Securities Code: 8708

AIZAWA SECURITIES GROUP CO., LTD.

Financial Results for the Fiscal Year Ended March 31, 2025

April 2025

Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Review of FY25

- In April 2024, as part of efforts to strengthen shareholder returns, the company announced a policy of returning a total of at least 20 billion yen to shareholders between March 2025 & March 2028, of which approximately 10 billion yen will be paid as special dividends.
- Focused on transforming the financial securities business, we accelerated the accumulation of recurring revenue products, including mutual funds and wrap products.
- Assets under custody (AUC) recurring revenue products exceeded 400 billion yen reaching a record high.
- AUC through referral channels increased via financial institution partnerships.
- Overall earnings in the financial securities business were sluggish, partly due to the focus on building up AUC recurring revenue products throughout the fiscal year.
- In February, we made the decision to suspend the underwriting business segment as part of our thorough reform of the financial securities business.
- In the investment business, we recorded gains from both the sale of investment securities and invested funds.
- AUM growth initiatives were undertaken in the asset management business, though results fell short of the goal.

Message from the President

This fiscal year marked the final year of a Medium-Term Management Plan. While we achieved measurable progress in important KPIs such as the accumulation of recurring revenue business model and improvement of the fixed cost coverage ratio, we did not reach ROE target of 8%.
While shift toward a recurring revenue products model is still underway, it remains a fundamental requirement to achieve stable 8% ROE.
The new Medium-Term Management Plan will place renewed emphasis on completing this transition.

Investment business was strong. Both operating revenue and profit increased.

(Million yen)	FY24	FY25	Change vs FY24
Operating revenue	18,980	20,588	+8.5%
Net operating revenue	18,191	20,022	+10.1%
Operating profit	1,159	1,886	+62.7%
Ordinary profit	1,941	2,571	+32.4%
Profit before taxes	4,325	4,650	+7.5%
Profit attributable to owners of parent	2,975	3,172	+6.6%

Financial summary for FY25 [consolidated]

Highlights

For the 4Q, FY25

- Operating revenue decreased by 5.4% compared with 3Q FY25 to 5,372 million yen
- Operating profit decreased by 43.4% compared with 3Q FY25 to 570 million yen
- Ordinary profit decreased by 38.3% compared with 3Q FY25 to 729 million yen
- Profit attributable to owners of parent decreased by 66.6% compared with 3Q FY25 to 412 million yen
- Book-value per share (BPS) at the end of March 2025 was 1,433.95 yen

Financial summary

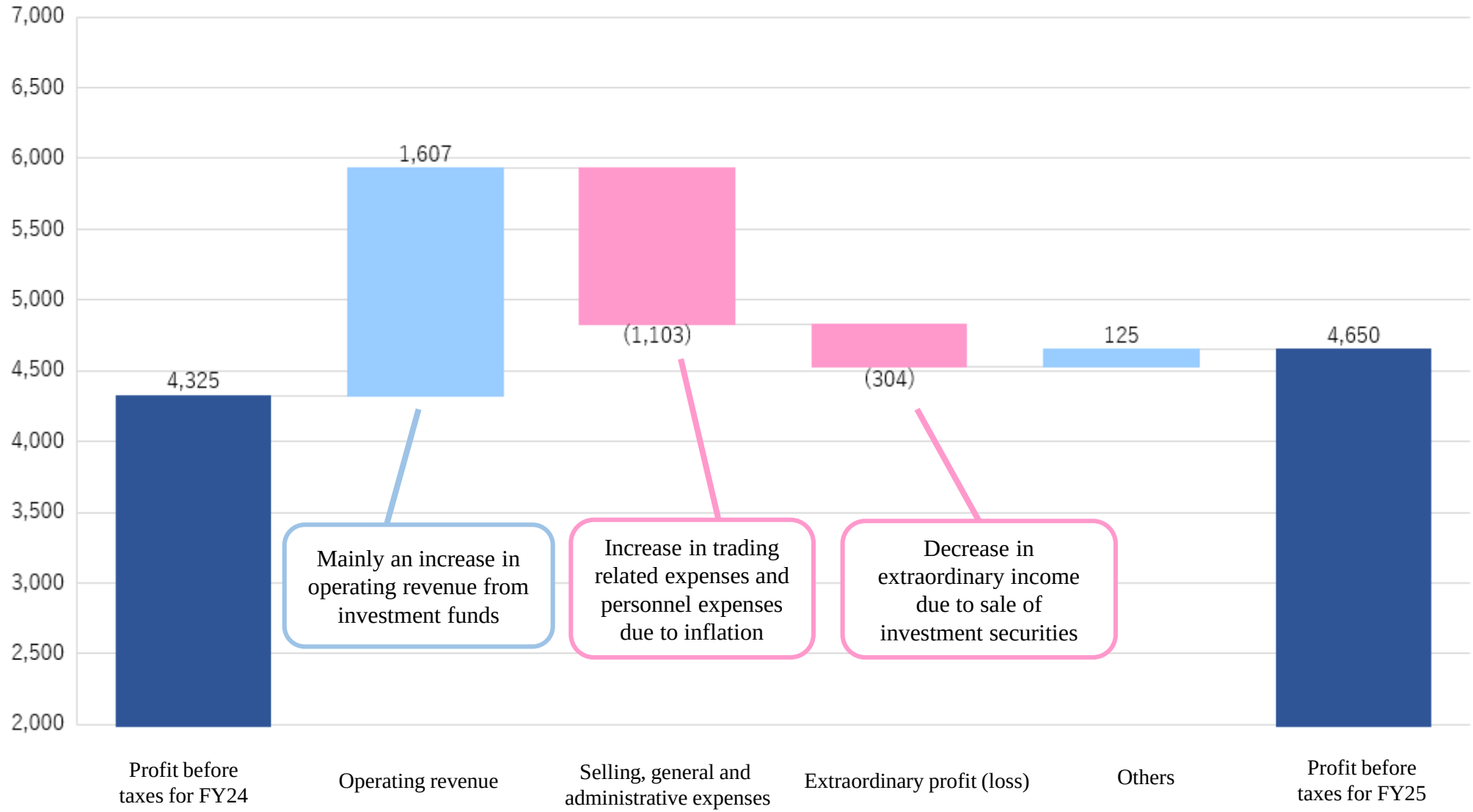
(Million yen)

	FY24 4Q	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	Change vs 4Q/FY24	Change vs 3Q/FY25	FY24	FY25	Change vs FY24
Operating revenue	5,507	4,953	4,580	5,681	5,372	(2.4)%	(5.4)%	18,980	20,588	8.5%
Net operating revenue	5,277	4,872	4,354	5,627	5,167	(2.1)%	(8.2)%	18,191	20,022	10.1%
Selling, general and administrative expenses	4,632	4,524	4,396	4,618	4,597	(0.8)%	(0.5)%	17,031	18,135	6.5%
Operating profit (loss)	645	348	(42)	1,009	570	(11.5)%	(43.4)%	1,159	1,886	62.7%
Ordinary profit (loss)	832	612	46	1,182	729	(12.3)%	(38.3)%	1,941	2,571	32.4%
Profit (loss) before taxes	2,687	1,051	1,066	1,776	756	(71.9)%	(57.4)%	4,325	4,650	7.5%
Profit (loss) attributable to owners of parent	1,840	815	711	1,233	412	(77.6)%	(66.6)%	2,975	3,172	6.6%
Total assets	124,119	123,128	118,622	129,891	109,529	(11.8)%	(15.7)%	-	-	-
Net assets	58,657	48,067	47,492	47,573	47,599	(18.9)%	0.1%	-	-	-
EPS (yen)	49.05	24.33	22.88	39.72	13.28	-	-	79.39	*100.20	-
BPS (yen)	1,498.42	1,450.96	1,427.11	1,434.09	1,433.95	-	-	-	-	-

*Due to the retirement of treasury shares in 4Q FY25, the total of quarterly EPS figures differs from the full-year cumulative EPS.

Factors for changes in profit before taxes for FY25 (Change vs FY24)

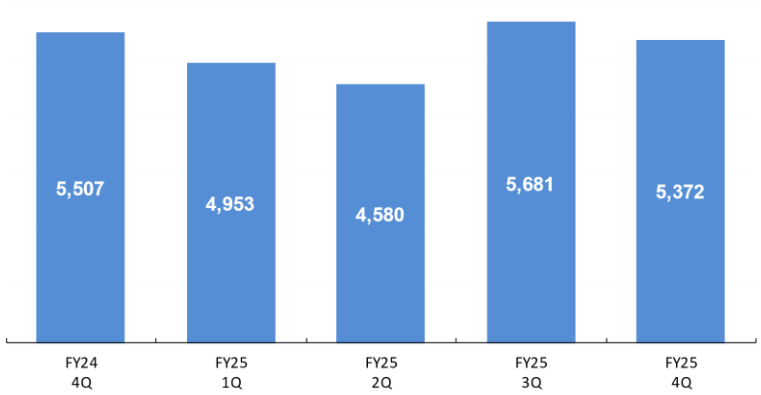
(Million yen)



Financial summary for FY25 [consolidated]

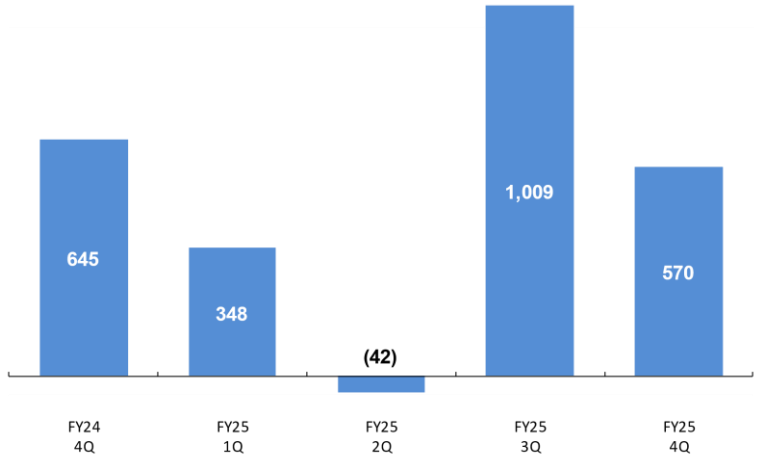
Operating revenue

(Million yen)



