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April 25, 2025

Consolidated Financial Results for the Year Ended March 31, 2025 (Under Japanese GAAP)

Company Name	AIZAWA SECURITIES GROUP CO., LTD.
Listed Stock Exchange	Tokyo Stock Exchange Prime Market
Securities Code	8708
URL	https://www.aizawa-group.jp/
Representative	Takuya Aizawa, President & Representative Director
Inquiries	Koji Omichi, Director & Executive Officer

Scheduled date of annual meeting of shareholders	June 26, 2025
Scheduled date of filing financial report	June 24, 2025
Scheduled date of dividend payment	June 06, 2025
Supporting explanatory documents on financial results	YES
Briefing on financial results (for institutional investors & analysts)	YES

(All figures are rounded off to the nearest million)

1. Consolidated financial summary (From April 1, 2024 to March 31, 2025)

(1) Consolidated business results

(% represents year-on-year change)

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2025	20,588	8.5	20,022	10.1	1,886	62.7	2,571	32.4	3,172	6.6
Year ended March 31, 2024	18,980	48.8	18,191	49.0	1,159	—	1,941	—	2,975	—

Note: Comprehensive income Year ended March 31, 2025: 2,136million yen (-66.5% vs same term previous year)
Year ended March 31, 2024: 6,369million yen (-% vs same term previous year)

	Earnings per share	Diluted earnings per share	Return on equity	Return on assets	Gross profit margin
	yen	yen	%	%	%
Year ended March 31, 2025	100.20	—	6.3	2.5	9.2
Year ended March 31, 2024	79.39	—	5.6	1.7	6.1

Note:
1. Equity gain (loss) of affiliated companies As of March 31, 2025: -- million yen As of March 31, 2024: -- million yen
2. We have introduced ESOP, and average number of company's share bought under this program for the period under review are being accounted under company's own treasury shares.

(2) Consolidated financial position

	Total assets	Net assets	equity ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2025	109,529	47,599	40.7	1,433.95
As of March 31, 2024	124,119	58,657	44.8	1,498.42

Note: equity
As of March 31, 2025: 44,564 million yen As of March 31, 2024: 55,654 million yen

(3) Consolidated cash flow

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash & cash equivalents at the end of period
	million yen	million yen	million yen	million yen
FY ended March 31, 2025	(5,759)	1,180	(4,886)	13,161
FY ended March 31, 2024	8,447	1,478	(1,519)	22,709

2. Dividends

	Dividend per share					Total annual dividends	Dividends payout ratio (Consolidated)	Net assets dividend ratio (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Annual Total			
	yen	yen	yen	yen	yen	million yen	%	%
FY ended March 31, 2024	—	13.00	—	26.00	39.00	1,489	49.1	2.7
FY ended March 31, 2025	—	48.00	—	48.00	96.00	3,063	95.8	6.5

Note

	Interim dividend per share		Year-end dividend per share	
	Ordinary dividend (yen)	Special dividend (yen)	Ordinary dividend (yen)	Special dividend (yen)
Fiscal year ending March 31, 2026 (F)	TBD	35.00	TBD	35.00
Fiscal year ending March 31, 2027 (F)	TBD	35.00	TBD	35.00
Fiscal year ending March 31, 2028 (F)	TBD	35.00	TBD	35.00

※The above special dividend amount is an estimated amount based on certain assumptions (hypotheses) and future projections, current available information. This may change in the future due to changes in regulations on the distributable amount or other legal restrictions, changes in the business environment and other circumstances.

3. Earning forecast for the fiscal year ending March 31, 2026 (Consolidated)

The Group operates principally in the financial securities business, and its operating results are likely to be affected by economic and market fluctuations. Due to such nature of its business and consequential difficulty in predicting its performance, the group does not disclose the forecast of operating results. Such forecasts may mislead the investors. Instead of it, as we finalize the financial results, we release the preliminary numbers for the quarterly and yearly results.

※ Notes

(1) Important changes in subsidiaries during the term NO
(Changes pursuant to the subsidiaries that lead to a change in the scope of consolidation)
New: None Exclusion: None

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatements
1) Changes in accounting policies based on revisions of accounting standard YES
2) Changes in accounting policies other than item 1)above NO
3) Change in accounting estimates NO
4) Retrospective restatements NO

(3) Number of issued shares (Common stock)
1) Number of shares issued at the end of the term including treasury shares
As of March 31, 2025: 39,525,649 shares As of March 31, 2024: 47,525,649 shares
2) Number of treasury shares at the end of the term
As of March 31, 2025: 8,447,423 shares As of March 31, 2024: 10,383,274 shares
3) Average number of shares outstanding (Cumulative)
As of March 31, 2025: 31,661,657 shares As of March 31, 2024: 37,484,920 shares

(Reference)

1. Financial summary (From April 1, 2024 to March 31, 2025)

(1) Business results

(% represents year-on-year change)

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2025	3,048	273.9	3,048	273.9	2,065	—	2,032	—	1,750	—
Year ended March 31, 2024	815	(3.4)	815	(3.4)	4	—	147	61.7	53	—

	Earnings per share	Diluted earnings per share
	yen	yen
Year ended March 31, 2025	55.28	—
Year ended March 31, 2024	1.43	—

Note:
1. We have introduced ESOP, and average number of company's share bought under this program for the period under review are being accounted under company's own treasury shares.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2025	47,712	34,772	72.9	1,118.86
As of March 31, 2024	48,950	46,041	94.1	1,239.59

Note: Shareholders' equity
As of March 31, 2025: 34,772 million yen As of March 31, 2024: 46,041 million yen

※ This consolidated financial summary is not subject to review procedures by certified public accountants or audit corporations.

