan (BOJ) raised interest rates in July, but subsequently kept its policy rate unchanged. The US Federal Reserve Board (FRB) cut interest rates in September for the first time in four and a half years, followed by consecutive rate cuts in November and December. The European Central Bank (ECB) kept its policy rate unchanged in July after being turned to cut interest rates in June. ECB kept its policy rate unchanged in July. However, ECB cut the interest rates consecutively at three meetings in September, October, and December.

In the stock market, the Nikkei Stock Average (Nikkei 225) rose to 42,426 yen in July, however, Nikkei 225 dropped to 31,156 yen on August 5, the largest price drop in its history. This was due to the concerns about the outlook for the U.S. economy, the sharp appreciation of the Yen due to the BOJ's interest rate hikes and other related factors. After that, Nikkei 225 temporarily recovered to the 40,000 yen level in October and December, supported by a return to a depreciation of the Yen and share buybacks by business corporations. Nikkei 225 ended the nine-month period at 39,894 yen, 1.2% lower than the end of March in 2024. In the U.S. stock market, due to the FRB's interest rates cut and the prospect of a soft landing in the U.S. economy, the New York Dow Jones Industrial Average ended the nine-month period at $42,544, 6.9% higher than the end of March in 2024.

In the foreign exchange market, the Yen depreciated to 162 yen to the Dollar in July for the first time in about 37 and a half years. Subsequently, the Yen turned around and was appreciated to the 139 yen level to the Dollar in September with the combination of factors, such as the Japanese government's intervention to purchase the Yen and BOJ's interest rate hike, as well as the deteriorating economic outlook in the U.S. and the prospect of the FRB’s starting to cut interest rates. From October onward, the Yen was sold off again due to mitigating concerns about the U.S. economy and BOJ's postponement of an additional interest rate hike before the end of the year 2024. The Yen to the Dollar ended the nine-month period at 157.23 yen and the Yen was weaker by 5.91 yen against the Dollar compared with the end of March in 2024.

In the bond market, the yield on 10-year Japanese government bonds surged to 1.1% in July due to the prospect of an interest rate hike by BOJ. Subsequently it temporarily fell to the 0.7% level due to the receding expectation of additional interest rate hikes, but gradually rose to 1.09% at the end of the nine-month period against the backdrop of a strong domestic economy. After the yield on 10-year U.S. government bonds rose to 4.73% in April, it declined to 3.59%, partly due to interest rate cuts by FRB. Subsequently, the yield on 10-year U.S. government bonds rose to 4.57% at the end of the nine-month period due to the strong U.S. economy as well as concerns about inflation if President-elect Trump's policies are implemented.

In this environment, we made effort to offer "unique in-season financial products" for responding to customers' varied needs. Also we conducted active financial management from the view point of effective management of shareholders' equity.

For the first nine-months of the fiscal year ending March 31, 2025 (from April 1 to December 31, 2024) compared with the same period of previous fiscal year, our operating revenue increased by 21.3% to 6,518 million yen, net operating revenue increased by 21.2% to 6,465 million yen, operating income increased by 46.4% to 2,523 million

yen, ordinary profit increased by 44.4% to 3,351 million yen, and net profit attributable to owners of the parent company increased by 57.2% to 4,289 million yen.

Details of the period's results are as follows:

① Commission Received

The total commission received resulted 2,304 million yen (up 17.1% from the same period of previous fiscal year), the details of which are shown below:

(Brokerage Commission)

Brokerage commission on equity securities was 879 million yen (down 14.6% from the same period of previous fiscal year). Total amount of brokerage commission including those on beneficiary securities (Exchange Traded Funds) was 899 million yen (down 13.7% from the same period of previous fiscal year).

(Commission for Underwriting, Secondary Distribution and Solicitation for Selling and Others for Professional Investors)

The amount of commission for underwriting, secondary distribution and solicitation for selling and others for professional investors was 15 million yen (up 19.2% from the same period of previous fiscal year).

(Fee for Offering, Secondary Distribution and Solicitation for Selling and Others for Professional Investors)

The amount of fees for offering, secondary distribution and solicitation for selling and others for professional investors was 917 million yen (up 45.5% from the same period of previous fiscal year), due to an increase of handling of beneficiary securities (investment trusts).

(Other Commission Received)

The amount of other commission received consisting mainly of trailer fee of beneficiary securities (investment trusts) was 472 million yen (up 67.6% from the same period of previous fiscal year).

② Net trading Income

Net trading income of equities, etc. resulted in a loss of 203 million yen (a gain of 26 million yen in the same period of previous fiscal year). Net trading income of bonds etc. resulted in a gain of 3,218 million yen (up 30.1% from the same period of previous fiscal year). Net trading income on other trading consisting mainly of foreign exchange derivatives resulted in a loss of 165 million yen. (a loss of 216 million yen in the same period of previous fiscal year).