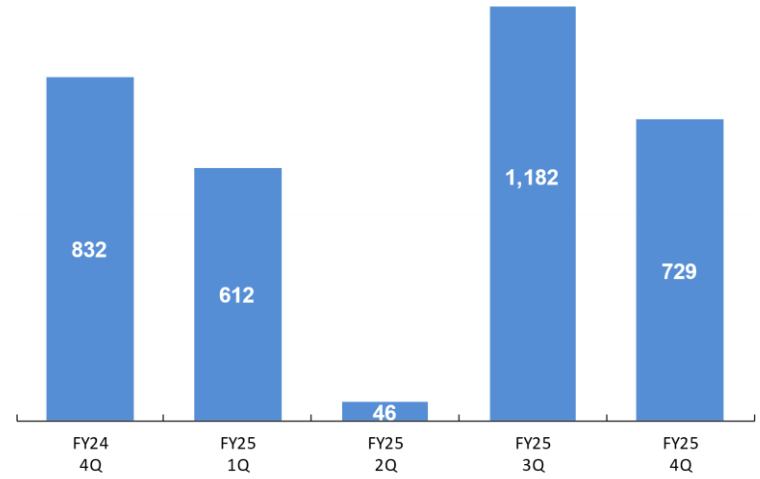
Operating profit (loss)

(Million yen)



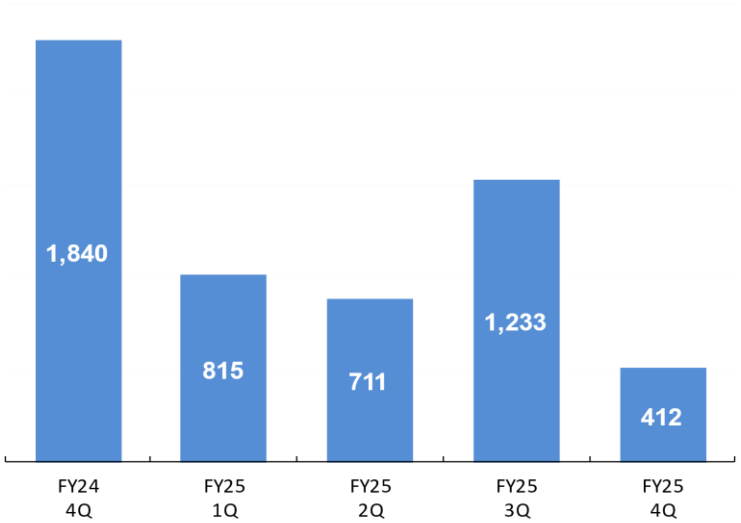
Ordinary profit (loss)

(Million yen)



Profit (loss)

(Million yen)



Financial results for FY25 (summary by segment)

Financial securities business

Offering asset management consulting, etc. to support asset building for clients

	(Million yen)	Change vs FY24
Operating revenue	17,872	(0.4)%
Profit before taxes	362	(75.4)%

- Profit declined due to the transformation of the brokerage-centered business model, deterioration of market conditions, and rising costs caused by inflation

AIZAWA SECURITIES CO., LTD.
LIFE DESIGN PARTNERS CO., LTD.
JSI

Investment business

Proprietary investment in financial securities, real estate and growth companies

	(Million yen)	Change vs FY24
Operating revenue	2,407	+192.9%
Profit before taxes	4,081	+54.1%

- Increase in revenue from investee funds
- Recorded gain from sales of investment securities by rebalancing the portfolio

AIZAWA INVESTMENTS

Asset management business

Providing alternative asset management services mainly to institutional investors

	(Million yen)	Change vs FY24
Operating revenue	423	+55.7%
Profit (loss) before taxes	(131)	-

- Costs associated with managing funds are accounted under asset management business

AIZAWA ASSET MANAGEMENT

Balance sheet [consolidated]

The Company aims to optimize capital structure and build an efficient balance sheet by reducing capital to an appropriate level through share buybacks and special dividends. Additionally, we are implementing a capital efficiency-focused financial strategy through the issuance of bonds.

Balance sheet

(Million yen)

	FY23	FY24	FY25	Change vs FY24
Assets				
Current Assets	63,533	84,030	70,047	(16.6)%
Cash and deposit	14,142	23,991	14,405	(40.0)%
Cash segregated as deposits	20,908	27,632	24,783	(10.3)%
Operational investment securities	10,521	11,291	11,230	(0.5)%
Trading products	207	232	347	49.2%
Trade date actual	615	1,326	1,294	(2.4)%
Margin transaction assets	15,692	17,209	15,478	(10.1)%
Loans on margin transactions	15,314	16,870	15,190	(10.0)%
Advances paid	56	99	521	424.0%
Short-term guarantee deposits	-	-	-	-
Other current assets	1,389	2,245	1,985	(11.6)%
Non-current assets	35,291	40,085	39,481	(1.5)%
Property, plant and equipment	9,936	10,850	11,211	3.3%
Rental properties	8,245	9,165	9,259	1.0%
Intangible assets	100	33	32	(3.8)%
Investments and other assets	25,253	29,201	28,237	(3.3)%
Investments securities	23,439	26,066	25,208	(3.3)%
Allowance for doubtful accounts	(3)	(11)	(8)	-
Deferred assets	10	3	-	-
Organization expenses	0	-	-	-
Start up expenses	9	3	-	-
Total assets	98,835	124,119	109,529	(11.8)%

	FY23	FY24	FY25	Change vs FY24
Liabilities				
Current liabilities	34,365	52,952	50,305	(5.0)%
Trading products	90	-	24	-
Margin transaction liabilities	1,516	7,312	4,722	(35.4)%
Borrowings on margin transactions	726	6,505	4,173	(35.9)%
Loans payable secured by securities	2,927	1,401	482	(65.6)%
Deposits received	16,760	28,808	23,291	(19.1)%
Deposits from customers	14,359	21,757	18,927	(13.0)%
Other deposits	2,400	7,050	4,363	(38.1)%
Guarantee deposits received	5,099	5,639	4,350	(22.9)%
Short-term loans payable	6,445	6,045	8,830	46.1%
Short-term bonds payable	-	-	6,000	-
Non-current liabilities	10,293	12,349	11,463	(7.2)%
Long-term borrowings	5,588	6,347	6,001	(5.4)%
Deferred tax liabilities	4,318	5,572	4,994	(10.4)%
Reserves under special laws	146	160	160	0.0%
Reserve for financial instruments transaction liabilities	146	160	160	0.0%
Total liabilities	44,804	65,462	61,929	(5.4)%
Net assets				
Total shareholder's equity	44,162	45,513	35,557	(21.9)%
Treasury shares	(5,471)	(6,179)	(8,508)	-
Accumulated other comprehensive income	6,834	10,141	9,007	(11.2)%
Valuation difference on available-for-sale securities	6,579	9,337	7,968	(14.7)%
Non-controlling interests	3,033	3,002	3,035	1.1%
Total net assets	54,030	58,657	47,599	(18.9)%
Total liabilities and assets	98,835	124,119	109,529	(11.8)%

Management that is Conscious of Cost of Capital and Stock Price

~ Analyses of cost of capital and stock price valuation ~

- Under the Medium-Term Management Plan “Define Next 100 - More for Customers,” we have been working with the aim of enhancing corporate value and PBR over the medium to long term through various measures.
- Although the numerous KPI targets set forth in the Medium-Term Management Plan are showing progress, the targets were not achieved (for details please refer to next slides). We recognize the fact that the current ROE is below 8%, and we need to strengthen our efforts to further increase corporate value.
- On the other hand, PBR as of the end of FY25 stands at 1.03x. This was because of the efforts made to increase the shareholders return in line with Management that is Conscious of Cost of Capital and Stock Price that was announced.

Cost of capital recognized by the Company

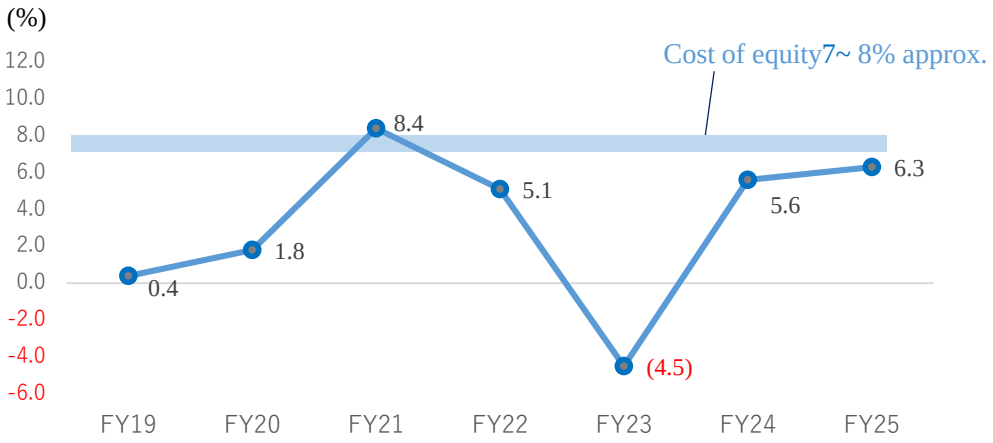
Cost of equity (as of Mar. 31, 2025) estimated7~8% approx.*

