

AIZAWA SECURITIES GROUP CO., LTD.

Financial results for 2Q, FY 2024

October,2023

**1 AIZAWA SECURITIES GROUP CO., LTD.**

Financial summary	2-3
Group performance	4
Operating income-breakdown	5
Commission received-breakdown	6
Commission received-product-wise-breakdown	7
Net trading income-breakdown	8
Net financial income	9
Selling, general & administrative expenses	10
Non-operating profit (loss) & extraordinary profit (loss)	11
Balance sheet	12

2 AIZAWA SECURITIES CO., LTD.

Discretionary investment management	13
Platform business	14
Foreign stocks	15
Asian stock trading value	16
Assets under custody	17
Number of client accounts	18
Equity brokerage commissions & trading value	19
Capital adequacy ratio	20
Major initiatives	21-22
Reference data	23-24

1. AIZAWA SECURITIES GROUP CO., LTD.

Consolidated

LIFE DESIGN PARTNERS CO., LTD. and Japan Securities Co., Ltd. are included in the scope of consolidated financial results from 1Q, FY2024

► Highlights

For the 2Q, FY24 (change vs. 1Q, FY24)

- Operating revenue increased by 2.2% to 4,688 million yen
- Operating profit declined by 73.5% to 149 million yen
- Ordinary profit declined by 73.4% to 220 million yen
- Profit attributable to owners of parent declined by 74.1% to 190 million yen

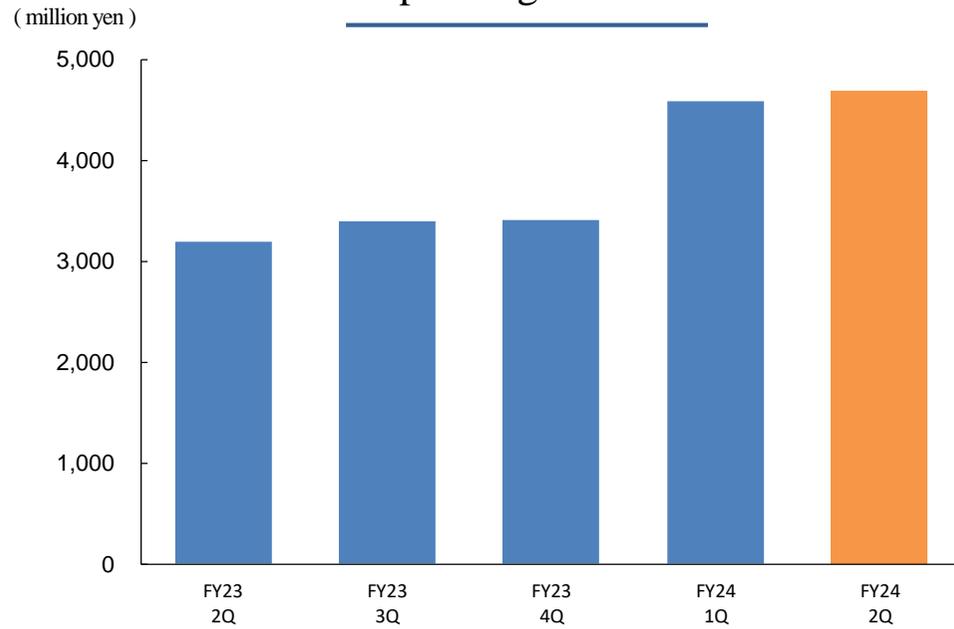
► Financial summary

(million yen)

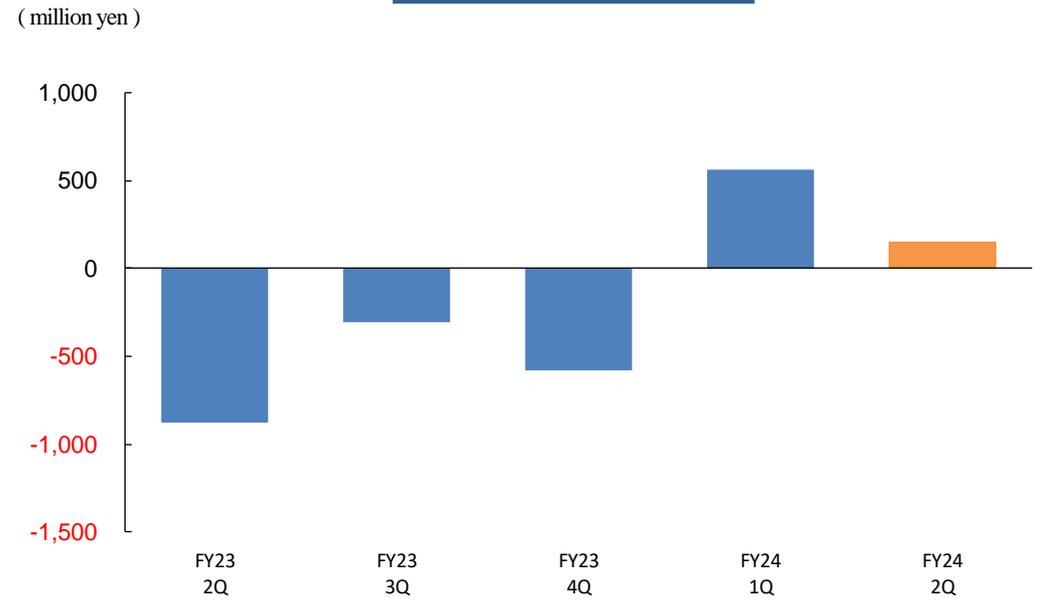
	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 2Q/FY23	Change vs 1Q/FY24	FY23 1H	FY24 1H	Change vs 1H/FY23
Operating revenue	3,199	3,401	3,404	4,588	4,688	46.5%	2.2%	5,945	9,277	56.0%
Net operating revenue	2,899	3,412	3,219	4,522	4,467	54.1%	△1.2%	5,576	8,990	61.2%
Selling, general and administrative expenses	3,773	3,716	3,795	3,958	4,317	14.4%	9.1%	7,478	8,276	10.7%
Operating profit (loss)	△874	△303	△576	564	149	-	△73.5%	△1,902	714	-
Ordinary profit (loss)	△846	△110	△201	830	220	-	△73.4%	△1,600	1,050	-
Profit (loss)	△558	247	△1,168	734	190	-	△74.1%	△1,455	924	-
Total assets	103,791	104,792	98,835	112,646	114,290	10.1%	1.5%	-	-	-
Net assets	55,667	55,773	54,030	55,753	56,524	1.5%	1.4%	-	-	-
EPS (yen)	△14.52	6.48	△30.81	19.50	5.06	-	-	△37.80	24.58	-
BPS (yen)	1,385.32	1,381.65	1,350.08	1,407.23	1,425.50	-	-	-	-	-



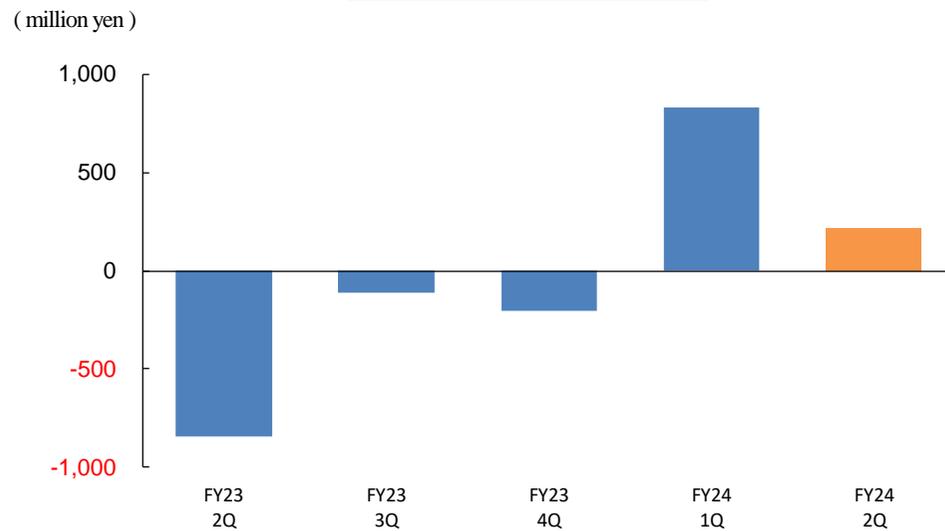
Operating revenue



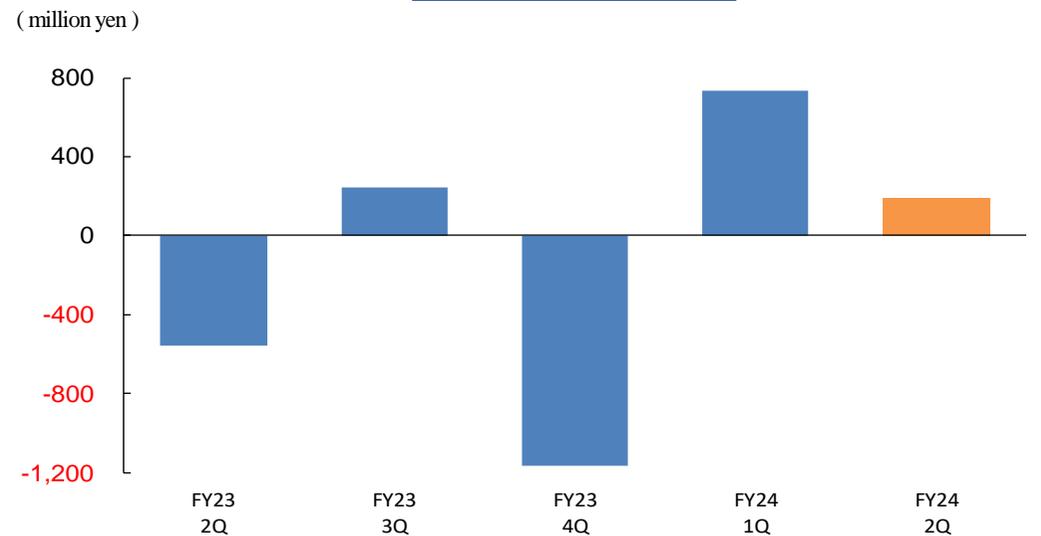
Operating profit/loss



Ordinary profit/loss



Profit/loss





▶ Operating revenue-segment wise

(million yen)

	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 2Q/FY23	Change vs 1Q/FY24	FY23 1H	FY24 1H
Total	3,199	3,401	3,404	4,588	4,688	46.5%	2.2%	5,945	9,277
Financial securities business	2,955	2,997	2,956	4,326	4,485	51.7%	3.7%	5,569	8,812
Investment business	192	329	368	217	157	Δ18.5%	Δ27.8%	281	374
Asset management business	62	87	92	56	56	Δ9.0%	Δ0.1%	118	113
Other adjustments	Δ 11	Δ 12	Δ 12	Δ12	Δ10	-	-	Δ 23	Δ 23