※ **Explanation on forecasts**

The group operates principally in the financial securities business, and its operating results are likely to be affected by market fluctuations. Due to such nature of its business and difficulty in predicting its performance, group does not forecast on business results and dividends. At the end of the term, we release the preliminary numbers, as we finalize the financial results.

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1. Financial results for the Year ended March 31, 2025

(1) Explanation of the business results

For the reporting fiscal year (April 1, 2024 to March 31, 2025), global stock markets experienced mixed performance across regions. U.S. and Chinese equities posted notable gains, supported by a resilient U.S. economy, the FOMC's rate-cutting cycle, and China's aggressive fiscal and monetary stimulus. In contrast, Japanese and major ASEAN equity markets (excluding Singapore) remained sluggish.

U.S. equities experienced broad-based sector rotation, fueled by accelerating investment in generative AI and heightened expectations for pro-business policies under a second Trump administration. As a result, the three major indexes, the Dow Jones Industrial Average, the S&P 500, and the Nasdaq Composite all hit record highs. However, from March 2025, the market entered a correction phase, driven by rising concerns over the reintroduction of tariff measures under a second Trump presidency.

The Japanese equity market experienced high volatility amid a mix of supportive and negative factors, including expectations for an exit from deflation, rising wages, a weakening yen, and ongoing geopolitical uncertainties. For the reporting period, Nikkei 225 posted a decline of 11.8%. Uncertainty surrounding the U.S. economic outlook and concerns over potential U.S. tariffs on Japanese automobiles, both weighed heavily on market sentiment.

In the Asian stock markets, performance varied by country due to China's economic stimulus, global instability, and country-specific factors. In this context, for the reporting period China's Shanghai Composite Index and Hong Kong's Hang Seng Index rose significantly by +9.7% and +39.8%, respectively. This was mainly due to large-scale stimulus measures announced by China, including interest rate cuts, initiatives to boost housing demand, equity market support measures, and efforts to resolve hidden local government debts. On the other hand, ASEAN markets generally underperformed due to uncertainty around U.S. monetary and trade policy, fiscal deterioration in Indonesia, and political instability in Thailand. Whereas some resilience was seen in Vietnam being VN Index maintaining the positive return territory.

Under these circumstances, our group is pursuing various initiatives based on the mid-term management plan "Define Next 100 - More for Customers," which started in FY2022. In the reporting period, the final year of our plan, we made meaningful progress by adopting a goal-based sales approach centered on recurring revenue products such as mutual funds and wrap accounts, aiming to serve as a long-term partner in building generational wealth for our clients and their families.

The Group company, along with its core financial securities business, operates investment business and asset management business. Progress and initiatives of each business segment are as below:

[Financial securities business]
AIZAWA SECURITIES CO., LTD., which manages the financial securities business, aims to be the client's long-term partner in building generational wealth. Using a goal-based sales approach, it will support clients in achieving their life plans, dreams, and future goals as financial service professionals. As part of efforts to support clients in building their wealth, the company has been working to increase the Asset Under Custody (AUC) generating recurring income. As of the end of March 2025, total AUC was 1.9661 trillion yen, with AUC generating recurring income accounting for 423.3 billion yen.
As part of our platform business, the company has been enhancing partnerships with regional banks, insurance agencies, and other companies. This year, the company signed a client referral agreement with Shimada Kakegawa Shinkin Bank, completed a company split agreement (simple absorption type split) with THE SAGA KYOEI BANK, LTD., and entered into a business outsourcing agreement with JR Kyushu Insurance Consulting Co., Ltd., a member of the JR Kyushu Group, for financial product intermediation. From April 2024, it began offering the goal-based wrap service "Mirai Sekkei" in partnership with The Imamura Securities Co., Ltd., which has been entrusted with the role of intermediary for discretionary investment contracts. Recognizing the platform business as an essential channel for reaching clients focused on wealth building, we plan to further enhance this channel.
To focus on business model 'Your Long-term Partner in Building Generational Wealth', the company decided to concentrate on its resources and discontinue the underwriting business segment by the end of March 2028.
As part of its sustainability initiatives, the company is collaborating with regional financial institutions,

educational organizations, and regional governments to promote regional revitalization efforts and investment literacy education. In February 2025, the Company signed a comprehensive agreement with Ome City, Tokyo, to enhance local and regional revitalization efforts. It is fifth such alliance made with local government.

[Investment business]
AIZAWA Investments Co., Ltd. investments in public listed securities, targeting local and global growth companies as well as listed companies with stable expected returns, including dividends. Additionally, it invests in promising ventures companies and supports their future path towards public listing. It also makes investments in domestic and global venture capital funds, buyout funds, private debt funds, mezzanine funds, hedge funds, and real estate development funds. It also makes direct investments in domestic real estate, primarily by holding residential properties in the Tokyo metropolitan area to generate rental income.

[Asset management business]
AIZAWA ASSET MANAGEMENT Co., Ltd., operating in the asset management business, strives to be "the most desired alternative asset management company in Japan." It focuses on managing alternative assets, particularly in the areas of private equity and hedge funds. Its aim is to become a leading company in the field of "secondary investment in private equity" in Japan and is actively working to increase awareness both domestically and globally.

We plan to return a total of more than 20 billion yen to shareholders between March 2025 & March 2028 through dividends (ordinary and special dividends) and share buybacks. (approximately 10 billion yen as special dividends and approximately 10 billion yen as ordinary dividends and share buybacks).
Notes:
1. *The amount of the special dividend is based on estimates assuming the number of shares as of 26 April, 2024. This may change in the future due to changes in regulations on the distributable amount or other legal restrictions, changes in the business environment and other circumstances.*
2. *The Company conducted a buyback of 6,163,900 shares amounting to 10,775 million yen between the period of April 21, 2024 and June 18, 2024.*

Meanwhile on March 14, 2025, the Company disposed 8,000,000 shares of treasury stock.