*Based on CAPM

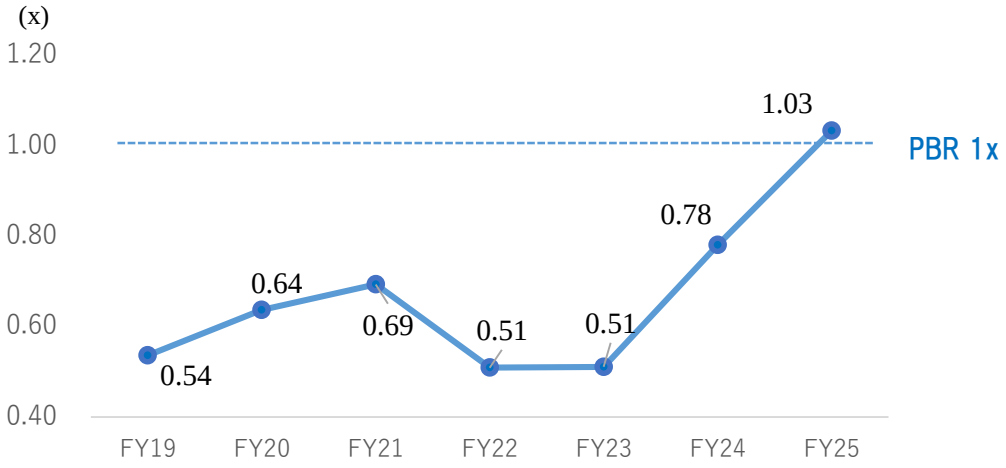
* Cost of equity based on variables of CAPM

Risk free rate:	10-year Japan government bond yield
Market risk premium:	Annualized TOPIX return (with dividends) for past 25 years (excluding 2008, when the Lehman shock occurred)
Beta:	Adjusted beta against TOPIX

ROE



PBR



Management that is Conscious of Cost of Capital and Stock Price

~ Progress on important KPIs ~

- Various measures have been taken in line with the basic policies; “Thoroughly customer oriented,” “shift from a brokerage business to an asset building business,” “expansion of platform business,” and “strengthening the group synergies” under the Medium-Term Management Plan. However, due in part to effects of the recent market fluctuations, the KPIs of the Medium-Term Management Plan were not achieved. We take this outcome seriously and will continue to promote a shift toward a business structure that is not dependent on market trends.
- In order to thoroughly implement Management that is Conscious of Cost of Capital and Stock Price, we recognize the need to further reduce the cost of capital, and increase expected growth rates.

KPI of Medium-Term Management Plan

KPI	Target (for March 31, 2025)	Results (as of March 31, 2025)
ROE	8% or more	6.3%
Fixed charge coverage ratio (Financial securities business)	50% or more	38.5% (Standalone for March 2025) (*Cumulative average for FY25: 43.4%)
AUC (Financial securities business)	2 trillion yen or more	1.9661 trillion yen
Investment securities balance (Investment business)	45.0 billion yen	36.3 billion yen
Secondary fund AUM (Asset management business)	10.0 billion yen	7.1 billion yen

Management that is Conscious of Cost of Capital and Stock Price

~ Specific measures ~

■ The Group is working with specific measures (refer to the following slides) with focus on the three "Improved ROE," "Reduced cost of capital," and "Higher expected growth rates" to improve the PBR and shareholders return by enhancing its corporate value.

1. Improved ROE: Higher profitability in the medium term, improved risk/return in business segments, continuous and appropriate return to shareholders.
2. Reduced cost of capital: Stabilize the revenue and profit level of entire group, enhancement of IR activities.
3. Higher expected growth rates: Improve expected growth rate by strengthening reforms in the financial securities business and improving profitability of the Group.

► Specific measures

Growth strategy	Financial Strategy	IR/Sustainability
Accelerating transformation of financial instrument exchange business (financial securities business)	Increase shareholders return	Increase dialogue with shareholders and investors
Enhance investment & asset management businesses	Utilization of financial leverage	Enhancement of IR contents
Enhance platform business	Improvement and enhancement of capital allocation and return on capital management	Initiatives towards sustainability
Enhance initiatives towards human capital management		

Enhance corporate value / Improve stock valuation

Management that is Conscious of Cost of Capital and Stock Price
~ Growth strategy ~

We are pursuing the following growth strategies for our Financial instrument exchange business (financial securities business), investment business, asset management business and financial instruments intermediary business.

1. Accelerating transformation of financial instrument exchange business (financial securities business) 2. Enhance investment & asset management businesses 3. Enhance platform business 4. Enhance initiatives towards human capital management

Accelerating transformation of financial instrument exchange business (financial securities business)

- Aim to be client's long-term partner in building generational wealth as an investment advisor & follow up professional.
- Strengthen the combined use of three channels: in-house financial advisors, IFAs, and regional financial institutions.
- Emphasize on offering consulting services driven by individuals as our primary strength, while also significantly enhancing goal-oriented sales approaches and regional ties.
- Established "Business Development Division" to collectively promote sales, product planning, IT development, regional initiatives, branding, etc., and accelerate the shift to an earnings structure linked to AUC in the financial securities business.

Enhance investment & asset management businesses

- While maintaining the independent governance of investment business (AIZAWA Investments Co., Ltd.) and asset management business (AIZAWA ASSET MANAGEMENT Co., Ltd.), beginning to integrate the resources related to investment, asset management, risk management.
- Aim to improve overall risk/return of both investment and asset management business.

Enhance platform business

- Developed a Medium-Term Management Plan for the IFA business, targeting an AUC of 500 billion yen through investments in IT and human resource development.
- Appointed a financial institution RM executive officer to strengthen ties with financial institutions. Signed a Company Split Agreement (Simple Absorption-type Split) in September with THE SAGA KYOEI BANK,LTD., regarding the transferring the rights and obligations to the company related to customers financial securities accounts for financial products like public bonds and mutual funds handled by the bank. Discussions are also underway for collaboration with number of regional financial institutions.

Enhance initiatives towards human capital management

- Implementing various measures consistent with SDG Goal 8, "Promoting both job satisfaction and economic growth."

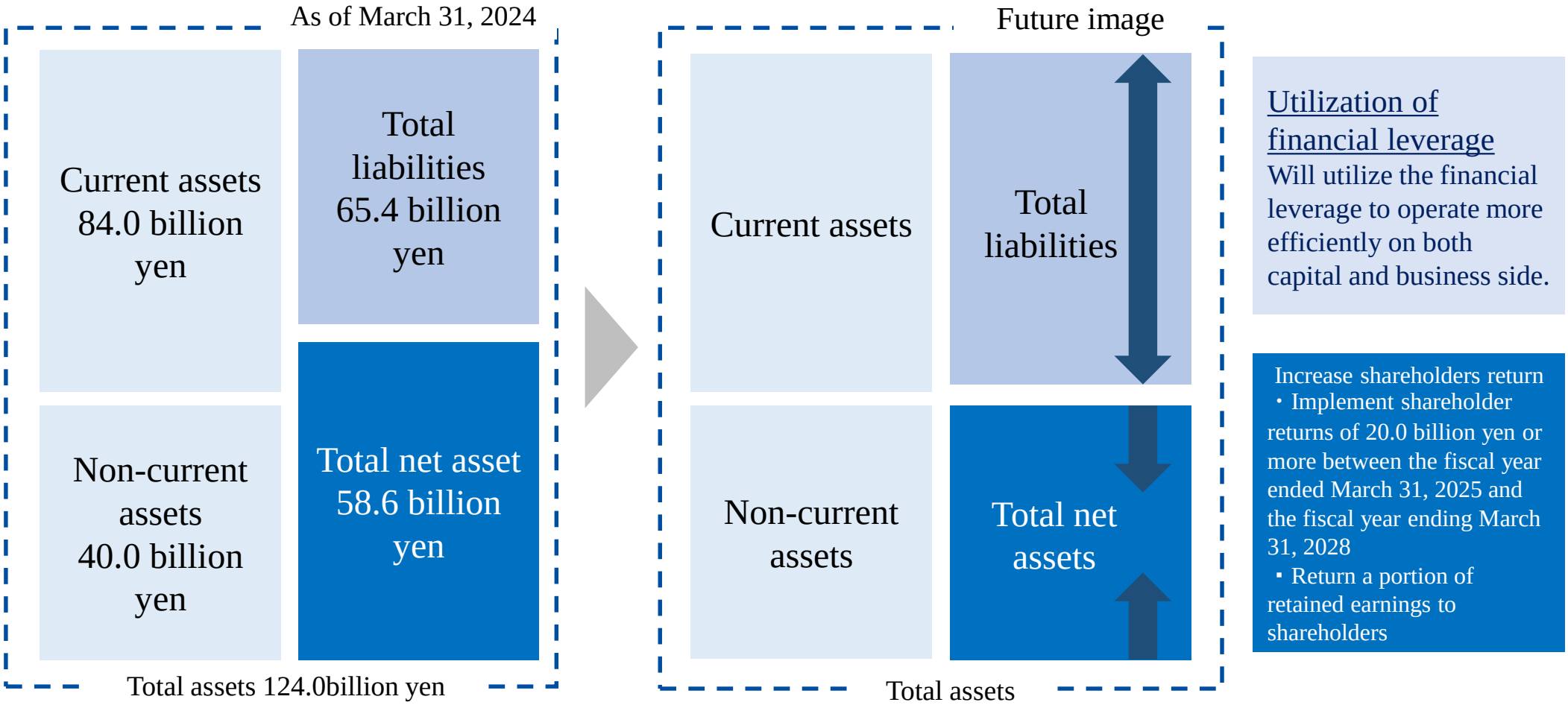
(1) Promoting the Career Development Program (CDP), which emphasizes alignment with management strategies and encourages employees' self-driven growth, while also fostering skill development and career advancement tailored to everyone's aptitude and aspirations.
(2) Implementing training initiatives focused on promoting diversity, particularly aimed at empowering women to advance in their careers.
(3) Prioritizing employee engagement within the organization, we regularly survey all employees and strive to cultivate an environment where they can work vigorously while feeling fulfilled.
(4) Promoting health management of employees. All employees undergo yearly physical checkups and we provide subsidies for complete health checkups and other medical consultations.

Management that is Conscious of Cost of Capital and Stock Price

~ Financial strategy ~

- With the objective to enhance financial stability by diversifying funding sources and the flexible procurement of funds essential for the future growth of our Group, we issued bonds totaling 6.0 billion yen as of the end of March 2025.
- To bring our capital to a suitable level, we plan to return 20.0 billion yen or more of retained earnings to shareholders between the fiscal year ended March 31, 2025 and the fiscal year ending March 31, 2028.