▶ Operating profit/loss (Δ) -segment wise

(million yen)

	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 2Q/FY23	Change vs 1Q/FY24	FY23 1H	FY24 1H
Total	Δ 874	Δ 303	Δ 576	564	149	-	Δ73.5%	Δ 1,902	714
Financial securities business	Δ 601	Δ 586	Δ 671	439	366	-	Δ16.7%	Δ 1,475	805
Investment business	Δ 146	311	75	132	Δ134	-	-	Δ 180	Δ2
Asset management business	Δ 46	Δ 20	Δ 31	Δ57	Δ55	-	-	Δ 78	Δ113
Other adjustments	Δ 80	Δ 8	50	49	Δ25	-	-	Δ 168	23

▶ Profit/loss (Δ) before income taxes-segment wise

(million yen)

	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 2Q/FY23	Change vs 1Q/FY24	FY23 1H	FY24 1H
Total	Δ 539	312	Δ 902	971	418	-	Δ56.9%	Δ 1,317	1,389
Financial securities business	Δ 552	Δ 572	Δ 1,268	472	445	-	Δ5.7%	Δ 1,426	917
Investment business	Δ 20	586	690	444	75	-	Δ83.1%	301	519
Asset management business	Δ 45	Δ 18	Δ 72	Δ52	Δ43	-	-	Δ 75	Δ96
Other adjustments	79	317	Δ 252	106	Δ58	-	-	Δ 116	48

▶ Business Summary

Group's operating revenues are generated by its 3 business segments

Financial Securities Business

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

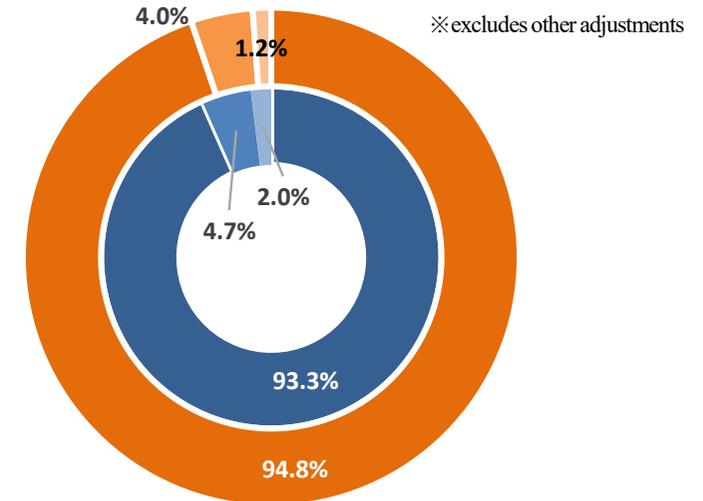
Investment Business

: Proprietary investment in financial securities, real estate and growth companies

Asset Management Business

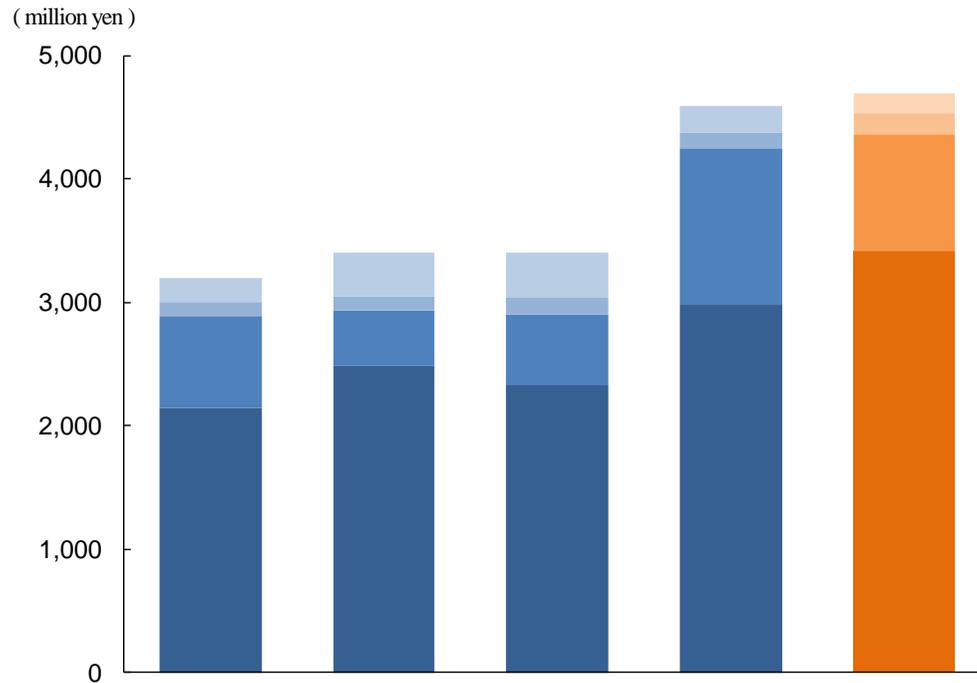
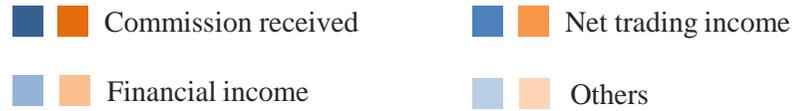
: Providing management services such as alternative asset management mainly to institutional investors

▶ Operating revenue-segment wise



	Financial securities business	Investment business	Asset management business
FY23 1H	■	■	■
FY24 1H	■	■	■

▶ Operating revenue-breakdown



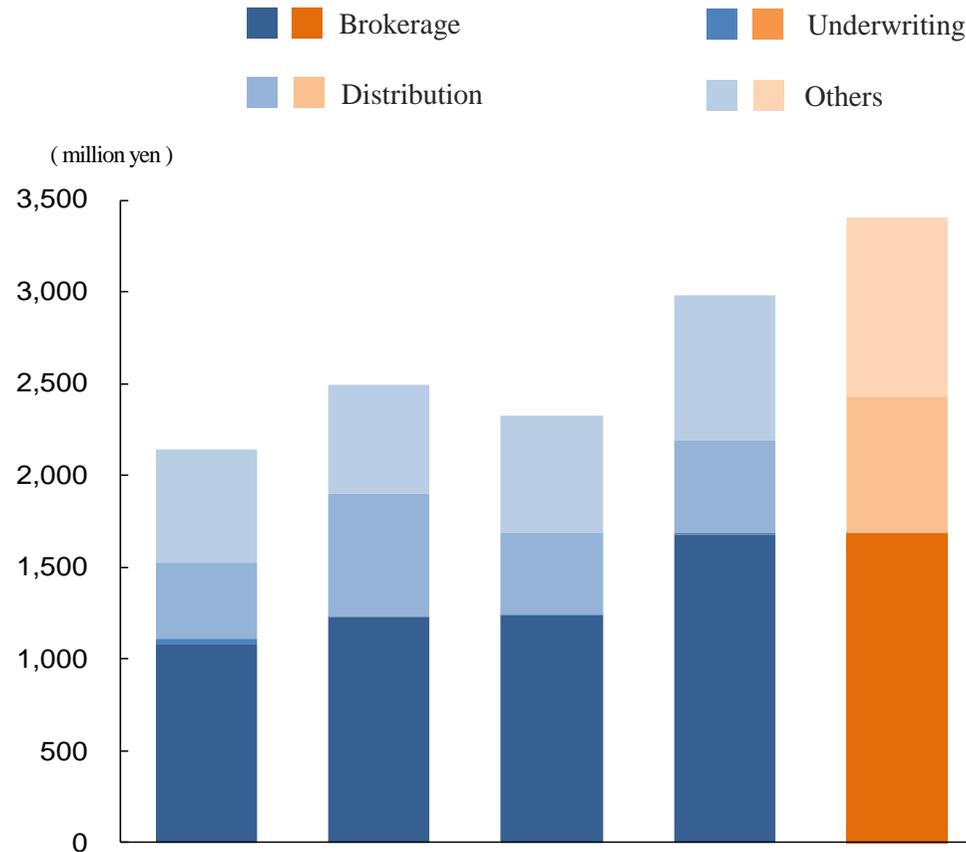
▶ Highlights

For the 2Q, FY24 (change vs. 1Q, FY24)

- Commissions received increased by 14.3% to 3,409 million yen
- Net trading income declined by 25.2% to 948 million yen
- Financial income increased by 42.1% to 181 million yen
- Other income declined by 28.8% to 149 million yen

	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 2Q/FY23	Change vs 1Q/FY24	FY23 1H	FY24 1H	Change vs 1H/FY23
Operating revenue	3,199	3,401	3,404	4,588	4,688	46.5%	2.2%	5,945	9,277	56.0%
Commission received	2,142	2,492	2,326	2,983	3,409	59.2%	14.3%	4,152	6,393	54.0%
Net trading income	745	441	570	1,267	948	27.2%	△25.2%	1,306	2,216	69.7%
Financial income	116	114	137	127	181	55.4%	42.1%	210	309	46.8%
Others	195	352	369	209	149	△23.6%	△28.8%	276	358	29.8%

Breakdown



Highlights

For the 2Q, FY24 (change vs. 1Q, FY24)