Additionally, the Company plans to issue bonds totaling up to 30 billion yen over a two-year period, from October 28, 2024 (effective date) to October 27, 2026, following the filing of a shelf registration for the bonds on October 18, 2024. The purpose of this bond issuance is to enhance financial stability by diversifying funding methods and to establish a framework that enables the flexible procurement of funds necessary for the future growth of the Group.

The Group will continue to strive for sustainable growth and mid-to long-term enhancement of corporate value by leveraging the strengths of each subsidiary.

For the reporting period, operating revenue was 20,588 million yen (+8.5%); operating profit was 1,886 million yen (+62.7%); ordinary profit was 2,571 million yen (+32.4%); and net profit attributable to owners of parent was 3,172 million yen (+6.6%).
(Percentage indicates a year-on-year change. The same shall apply hereinafter in this section)

For the Year ended March 31, 2025, break-down of business results are as follow;

（Commission received）

For the financial year ended March 2025, Total commissions received increased by 7.3% to 14,190 million yen. Details are as follow:

1) Brokerage commission
Declined by 14.3% to 5,769 million yen due to decline in the trade value of equities.

2) Commission from underwriting, secondary distribution and solicitation towards professional investors
Increased by 221.6% to 32 million yen due to increase in underwriting of domestic equities.

3) Fee from offering, secondary distribution and solicitation towards professional investors
Increased by 24.2% to 3,274 million yen due to increase in the sales of mutual funds.

4) Other fees received
Increased by 33.1% to 5,114 million yen due to increase in the investment advisory fees of Fund Wrap.

(Net trading income)
For the financial year ended March 2025, Net trading income declined by 29.4% to 3,025 million yen.
Details are as follow:

1) Equities
Declined by 31.7% to 2,511 million yen due to decline in the trading value of foreign equities OTC trades.

2) Bonds
Declined by 15.0% to 172 million yen due to decline handling of foreign bonds.

3) Others
Declined by 16.0% to 341 million yen due to decline in income from forex trades.

(Net financial income)
Net financial income increased by 32.4% to 785 million yen. Under this category, income increased by 30.6% to 885 million yen due to increase in interest income, expenses increased by 17.5% to 99 million yen due to increase in marginal trading expense.

(Other operating revenue and expenses)
Other operating revenues increased by 214.7% to 2,486 million yen due to increase in sales of operational investment securities. Other operating expenses declined by 33.7% to 466 million yen, mainly due to decline in cost of sales of operating investment securities.

(Selling, general and administrative expenses)
Selling, general and administrative expenses increased by 6.5% to 18,135 million yen due to an increase in trade related expenses and office expenses.

(Non-operating profit and losses)
Non-operating profit declined by 12.5% to 684 million yen. Under this category, income were 884 million yen including the dividend income of 468 million yen and profit distributions of 256 million yen. While expenses under this category were 199 million yen including the interest expenses of 128 million yen and 27 million yen loss on foreign currency transaction.

(Extraordinary profit and losses)
Total extraordinary profit was 2,079 million yen. Under this category, income were 2,345 million yen including gain from sale on investment securities. While losses were 266 million yen including 256 million yen loss on redemption of investment securities.

(2) Explanation of the financial results
(All comparisons in this section (2) are with the end of previous consolidated fiscal year)

(Assets)
As of at the end of the period under review, total assets were 109,529 million yen, decline of 14,590 million yen. This was due to a decline of 9,586 million yen in cash and deposits; decline of 2,848 million yen in cash segregated deposit for customers; decline of 1,731 million yen in margin transaction assets.

(Liabilities)
As of at the end of the period under review, total liabilities were 61,929 million yen, and decline of 3,532 million yen. This was due to a decline of 5,516 million yen in deposits received and decline of 2,590 million yen in margin transaction liabilities, accompanied by issuance of short-term bond of 6,000 million yen.

(Net assets)
As for the period under review, total net assets were 47,599 million yen, a decline of 11,057 million yen. This was due to a decline of 7,247 million yen in retained earnings; decline of 1,368 million yen in valuation difference on available-for-sale securities; an increase of 2,329 million yen in treasury stocks.

(3) Explanation of the cash flows

For the financial year ended March 2025, Cash and cash equivalents declined by 9,547 million yen to 13,161 million yen. Details are as follow:

(Cash flow from operating activities)
Net cash used by operating activities was 5,759 million yen. This was mainly due to a decline in cash segregated as deposit for customers, deposits received and margin transaction liabilities.

(Cash flow from investing activities)
Net cash provided by investingactivities was 1,180 million yen. This was mainly due to the purchase and sale of investment securities.

(Cash flow from financing activities)
Net cash used in financing activities was 4,886 million yen. This was mainly due to the buyback of shares and the issuance of short-term bonds.

(4) Explanation on the forecast of consolidated business results

The group operates principally in the financial securities and investments business. In this industry, there exist uncertainties due to, but not limited, economic and market conditions. Group tries to monitor and calculate such market risks and its effects on the business results. Due to such nature of its business and consequential difficulty in predicting its performance, the group does not disclose the forecast of business results. Instead of it, as we finalize the financial results, we release the preliminary numbers for the quarterly and yearly results.

2. Management Policy

(1) Core management policies

The group company is a holding company engaged in the financial securities business, investment business, and asset management business. We have defined our "Meaning of our existence" as Purpose, "Our ideal state" as Vision, and "Our key values" as Values that guide all our actions. We have also established a course of action "AIZAWA Declarations" that outlines our commitment to all the stakeholders. Our "Purpose, Vision, Values", and "AIZAWA Declarations" serve as the foundation of everything we do. Guided by these principles, our entire team remains focused on making efforts to be your long-term partner in building generational wealth.

