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(English translation for reference purposes only)

EARNINGS REPORT FOR FIRST HALF OF FISCAL 2024

(April 1 to September 30, 2024)

(Consolidated under Japanese GAAP)

Name of Company: **Ichiyoshi Securities Co., Ltd.**

Listed on: Tokyo Stock Exchange (Prime Section) (Stock code: 8624)

Corporate representative: Mr. Hirofumi Tamada, President & Representative Executive Officer

Inquiry to: Mr. Shoichi Yamazaki, Representative Senior Managing Executive Officer & Chief Supervisor for Finance and Management

Tel: (03) 4346-4512 (URL <https://www.ichiyoshi.co.jp>)

Payment of semiannual dividends starts: on November 26, 2024 (scheduled)

Date of filing Half-yearly Report: November 13, 2024 (scheduled)

Supplementary documents for Half-yearly earnings: Provided.

Half-yearly earnings-reporting meeting: Planned for institutional investors and analysts.

(Figures less than one million yen are discarded)

1. Outline of Consolidated Business Result for First Half of Fiscal 2024 (from April 1 to September 30, 2024)

(1) Highlights of consolidated business result (in millions of yen except for per-share figures) (% indicates year-on-year change)

	Operating revenue (%)	Net operating revenue (%)	Operating profit (%)	Ordinary profit (%)
First half of fiscal 2024 ended September 30, 2024	9,725 (+6.1)	9,706 (+6.1)	1,524 (+24.5)	1,582 (+28.2)
First half of fiscal 2023 ended September 30, 2023	9,168 (+7.5)	9,147 (+7.5)	1,224 (+66.1)	1,234 (+61.7)

	Profit attributable to owners of parent (%)	Earnings per share	Diluted earnings per share
First half of fiscal 2024 ended September 30, 2024	1,041 (+21.9)	30.77 yen	30.65 yen
First half of fiscal 2023 ended September 30, 2023	854 (+70.8)	25.31 yen	25.26 yen

Note: Comprehensive income: For the first half of fiscal 2024: 1,033 million yen (+17.1%)

For the first half of fiscal 2023: 882 million yen (+82.9%)

(2) Consolidated financial condition (in millions of yen)

	Total assets	Net assets	Equity ratio	Net assets per share
As of September 30, 2024	52,909	29,481	55.7 %	869.96 yen
As of March 31, 2024	46,647	29,008	62.1 %	856.59 yen

Note: Shareholders' equity: As of September 30, 2024: 29,453 million yen

As of March 31, 2024: 28,987 million yen

2. Dividends

	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2024	--	17.00 yen	--	17.00 yen	34.00 yen
Fiscal year ended March 31, 2025	--	17.00 yen	--	**** yen	**** yen

Notes: (i) Ichiyoshi Securities Co., Ltd. (the "Company") declares dividends payable to shareholders of record as of September 30 (half-yearly dividends) and March 31 (final dividends) of each fiscal year, but not to shareholders as of June 30 and December 31 of each fiscal year.

(ii) It is not the Company's practice to give an earnings or dividend forecast. Hence, ****.

3. Outlook for Business Result for Fiscal 2024 (from April 1, 2024 to March 31, 2025)

Since the forecast of earnings in financial-instruments trading, the main-line business of the Company and its group companies, is hard to make due to volatile factors in the market, the Company does not provide such forecast prior to the end of each quarter, half year and full year. Instead, the Company intends to release preliminary earnings figures after the end of each quarter, half year and full year as and when such figures become available.