Consolidated Balance sheet



Management that is Conscious of Cost of Capital and Stock Price
~ IR/Sustainability ~

- We are committed to contributing to the community and society through our active involvement in IR and sustainability.
  1. Increase dialogue with shareholders and investors
  2. Enhancement of IR contents
  3. Initiatives towards sustainability

Increase dialogue with shareholders and investors

- We believe it is important to build long-term trustable relationships with shareholders and investors. We hold dialogues with shareholders who hold a certain number of our shares.
- Opinions and issues recognized through dialogue with shareholders are shared with management with the aim to enhance the corporate value over the medium to long term.

Enhancement of IR contents

- Enhance the IR contents and make it easier for investors and shareholders to understand.
- Further enhance the English IR contents by increasing the disclosures beyond financial summary and financial highlights.

Initiatives towards sustainability

- Enhance disclosures based on TCFD guidelines and take measures to reduce greenhouse gas emissions as part of efforts towards climate change.
- Collaborating with regional governments, educational institutions, and regional financial institutions to promote financial and investment literacy to enhance society’s overall financial literacy and foster individual asset building. This involves spreading fundamental investment knowledge, including medium to long term investment strategies and the benefits of portfolio diversification.

Policy on Discontinuing Underwriting Business

AIZAWA SECURITIES CO., LTD. approved a resolution to adopt a policy to discontinue its underwriting business by the end of March 2028.

Reason for Discontinuation

In the financial securities business of the Group, we aims to be the client's long-term partner in building generational wealth. To help clients realize their life plans, dreams, and "goals," we will continue to provide close support to them and their families through a goal-based approach as professionals in financial services. In order to establish such a business model for the financial securities business, we have determined that it is necessary to concentrate our management resources; accordingly, we have decided to adopt a policy to discontinue underwriting business within the financial securities business.

Details of Business to be Discontinued

(1) Underwriting business of securities

(2) Consulting business related to stock listings, etc.

(3) J-Adviser business on the TOKYO PRO Market

Future Outlook

The impact of this matter on the Group's consolidated financial results will be minor; however, we believe that the optimization of management resources will contribute to improving the Group's financial results and corporate value over the medium to long term.

Signing of Comprehensive Partnership Agreement with Ome City, Tokyo

AIZAWA SECURITIES CO., LTD. and Ome City have signed a comprehensive partnership agreement with the aim of effectively utilizing the resources of both parties to further revitalize the city and promote mutual development.

Background of the Comprehensive Partnership

In 2017, AIZAWA SECURITIES CO., LTD. signed an "Agreement on a Support Network for Watching Over the Elderly" with Ome City and have since been working together on regional revitalization initiatives, including providing support for monitoring individuals with dementia. In addition, in 2019, we also entered into a comprehensive business alliance with Ome Shinkin Bank and have collaborated with the bank to promote regional revitalization. One such initiative includes offering "collaborative financial education classes" jointly with the bank, free of charge, to local educational institutions.
Given this background, we have now signed a comprehensive partnership agreement with Ome City with the aim of contributing to the local community across a broad range of fields.

Details of the Comprehensive Partnership Agreement

(1) Matters related to industrial promotion and economic revitalization, including management support for businesses in the city

(2) Matters related to support for asset management by residents of the city

(3) Matters related to promoting employment in the local community

(4) Matters related to educational support and human resource development in the local community

(5) Other matters necessary to achieve the objectives stipulated in the preceding articles

Reference data

Consolidated

Segment information-breakdown [consolidated]

Highlights

For the 4Q, FY25

- Operating revenue for financial securities business decreased by 13.9% compared with 3Q FY25 to 4,111 million yen
- Operating revenue for investment business increased by 55.2% compared with 3Q FY25 to 1,183 million yen
- Operating revenue for asset management business decreased by 25.4% compared with 3Q FY25 to 129 million yen

Segment information-breakdown

(Million yen)

	FY24 4Q	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	Change vs 4Q/FY24	Change vs 3Q/FY25	FY24	FY25	Change vs FY24
Operating revenue	5,507	4,953	4,580	5,681	5,372	(2.4)%	(5.4)%	18,980	20,587	8.5%
Financial securities business	5,119	4,747	4,235	4,778	4,111	(19.7)%	(13.9)%	17,946	17,872	(0.4)%
Investment business	320	170	290	762	1,183	269.4%	55.2%	822	2,407	192.9%
Asset management business	94	51	68	173	129	38.1%	(25.4)%	272	423	55.7%
Other adjustments	(26)	(16)	(13)	(33)	(52)	-	-	(60)	(115)	-
Operating profit (loss)	645	348	(42)	1,009	570	(11.5)%	(43.4)%	1,159	1,886	62.7%
Financial securities business	636	325	(27)	285	(327)	-	-	1,521	255	(83.2)%
Investment business	8	70	(113)	667	915	-	37.1%	(221)	1,539	-
Asset management business	(39)	(71)	(65)	53	(33)	-	-	(214)	(116)	-
Other adjustments	40	23	164	3	17	(57.4)%	439.4%	73	208	182.7%
Profit (loss) before income taxes	2,687	1,051	1,066	1,776	756	(71.9)%	(57.4)%	4,325	4,650	7.5%
Financial securities business	635	355	(42)	313	(264)	-	-	1,473	362	(75.4)%
Investment business	1,989	706	980	1,335	1,059	(46.7)%	(20.7)%	2,648	4,081	54.1%
Asset management business	(43)	(81)	(61)	39	(28)	-	-	(201)	(131)	-
Other adjustments	106	70	189	87	(9)	-	-	405	338	(16.6)%

Operating revenue-breakdown [consolidated]

Highlights

For the 4Q, FY25

- Commission received decreased by 8.0% compared with 3Q FY25 to 3,476 million yen
- Net trading income decreased by 38.8% compared with 3Q FY25 to 504 million yen
- Financial income increased by 20.9% compared with 3Q FY25 to 236 million yen
- Other income increased by 31.0% compared with 3Q FY25 to 1,155 million yen due to recording of operating revenue from investment funds

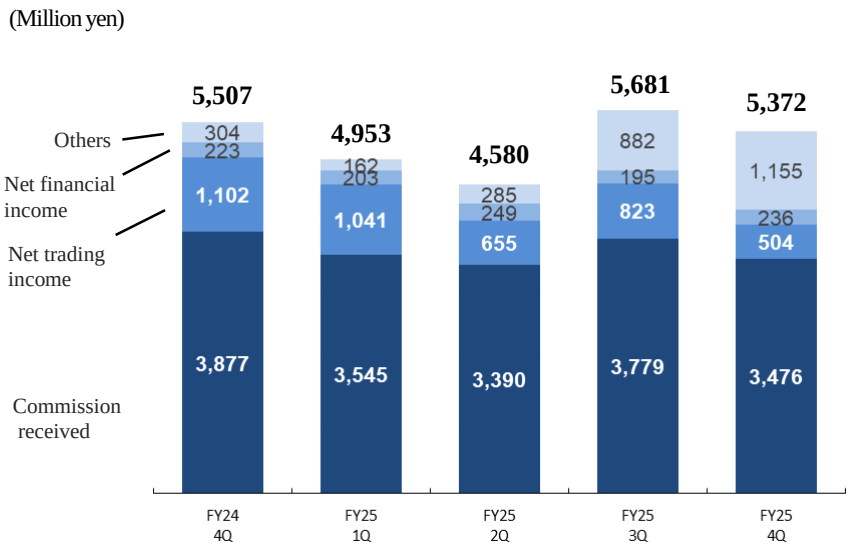
Operating revenue-breakdown

(Million yen)

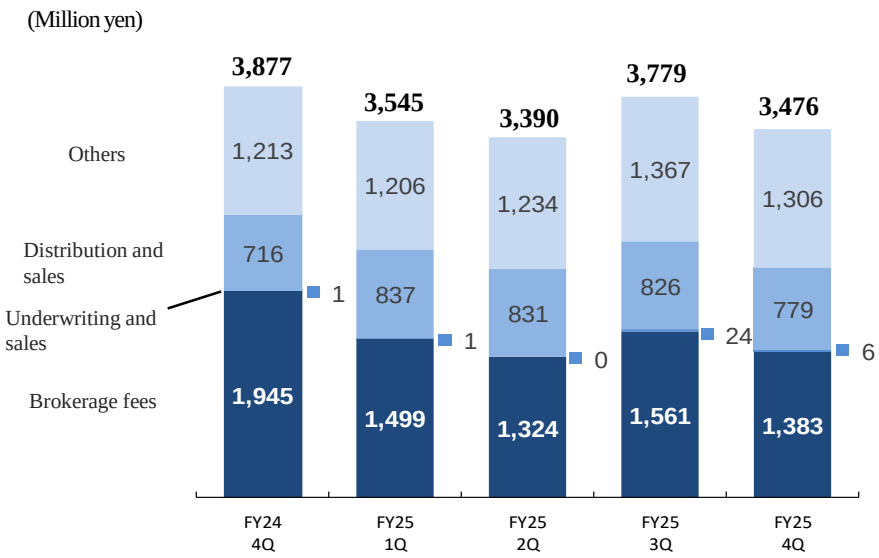
	FY24 4Q	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	Change vs 4Q/FY24	Change vs 3Q/FY25	FY24	FY25	Change vs FY24
Operating revenue	5,507	4,953	4,580	5,681	5,372	(2.4)%	(5.4)%	18,980	20,588	8.5%
Commission received	3,877	3,545	3,390	3,779	3,476	(10.4)%	(8.0)%	13,224	14,190	7.3%
Brokerage fees	1,945	1,499	1,324	1,561	1,383	(28.9)%	(11.4)%	6,735	5,769	(14.3)%
Underwriting and sales	1	1	0	24	6	301.4%	(73.5)%	10	32	221.6%
Distribution and sales	716	837	831	826	779	8.8%	(5.7)%	2,636	3,274	24.2%
Others	1,213	1,206	1,234	1,367	1,306	7.6%	(4.5)%	3,842	5,114	33.1%
Net trading income	1,102	1,041	655	823	504	(54.3)%	(38.8)%	4,287	3,025	(29.4)%
Equities	982	863	496	723	427	(56.5)%	(40.9)%	3,678	2,511	(31.7)%
Bonds	36	70	53	24	24	(34.7)%	(3.5)%	203	172	(15.0)%
Forex	82	107	106	75	52	(36.7)%	(30.3)%	406	341	(16.0)%
Financial income	223	203	249	195	236	6.0%	20.9%	677	885	30.6%
Others	304	162	285	882	1,155	279.8%	31.0%	790	2,486	214.7%