Purpose (Meaning of our existence)
"More Prosperity to More People"

Vision (Our ideal state)
"Your Long-Term Partner in Building Generational Wealth"

Values (Our key values)

Challenge	*Taking action, Growth, Transformation*
Relationship	*Trust, Sympathy, Peace of mind*
Professionalism	*Integrity, Responsibility, Sense of mission*
Teamwork	*Harmony, Respect, Joining forces*

AIZAWA Declarations

To clients	*We provide financial services with a focus on our clients' future.*
To shareholders	*We strive to enhance our corporate value through achieving sustainable growth.*
To society	*We value connections with local communities and contribute to the development of society.*
To employees	*We respect each employee and support their growth and challenges.*

(2) Key issues to address

In Japan, shift towards “From Saving to Investing” reflects wealth building have become essential in individual's financial journey. We’re seeing growing demand from emerging investors and the semi-affluent for continuous face-to-face communication and advisory. There is a growing demand for a business model toward a long-term advisory approach that stays closely aligned with clients, offering ongoing support and guidance in generating wealth.

To meet these evolving needs, we give all our efforts to be your long-term partner in building generational wealth. We are striving to be trusted lifelong partners by listening to our clients and their families, offering valuable advice on asset management and wealth building, and fostering an ongoing dialogue to secure their financial success for generations to come.

In fiscal year 2025, we introduced a new medium-term management plan spanning three years till march 2028, with the vision of " *Your Long-Term Partner in Building Generational Wealth* ". Through the business strategies outlined below, we will transform our business and revenue model to achieve constant ROE of 8% or more.

① Transform Financial Securities Business

To establish a business model of *" Your Long-Term Partner in Building Generational Wealth "we* will be implementing a goal-based sales approach and deepening our regional ties. We’re dedicated to ongoing support and stay closely aligned with our clients in achieving their life goals and dreams by advising on recurring revenue products through a goal-based sales approach.

To expand our client reach within the wealth-building demographic, we will enhance collaboration with insurance agencies, independent financial advisors (IFAs), regional financial institutions, and corporate partners to accelerate the growth of our platform business.

② Upgrade Investment Business

This proprietary investment business contributes to stabilizing group consolidated performance and enhancing asset profitability. Our strategic focus will be on maximizing medium-term returns. We will align our portfolio and risk management practices with this objective. Our investment universe will include unlisted assets, global opportunities, and real estate, all while maintaining an adequate level of liquidity.

③ Restructure Asset Management Business

The unlisted asset class is gaining significant global traction as its market continues to expand. These investment asset classes often provide attractive risk-adjusted returns relative to listed assets. In line with this trend, we will actively work to grow our assets under management in the unlisted asset space.

3. Basic approach of selecting accounting standards

Company uses Japanese GAAP accounting standards to ensure the comparison with previous terms. In regard to applying the IFRS accounting standards in future, company will take appropriate measures in consideration of various domestic and international situations

4. Consolidated financial statements and major notes

(1) Consolidated balance sheet

(million yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposit	23,991	14,405
Cash segregated as deposits	27,632	24,783
Cash segregated as deposits	27,632	24,783
Other deposits	0	0
Operational investment securities	11,291	11,230
Trading products	232	347
Trading securities and other	232	347
Trade date accrual	1,326	1,294
Margin transaction assets	17,209	15,478
Loans on margin transactions	16,870	15,190
Cash collateral pledged for securities borrowing on margin transactions	339	287
Advances paid	99	521
Advances paid on behalf of customers	69	520
Other advance payments	30	0
Other current assets	2,245	1,985
Total current assets	84,030	70,047
Non-current assets		
Property, plant and equipment		
Buildings (net value)	664	753
Furniture & fixtures (net value)	302	365
Land	717	696
Rental real estate (net value)	9,165	9,259
Others	0	135
Total Property, plant and equipment	10,850	11,211
Intangible assets		
Software	22	21
Others	10	10
Total intangible assets	33	32
Investments and other assets		
Investment securities	26,066	25,208
Net defined benefit asset	1,294	1,263
Others	1,852	1,773
Allowance for doubtful accounts	(11)	(8)
Total investments and other assets	29,201	28,237
Total non-current assets	40,085	39,481
Deferred assets		
Business commencement expenses	3	—
Total deferred assets	3	—
Total assets	124,119	109,529

(million yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Trading products	—	24
Trading securities and other	—	24
Margin transaction liabilities	7,312	4,722
Borrowings on margin transactions	6,505	4,173
Cash received for securities lending on margin transactions	807	548
Loans payable secured by securities	1,401	482
Cash received on debt credit transaction of securities	1,401	482
Deposits received	28,808	23,291
Deposits from customers	21,757	18,927
Other deposits	7,050	4,363
Guarantee deposits received	5,639	4,350
Short-term loans payable	6,045	8,830
Short-term bonds	—	6,000
Income taxes payable	1,402	851
Provision for bonuses	767	680
Provision for director bonuses	64	66
Other current liabilities	1,510	1,006
Total current liabilities	52,952	50,305
Non-current liabilities		
Long-term borrowings	6,347	6,001
Deferred tax liabilities	5,572	4,994
Provision for share based remuneration	313	349
Other non-current liabilities	115	117
Total non-current liabilities	12,349	11,463
Reserves under special laws		
Reserve for financial instruments transaction liabilities	160	160
Total reserves under special laws	160	160
Total liabilities	65,462	61,929
Net assets		
Shareholders' equity		
Capital stock	8,000	8,000
Capital surplus	8,207	7,828
Retained earnings	35,484	28,237
Treasury shares	(6,179)	(8,508)
Total shareholders' equity	45,513	35,557
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,337	7,968
Foreign currency translation adjustment	746	1,061
Remeasurements of defined benefit plans	58	(22)
Total accumulated other comprehensive income	10,141	9,007
Non-controlling interests	3,002	3,035
Total net assets	58,657	47,599
Total liabilities and net assets	124,119	109,529