Points to note:

- (1) Material changes in scope of consolidation during the first half of fiscal 2024: None.
- (2) Application of accounting methods specific to preparation of quarterly financial statements: None.
- (3) Changes in accounting policies and estimates and restatement of financial statements:
 - (i) Changes in accounting policies occasioned by revisions to accounting standards: None.
 - (ii) Changes in accounting policies other than those in (i): None.
 - (iii) Changes in accounting estimates: None.
 - (iv) Restatement of financial statements: None.
- (4) Number of shares issued (common stock):

(i) Number of shares issued as of September 30, 2024:	37,931,386	shares
(including treasury shares)		
Number of shares issued as of March 31, 2024:	37,931,386	shares
(including treasury shares)		
(ii) Number of treasury shares as of September 30, 2024:	4,075,350	shares
Number of treasury shares as of March 31, 2024:	4,090,909	shares
(iii) Number of average outstanding shares during the first half of fiscal 2024:	33,848,849	shares
Number of average outstanding shares during the first half of fiscal 2023:	33,769,049	shares

Additional points to note:

1. The financial figures contained herein are released without being reviewed by certified public accountants or an auditing firm.
2. Explanation for proper use of earnings forecast and other special points to note:

For the same reason that the Company does not provide an earnings forecast prior to the end of each quarter, half-year and full year as stated in "3. Outlook for Business Result for Fiscal 2024 (from April 1, 2024 to March 31, 2025)" on page 2, the Company does not provide a dividend forecast.

3. The Company plans to hold a half-yearly earnings-reporting meeting for institutional investors and analysts on December 5, 2024, Thursday, (at 3:30 pm). Supplementary documents for half-yearly earnings to be distributed at the meeting will be forthwith disclosed and posted on the Company's website.

I. Outline of Business Result

(1) Outline of Business Result for the First Half of Fiscal 2024

During the first half of fiscal 2024, the Japanese economy continued to be on a mild recovery track with some limited areas treading water. Personal consumption revived despite some effects of rising prices. Corporate equipment investments recorded a steady increase centering on DX (digital transformation) to achieve productivity improvement while automobile makers suffered some damages from typhoons. In the meantime, the global economy maintained its gradual growth pattern with effects of rising interest rates weakening under decreasing inflationary pressure.

The Japanese stock market underwent rough price movements. After hitting its bottom of 37,068yen on April 19, the Nikkei Stock Average on the Tokyo Stock Exchange (the TSE) started to bottom out gradually, and hastened its rise from mid-June. As leading stock indexes of the U.S. registered their highs in anticipation of U.S. interest rate reduction and foreign investment capitals flew into the Japanese market, the Nikkei Stock Average recorded a year-to-date high of 42,224yen on July 11. But such high-flying mood was temporary as Japanese semiconductor-related stocks plunged in tandem with the concurrent fall of U.S. stocks and the strengthening of the yen. On July 31, the Bank of Japan at its monetary policy meeting unexpectedly made an additional rate increase, further strengthening the yen against the U.S. dollar. As the specter of recession rose subsequent to U.S. current employment statistics, the Nikkei Stock Average plunged to 31,458yen on August 5, the lowest since October 31, 2023. Thereafter, however, as expectations for the soft-landing of the U.S. economy rose again and prospects for additional rate increase at an earlier date by the Bank of Japan receded, the market regained its stability with the Nikkei Stock Average closing the period at 37,919yen.

In the foreign currency market, the yen started off the period at the level of 151yen per 1 U.S. dollar. Thereafter, however, the yen continued to slide, recording 162yen against 1 U.S. dollar on July 3, the weakest level in 37 years and half. Thereafter, however, as the Bank of Japan intervened in the market and awareness among market participants of shrinking interest rate differences between Japan and the U. S. increased, the yen turned strong against the U.S. dollar, ending the period at the middle of 143yen per 1 U.S. dollar level.

In the Growth Section of the TSE for companies with high growth potential, the TSE Growth Section Index rose to 890 on July 17 and then plunged, recording 628 on August 5. Thereafter, however, it turned around, closing the period at 831. TSE Growth Section 250 Index recorded the bottom of 485 on August 5, and ended the period at 652.

In the Prime Section of the TSE, the daily average turnover was 5,071.8 billion yen. In the Standard Section of the TSE, the daily average turnover was 141.1 billion yen. In the Growth Section of the TSE, the daily average turnover was 131.5 billion yen.