Operating revenue-breakdown [consolidated]

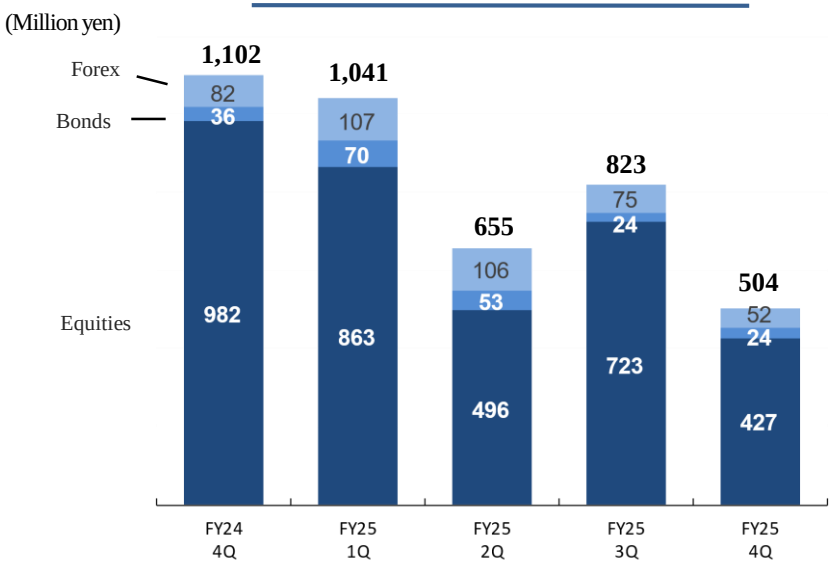
Operating revenue



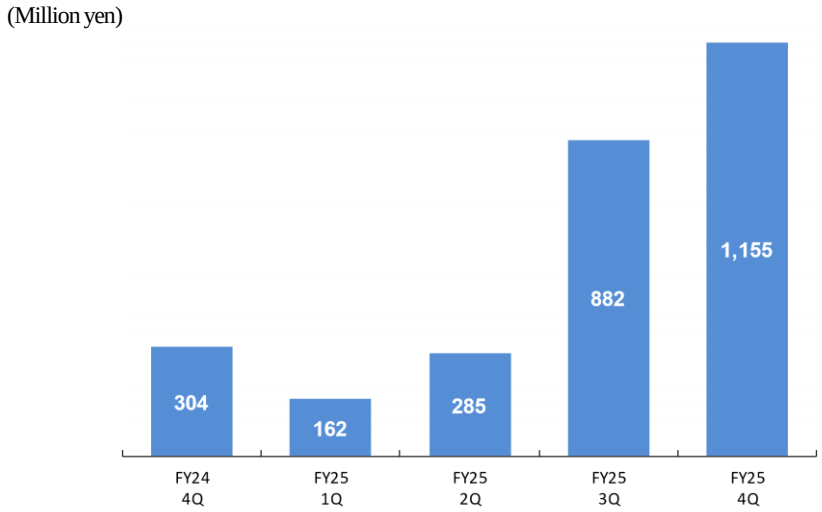
Commissions received



Net trading income



Others



Operating revenue-breakdown [consolidated]

Highlights

The Group is working to increase the balance of recurring income products by promoting the shift to an earnings structure linked to AUC. Asset management fees from mutual funds increased by 4.4% compared with 3Q FY25 and increased 61.2% compared with FY24 due to an increase balance of mutual funds. Revenue from wrap products decreased by 27.8% compared with 3Q FY25.

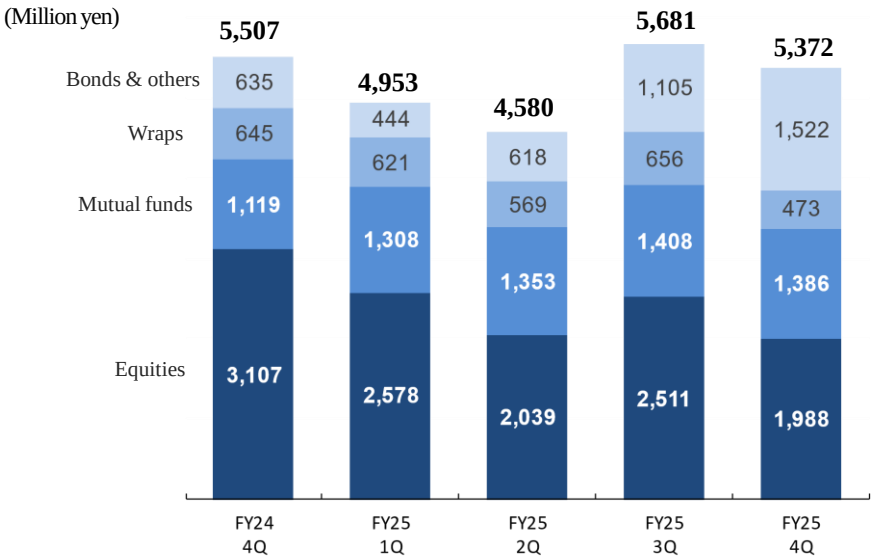
Operating revenue-breakdown

(Million yen)

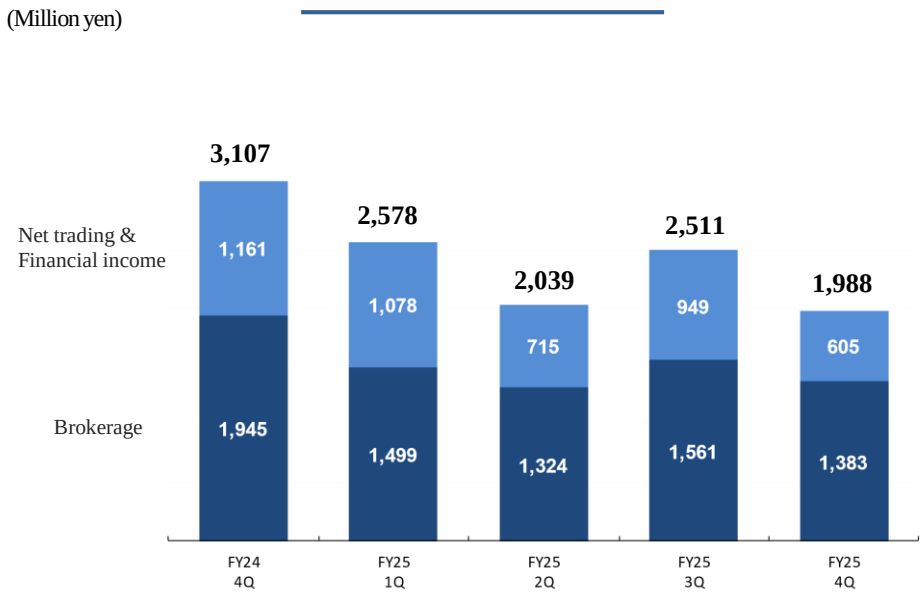
	FY24 4Q	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	Change vs 4Q/FY24	Change vs 3Q/FY25	FY24	FY25	Change vs FY24
Operating revenue	5,507	4,953	4,580	5,681	5,372	(2.4)%	(5.4)%	18,980	20,588	8.5%
Equities	3,107	2,578	2,039	2,511	1,988	(36.0)%	(20.8)%	11,183	9,117	(18.5)%
Brokerage fees	1,945	1,499	1,324	1,561	1,383	(28.9)%	(11.4)%	6,735	5,769	(14.3)%
Net trading & financial income	1,161	1,078	715	949	605	(47.9)%	(36.3)%	4,448	3,348	(24.7)%
Mutual funds	1,119	1,308	1,353	1,408	1,386	23.9%	(1.5)%	3,985	5,457	36.9%
Sales commission	716	837	831	826	779	8.8%	(5.7)%	2,631	3,274	24.4%
Asset management fees	403	471	521	582	607	50.7%	4.4%	1,354	2,182	61.2%
Wraps	645	621	569	656	473	(26.6)%	(27.8)%	1,927	2,320	20.4%
Fixed fee/Asset management fees	269	288	291	287	284	5.4%	(1.3)%	1,083	1,152	6.4%
Success fees	376	332	277	368	189	(49.5)%	(48.4)%	844	1,168	38.4%
Bonds	38	72	55	27	26	(32.8)%	(4.7)%	210	181	(14.1)%
Real estate	123	124	127	123	123	(0.1)%	(0.0)%	449	497	10.8%
Operational investment securities	180	37	158	759	1,032	471.0%	36.0%	339	1,988	486.0%
Others	292	210	278	196	340	16.5%	73.9%	884	1,025	16.0%

Operating revenue-product wise breakdown [consolidated]