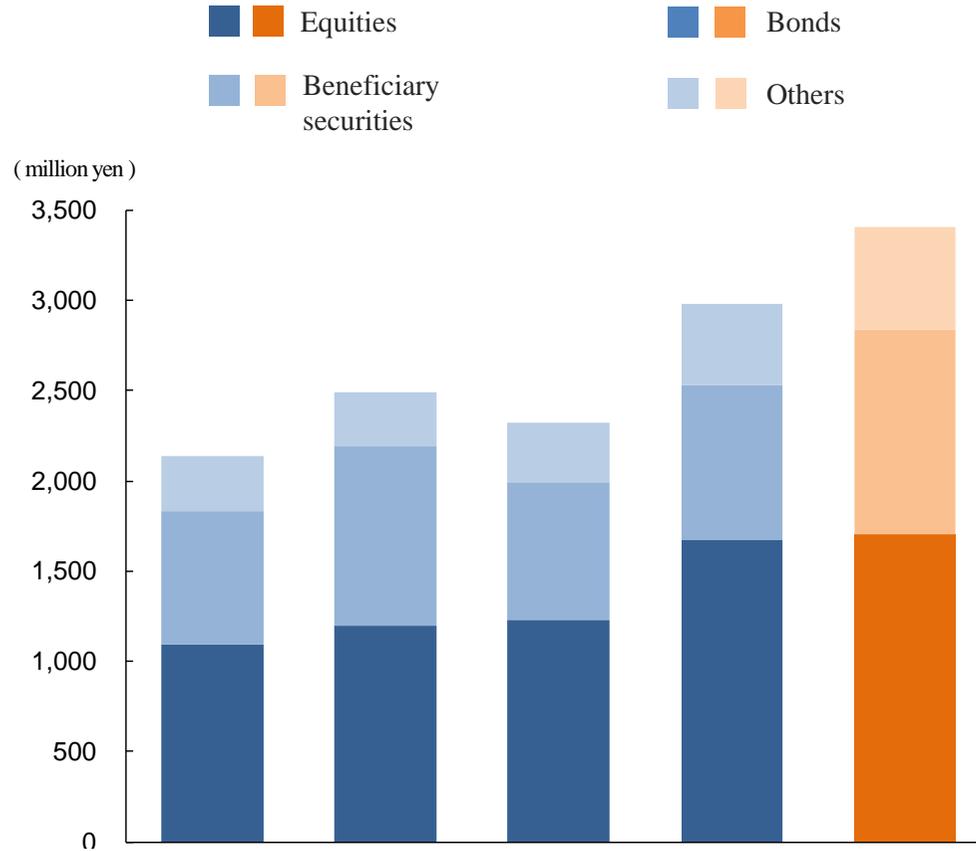
- Commissions received increased by 0.3% to 1,685 million yen (*1)
- Commissions from distribution increased by 45.9% to 740 million yen
- Other commissions increased by 24.1% to 981 million yen

(*1) Please refer to page 19 for breakdown of commissions on Equity and Equity trading value.

	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 2Q/FY23	Change vs 1Q/FY24	FY23 1H	FY24 1H	Change vs 1H/FY23
Commission received	2,142	2,492	2,326	2,983	3,409	59.2%	14.3%	4,152	6,393	54.0%
Brokerage	1,080	1,226	1,240	1,680	1,685	56.0%	0.3%	2,141	3,365	57.2%
Underwriting	31	2	5	4	1	△94.5%	△63.2%	33	6	△80.6%
Distribution	416	672	443	507	740	77.8%	45.9%	779	1,248	60.1%
Others	613	590	637	790	981	60.0%	24.1%	1,198	1,772	47.9%



Product-wise breakdown



Highlights

For the 2Q, FY24 (change vs. 1Q, FY24)

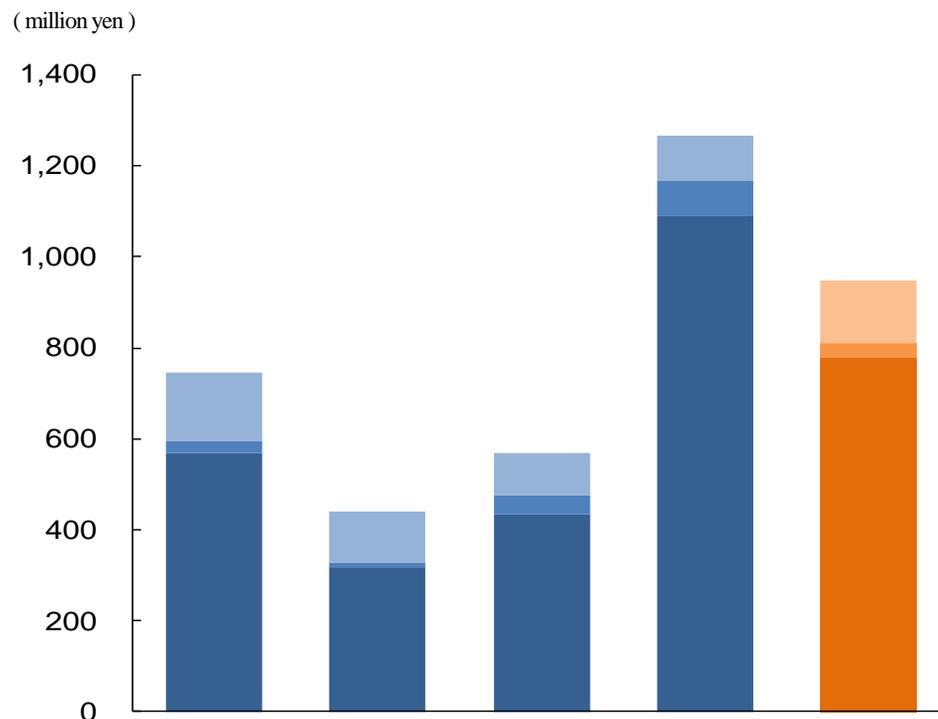
- Commissions received on equities increased by 2.1% to 1,703 million yen^(*)
- Commissions received from beneficiary securities increased by 32.0% to 1,136 million yen
- Other commissions received increased by 25.4% to 569 million yen

(*) Please refer to page 19 for breakdown of commissions on Equity and Equity trading value.

	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 2Q/FY23	Change vs 1Q/FY24	FY23 1H	FY24 1H	Change vs 1H/FY23
Commission received	2,142	2,492	2,326	2,983	3,409	59.2%	14.3%	4,152	6,393	54.0%
Equities	1,093	1,200	1,231	1,668	1,703	55.7%	2.1%	2,136	3,372	57.9%
Bonds	0	0	0	0	0	△8.5%	91.5%	1	0	△49.0%
Beneficiary securities	741	996	761	860	1,136	53.3%	32.0%	1,410	1,996	41.5%
Others	306	294	333	453	569	85.8%	25.4%	604	1,023	69.3%

Net trading income

Equities Bonds Forex



Highlights

For the 2Q, FY24 (change vs. 1Q, FY24)

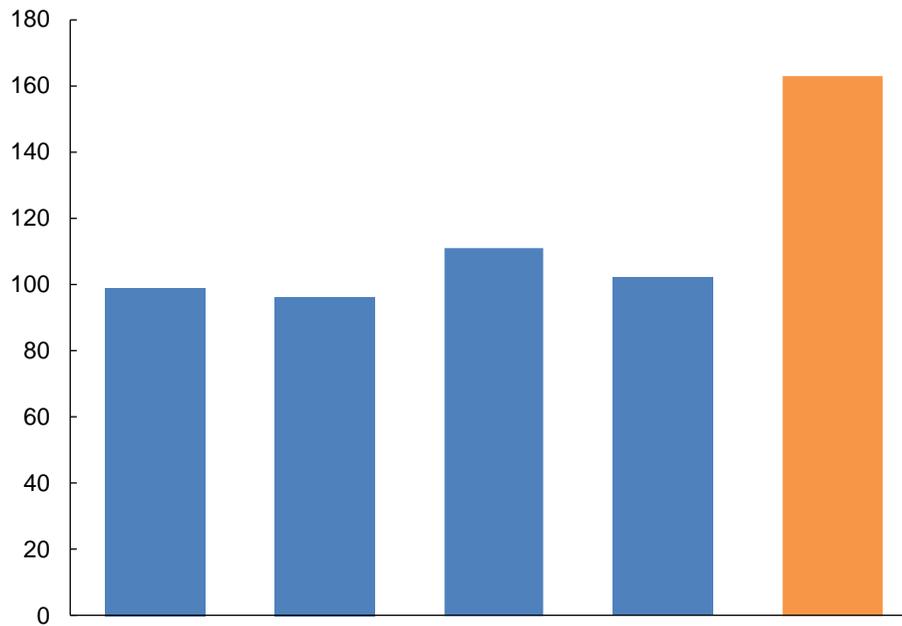
- Net trading income declined by 25.2% to 948 million yen due to decline in the OTC trading of U.S equities

	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 2Q/FY23	Change vs 1Q/FY24	FY23 1H	FY24 1H	Change vs 1H/FY23
Net trading income	745	441	570	1,267	948	27.2%	Δ25.2%	1,306	2,216	69.7%
Equities	568	319	433	1,088	778	37.0%	Δ28.5%	893	1,867	108.9%
Bonds	26	8	41	78	33	25.3%	Δ57.3%	70	111	57.7%
Forex	150	114	95	100	136	Δ9.2%	35.7%	341	237	Δ30.4%



▶ Net financial income

(million yen)



▶ Highlights

For the 2Q, FY24 (change vs. 1Q, FY24)

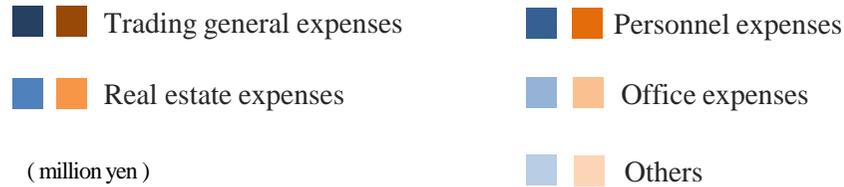
- Net financial income increased by 59.5% to 163 million yen
- Financial income increased by 42.1% to 181 million yen
- Financial expense declined by 29.5% to 17 million yen

(million yen)

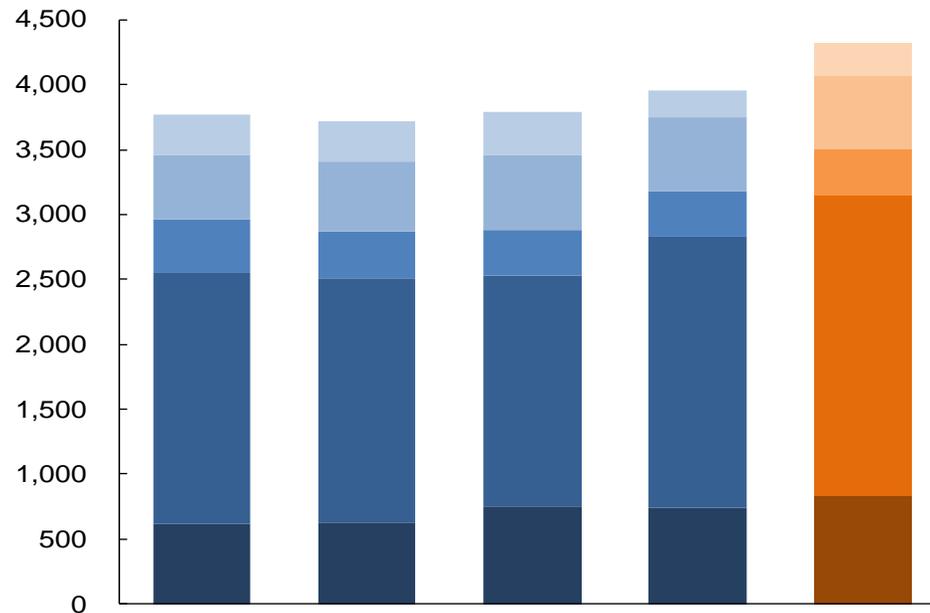
	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 2Q/FY23	Change vs 1Q/FY24	FY23 1H	FY24 1H	Change vs 1H/FY23
Net financial income	99	96	111	102	163	64.1%	59.5%	175	266	51.7%
Financial income	116	114	137	127	181	55.4%	42.1%	210	309	46.8%
Financial expenses	16	18	26	24	17	3.6%	△29.5%	34	42	21.8%