(2) Consolidated statements of income and comprehensive income statement

Consolidated statements of income (For the Year ended March 31, 2025)

(million yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Operating revenue		
Commission received	13,224	14,190
Net trading income	4,287	3,025
Financial revenue	677	885
Others	790	2,486
Total operating revenue	18,980	20,588
Financial expenses	84	99
Other operating expenses	704	466
Net operating revenue	18,191	20,022
Selling, general and administrative expenses		
Trading related expenses	3,350	3,869
Personnel expenses	8,911	9,099
Real estate expenses	1,378	1,487
Office expenses	2,414	2,663
Depreciation	216	268
Taxes and dues	311	319
Others	448	428
Total selling, general and administrative expenses	17,031	18,135
Operating profit	1,159	1,886
Non-operating income		
Interest income	158	112
Dividend income	445	468
Profit distributions	178	256
Others	72	46
Total non-operating income	855	884
Non-operating expenses		
Interest expense	41	128
Interest on bonds	—	11
Loss on foreign exchange rate	16	27
Amortization of deferred assets	7	3
Settlement expenses	1	1
Commission for purchase of treasury shares	2	16
Others	3	12
Total non-operating expenses	73	199
Ordinary profit	1,941	2,571
Extraordinary income		
Gain on sales of tangible assets	33	—
Gain on sales of investment securities	2,532	2,345
Total extraordinary income	2565	2,345
Extraordinary losses		
Loss on sales of tangible assets	—	5
Loss on retirement of non-current assets	15	—
Loss on sales of investment securities	13	—
Loss on redemption of investment securities	62	256
Impairment loss	76	4
Provision of reserve for financial instruments transaction liabilities	14	0
Total extraordinary losses	181	266
Profit before income taxes	4,325	4,650
Income taxes – current	1.553	1,456
Income taxes – deferred	(110)	70
Total income taxes	1,443	1,526
Profit	2,882	3,124
Profit (loss) attributable to non-controlling owners	(93)	(48)
Profit attributable to owners of parent	2,975	3,172

Consolidated comprehensive income statement (For the Year ended March 31, 2025)

(million yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Profit (loss)	2,882	3,124
Other comprehensive income		
Valuation difference on available-for-sale securities	2,757	(1,368)
Foreign currency translation reserve	597	461
Remeasurements of defined benefit plans	132	(80)
Total accumulated other comprehensive income	3,487	(987)
Comprehensive income	6,369	2,136
(Description)		
Comprehensive income attributable to owners of parent	6,282	2,038
Comprehensive income attributable to non-controlling interests	87	98

(3) Consolidated statements of change in net assets

(From April 1, 2023 to March 31, 2024)

(million yen)

	Shareholder's equity					Total accumulated other comprehensive income				Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholder's equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefits plan	Total accumulated other comprehensive income		
Balance at the beginning of current period	8,000	8,186	33,447	(5,471)	44,162	6,579	329	(74)	6,834	3,033	54,030
Changes of items during current period											
Dividends of retained earnings			(1,003)		(1,003)						(1,003)
Net profit attributable to owners of parent			2,975		2,975						2,975
Purchase of treasury shares				(791)	(791)						(791)
Restricted shares remuneration		21		48	69						69
Disposal of treasury shares for ESOP				35	35						35
Disposal of treasury shares				—	—						—
Change in retained earnings within the consolidated scope		(0)	65		64						64
Net change in items other than shareholder's equity						2,757	416	132	3,307	(30)	3,276
Total changes of items during period	—	21	2,036	(707)	1,350	2,757	416	132	3,307	(30)	4,626
Balance at end of current period	8,000	8,207	35,484	(6,179)	45,513	9,337	746	58	10,141	3,002	58,657

(From April 1, 2024 to March 31, 2025)

(million yen)

	Shareholder's equity					Total accumulated other comprehensive income				Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholder's equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefits plan	Total accumulated other comprehensive income		
Balance at the beginning of current period	8,000	8,207	35,484	(6,179)	45,513	9,337	746	58	10,141	3,002	58,657
Changes of items during current period											
Dividends of retained earnings			(2,520)		(2,520)						(2,520)
Net profit attributable to owners of parent			3,172		3,172						3,172
Purchase of treasury shares				(10,775)	(10,775)						(10,775)
Restricted shares remuneration		82		52	134						134
Disposal of treasury shares for ESOP		(1)		33	32						32
Disposal of treasury shares		(460)	(7,899)	8,360	—						—
Change in retained earnings within the consolidated scope			—		—						—
Net change in items other than shareholder's equity						(1,368)	315	(80)	(1,134)	32	(1,101)
Total changes of items during period	—	(379)	(7,247)	(2,329)	(9,955)	(1,368)	315	(80)	(1,134)	32	(11,057)
Balance at end of current period	8,000	7,828	28,237	(8,508)	35,557	7,968	1,061	(22)	9,007	3,035	47,599