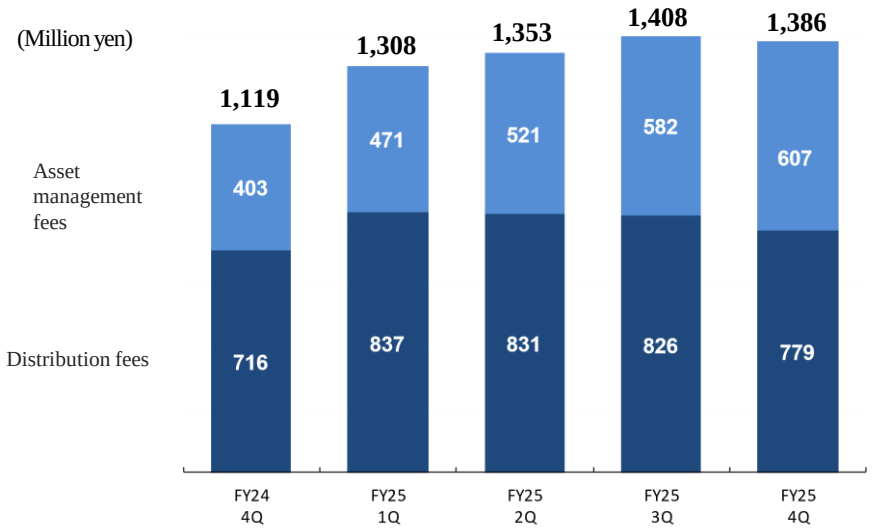
Operating revenue



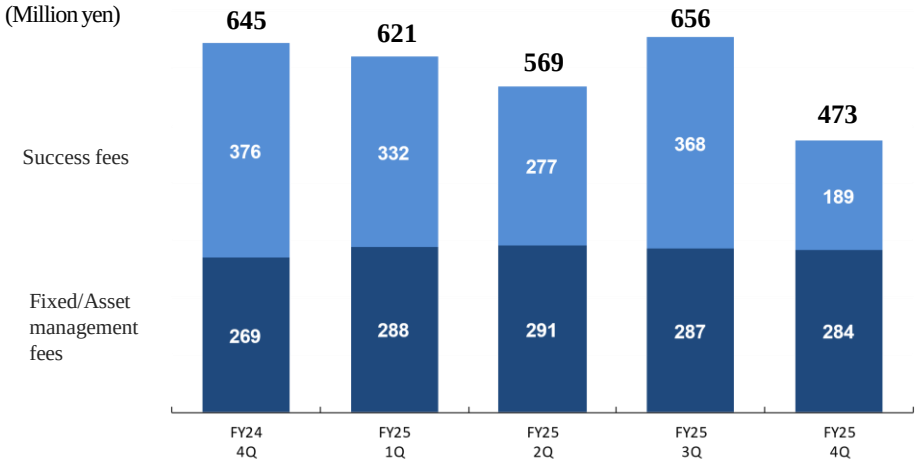
Equities



Mutual funds

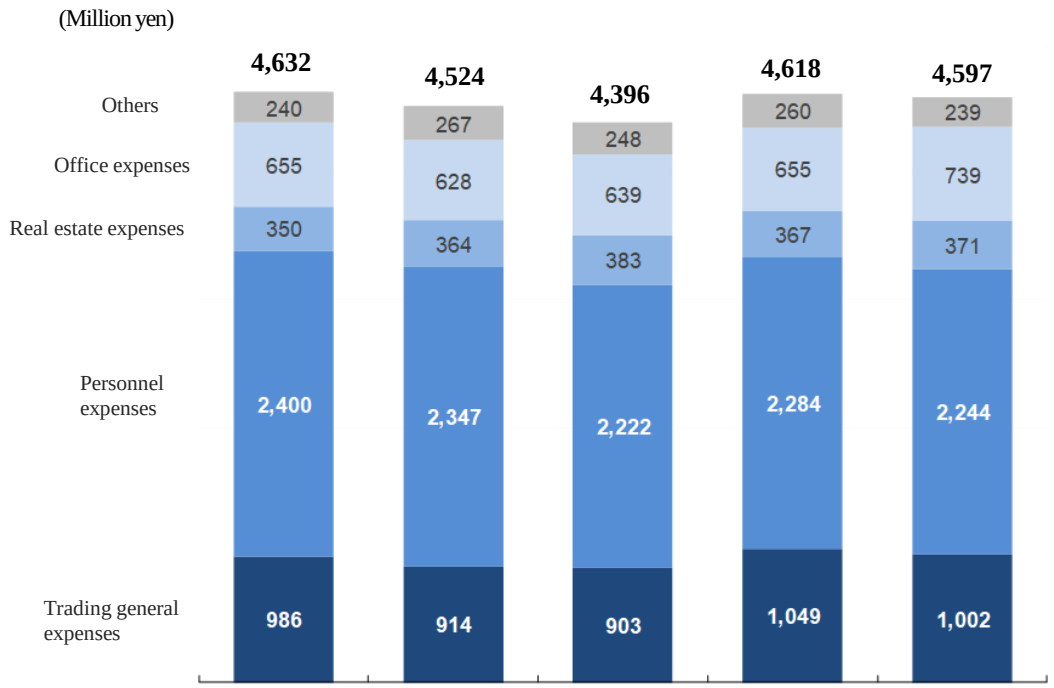


Wraps



Selling, general & administrative expenses [consolidated]

Selling, general & administrative expenses



Highlights

Selling, general and administrative expenses decreased by 0.5% compared with 3Q FY25 to 4,597 million yen.

Among selling, general and administrative expenses, trading general expenses decreased by 4.4% compared with 3Q FY25 and increased by 1.7% compared with FY24 to 1,002 million yen.

Full-year cumulative selling, general and administrative expenses increased by 6.5% compared with FY24. Due to the expansion of the platform business, brokerage commissions increased, resulting in an increase of 15.5% compared with FY24 in trading related expenses.

(Million yen)

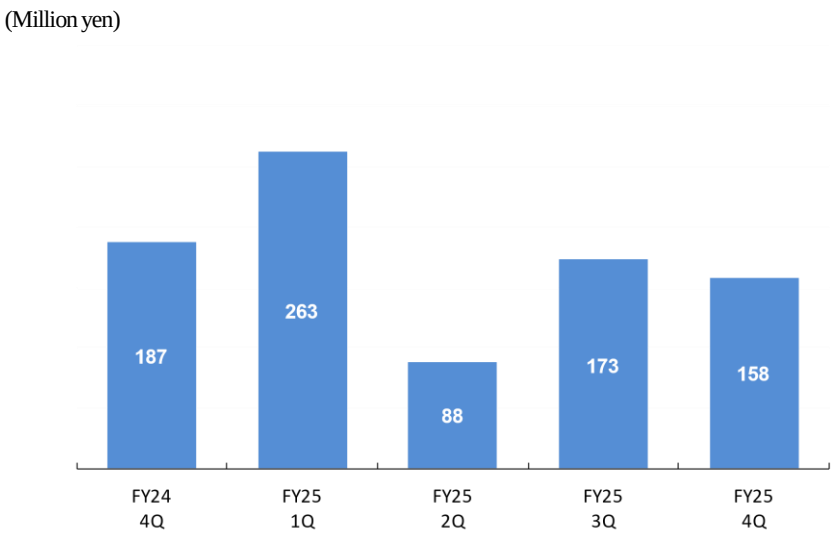
	FY24 4Q	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	Change vs 4Q/FY24	Change vs 3Q/FY25	FY24	FY25	Change vs FY24
Selling, general and	4,632	4,524	4,396	4,618	4,597	△0.8%	△0.5%	17,031	18,135	6.5%
Trading related expenses	986	914	903	1,049	1,002	1.7%	△4.4%	3,350	3,869	15.5%
Personnel expenses	2,400	2,347	2,222	2,284	2,244	△6.5%	△1.7%	8,911	9,099	2.1%
Real estate expenses	350	364	383	367	371	5.9%	0.9%	1,378	1,487	7.9%
Office expenses	655	628	639	655	739	12.8%	12.7%	2,414	2,663	10.3%
Others	240	267	248	260	239	△0.4%	△8.4%	977	1,016	4.0%
└ (Depreciation)	64	62	70	65	69	8.8%	7.1%	216	268	24.2%

Non-operating profit (loss) & extraordinary profit (loss) [consolidated]

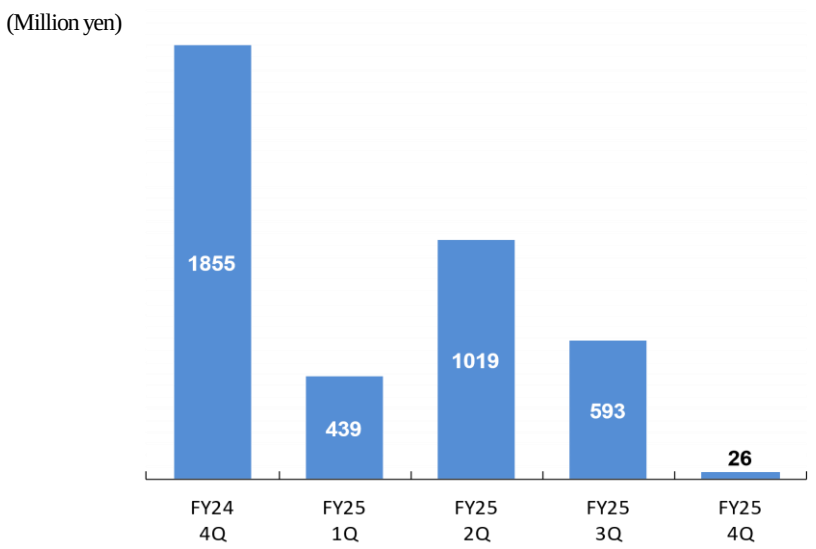
Highlights

Non-operating income decreased by 9.0% compared with 3Q FY25 to 208 million yen. Non-operating expenses decreased by 11.2% compared with 3Q FY25 to 49 million yen. Non-operating profit decreased by 8.3% compared with 3Q FY25 to 158 million yen. Extraordinary profit decreased by 95.5% compared with 3Q FY25 to 26 million yen.

Non-operating profit (loss)



Extraordinary profit (loss)



(Million yen)

	FY24 4Q	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	Change vs 4Q/FY24	Change vs 3Q/FY25	FY24	FY25	Change vs FY24
Non-operating profit (loss)	187	263	88	173	158	(15.2)%	(8.3)%	782	684	(12.5)%
Non-operating income	217	316	130	229	208	(4.3)%	(9.0)%	855	884	3.4%
Non-operating expenses	30	52	41	56	49	61.9%	(11.2)%	73	199	173.1%
Extraordinary profit (loss)	1,855	439	1,019	593	26	(98.5)%	(95.5)%	2,383	2,079	(12.8)%
Extraordinary income	2,006	695	1,029	593	26	(98.7)%	(95.5)%	2,565	2,345	(8.6)%
Extraordinary losses	151	256	10	(0)	(0)	-	-	181	266	46.8%

AIZAWA SECURITIES CO.,LTD.