As a result, net trading income resulted in a gain of 2,849 million yen (up 24.8% from the same period of previous fiscal year).

③ Net Financial Income

Net financial income increased by 24.3% to 1,320 million yen, as a result of deducting 53 million yen (up 33.6% from the same period of previous fiscal year) of financial expenses from 1,373 million yen (up 24.6% from the same period of previous fiscal year) of financial revenue.

④ Selling, General and Administrative Expenses

Selling, general and administrative expenses were 3,942 million yen (up 9.2% from the same period of previous fiscal year).

⑤ Non-operating Income and Expenses

Non-operating income, consisting mainly of dividend received, totaled 950 million yen (up 11.5% from the same period of previous fiscal year), while non-operating expenses consisting mainly of foreign exchange losses, totaled 122 million yen (down 52.0% from the same period of previous fiscal year).

As a result, net non-operating income amounted to gain of 828 million yen (up 38.5% from the same period of previous fiscal year).

⑥ Extraordinary Income and Loss

Extraordinary income was 2,901 million yen (up 64.5% from the same period of previous fiscal year), as a result of sales of investment securities, while extraordinary loss was 5 million yen (down 95.8% from the same period of previous fiscal year) including loss on retirement of non-current assets.

As a result, net extraordinary income amounted to 2,895 million yen (up 78.5% from the same period of previous fiscal year).

(2) Information on Financial Condition

① Assets

Current assets as of December 31, 2024 were 45,931 million yen and decreased by 2,331 million yen from previous fiscal year end. This is mainly because, while trading products increased by 4,771 million yen, cash and deposits decreased by 4,434 million yen and segregated deposits decreased by 3,446 million yen. Non-current assets as of December 31, 2024 were 33,241 million yen and decreased by 2,030 million yen from previous fiscal year end. The main factor was investment securities decreased by 2,028 million yen.

As a result, the assets as of December 31, 2024 were 79,172 million yen and decreased by 4,361 million yen from previous fiscal year end.

② Liabilities

Current liabilities as of December 31, 2024 were 25,529 million yen and decreased by 1,175 million yen from previous fiscal year end. This is mainly because, while short-term borrowings increased by 320 million yen, income taxes payable decreased by 758 million yen and deposit received decreased by 569 million yen. Non-current liabilities as of December 31, 2024 were 2,165 million yen and decreased by 968 million yen from previous fiscal year end. As a result, the liabilities as of December 31, 2024 were 27,716 million yen and decreased by 2,141 million yen from previous fiscal year end.

③ Net Assets

Within net asset, while retained earnings increased by 142 million yen, valuation difference on available for sale securities decreased by 2,347 million yen from previous fiscal year end.

As a result, net assets as of current fiscal year end were 51,456 million yen and decreased by 2,219 million yen from previous fiscal year end.

(3) Future Outlook

Consolidated operating revenues are mainly comprised of commissions received and trading income, related to the securities markets, the majority of which are coming from the stock and bond markets. In order to mitigate the impact of favorable or unfavorable conditions in the stock and bond markets on our financial results, we are striving to ensure revenue stability by diversifying our revenue sources. Even so, our business performance may still be affected by trends in the securities markets and may fluctuate significantly. In addition, sharp fluctuations in the domestic and foreign financial instrument markets could result in large valuation gains or losses on financial instruments held by ourselves.

In general, securities markets and foreign exchange markets fluctuate, reflecting variety of factors such as domestic and international political and economic conditions, interest rates, and corporate earnings. Therefore, in order to forecast our consolidated financial results, it is necessary to accurately grasp future market trends while predicting these factors in advance, but the reality is that it is nearly impossible to achieve this. In a situation where such uncertain factors are likely to cause a large discrepancy between forecasts and actual results, daring to disclose forecast of financial results may result in sending a false message to the market, which may impede fair stock price formation.

For the aforementioned reasons, we will not disclose forecast of financial results, but will instead endeavor to disclose financial results as early as possible, and will announce such figures as preliminary figures around the 10th business day after the end of the fiscal year or the end of the quarter, when consolidated financial results are almost finalized.