(4) Consolidated statements of cash flows

(million yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	4,325	4,650
Depreciation	216	268
Amortization of goodwill	69	—
Impairment loss	76	4
Increase (decrease) in provision for bonuses	454	(87)
Increase (decrease) in provision for director's bonuses	64	1
Increase (decrease) in provision share based remuneration	33	36
Increase (decrease) in net defined benefit assets	(77)	(74)
Interest and dividend income	(1,299)	(1,477)
Interest expenses	126	239
Loss (gain) on sales of investment securities	(2,518)	(2,345)
Loss (gain) on redemption of investment securities	62	256
Loss (gain) on sales of non-current assets	(33)	5
Loss on retirement of non-current assets	15	—
Decrease (increase) in cash segregated as deposits for customers	(6,724)	2,848
Increase (decrease) in advance paid	(43)	(422)
Increase (decrease) in trading products-assets	(25)	(114)
Increase (decrease) in trade date accrual	(710)	31
Increase (decrease) in operational investment securities	(493)	458
Increase(decrease) in margin transaction assets	(1,517)	1,731
Increase (decrease) in real-estate rent	(1,205)	(94)
Increase (decrease) in the reserve for financial products transaction liabilities	14	0
Increase (decrease) in deposits received	12,045	(5,516)
Increase (decrease) in trading products-liabilities	(90)	24
Increase (decrease) in margin transaction liabilities	5,796	(2,590)
Increase(decrease) in loans secured by securities	(1,525)	(919)
Increase(decrease) in guarantee deposits received	539	(1,289)
Others	(406)	(490)
Subtotal	7,171	(4,865)
Interest and dividend income received	1,259	1,500
Interest expenses paid	(132)	(237)
Income taxes paid	(330)	(2,157)
Income taxes (paid) refund	479	0
Net cash provided by (used in) operating activities	8,447	(5,759)

(million yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Cash flow from investing activities		
Payments into time deposits	(2,355)	(2,657)
Proceeds from withdrawal of time deposits	2,296	3,065
Purchase of sales of property, plant and equipment	(204)	(479)
Payments for retirement of tangible fixed assets	(15)	—
Proceeds from sale of property, plant and equipment	20	14
Purchase of intangible assets	(11)	(8)
Asset retirement obligations	(22)	(11)
Purchase of investment securities	(1,609)	(2,776)
Proceeds from sale of investment securities	3,100	3,645
Proceeds from redemption of investment securities	237	693
Proceeds from the sale of real estate investments	314	—
Payment for guarantee deposits	(101)	(90)
Proceeds from collection of guarantee deposits	92	30
Proceeds from collection of loans	0	0
Acquisition of long-term prepaid expenses	(262)	(246)
Others	—	0
Net cash provided by (used in) investing activities	1,478	1,180
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(400)	2,785
Proceeds from long-term loans payable	1,150	—
Repayments on long-term loans payable	(391)	(345)
Repayments of lease obligations	(0)	—
Purchase of treasury shares	(791)	(10,775)
Proceeds from sales of treasury shares	35	32
Proceeds from issuance of short-term bonds	—	6,000
Proceeds from non-controlling interests	236	283
Dividend to non-controlling interests	(354)	(349)
Cash dividends paid	(1,004)	(2,517)
Net cash provided by (used in) financing activities	(1,519)	(4,886)
Difference in cash and cash equivalents	461	(82)
Increase (decrease) in cash and cash equivalents	8,868	(9,547)
Cash and cash equivalents at start of period	13,734	22,709
Change in cash and cash equivalents within the scope of consolidation	106	—
Cash and cash equivalents at end of period	22,709	13,161

(5) Notes on consolidated financial statements

(Notes on going concern assumption)
Not applicable.

(Change in accounting policy)
The "Accounting standard for current income taxes, inhabitant taxes, enterprise taxes, etc." (ASBJ Statement No. 27, October 28, 2022, hereinafter referred to as the "2022 revised accounting standards") has been applied from the beginning of the first quarter of the current consolidated accounting period. Regarding the revision of the classification of income taxes, etc. (taxation on other comprehensive income), group is following the transitional measures specified in the paragraph 20-3 of the “2022 revised accounting standards”and the transitional measures specified in the paragraph 65-2 (2) of the "Implementation guidance on accounting standard for tax effect accounting" (ASBJ Guidance No. 28, October 28, hereinafter referred to as the "2022 revised implementation guidance"). There is no impact on the first half consolidated financial statements due to the change in this accounting policy.
Amendments related to the treatment of deferred gains and losses arising from the sale of subsidiary shares between consolidated entities in consolidated financial statements, the guidelines for the application of the 2022 amendments have been implemented from the commencement of the first quarter of the current fiscal period. This alteration in accounting policy has been applied retroactively, thereby affecting the quarterly consolidated financial statements and the consolidated financial statements for the preceding quarter and the prior consolidated fiscal year accordingly. It should be noted that there is no effect on the quarterly consolidated financial statements from the previous year or the consolidated financial statements from the prior consolidated fiscal year because of this change in accounting policy.

(Additional information)
Introduction of ESOP
The company has introduced an Employee Stock Ownership Plan Trust (“ESOP Trust”) from July 22, 2019 with the motive to increase the enterprise value over mid to long term. The Company's stock held by the ESOP Trust is included in treasury shares under net assets with a book value of 546 million yen for 831 thousand shares as of March 31, 2025. The book value and number of treasury stock were 615 million yen and 935 thousand shares, respectively, at the end of the fiscal year ended March 31, 2024.

(Segment information)

Under the holding company structure, group has segregated the business into 3 reportable segments of; “Financial instrument securities business”, “Asset management business” and “Investment business”.
The Group's reportable segments of business are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate their performance.

Segment-wise operating revenue/profit (loss)

The accounting methods used for the reported business segments are same as those used in the preparation of the consolidated financial statements. Profit (loss) of reportable segments are based on operating profit (loss). Inter-segment revenues and transfers are based on prevailing market prices.

(From April 1, 2023 to March 31, 2024)

(million yen)

	Segments				Adjusted amount *1	Amount as on Consolidated statements of income *2
	Financial securities business	Asset management business	Investment business	Total		
Operating revenue						
Revenues from external clients	17,920	270	790	18,980	—	18,980
Inter segment revenues	26	2	32	60	(60)	—
Total	17,946	272	822	19,041	(60)	18,980
Profit (loss)	1,521	(214)	(221)	1,085	73	1,159
Assets	71,677	6,142	41,263	119,083	5,035	124,119
Liabilities	51,242	76	11,372	62,690	2,771	65,462
Others						
Depreciation & amortization	176	4	5	186	30	216
Financial revenue	677	—	—	677	0	677
Financial expense	88	—	—	88	(3)	84

Notes:

*1

1. The segment profit (loss) adjustment of 73 million yen includes 135 million yen in inter-segment eliminations and -62 million yen in corporate expenses that are not allocated to any segment. Corporate expenses are expenses held and incurred by the company as a holding company.