▶ Selling, general & administrative expenses



(million yen)



▶ Highlights

For the 2Q, FY24 (change vs. 1Q, FY24)

- Selling, general and administrative expenses increased by 9.1% to 4,317 million yen

(million yen)

	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 2Q/FY23	Change vs 1Q/FY24	FY23 1H	FY24 1H	Change vs 1H/FY23
Selling, general and administrative expenses	3,773	3,716	3,795	3,958	4,317	14.4%	9.1%	7,478	8,276	10.7%
Trading related expenses	619	625	749	736	834	34.7%	13.3%	1,225	1,570	28.2%
Personal expenses	1,930	1,884	1,776	2,094	2,318	20.1%	10.7%	3,888	4,413	13.5%
Real estate expenses	414	359	353	350	344	△16.9%	△1.7%	765	695	△9.2%
Office expenses	496	539	576	569	571	15.0%	0.3%	1,014	1,140	12.5%
Others	313	307	339	207	248	△20.5%	20.1%	584	455	△22.1%
↳ (Depreciation)	107	86	93	48	49	△53.4%	2.4%	182	98	△45.8%

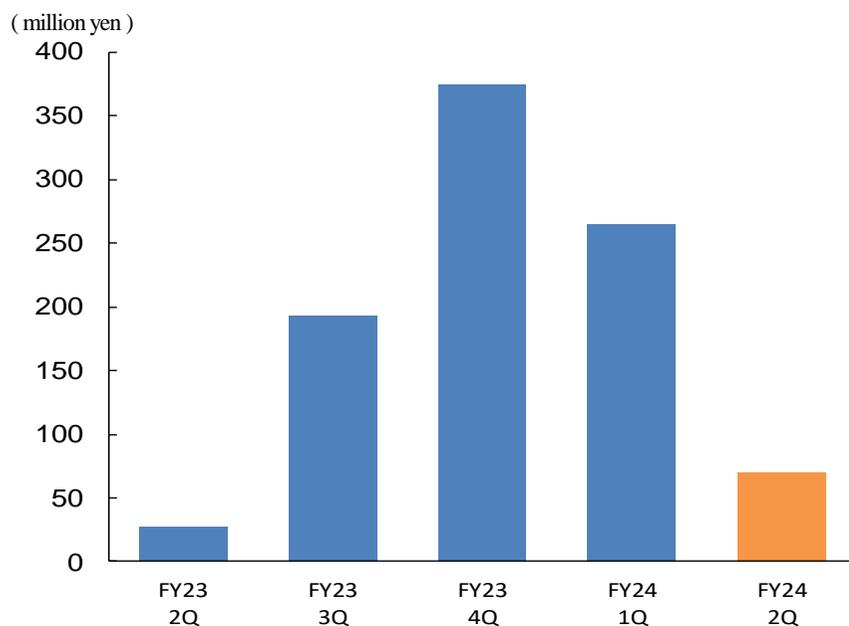
Highlights

For the 2Q of FY 24, company reported extraordinary profit of 197 million yen. Extraordinary income increased by 27.5% to 198 million yen led by gain from sales of investment securities.

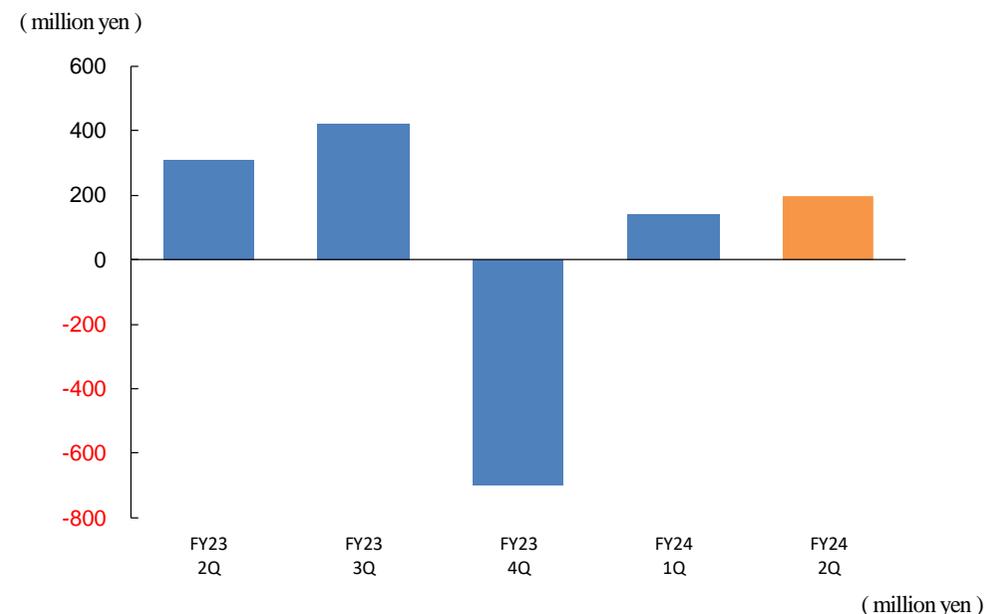
Non-operating profit declined by 73.4% to 70 million yen. Non-operating income declined by 70.0% to 83 million yen led by interest income.

Non-operating expenses declined by 5.3% to 13 million yen. (All % are in comparison with 1Q of FY 24)

Non-operating profit (loss)



Extraordinary profit (loss)



	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 2Q/FY23	Change vs 1Q/FY24
Non-operating profit (loss)	27	193	375	265	70	156.3%	△73.4%
Non-operating income	46	199	433	279	83	81.5%	△70.0%
Non-operating expenses	18	5	58	13	13	△29.7%	△5.3%
Extraordinary profit (loss)	307	422	△ 701	140	197	△35.7%	40.2%
Extraordinary income	326	156	257	156	198	△39.0%	27.5%
Extraordinary losses	18	△ 265	959	15	1	△93.1%	△91.4%

	FY23 1H	FY24 1H	Change vs 1H/FY23
Non-operating profit (loss)	302	336	11.3%
Non-operating income	327	363	10.8%
Non-operating expenses	25	26	5.0%
Extraordinary profit (loss)	282	338	19.7%
Extraordinary income	585	354	△39.4%
Extraordinary losses	302	16	△94.6%



Company plans to purchase 400,000 treasury shares (1.1% of outstanding shares excluding the treasury shares) with maximum limit of 500 million yen in between the period of September 19, 2023 and January 31, 2024. Company has completed purchase of 53,000 shares till September 30, 2023.

▶ Balance sheet

(million yen)

	FY22	FY23	As of September 30, 2023
Assets			
Current Assets	69,488	63,533	76,768
Cash and deposit	19,126	14,142	19,481
Cash segregated as deposits	23,419	20,908	25,265
Operational investment securities	8,601	10,521	11,610
Trading products	361	207	355
Trade date actual	776	615	1,201
Margin transaction assets	15,810	15,692	17,032
Loans on margin transactions	15,528	15,314	16,687
Advances paid	176	56	107
Other current assets	1,215	1,389	1,713
Non-current assets	35,217	35,291	37,515
Property, plant and equipment	8,160	9,936	9,962
Intangible assets	241	100	48
Investments and other assets	26,815	25,253	27,503
Investments securities	24,791	23,439	25,026
Allowance for doubtful accounts	△ 3	△ 3	△ 11
Deferred assets	17	10	7
Organization expenses	1	0	0
Start up expenses	16	9	6
Total assets	104,723	98,835	114,290

	FY22	FY23	As of September 30, 2023
Liabilities			
Current liabilities	38,440	34,365	46,863
Trading products	117	90	139
Margin transaction liabilities	1,791	1,516	1,779
Borrowings on margin transactions	1,115	726	1,032
Loans payable secured by securities	4,800	2,927	2,680
Deposits received	20,514	16,760	27,419
Deposits from customers	18,088	14,359	17,682
Other deposits	2,425	2,400	9,737
Guarantee deposits received	4,937	5,099	5,586
Short-term loans payable	3,795	6,445	6,445
Non-current liabilities	8,107	10,293	10,753
Long-term borrowings	3,036	5,588	5,349
Deferred tax liabilities	4,553	4,318	5,003
Reserves under special laws	146	146	148
Reserve for financial instruments transaction liabilities	146	146	148
Total liabilities	46,693	44,804	57,765
Net assets			
Total shareholder's equity	48,254	44,162	44,512
Treasury shares	△ 4,790	△ 5,471	△ 5,629
Accumulated other comprehensive income	7,457	6,834	9,092
Valuation difference on available-for-sale securities	7,391	6,579	8,235
Non-controlling interests	2,317	3,033	2,919
Total net assets	58,029	54,030	56,524
Total liabilities and assets	104,723	98,835	114,290

2. AIZAWA SECURITIES CO.,LTD.

Non-consolidated



▶ WRAP - Number of clients & AUM (Market value)

(AUM: million yen, Customers: numbers)