2.Quarterly Consolidated Financial Statements and Notes

(1)Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	14,389	9,954
Segregated deposits	13,014	9,567
Trading products	17,553	22,325
Trading securities and other	17,550	22,320
Derivatives	2	4
Securities	45	47
Trade date accrual	392	334
Margin transaction assets	2,217	2,118
Margin loans	2,048	1,957
Cash collateral provided for securities borrowed in margin transactions	168	161
Other current assets	659	1,592
Allowance for doubtful accounts	△9	△7
Total current assets	48,262	45,931
Non-current assets		
Property, plant and equipment	1,903	1,892
Buildings	377	380
Land	1,167	1,167
Other	358	344
Intangible assets	60	60
Investments and other assets	33,307	31,288
Investment securities	31,649	29,621
Other	1,729	1,737
Allowance for doubtful accounts	△71	△71
Total non-current assets	35,271	33,241
Total assets	83,534	79,172
Liabilities		
Current liabilities		
Trading products	27	11
Trading securities and other	8	—
Derivatives	19	11
Margin transaction liabilities	344	203
Margin borrowings	174	32
Cash received for securities sold in margin transactions	170	171
Deposits received	14,320	13,751
Short-term borrowings	9,580	9,900
Income taxes payable	1,677	918
Provision for bonuses	250	141
Other current liabilities	504	603
Total current liabilities	26,705	25,529
Non-current liabilities		
Long-term borrowings	500	500
Retirement benefit liability	97	99
Other noncurrent liabilities	2,537	1,566
Total non-current liabilities	3,134	2,165
Reserves under special laws		
Reserve for financial instruments transaction liabilities	19	21
Total reserves under special laws	19	21
Total liabilities	29,858	27,716

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Net assets		
Shareholders' equity		
Share capital	5,251	5,251
Capital surplus	4,774	4,771
Retained earnings	40,276	40,418
Treasury shares	△863	△863
Total shareholders' equity	49,438	49,578
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,225	1,877
Total accumulated other comprehensive income	4,225	1,877
Non-controlling interests	11	—
Total net assets	53,675	51,456
Total liabilities and net assets	83,534	79,172

(2) Quarterly Consolidated Income Statements and Quarterly Consolidated Comprehensive Income Statements

(Quarterly Consolidated Income Statements)

(Nine Months Ended December 31, 2024)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Operating revenue		
Commission received	1,968	2,304
Brokerage commission	1,043	899
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	12	15
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	630	917
Other commission received	281	472
Net trading income	2,283	2,849
Financial revenue	1,101	1,373
Other operating revenue	18	△8
Total operating revenue	5,372	6,518
Financial expenses	39	53
Net operating revenue	5,333	6,465
Selling, general and administrative expenses		
Trading related expenses	436	511
Personnel expenses	2,088	2,312
Real estate expenses	382	381
Office expenses	405	416
Depreciation	63	58
Taxes and dues	139	168
Other	92	91
Total selling, general and administrative expenses	3,609	3,942
Operating profit	1,723	2,523
Non-operating income		
Dividend income	612	805
Gain on investments in investment partnerships	192	87
Other	47	57
Total non-operating income	852	950
Non-operating expenses		
Foreign exchange losses	228	77
mediation settlement	3	30
Other	22	14
Total non-operating expenses	254	122
Ordinary profit	2,321	3,351

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Extraordinary income		
Gain on sale of investment securities	1,764	2,901
Total extraordinary income	1,764	2,901
Extraordinary losses		
Loss on sale of investment securities	139	—
Loss on retirement of non-current assets	2	4
Provision of reserve for financial instruments transaction liabilities	0	1
Total extraordinary losses	142	5
Profit before income taxes	3,943	6,247
Income taxes - current	1,186	1,854
Income taxes - deferred	29	102
Total income taxes	1,215	1,957
Profit	2,728	4,290
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	2,727	4,289

(Quarterly Consolidated Comprehensive Income Statements)

(Nine Months Ended December 31, 2024)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	2,728	4,290
Other comprehensive income		
Valuation difference on available-for-sale securities	1,962	△2,348
Total other comprehensive income	1,962	△2,348
Comprehensive income	4,690	1,941
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,689	1,940
Comprehensive income attributable to non-controlling interests	0	0

(3) Notes to Quarterly Consolidated Financial Statements

(Notes to Changes of Accounting Policies)

(Application of "Accounting Standard for Current Income Taxes", etc.)

"Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "Revised Accounting Standard 2022"), etc. have been adopted from the beginning of the first quarter ended June 30, 2024.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "Revised Implementation Guidance 2022"). This change in accounting policies has no impact on the quarterly consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for the tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of the first quarter ended June 30, 2024. This change in accounting policies was applied retrospectively. Hence, the quarterly consolidated financial statements for the same quarter of the prior fiscal year and the consolidated financial statements for the prior fiscal year have been modified retrospectively. This change in accounting policies has no impact on the quarterly consolidated financial statements for the same quarter of the prior fiscal year and the consolidated financial statements for the prior fiscal year.

(Notes to Segment Information)

【Segment information】

Nine months ended December 31, 2023 (April 1, 2023 to December 31, 2023) and nine months ended December 31, 2024 (April 1, 2024 to December 30, 2024)

This information is omitted because Kyokuto Securities Co., Ltd. and its group companies are considered to have a single segment, "Investment and financial services business".

(Notes in the Event of Substantial Changes in Shareholders' Equity)

None.