Under these circumstances, the Company has been exerting its efforts to build customer-focused “Stock-Type Business Model” and double core-stock assets in fund-wrap accounts and investment trust funds in order to expand its customers’ assets in custody to 3 trillion yen as a numerical target under the Medium-Term Management Plan “3・D.”

The cost coverage ratio, which is the best barometer to measure the Company’s advance towards “Stock-Type Business Model”, amounted to 72.5% as of September 30, 2024 (as compared with 57.9% as of the year-earlier same date). The cost average ratio is the ratio at which the

amount of selling, general and administrative expenses is covered by the sum of trailer fees, wrap-account fees and investment trust fund management fees.

With respect to “Dream Collection” (a fund wrap account vehicle), a core of stock type asset-building, it continued to enjoy an increase in continuous need for customers’ conservative investment vehicles for medium-to long-term asset management. Its outstanding balance as of September 30, 2024, registered 299.8 billion yen, up 31.5% from the comparable year-earlier period. Effective from September, 2024, the Company started to accept “Application for Dream Collection Pass” as a customer service for succession to next generation dedicated to Ichiyoshi’s fund-wrap accounts. “Dream Collection Pass” will make it possible for inheritors of fund-holders to inherit fund assets without converting them into cash. This is a unique asset inheritance service relating to fund-wrap accounts in Japan. The Company thus intends to provide asset-formation services across generations on a long-term and effective basis.

With respect to investment funds (other than fund-wrap vehicles), the Company has recommended stock funds matching customers’ needs, such as “Ichiyoshi Japan Select Dividend Equity & J-REIT Fund” and “Ichiyoshi Global Equity Fund.”

As another no-front load fund subsequent to “Ichiyoshi Global Equity Fund,” the Company introduced in June 2024 a new product “Ichiyoshi Global High Dividend Strategic Fund,” which is a customer-oriented and performance-based reward type fund. This fund has also assisted in the increase of investment fund assets during the period. The outstanding balances of investment trust funds (other than fund-wrap vehicles) as of September 30, 2024 amounted to 785.3 billion yen, up 7.1% from the year-earlier September 30.

With respect to Ichiyoshi Asset Management Co., Ltd. the amount of assets under its management continued to increase and recorded 567.5 billion yen as of September 30, 2024, up21.2%.

With respect to activities on stocks, the Company has continued to propose to customers asset-backed stocks with stress on stability and stable dividends under low-interest rate circumstances. In addition, the Company has recommended to customers investment in small-and medium-cap growth stocks selected based on the Company’s strength in research. The Company has thus made various proposals and recommendations to promote stocks as means of customers’ medium-to long-term asset-formation.

As a result of these activities, net operating revenue for the first half of fiscal 2024 amounted to 9,706 million yen, up 6.1% from the first half of fiscal 2023. Selling, general and administrative expenses amounted to 8,181 million yen, up 3.3%. Hence, operating profit registered 1,524 million yen, up 24.5%.

Customers’ assets in custody as of September 30, 2024, amounted to 2,240 billion yen, down 1,0% from the end of the previous fiscal year.

Set forth below are revenue sources, cost and expenses and financial condition.

i. Commissions and fees received

Total commissions received for the first half of fiscal 2024 amounted to 9,488 million yen, up 6.3% from the year-earlier period.

(a) Brokerage commissions

Total brokerage commissions on stocks fell 12.9% to 2,291 million yen. Brokerage commissions on small- and medium-sized stocks (stocks listed on Standard Section and Growth Section of the TSE, Main Section and Next Section of Nagoya Stock Exchange) registered 237 million yen, down 32.4%, and accounted for 10.4% of total brokerage commissions on stocks.

(b) Fees for offering, secondary distribution and solicitation for selling and others for professional investors

Fees on investment trust funds amounted to 918 million yen, down 33.1%. Thus, total fees for offering, secondary distribution and solicitation for selling and others for professional investors recorded 923 million yen, down 33.4%.