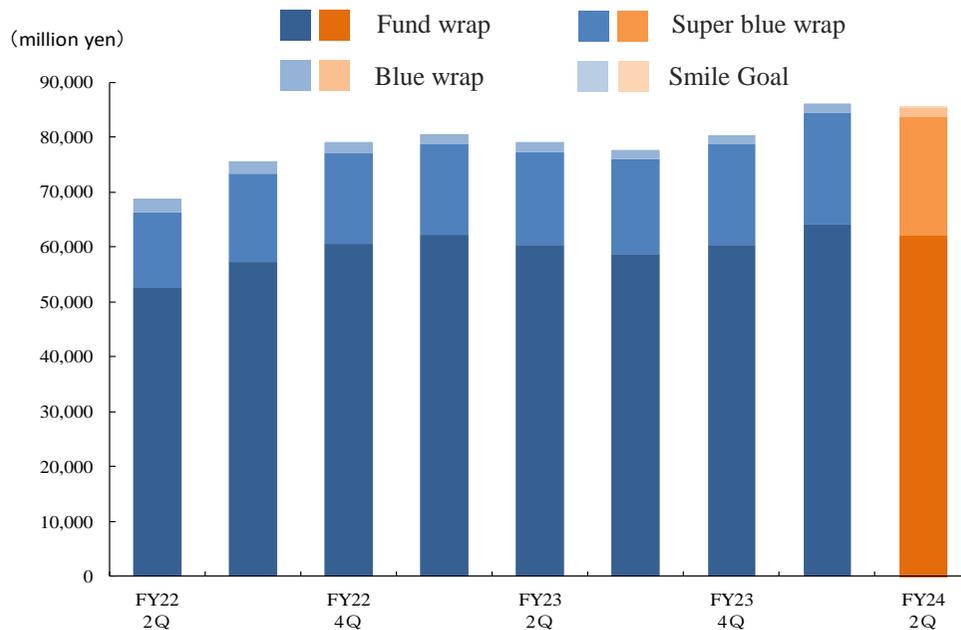
		FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 1Q/FY24
Super blue wrap	AUM (Market value)	17,020	17,377	18,369	20,367	21,487	5.5%
	Customers	1,045	1,030	1,009	990	1,023	3.3%
Blue wrap	AUM (Market value)	1,714	1,612	1,613	1,715	1,634	△4.7%
	Customers	208	196	186	178	169	△5.1%
Fund wrap	AUM (Market value)	60,386	58,712	60,457	64,075	62,223	△2.9%
	Customers	7,208	7,148	7,101	6,949	6,855	△1.4%
Smile Goal	AUM (Market value)					141	-
	Customers					46	-

▶ Highlights

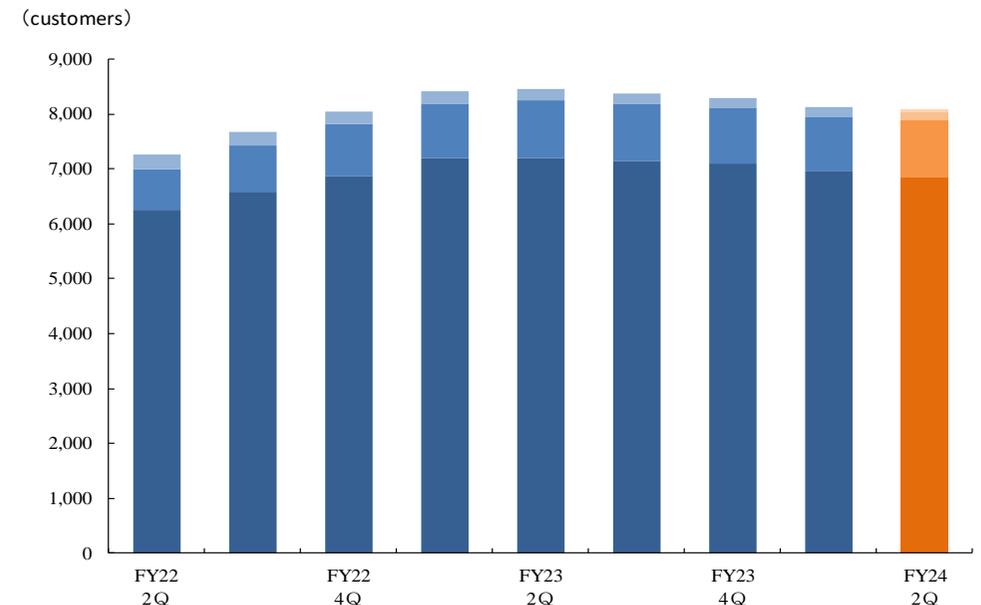
As a strategic shift to the asset building business, group is focusing on offering discretionary investment management services (wrap). At the end of second quarter, total AUM and number of customers for same were 85.4 billion yen and 8,093 customers, respectively.

From August 2023, company started the handling of “Smile Goal”, a wrap product with client's goal base approach. By recommending asset management plans based on each customer's future goals and offering ongoing post-sale follow-up, this product aids in the realization of long-term life plans.

AUM (Market value)



Number of customers



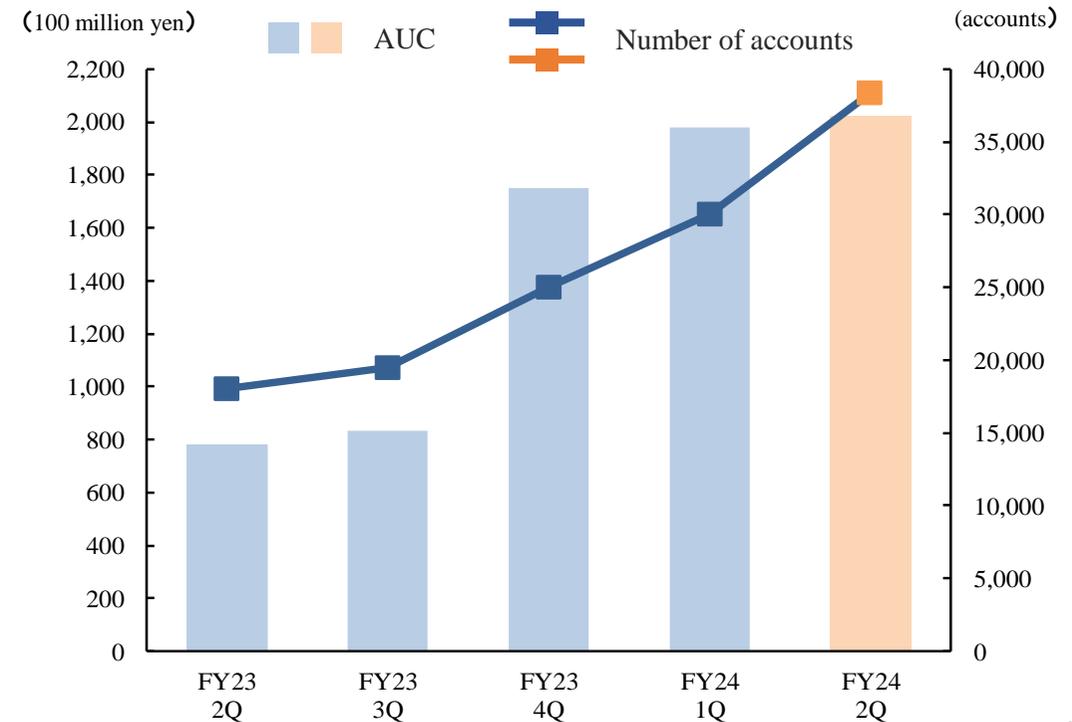
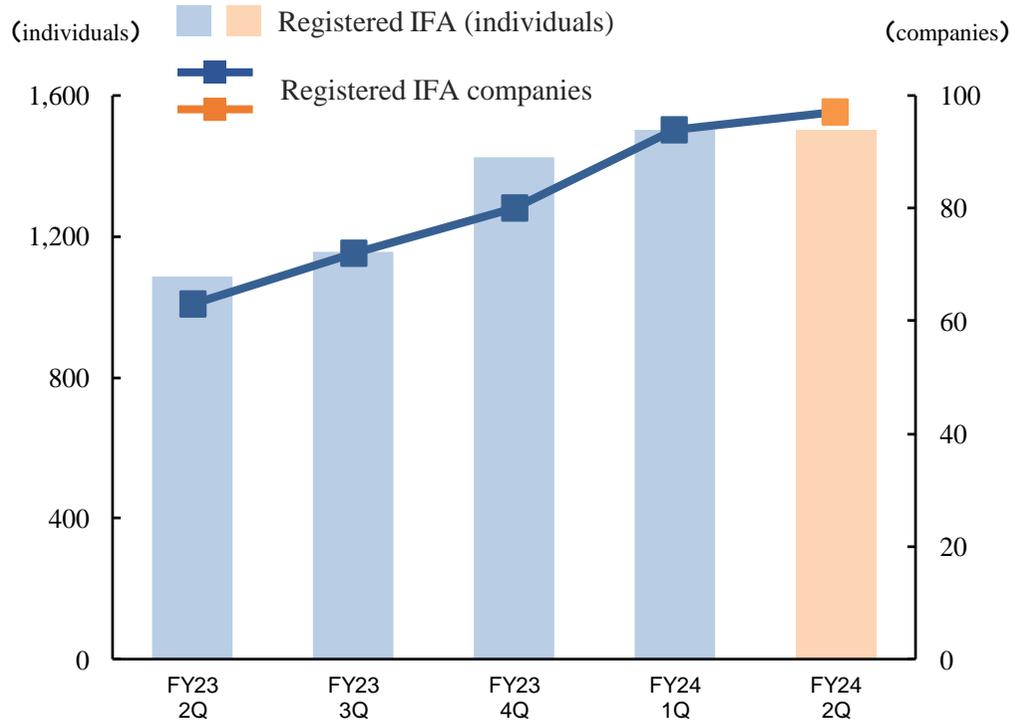


▶ Independent financial advisory (IFA) Business Update

	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 1Q/FY24
Registered IFA companies	63	72	80	94	97	3.2%
Registered IFA (Individuals)	1,085	1,158	1,424	1,501	1,503	0.1%
AUC (100 million yen)	781	833	1,752	1,979	2,020	2.1%
└ Financial institution affiliated	192	192	200	244	274	12.3%
└ IFA	589	641	1,551	1,734	1,746	0.7%
└ LIFE DESIGN PARTNERS	41	72	937	1,025	1,020	Δ0.5%
Number of accounts	18,053	19,507	24,999	30,062	38,360	27.6%
└ Financial institution affiliated	7,249	7,600	7,983	11,744	18,420	56.8%
└ IFA	10,804	11,907	17,016	18,318	19,940	8.9%
└ LIFE DESIGN PARTNERS	488	880	5,069	5,175	5,387	4.1%

▶ Highlights

Group is making efforts to expand the platform business in line with its mid-term management plan. In 4Q FY23, "LIFE DESIGN PARTNERS CO., LTD.", saw increase in number of individual IFA's and asset under custody due to transfer of individual IFA's from "AIZAWA SECURITIES CO., LTD." Number of accounts through affiliation with financial institutions (THE SAIKYO BANK, LTD. etc.) increased by 56.8%. (vs. 1Q, FY 24)



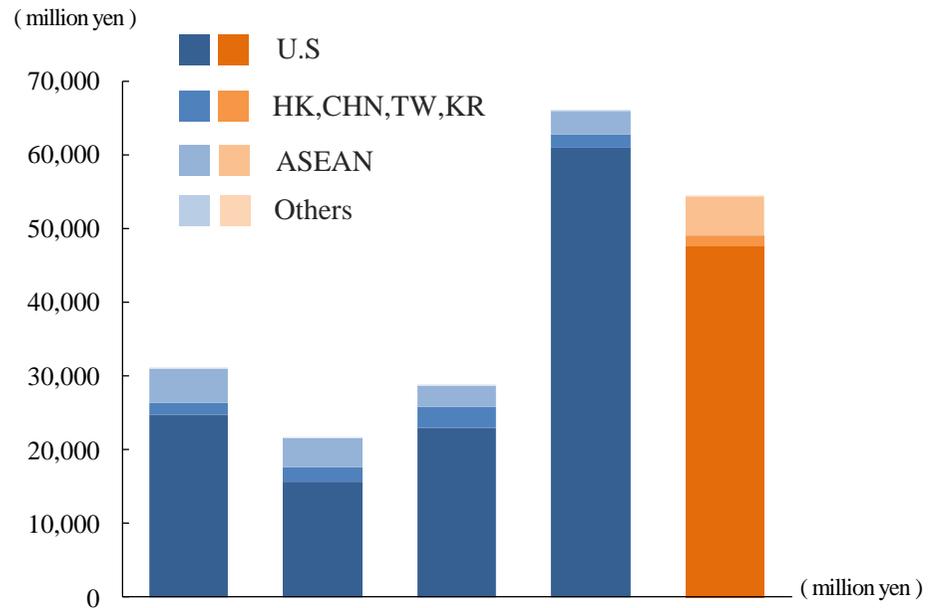


▶ Highlights

Trading value for U.S equities declined by 22.0%. Aggregate trading value for Hong Kong, China, Taiwan and Korea equities declined by 16.1%. Trading value for ASEAN market equities increased by 71.2%.