2. The segment assets adjustment of 5,035 million yen includes -43,819 million yen of offsetting elimination of inter-segment receivables and payables and 48,855 million yen of total assets that are not allocated to any segment. Total assets are held by the company as a holding company.

3. The segment liabilities adjustment of 2,771 million yen includes -136 million yen of offsetting elimination of inter-segment receivables and payables and 2,907 million yen of total liabilities that are not allocated to any segment. Total liabilities are held by the company as a holding company.

*2

Segment profit (loss) is adjusted with operating loss in the consolidated statements of income.

(From April 1, 2024 to March 31, 2025)

(million yen)

	Segments				Adjusted amount *1	Amount as on Consolidated statements of income *2
	Financial securities business	Asset management business	Investment business	Total		
Operating revenue						
Revenues from external clients	17,803	402	2,382	20,587	—	20,587
Inter segment revenues	69	21	25	115	(115)	—
Total	17,872	423	2,407	20,703	(115)	20,587
Profit (loss)	255	(116)	1,539	1,678	208	1,886
Assets	61,127	5,835	39,160	106,123	3,405	109,529
Liabilities	40,376	96	10,052	50,525	11,403	61,929
Others						
Depreciation & amortization	227	3	4	235	33	268
Financial revenue	885	—	—	885	0	885
Financial expense	101	—	—	101	(1)	99

Notes:

*1

1. The segment profit (loss) adjustment of 208 million yen includes -1,860 million yen in inter-segment eliminations and 2,069 million yen in corporate expenses that are not allocated to any segment. Corporate expenses are expenses held and incurred by the company as a holding company.

2. The segment assets adjustment of 3,405 million yen includes -44,216 million yen of offsetting elimination of inter-segment receivables and payables and 47,622 million yen of total assets that are not allocated to any segment. Total assets are held by the company as a holding company.

3. The segment liabilities adjustment of 11,403 million yen includes -1,536 million yen of offsetting elimination of inter-segment receivables and payables and 12,940 million yen of total liabilities that are not allocated to any segment. Total liabilities are held by the company as a holding company.

*2

Segment profit (loss) is adjusted with operating loss in the consolidated statements of income.

(Per share information)

	Year ended March 31, 2024	Year ended March 31, 2025
Net assets per share	1,498.42 yen	1,433.95yen
Net income per share	79.39 yen	100.20yen

Notes:

1) Diluted profit (loss) per share is not applicable due to non-existence of potential shares outstanding having dilution effect.
2) Computation of the net income per share is based on following
3) The shares of the company remaining in the trust recorded as treasury stock in shareholders' equity are included in the treasury stock to be deducted in the calculation of the average number of shares during the period in the calculation of net income per share. In calculating net income per share, the average number of treasury stock deducted was 10,040,729 shares in the previous consolidated fiscal year and 15,469,471 shares in the current consolidated fiscal year.

	Year ended March 31, 2024	Year ended March 31, 2025
Net income per share		
Profit attributable to owners of parent (million yen)	2,975	3,172
Profit not attributable to common shareholders (million yen)	—	—
Profit related to common shareholders attributable to owners of parent (million yen)	2,975	3,172
Average number of common stock outstanding during this year (thousands of shares)	37,484	31,661

(Important subsequent events)

Not applicable.

5. Supplementary information

Consolidated business results for the Year ended March 31, 2025

(1) Commission received

A) Breakdown of commission received

(million yen)

		Year ended March 31, 2024 (A)	Year ended March 31, 2025 (B)	Change (B/A)
Brokerage commission		6,735	5,769	85.7%
	Equities	6,642	5,631	84.8%
	Bonds	—	—	—
	Beneficiary securities	93	137	147.3%
Commission from underwriting, secondary distribution and solicitation towards professional investors		10	32	321.6%
	Equities	9	32	358.6%
	Bonds	1	0	50.6%
Fee from offering, secondary distribution and solicitation towards professional investors		2,636	3,274	124.2%
Other fees received		3,842	5,114	133.1%
Total		13,224	14,190	107.3%

B) Product wise breakdown

(million yen)

	Year ended March 31, 2024 (A)	Year ended March 31, 2025 (B)	Change (B/A)
Equities	6,727	5,707	84.8%
Bonds	1	1	94.9%
Beneficiary securities	4,275	5,798	135.6%
Others	2,220	2,683	120.8%
Total	13,224	14,190	107.3%

(2) Net trading income

(million yen)

		Year ended March 31, 2024 (A)	Year ended March 31, 2025 (B)	Change (B/A)
Equities etc.		3,678	2,511	68.3%
Bonds, forex etc.		609	513	84.3%
	Bonds etc.	203	172	85.0%
	Forex etc.	406	341	84.0%
Total		4,287	3,025	70.6%

(3) Comparative quarterly consolidated statements of income

(million yen)