Non-consolidated

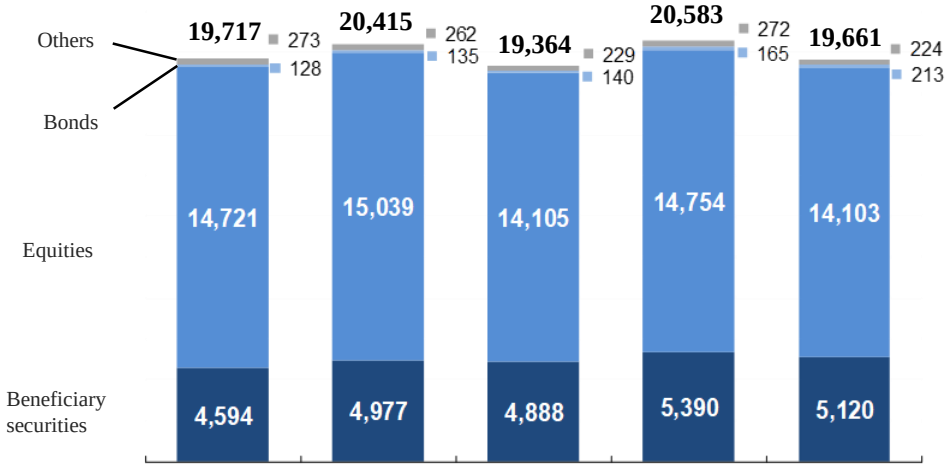
Assets under custody

Highlights

Assets under custody decreased by 4.5% compared with 3Q FY25 to 1.9661 trillion yen. AUC generating recurring income (total of mutual funds and wrap products) decreased by 2.8% compared with 3Q FY25 to 423.3 billion yen.

Assets under custody (AUC)-Breakdown

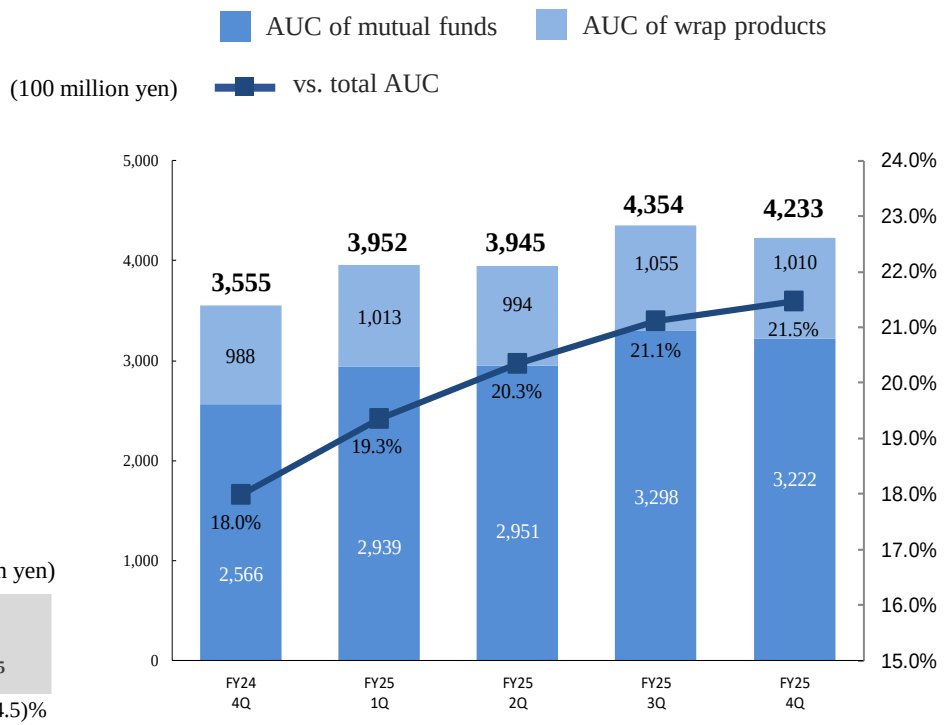
(100 million yen)



(100 million yen)

	FY24 4Q	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	Change vs 3Q/FY25
Total AUC	19,717	20,415	19,364	20,583	19,661	(4.5)%
Beneficiary securities	4,594	4,977	4,888	5,390	5,120	(5.0)%
└ Mutual funds	2,566	2,939	2,951	3,298	3,222	(2.3)%
└ Wrap products	988	1,013	994	1,055	1,010	(4.2)%
Equities	14,721	15,039	14,105	14,754	14,103	(4.4)%
Bonds	128	135	140	165	213	28.6%
Others	273	262	229	272	224	(17.7)%

AUC-Assets generating recurring income



Notes:
* AUC generating recurring income represents total of mutual funds and wrap products
* Mutual funds excludes MRF & listed ETF, Fund wrap & Smile Goal
* Wrap represents discretionary managed accounts at market value (refer to details in next slide)

Supporting asset building with discretionary investment management services

WRAP - Number of clients & AUM (Market value)

(AUM: Million yen, Customers: Number of customers)

			FY24 4Q	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	Change vs 3Q/FY25
	Super blue wrap	AUM (Market value)	29,628	30,943	30,123	32,226	31,042	(3.7)%
		Customers	1,186	1,272	1,337	1,350	1,364	1.0%
Suspension of new offerings	Blue wrap	AUM (Market value)	1,792	1,763	1,636	1,692	1,488	(12.1)%
		Customers	153	146	144	140	130	(7.1)%
Suspension of new offerings	Fund wrap	AUM (Market value)	64,197	61,602	57,459	55,012	50,216	(8.7)%
		Customers	6,457	6,182	5,951	5,596	5,317	(5.0)%
	Smile Goal	AUM (Market value)	3,274	7,060	10,225	16,597	18,320	10.4%
		Customers	463	944	1426	2172	2553	17.5%
	Total	AUM (Market value)	98,892	101,370	99,445	105,529	101,066	(4.2)%
		Customers	8,259	8,544	8,858	9,258	9,364	1.1%

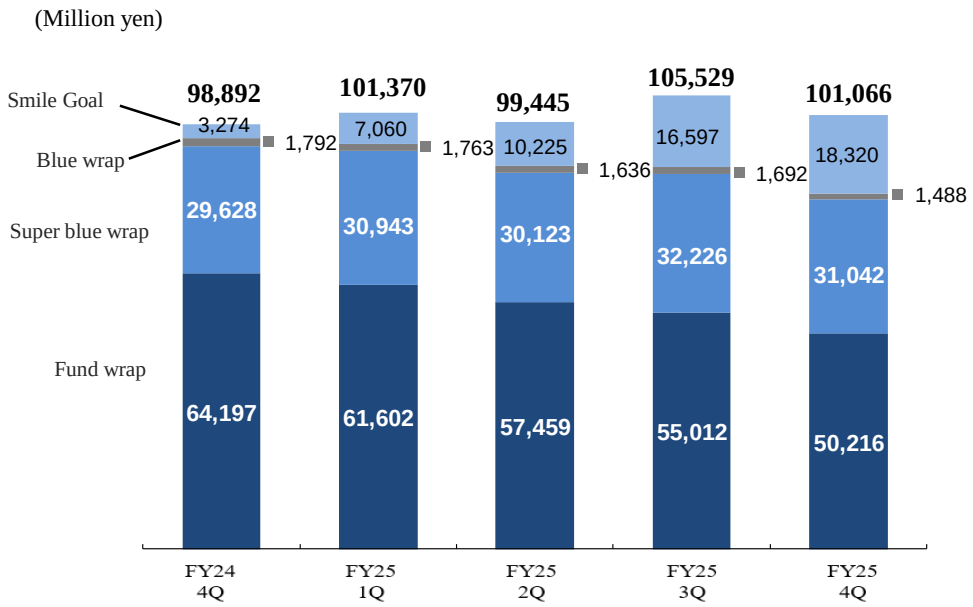
Highlights

As a strategic shift to the asset building business, the Company is focusing on offering discretionary investment management services (wrap products). At the end of fourth quarter, total AUM and number of customers for same were 101.0 billion yen and 9,364 customers, respectively.

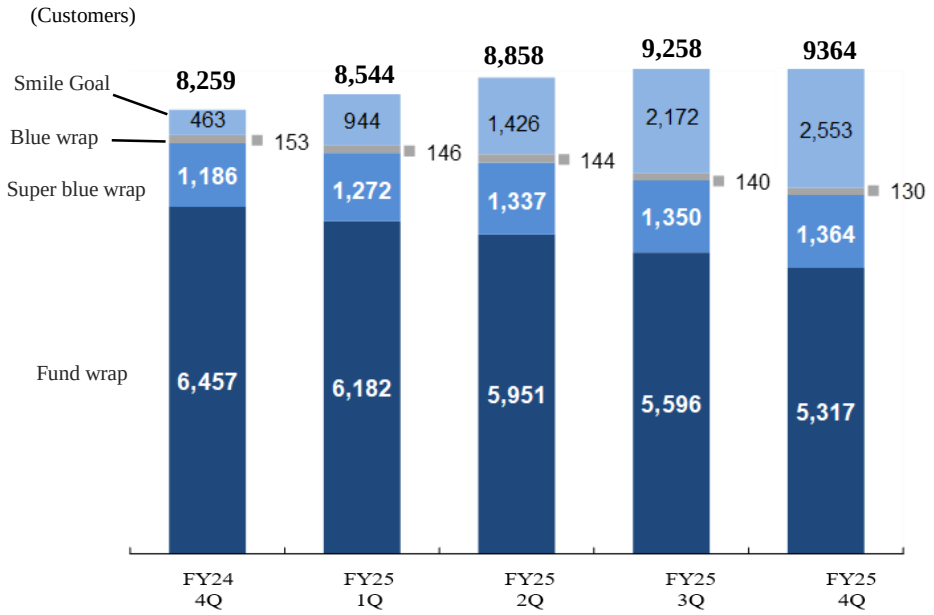
In support of customers' long-term life plans, the goal-based approach Wrap, known as "Smile Goal," has reached 18.3billion yen in AUM and 2,553 customers as of March 31, 2025.

Since the launch of the service in August 2023, AUM and the number of customers have been growing steadily.