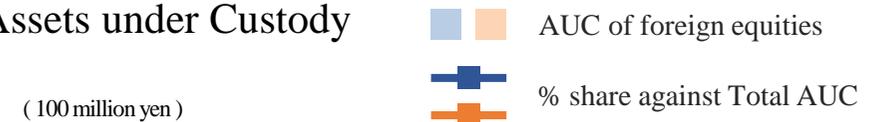
For details please refer to next page. (All % are in comparison with 1Q of FY 24)

▶ Foreign stocks : Trade value



	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 1Q/FY24
Total of trade value	30,987	21,560	28,647	65,844	54,354	△17.5%
U.S.	24,709	15,683	23,019	60,849	47,477	△22.0%
HK, CHN, TW, KR	1,727	2,029	2,727	1,875	1,572	△16.1%
ASEAN	4,486	3,823	2,869	3,097	5,301	71.2%
Others	64	23	31	22	2	△87.0%

▶ Assets under Custody

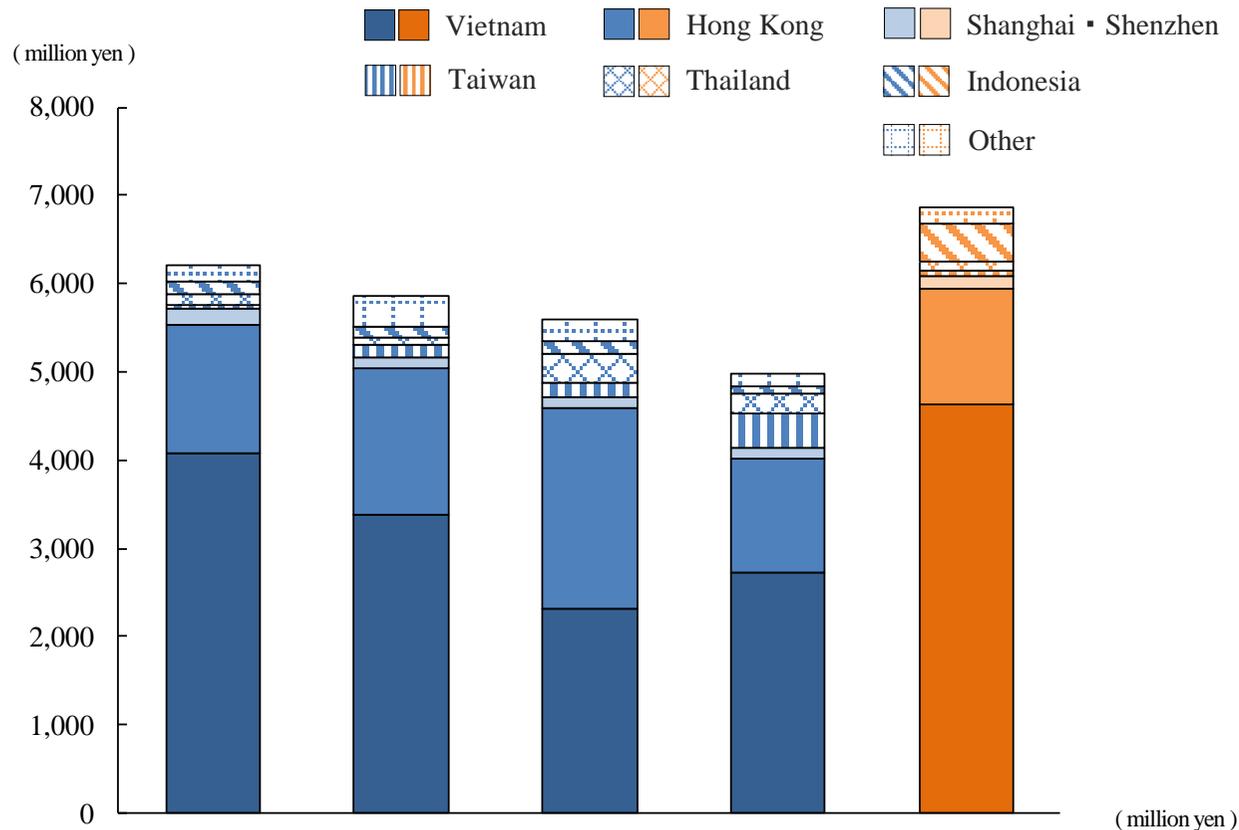


	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 1Q/FY24
AUC of foreign equities	909	810	920	1,080	1,113	3.1%
% share against total AUC	6.6%	5.7%	6.2%	6.5%	6.5%	-

(100 million yen)



▶ Trading value-Asia Stocks



	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 1Q/FY24
Total of trading value	6,220	5,861	5,600	4,977	6,876	38.1%
Vietnam	4,069	3,387	2,314	2,719	4,637	70.5%
Hong Kong	1,455	1,653	2,276	1,302	1,299	Δ0.2%
Shanghai, Shenzhen	186	114	124	108	141	29.9%
Taiwan	38	156	170	396	74	Δ81.3%
Thailand	137	85	327	232	99	Δ57.3%
Indonesia	132	114	139	71	432	502.8%
Others	200	348	247	145	191	31.4%

▶ Highlights

- **Vietnam**
Trading value for Vietnam stocks increased by 70.5% (change vs. 1Q, FY24), while maintaining 67.4% (54.6% in 1Q, FY24) share among our handling of Asian equities
- **Hong Kong**
Trading value for Hong Kong stocks declined by 0.2% (change vs. 1Q, FY24), while maintaining 18.9% (26.2% in 1Q, FY24) share among our handling of Asian equities
- **Indonesia**
Trading value for Indonesia stocks increased by 502.8% (change vs. 1Q, FY24), while maintaining 6.3% (1.4% in 1Q, FY24) share among our handling of Asian equities

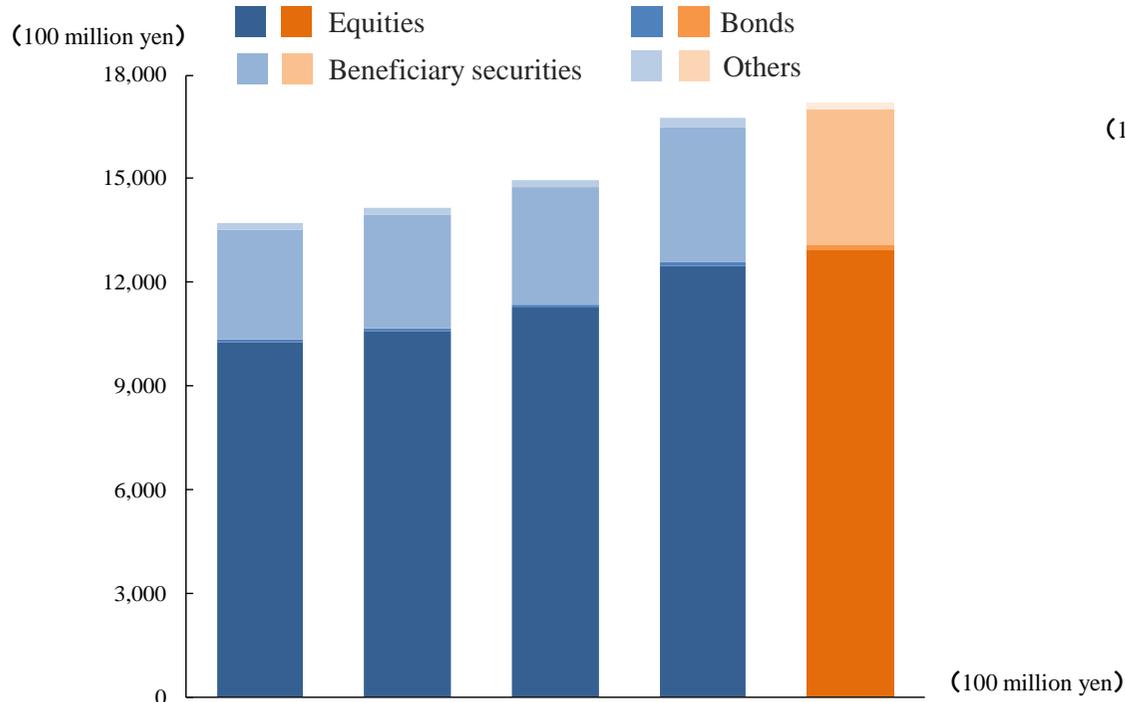


Highlights

Company is increasing the custody of assets generating recurring income in line with mid to long term plan of promoting asset building business. Custody of assets generating recurring income (represents market value of fund wrap and mutual funds excluding the MRF & listed ETF) increased by 4.5% to 284.2 billion yen.