(c) Other fees received

The trailer fees related to the outstanding balances of investment trust funds under custody registered 2,308 million yen, up 10.4%. Fund wrap-account fees recorded 2,360 million yen, up 63.9%. Investment trust fund management fees at Ichiyoshi Asset Management Co., Ltd. amounted to 1,261 million yen, up 19.7%. Hence, other fees received totaled 6,223 million yen, up 27.8%.

Consequently, stable sources of fees accounted for 62.5% (as compared with 51.4% as of the year-earlier same date) of total commissions and fees received.

ii. Net trading income

Trading in stocks, etc. recorded net gains of 18 million yen, down 59.2%. Trading in bonds and foreign exchange, etc. registered net gains of 7 million yen, down 21.7%. As a result, net trading income amounted to 25 million yen, down 52.6%.

iii. Net Financial revenue

Net financial revenue increased 2.5% to 66 million yen as financial revenue rose 0.2% to 85 million yen while financial expenses decreased 6.9% to 19 million yen.

Resultantly, net operating revenue for the first half of fiscal 2024 amounted to 9,706 million yen, up 6.1%.

iv. Selling, general and administrative expenses

Selling, general and administrative expenses recorded 8,181 million yen, up 3.3%, mainly as personnel expenses rose.

v. Non-operating income and expenses

The Company recorded non-operating income of 58 million yen, mainly consisting of dividends on investment securities 15 million yen and gains on investment partnerships together totaling 27 million yen. Hence, net non-operating income amounted to 58 million yen, up 477.8%.

Resultantly, ordinary profit for the first half of fiscal 2024 amounted to 1,582 million yen, up 28.2%.

vi Extraordinary income and loss

Extraordinary income registered 1 million yen, down 97.1%, mainly in the form of gains on sale of investment securities.

Resultantly, profit before income taxes for the first half of fiscal 2024 amounted to 1,583 million yen, up 23.5%. Net income attributable to owners of parent for the first half of fiscal 2024 (after deduction of income taxes, resident tax and enterprise tax, in the aggregate amount of 575 million yen, and tax adjustments in the amount of 32 million yen) amounted to 1,041 million yen, up 21.9%.

(2) Outline of Financial Condition for the First Half of Fiscal 2024

(a) Assets

Assets amounted to 52,909 million yen as of September 30, 2024, a rise of 6,261 million yen (up 13.4%) from March 31, 2024, mainly as cash and deposits increased by 7,030 million yen.

(b) Liabilities

Liabilities amounted to 23,427 million yen as of September 30, 2024, a rise of 5,788 million yen (up 32.8%) from March 31, 2024, mainly as deposits received increased by 5,521 million yen.

(c) Net assets

Net assets amounted to 29,481 million yen as of September 30, 2024, a rise of 473 million yen (up 1.6%) from March 31, 2024. The increase resulted mainly as the Company recorded 1,041 million yen as net income attributable to owners of parent while the Company paid dividends of 575 million yen.

Resultantly, as of September 30, 2024, shareholders' equity ratio stood at 55.7%, as compared to 62.1% as of

March 31, 2024. Capital adequacy ratio as of September 30, 2024, as defined under regulations, stood at 513.9%, as compared with 518.0% as of March 31, 2024.

II. Consolidated Financial Statements and Notes for the First Half of Fiscal Year

(1) Consolidated Balance Sheets for the First Half of Fiscal Year

(in millions of yen)