(Notes Concerning Going Concern Assumption)

None.

(Notes to Quarterly Consolidated Cash Flow Statement)

Quarterly Consolidated Cash Flow Statement for nine months ended December 31, 2024 has not been prepared. Depreciation and amortization (including amortization related to intangible assets) for nine months ended December 31, 2024 is as follows;

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Depreciation	63	58

【Referential Data】

1. Referential Data on Consolidated Financial Results for the Nine Months Ended December 31, 2024

(1) Commission Received

① Commission received by sources

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Change		FY2023
			Amount	%	
Brokerage commission	1,043	899	△143	△13.7	1,534
(Equities)	(1,029)	(879)	(△150)	(△14.6)	(1,512)
(Bonds)	(-)	(-)	(-)	(-)	(-)
(Beneficiary securities)	(13)	(20)	(6)	(51.8)	(21)
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	12	15	2	19.2	15
(Equities)	(12)	(15)	(2)	(19.2)	(15)
(Bonds)	(-)	(-)	(-)	(-)	(-)
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	630	917	286	45.5	873
Other commission received	281	472	190	67.6	399
Total	1,968	2,304	336	17.1	2,822

② Commission received by instruments

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Change		FY2023
			Amount	%	
Equities	1,045	896	△148	△14.2	1,531
Bonds	0	0	0	109.0	0
Beneficiary securities	910	1,381	470	51.7	1,273
Other	12	25	13	112.8	17
Total	1,968	2,304	336	17.1	2,822

(2) Net Trading Income

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Change		FY2023
			Amount	%	
Equities, etc.	26	△203	△230	―	39
Bonds, etc.	2,473	3,218	744	30.1	3,716
Other	△216	△165	51	―	△352
Total	2,283	2,849	565	24.8	3,402

(3) Consolidated Income Statement for the Latest Five Quarters

(Millions of yen)

	Quarter ended December 31, 2023	Quarter ended March 31, 2024	Quarter ended June 30, 2024	Quarter ended September 30, 2024	Quarter ended December 31, 2024
I. Operating revenue	1,360	2,357	2,641	1,655	2,220
1 Commission received	672	854	796	760	746
2 Net trading income	427	1,119	1,344	595	909
3 Financial revenue	260	383	496	316	560
4 Other operating revenue	0	0	4	△17	4
II. Financial expenses	11	13	14	20	18
Net operating revenue	1,349	2,343	2,627	1,635	2,202
III. Selling, general and administrative expenses	1,174	1,116	1,380	1,222	1,339
1 Trading related expenses	144	146	179	165	167
2 Personal expenses	677	560	817	691	804
3 Real estate expenses	119	125	130	125	125
4 Office expenses	133	144	137	144	133
5 Depreciation	21	21	19	19	19
6 Taxes and dues	37	60	62	52	54
7 Provision of allowance for doubtful accounts	―	―	2	△2	―
8 Other	39	57	30	26	34
Operating profit	174	1,227	1,247	413	862
IV. Non-operating income	84	303	494	△26	482
V. Non-operating expenses	8	146	82	195	△155
Ordinary profit	251	1,384	1,659	191	1,501
VI. Extraordinary income	282	1,015	760	1,264	877
VII. Extraordinary losses	14	93	5	0	0
Profit/Loss before income taxes	520	2,306	2,414	1,454	2,378
Income taxes - current	133	686	616	635	603
Income taxes - deferred	43	6	133	△141	110
Profit	342	1,613	1,664	961	1,664
Profit attributable to non-controlling interests	0	0	0	0	―
Profit attributable to owners of parent	342	1,613	1,664	960	1,664

2. Referential Data on Financial Results for the Nine Months Ended December 31, 2024

(1) Capital Adequacy Ratio

(Millions of yen)

			As of December 31, 2023	As of December 31, 2024	As of March 31, 2024
Basic items		(A)	43,355	44,769	42,388
Complementary items	Valuation difference on available for sale securities, etc.		2,541	1,714	3,789
	Reserve for financial products transaction liabilities reserves under special laws		14	21	19
	Allowance for doubtful accounts		10	7	9
	Total	(B)	2,566	1,743	3,818
Deductible assets		(C)	9,139	11,064	10,091
Unfixed net capital	(A)+(B)−(C)	(D)	36,782	35,448	36,115
Amount of risk correspondents	Amount of risk correspondents		5,278	6,229	6,014
	Trade party risk equivalent		249	290	192
	Basic risk equivalent		1,130	1,242	1,207
	Total	(E)	6,657	7,762	7,413
Capital adequacy ratio		(D)/(E)×100%	552.4%	456.6%	487.1%

(2) Number of Directors/Auditors and Employees

(persons)

	As of December 31, 2023	As of December 31, 2024	As of March 31, 2024
Directors and auditors	10	10	10
Employees	229	226	226