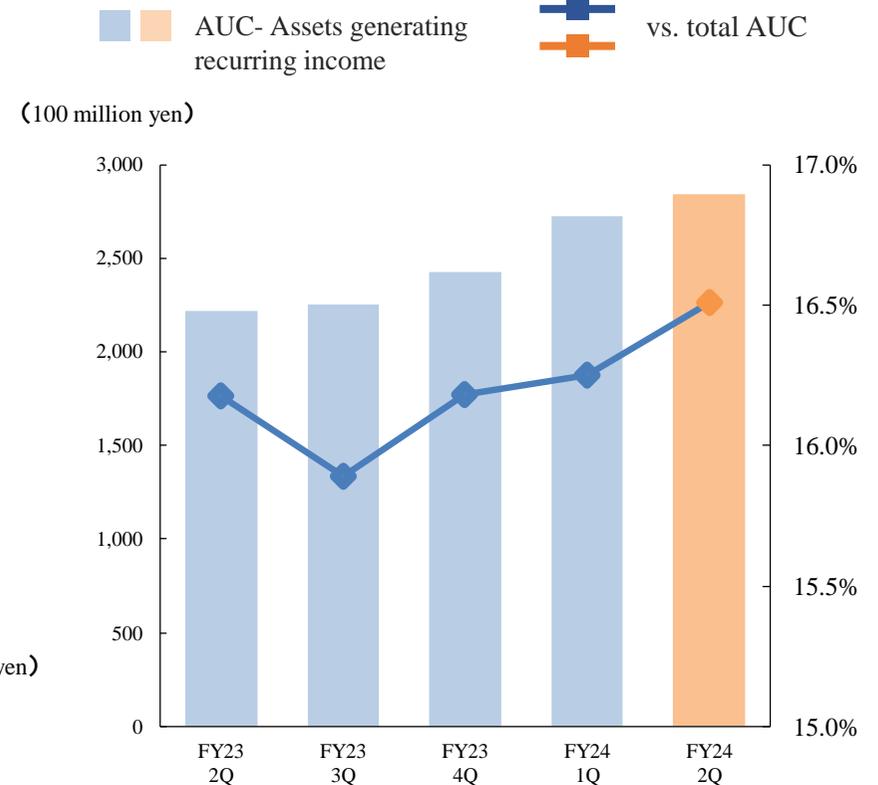
Assets under custody increased by 2.8% to 1.7216 trillion yen. (All % are in comparison with 1Q of FY 24)

Assets under custody (AUC)-Breakdown



	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 1Q/FY24
Total AUC	13,718	14,160	14,968	16,743	17,216	2.8%
Equities	10,253	10,592	11,257	12,487	12,967	3.8%
Bonds	112	97	103	122	126	3.3%
Beneficiary securities	3,143	3,270	3,412	3,877	3,890	0.3%
└ Mutual funds	2,031	2,060	2,222	2,500	2,611	4.5%
Others	209	198	194	255	232	Δ9.1%

AUC-Assets generating recurring income



※ Mutual funds does not include MRF & listed ETF (includes fund wrap & Smile Goal)
 ※ AUC generating recurring income represents mutual funds, discretionary managed accounts (Wrap) at market value

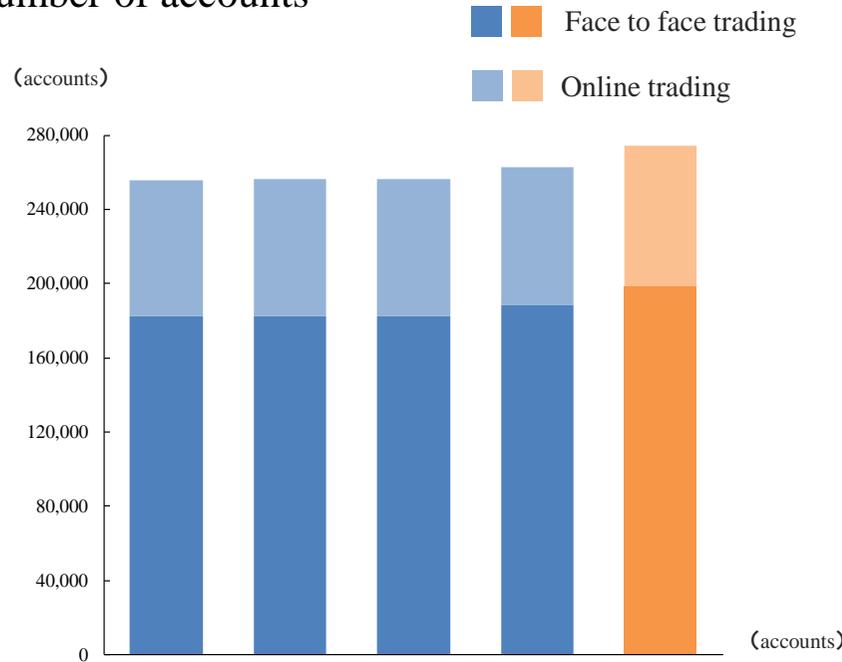


Highlights

Total number of client accounts maintained increased by 4.3% to 274,017 accounts.

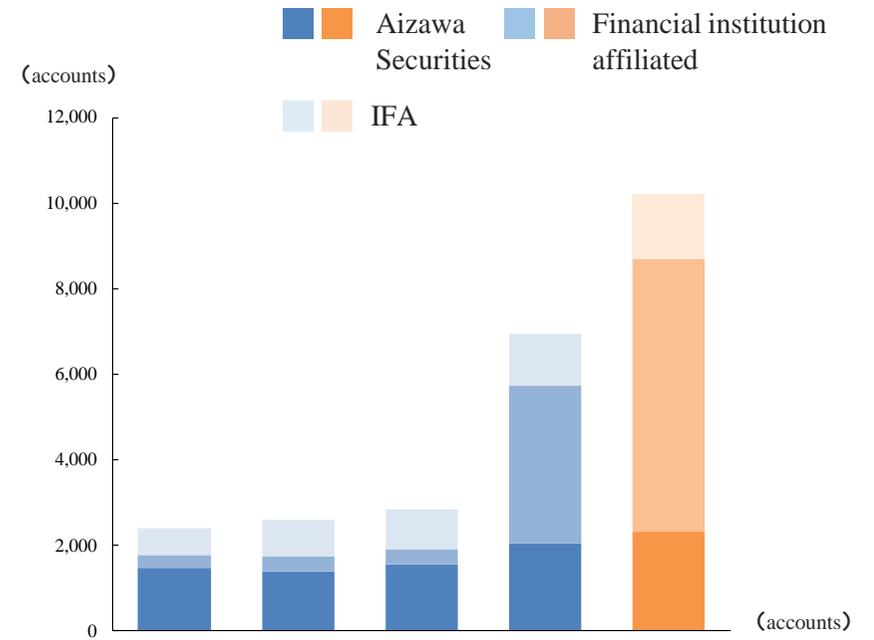
New account opening increased by 46.8% to 10,194 accounts. This was due to the expansion of platform business led by IFA business and affiliation with financial institutions like THE SAIKYO BANK, LTD. (All % are in comparison with 1Q of FY 24)

Total number of accounts



	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 1Q/FY24
Total number of accounts	255,656	256,032	256,519	262,705	274,017	4.3%
└ Face to face trading	182,190	182,270	182,618	188,253	198,478	5.4%
└ Online trading	73,466	73,762	73,901	74,452	75,539	1.5%

Number of new accounts



	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 1Q/FY24
Number of new accounts	2,380	2,590	2,841	6,942	10,194	46.8%
└ Aizawa Securities	1,456	1,387	1,534	2,036	2,303	13.1%
└ Financial institution affiliated	299	343	373	3,688	6,374	72.8%
└ IFA	625	860	934	1,218	1,517	24.5%

Highlights

Brokerage commission from domestic equities declined by 5.1% whereas brokerage commission from foreign equities increased by 24.4%. Trading value of domestic equities and foreign equities increased by 4.0% and 20.7% respectively. (All % are in comparison with 1Q of FY 24)

Stock brokerage commission-Breakdown

	(million yen)						(% share of brokerage commission)	
	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 1Q/FY24	FY24 2Q	
Commission from domestic equities	864	1,028	1,049	1,373	1,303	△5.1%	0.33%	
└ Face to face trading	748	897	926	1,221	1,155	△5.4%	0.64%	
└ Online trading	116	131	122	151	148	△1.9%	0.07%	
Commission from foreign equities	180	159	164	277	345	24.4%	1.93%	
└ Face to face trading	130	106	119	229	289	26.3%	1.96%	
└ Online trading	50	52	45	47	55	15.4%	1.76%	

Stock trading value-Breakdown

	(100 million yen)						
	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q	Change vs 1Q/FY24	
Domestic equities trading value	3,090	3,190	3,442	3,837	3,989	4.0%	
└ Face to face trading	1,519	1,547	1,759	1,874	1,801	△3.9%	
└ Online trading	1,570	1,643	1,683	1,962	2,187	11.5%	
Trading value for foreign equities	94	84	87	148	179	20.7%	
└ Face to face trading	65	54	61	121	147	21.7%	
└ Online trading	28	29	26	27	31	16.2%	

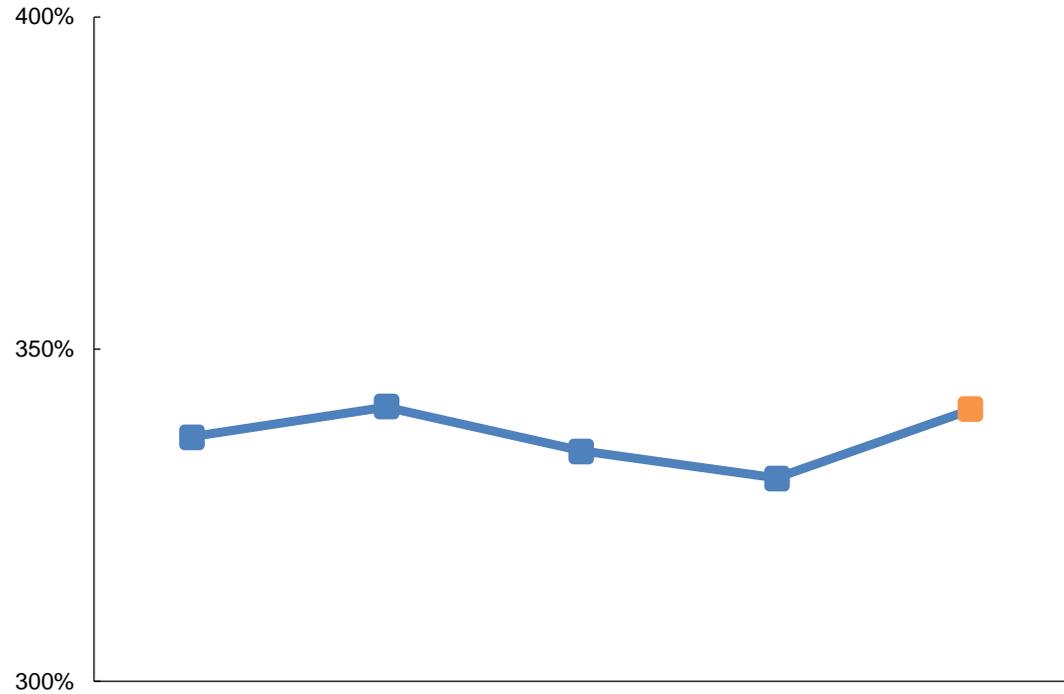
※ Stock brokerage commission excludes ETF



▶ Capital adequacy ratio
(as of September end, 2023)

340.9%

▶ Capital adequacy ratio



(million yen)

	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	FY24 2Q
Capital adequacy ratio(C/G×100)(%)	336.7%	341.2%	334.6%	330.5%	340.9%
Non fixed equity capital(C)	14,001	13,384	12,913	13,325	13,694
Total risk equivalent(G)	4,157	3,922	3,858	4,031	4,017
Market risk equivalent	176	126	138	197	180
Counterparty risk equivalent	638	597	533	643	618
Basic risk equivalent	3,341	3,198	3,186	3,190	3,218

AIZAWA SECURITIES GROUP CO., LTD.