	As of March 31 2024	As of September 30 2024
Assets		
Current assets		
Cash and deposits	18,305	25,336
Segregated deposits	7,840	5,850
Trading products	-	0
Derivatives	-	0
Trade date accrual	-	0
Margin transaction assets	8,171	10,031
Margin loans	8,009	10,013
Cash collateral provided for securities borrowed in margin transactions	161	17
Advances paid	23	109
Deposits paid for underwritten offering, etc.	3,566	2,835
Short-term loans receivable	31	40
Accrued revenue	2,549	2,487
Other current assets	102	101
Allowance for doubtful accounts	△2	△3
Total current assets	40,587	46,790
Non-current assets		
Property, plant and equipment	3,095	3,000
Buildings, net	1,107	1,029
Equipment	635	621
Land	1,329	1,329
Leased assets, net	23	19
Intangible assets	544	635
Software	508	579
Other	36	56
Investments and other assets	2,419	2,481
Investment securities	794	799
Long-term loans receivable	20	21
Long-term guarantee deposits	934	930
Retirement benefit asset	604	627
Deferred tax assets	70	106
Other	75	75
Allowance for doubtful accounts	△79	△79
Total non-current assets	6,059	6,118
Total assets	46,647	52,909
Liabilities		
Current liabilities		
Trade date accrual	0	-
Margin transaction liabilities	3,079	3,511
Margin borrowings	2,722	3,428
Cash received for securities sold in margin transactions	357	83
Borrowings secured by securities	22	67
Cash collateral received for securities lent	22	67
Deposits received	10,173	15,694
Guarantee deposits received	1,100	1,051
Short-term borrowings	230	230
Lease liabilities	7	7
Income taxes payable	917	684
Provision for bonuses	565	726
Other current liabilities	1,208	1,132
Total current liabilities	17,304	23,106
Non-current liabilities		
Long-term borrowings	86	76
Lease liabilities	16	12
Deferred tax liabilities for land revaluation	7	7
Other noncurrent liabilities	33	34
Total non-current liabilities	144	131
Reserves under special laws		
Reserve for financial instruments transaction liabilities	189	189
Total reserves under special laws	189	189
Total liabilities	17,639	23,427
Net assets		
Shareholders' equity		
Share capital	14,577	14,577
Capital surplus	3,941	3,939
Retained earnings	13,941	14,407
Treasury shares	△2,634	△2,624
Total shareholders' equity	29,826	30,300
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	59	65
Revaluation reserve for land	△1,125	△1,125
Remeasurements of defined benefit plans	226	212
Total accumulated other comprehensive income	△838	△847
Share acquisition rights	20	28
Total net assets	29,008	29,481
Total liabilities and net assets	46,647	52,909

(2) Consolidated Income Statements and Comprehensive Income Statements for the First Half of Fiscal Year
Consolidated Income Statements for the First Half of Fiscal Year

(in millions of yen)

	For First Half of Fiscal 2023	For First Half of Fiscal 2024
Operating revenue		
Commission received	8,926	9,488
Net trading income	53	25
Financial revenue	84	85
Other operating revenue	102	125
Total operating revenue	9,168	9,725
Financial expenses	20	19
Net operating revenue	9,147	9,706
Selling, general and administrative expenses		
Trading related expenses	646	676
Personnel expenses	4,235	4,446
Real estate expenses	1,217	1,159
Office expenses	1,055	1,125
Depreciation	253	248
Taxes and dues	146	147
Other	368	377
Total selling, general and administrative expenses	7,922	8,181
Operating profit	1,224	1,524
Non-operating income		
Dividends from investment securities	11	15
Gain on investments in investment partnerships	-	27
Royalty income	5	-
Other	4	15
Total non-operating income	21	58
Non-operating expenses		
Loss on investments in investment partnerships	11	0
Other	0	0
Total non-operating expenses	11	0
Ordinary profit	1,234	1,582
Extraordinary income		
Gain on sale of investment securities	23	1
Gain on sale of non-current assets	18	-
Gain on reversal of share acquisition rights	3	0
Reversal of reserve for financial instruments transaction liabilities	3	-
Total extraordinary income	48	1
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Settlement payments	0	-
Total extraordinary losses	1	0
Profit before income taxes	1,282	1,583
Income taxes - current	494	575
Income taxes - deferred	△67	△32
Total income taxes	427	542
Profit	854	1,041
Profit attributable to owners of parent	854	1,041

Comprehensive Income Statements for the First Half of Fiscal Year

(in millions of yen)

	For First Half of Fiscal 2023	For First Half of Fiscal 2024
Profit	854	1,041
Other comprehensive income		
Valuation difference on available-for-sale securities	12	5
Remeasurements of defined benefit plans, net of tax	14	△13
Total other comprehensive income	27	△8
Comprehensive income	882	1,033
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	882	1,033

(3) Notes to Consolidated Financial Statements for the First Half of Fiscal 2024

(Changes in accounting policies and accounting estimates and restatement of financial statement)
None.