	FY 2024				FY 2025			
	1Q ended June 30	2Q ended Sept.30	3Q ended Dec.31	4Q ended March 31	1Q ended June 30	2Q ended Sept.30	3Q ended Dec.31	4Q ended March 31
Operating revenue								
Commission received	2,983	3,409	2,954	3,877	3,545	3,390	3,779	3,476
Brokerage commission	1,680	1,685	1,423	1,945	1,499	1,324	1,561	1,383
Commission from underwriting, secondary distribution and solicitation towards professional investors	4	1	2	1	1	0	24	6
Fee from offering, secondary distribution and solicitation towards professional investors	507	740	672	716	837	831	826	779
Other fees received	790	981	855	1,213	1,206	1,234	1,367	1,306
Net trading income	1,267	948	969	1,102	1,041	655	823	504
Financial revenue	127	181	145	223	203	249	195	236
Others	209	149	126	304	162	285	882	1,155
Total operating revenue	4,588	4,688	4,195	5,507	4,953	4,580	5,681	5,372
Financial expenses	24	17	16	25	21	20	18	38
Other operating expenses	41	203	254	204	58	205	35	166
Net operating revenue	4,522	4,467	3,923	5,277	4,872	4,354	5,627	5,167
Selling, general and administrative expenses								
Trading related expenses	736	834	793	986	914	903	1,049	1,002
Personnel expenses	2,094	2,318	2,097	2,400	2,347	2,222	2,284	2,244
Real estate expenses	350	344	333	350	364	383	367	371
Office expenses	569	571	618	655	628	639	655	739
Depreciation	48	49	53	64	62	70	65	69
Taxes and dues	31	77	117	84	74	84	79	80
Others	126	121	109	91	130	93	115	88
Total selling, general and administrative expenses	3,958	4,317	4,123	4,632	4,524	4,396	4,618	4,597
Operating profit (loss)	564	149	(199)	645	348	(42)	1,009	570
Non-operating income	279	83	274	217	316	130	229	208
Non-operating expenses	13	13	15	30	52	41	56	49
Ordinary profit	830	220	58	832	612	46	1,182	729
Extraordinary income	156	198	203	2,006	695	1,029	593	26
Extraordinary losses	15	1	13	151	256	10	(0)	(0)
Profit before income taxes	971	418	248	2,687	1,051	1,066	1,776	756
Income tax expenses	259	246	59	877	274	384	497	369
Profit	711	171	189	1,810	777	681	1,278	386
Profit (loss) attributable to non-controlling interests	(22)	(18)	(21)	(29)	(37)	(29)	44	(25)
Profit attributable to owners of parent	734	190	211	1,840	815	711	1,233	412

6. Separate financial statements and major notes

(1) Balance sheet

(million yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposit	1,478	162
Cash segregated as deposits for others	—	102
Cash held in trust	34	99
Short-term loans to subsidiaries & affiliated companies	40	—
Advance payments	278	0
Prepaid expenses	46	65
Accounts receivables	11	7
Income taxes receivable	—	39
Other current assets	0	0
Total current assets	1,889	478
Non-current assets		
Property, plant and equipment		
Building (net amount)	116	186
Equipment (net amount)	55	56
Land	46	46
Total property, plant and equipment	218	290
Intangible assets		
Software	1	1
Total intangible assets	1	1
Investments and other assets		
Investment securities	5,556	6,009
Shares of subsidiaries & affiliated companies	40,839	40,486
Long-term guarantee deposits	419	416
Others	28	32
Allowance for doubtful accounts	(3)	(0)
Total investments and other assets	46,839	46,943
Total non-current assets	47,060	47,234
Total assets	48,950	47,712

(million yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Deposits received	69	134
Short-term loans payable	1,400	3,950
Short-term loan payable to subsidiaries & affiliates	—	1,300
Short-term bonds	—	6,000
Accounts payable	61	109
Accrued expenses	20	26
Income taxes payable	54	4
Provision for director bonuses	61	66
Other current liabilities	21	25
Total current liabilities	1,688	11,615
Non-current liabilities		
Long-term borrowings	500	500
Deferred tax liabilities	714	819
Long-term deposits received	5	5
Total non-current liabilities	1,219	1,324
Total liabilities	2,908	12.940
Net assets		
Shareholders' equity		
Capital stock	8,000	8,000
Capital surplus		
Legal capital reserve	7,863	7,863
Other capital surplus	379	—
Total capital surplus	8,242	7,863
Retained earnings		
Legal reserve for retained earnings	3,202	3,202
Other retained earnings		
General reserve	26,000	6,000
Retained earnings brought forward	4,777	16,108
Total retained earnings	33,980	25,310
Treasury shares	(6,179)	(8,508)
Total shareholders' equity	44,043	32,665
Valuation and translation adjustments		
Valuation difference on available-for-sale-securities	1,997	2,106
Total valuation and translation adjustments	1,997	2,106
Total net assets	46,041	34,772
Total liabilities and net assets	48,950	47,712

(2) Statements of income

(million yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Operating revenue		
Management advisory fee	813	1,046
Dividends from subsidiaries & affiliates	—	2,001
Interest from lending to subsidiaries & affiliated companies	0	0
Financial revenue	1	0
Total operating revenue	815	3,048
Net operating revenue	815	3,048
Selling, general and administrative expenses		
Trading related expenses	7	13
Personnel expenses	561	655
Real estate expenses	105	135
Office expenses	86	77
Depreciation & Amortization	33	37
Taxes and dues	(14)	28
Others	31	36
Total selling, general and administrative expenses	811	983
Operating profit	4	2,065
Non-operating income		
Real estate rental income	0	0
Dividend income	60	79
Dividend income from share lending of subsidiaries & affiliated companies	62	66
Insurance income	20	—
Others	11	10
Total non-operating income	154	157
Non-operating expenses		
Interest paid	8	91
Interest expense on bonds	—	11
Bond issuance expense	—	70
Commission for purchase of treasury shares	2	16
Settlement expenses	—	1
Total non-operating expenses	11	190
Ordinary profit	147	2,032
Extraordinary income		
Gain on sales of tangible assets	2	—
Gain on sales of investment securities	—	89
Total extraordinary income	2	89
Extraordinary losses		
Loss on valuation of shares of subsidiaries & affiliates	—	352
Impairment loss	14	—
Total extraordinary losses	14	352
Profit before income taxes	135	1,768
Income taxes – current	81	3
Income taxes – deferred	0	14
Total income taxes	81	18
Profit	53	1,750