AUM (Market value)



Number of customers



Independent financial advisory (IFA) Business Update

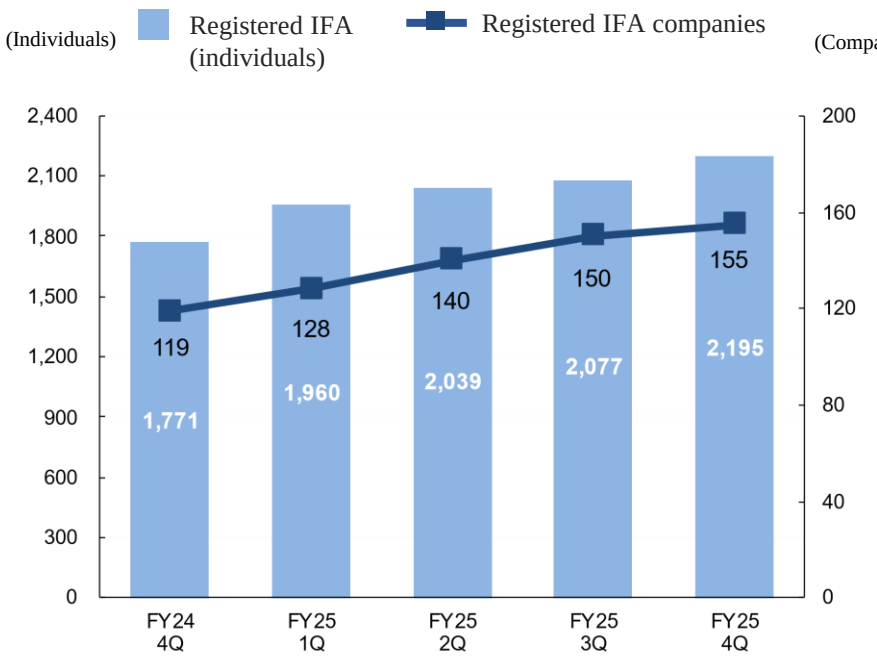
	FY24 4Q	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	Change vs 3Q/FY25
Registered IFA companies	119	128	140	150	155	3.3%
Registered IFA (Individuals)	1,771	1,960	2,039	2,077	2,195	5.7%
AUC (100 million yen)	2,458	2,624	2,587	2,801	2,724	(2.7)%
├ Financial institution-affiliated	396	456	479	539	575	6.7%
└IFA	2,061	2,168	2,109	2,262	2,149	(5.0)%
└LIFE DESIGN PARTNERS	1,161	1,181	1,088	1,144	1,065	(6.9)%
Number of accounts	52,232	54,636	57,421	60,630	66,347	9.4%
├ Financial institution-affiliated	27,219	27,275	27,993	29,491	33,486	13.5%
└ IFA	25,013	27,361	29,428	31,139	32,861	5.5%
└LIFE DESIGN PARTNERS	5,976	5,672	5,802	5,976	6,014	0.6%

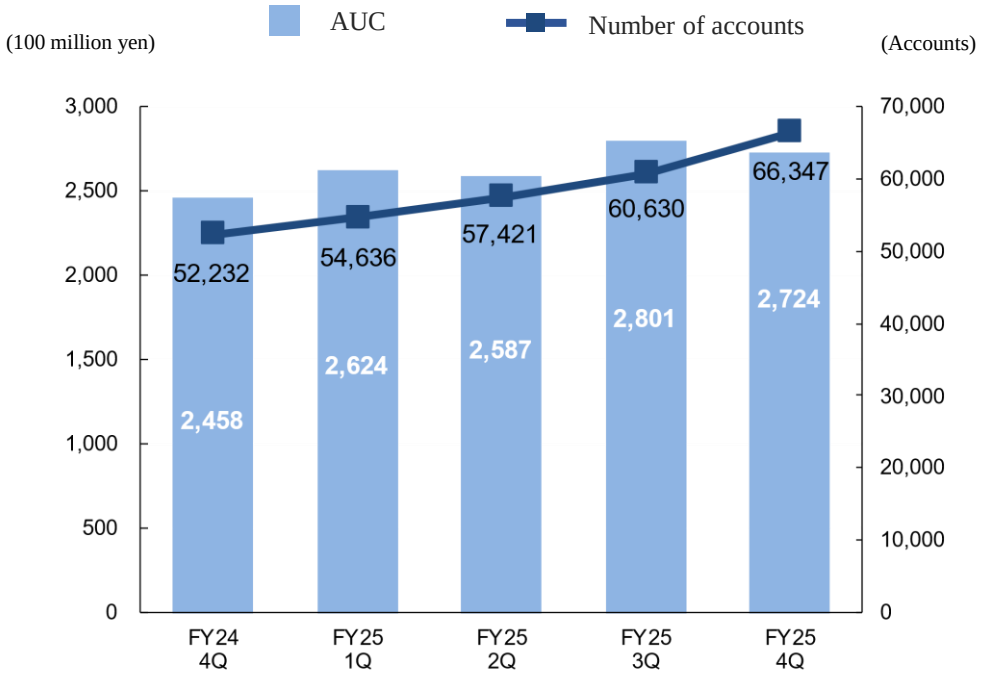
Highlights

The Company is making efforts to expand the platform business in line with its medium-term management plan.

AUC decreased by 2.7% compared with 3Q FY25, and the number of client accounts in IFA business increased by 9.4% compared with 3Q FY25.

AUC and the number of client accounts through affiliation with financial institutions (THE SAIKYO BANK, LTD. and THE SAGA KYOEI BANK,LTD.) increased by 6.7% and 13.5% compared with 3Q FY25, respectively.



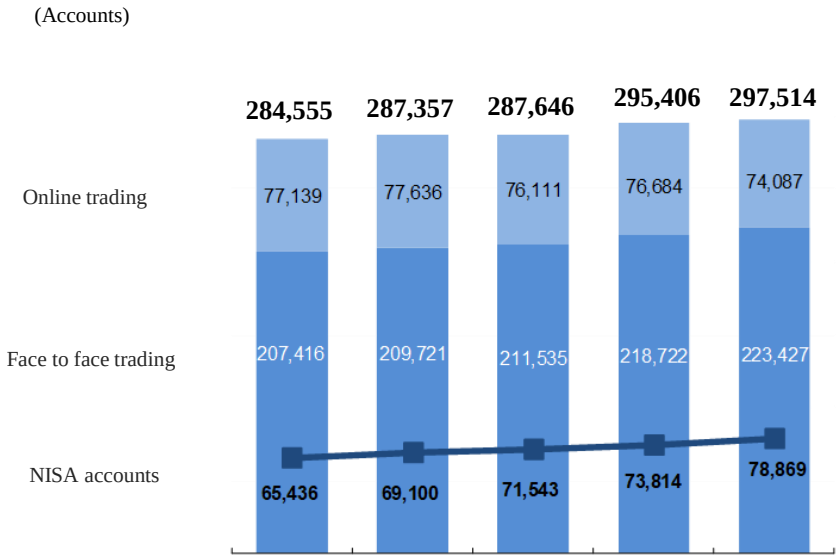


Number of client accounts, NISA accounts, new accounts opening

Highlights

Total number of client accounts increased by 0.7% compared with 3Q FY25 to 297,514 accounts. This was including the accounts of Face to face trading increased by 2.2% to 223,427 accounts.
New accounts opening was 4,654 accounts with expansion of platform business is led by IFA business and affiliation with financial institutions. NISA accounts increased by 6.8% to 78,869 accounts.

Total number of NISA accounts

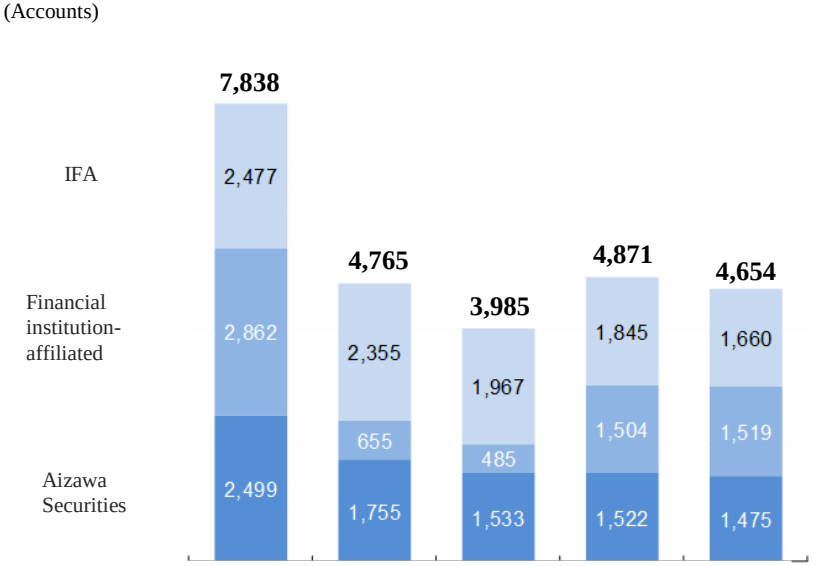


(Accounts)

	FY24 4Q	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	Change vs 3Q/FY25
Total number of accounts	284,555	287,357	287,646	295,406	297,514	0.7%
├ Face to face trading	207,416	209,721	211,535	218,722	223,427	2.2%
└ Online trading	77,139	77,636	76,111	76,684	74,087	(3.4)%
NISA accounts	65,436	69,100	71,543	73,814	78,869	6.8%

*Online trading: Internet trading platform “Blue Trade”

Number of new accounts



(Accounts)

	FY24 4Q	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	Change vs 3Q/FY25
Number of new accounts	7,838	4,765	3,985	4,871	4,654	(4.5)%
├ Aizawa Securities	2,499	1,755	1,533	1,522	1,475	(3.1)%
├ Financial institution-affiliated	2,862	655	485	1,504	1,519	1.0%
└ IFA	2,477	2,355	1,967	1,845	1,660	(10.0)%

Disclaimer

This document is prepared for the purpose of providing information on the business and financial results and not meant for the solicitation of investment.

The document represents financial results for the fiscal year ended March 31, 2025, based upon the information as of March 31, 2025.

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