(Application of accounting methods specific to preparation of financial statements for the first half of fiscal year)
None.

(Notes if there are significant changes in the amount of shareholders' equity)
None.

(Notes on going concern assumption)
None.

III. Supplementary Information for First Half of Fiscal Year

1. Commissions and fees received

(1) Commissions and fees by sources

(in millions of yen)

	First half of fiscal year ended		year-on-year	Fiscal year ended
	September 30, 2023	September 30, 2024	change	March 31, 2024
Brokerage commissions	2,671	2,341	△ 12.3 %	5,423
(Stocks)	(2,631)	(2,291)	(△ 12.9 %)	(5,336)
(Beneficiary certificates)	(39)	(50)	(25.7 %)	(86)
Commissions for underwriting, secondary distribution and solicitation for selling and others for professional investors	0	—	—	0
(Stocks)	(0)	(—)	(—)	(0)
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	1,386	923	△ 33.4 %	2,584
(Beneficiary certificates)	(1,372)	(918)	(△ 33.1 %)	(2,563)
Other fees received	4,868	6,223	27.8 %	10,365
(Beneficiary certificates*1、 2)	(4,586)	(5,931)	(29.3 %)	(9,786)
Total	8,926	9,488	6.3 %	18,372
	First half of fiscal year ended		year-on-year	Fiscal year ended
	September 30, 2023	September 30, 2024	change	March 31, 2024
Fees on beneficiary certificates as % total commissions and fees	51.4 %	62.5 %	11.1 %	53.3 %

*1 Breakdown of Beneficiary certificates

(in millions of yen)

	First half of fiscal year ended		year-on-year	Fiscal year ended
	September 30, 2023	September 30, 2024	change	March 31, 2024
Trailer fees relating to balances of funds	2,091	2,308	10.4 %	4,323
Fund management fees	1,054	1,261	19.7 %	2,231
Fees from wrap-accounts	1,440	2,360	63.9 %	3,230
Total	4,586	5,931	29.3 %	9,786

*2 The ratio at which selling, general and administrative expenses are covered by fees on wrap-accounts and trailer and management fees on investment trust funds = Cost-coverage ratio
(in millions of yen)

	First half of fiscal year ended		year-on-year change
	September 30, 2023	September 30, 2024	
Other fees (beneficiary certificates)	4,586	5,931	1,345
Selling, general and administrative expenses	7,922	8,181	258
Cost-coverage ratio	57.9 %	72.5 %	14.6 %

(2) Amount of distribution(Beneficiary certificates) (in 100 millions of yen)

	First half of fiscal year ended		year-on-year change	Fiscal year ended March 31, 2024
	September 30, 2023	September 30, 2024		
Beneficiary certificates	2,816	2,933	4.2 %	5,728
(Front-end load fund)	(533)	(383)	(△ 28.0 %)	(1,013)
(No-load fund)	(2,283)	(2,549)	(11.7 %)	(4,715)

(3) Commissions by products (in millions of yen)

	First half of fiscal year ended		year-on-year change	Fiscal year ended March 31, 2024
	September 30, 2023	September 30, 2024		
Stocks	2,644	2,304	△ 12.8 %	5,361
Bonds	14	9	△ 31.0 %	24
Beneficiary certificates	5,998	6,900	15.0 %	12,436
Others	269	274	1.9 %	550
Total	8,926	9,488	6.3 %	18,372

2. Net trading income (in millions of yen)

	First half of fiscal year ended		year-on-year change	Fiscal year ended March 31, 2024
	September 30, 2023	September 30, 2024		
Stocks, etc.	44	18	△ 59.2 %	75
Bonds, foreign exchange, etc.	9	7	△ 21.7 %	15
(Bonds, etc.)	(0)	(0)	(1.9 %)	(1)
(Foreign exchange, etc.)	(8)	(6)	(△ 24.2 %)	(13)
Total	53	25	△ 52.6 %	91

3. Stock trading volume (excluding futures trading)

(in millions of shares, millions of yen except brokerage commission per share)

	First half of fiscal year ended				year-on-year change		Fiscal year ended	
	September 30, 2023		September 30, 2024				March 31, 2024	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Total	584	1,099,081	628	1,314,308	7.6%	19.6%	1,229	2,380,938
(Dealing)	(2)	(3,953)	(1)	(1,635)	(△36.2%)	(△58.6%)	(5)	(7,339)
(Brokerage)	(582)	(1,095,128)	(627)	(1,312,672)	(7.8%)	(19.9%)	(1,224)	(2,373,599)
Brokerage ratio	99.6%	99.6%	99.7%	99.9%			99.6%	99.7%
Share of transaction on TSE*	0.12%	0.10%	0.09%	0.10%			0.11%	0.10%
Brokerage commission per share	4.52 yen		3.65 yen				4.36 yen	

*Tokyo Stock Exchange, Inc.

4. Capital adequacy ratio

(in millions of yen)

		First half of fiscal year ended				Fiscal year ended	
		September 30, 2023		September 30, 2024		March 31, 2024	
Basic items	(A)	27,528		28,041		27,343	
Supplementary items	(B)	△	898	△	854	△	868
	Valuation difference on available-for-sale securities	△	1,067	△	1,046	△	1,060
	Reserve for financial instruments transaction liability		166		189		189
	General allowance for doubtful accounts		1		2		1
Deductible assets	(C)	5,955		6,030		5,982	
Equity capital (non-fixed)	(A)+(B)−(C)	(D)	20,673		21,157		20,492
Amount of risk equivalent	(E)	3,920		4,116		3,955	
	Amount of market risk equivalent		10		11		10
	Amount of counterparty risk equivalent		400		500		438
	Amount of fundamental risk equivalent		3,510		3,604		3,506
Capital adequacy ratio	(D)÷(E)×100(%)	527.2 %		513.9 %		518.0 %	

Note : The data in the table above are calculated based on figures adjusted after the settlement of accounts.

5. Quarterly Consolidated Income Statements for Recent Six Quarters

(in millions of yen)

	1st Q (4-6/23)	2nd Q (7-9/23)	3rd Q (10-12/23)	4th Q (1-3/24)	1st Q (4-6/24)	2nd Q (7-9/24)
Operating revenue	4,580	4,587	4,336	5,332	4,998	4,726
Commission received	4,471	4,455	4,239	5,206	4,882	4,606
Net trading income	20	33	2	34	20	5
Financial revenue	44	40	38	36	40	45
Other operating revenue	44	58	56	55	56	69
Financial expenses	11	8	5	13	8	10
Net operating revenue	4,569	4,578	4,330	5,319	4,990	4,715
Selling, general and administrative expenses	3,946	3,976	3,972	4,099	4,108	4,073
Trading related expenses	317	328	371	356	335	340
Personnel expenses	2,139	2,096	2,090	2,159	2,242	2,204
Real estate expenses	574	642	588	578	578	580
Office expenses	531	523	541	598	558	567
Depreciation	125	128	131	133	126	122
Taxes and dues	74	71	65	84	71	76
Provision of allowance for doubtful accounts	0	0	0	0	0	△0
Other	183	185	182	187	194	182
Operating profit	622	601	358	1,220	882	641
Non-operating income	19	2	35	27	18	40
Non-operating expenses	0	11	0	1	0	0
Ordinary profit	642	592	393	1,246	900	681
Extraordinary income	47	1	31	13	0	1
Extraordinary losses	0	0	11	39	—	0
Profit before income taxes	689	593	413	1,221	900	683
Income taxes - current	190	304	54	545	195	379
Income taxes - deferred	20	△87	100	△139	114	△147
Profit	478	376	259	815	590	451
Profit attributable to owners of parent	478	376	259	815	590	451

(END)