■ April 28, 2023 Disclosure based on TCFD/ Publication of our approach and efforts concerning sustainability

■ Buyback of treasury shares

Purchasing treasury shares to maintain flexible capital policy and increase the capital efficiency and return on equity.

Term for buyback	February 1, 2023 to June 19, 2023	Term for buyback	September 19, 2023 to January 31, 2024
Share type	Common shares	Share type	Common shares
Number of buyback shares	400,000 shares (Within 1.1% of outstanding shares excluding the treasury shares)	Number of buyback shares	Maximum of 400,000 shares (Within 1.1% of outstanding shares excluding the treasury shares)
Value of shares	288,363,800 yen	Value of shares	Maximum of 500 million yen

AIZAWA SECURITIES CO., LTD.

■ April 11, 2023 Alliance agreement with Aomori Yamada High School

■ April 28, 2023 Absorption-type Company split agreement with THE SAIKYO BANK, LTD.

■ May 8, 2023 Opened a joint banking securities “Iwakuni Branch” with THE SAIKYO BANK, LTD.

■ June 12, 2023 Commencement of Type II Financial Instrument Business

■ July 3, 2023 Alliance agreement with Gotemba Nishi High School

There has been a recent revision of the courses of study in high school education (enhancement of financial education and entrepreneurship education) and the expansion of financial and economic education under the government's plan to double the asset income. AIZAWA SECURITIES CO., LTD. and Gotemba Nishi High School, having same views and initiative for the future have signed an alliance agreement to contribute to the promotion of the SDGs and regional development.

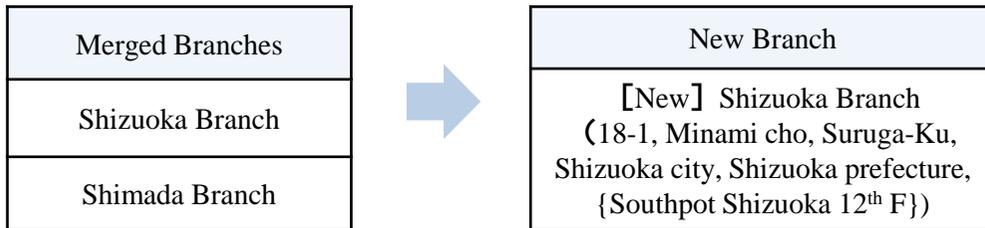
School Name	Gotemba Nishi High School
Location	644-1, Gumizawa, Gotemba city, Shizuoka prefecture
Representative Name	Yoshihisa Katsumata, Chairman Takahiro Katsumata, Principal
Date of establishment	February, 1967
Co/single gender education	Co-Education
Course offering	Special Advanced Course, Advanced Course, IT Business Course, Future Creation Course

≡ AIZAWA SECURITIES CO., LTD.

■ August 1, 2023 Started handling of “Smile Goal”, wrap product with client's goal base approach

“Smile Goal” will offer asset management plans based on each client's future goals along with ongoing post-sale follow-up, to support the realization of long-term life plans.

■ September 4, 2023 Opened “[New] Shizuoka Branch” by merging “Shizuoka Branch” and “Shimada Branch”



■ September 5, 2023 Alliance agreement with Oyama town, Shizuoka prefecture

AIZAWA SECURITIES CO., LTD. and Oyama town (Shizuoka prefecture) have signed an alliance agreement to further revitalize the town and contribute to mutual development by effectively utilizing the resources of both parties. Company is the only financial securities company in Oyama town and northeastern part of Shizuoka prefecture, involved in a wide variety of activities to promote regional development and local revitalization through its business activities.

About Oyama Town

Mayor	Masahide Komiyama
Population	17,297 (as of October 1, 2023)
Geographical location	Located at the northeastern tip of Shizuoka prefecture, and on border of Kanagawa and Yamanashi prefecture. The northwestern edges reaches the top of Mt. Fuji.

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

■ June 9, 2023 Commencement of collaboration with Aioi Nissay Dowa Insurance Co., Ltd. & Mitsui Sumitomo Aioi Life Insurance Co., Ltd.

Reference data



(1/10/2021 ~ 30/9/2023, Weekly)

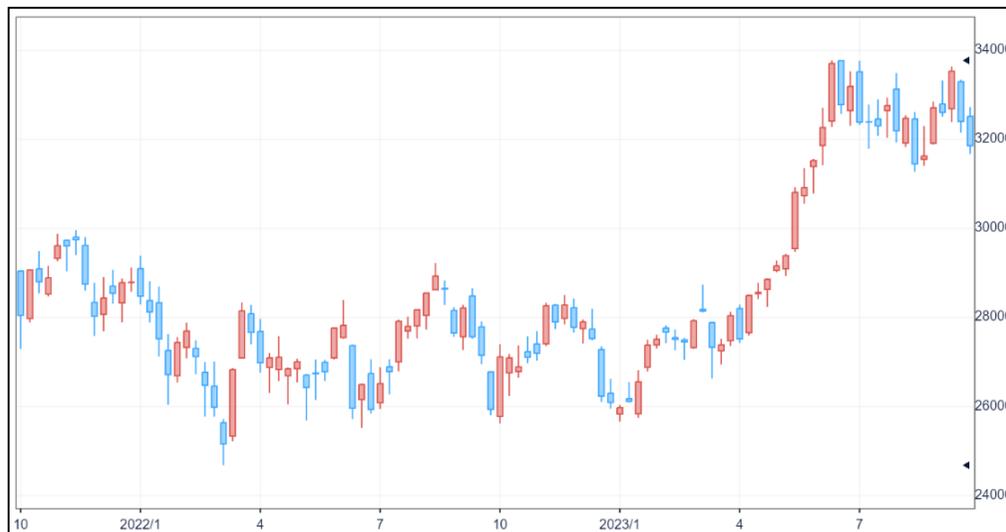
Assumed 100 as a base on October 1, 2021



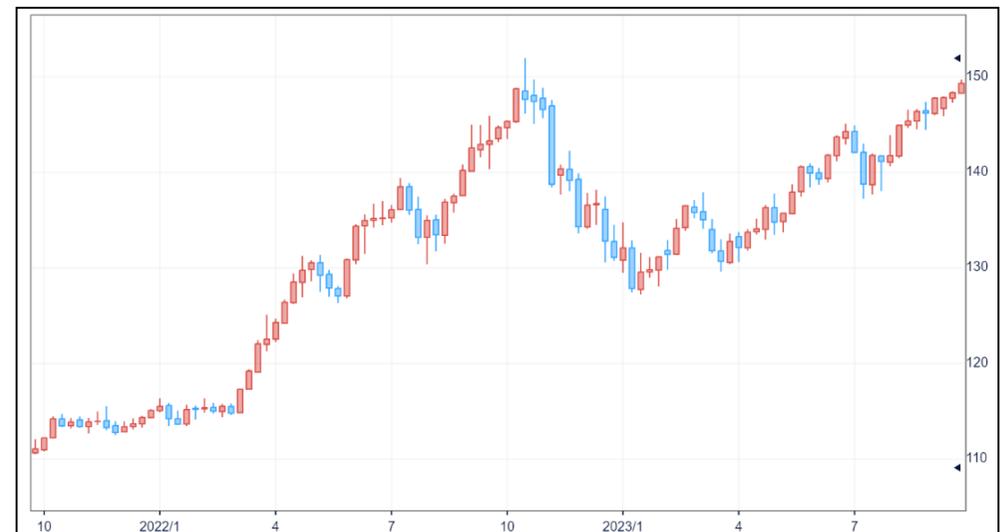
In Japan, since early spring stock market saw a sharp rise, but was unable to pursue further upside due to worries about high price warnings. Despite the worries, Japanese stock markets was supported by buyers at any sell offs. This was led by expectations on multinational companies to improve their profits due to the historically weak yen; requests made by Japan Exchange Group to do management in measures with cost of capital and share prices; and net buying by foreign investors. .

U.S. stock market started on a strong note with the rising hopes for a soft landing led by lowering inflation rate and a strong labor market. However, due to multiple factors like higher interest rates etc. situation changed from August to September and the stock markets declined. In Asian stock markets, the economic slowdown in China and currency depreciation pressure due to interest rate hikes in the U.S weighed on the market, while monetary easing in Vietnam favored its market. As a result, the developments varied depending on the country.

Nikkei 225



USD/JPY



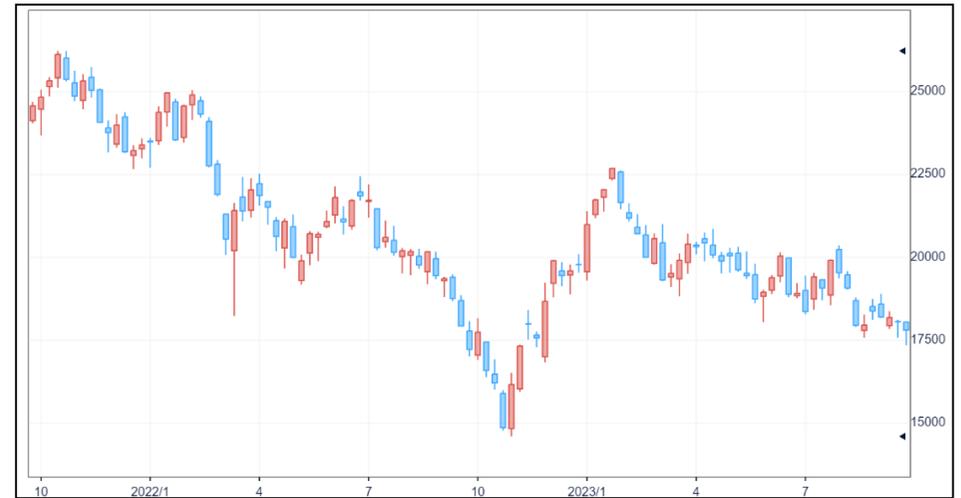


(1/10/2021 ~ 30/9/2023, Weekly)

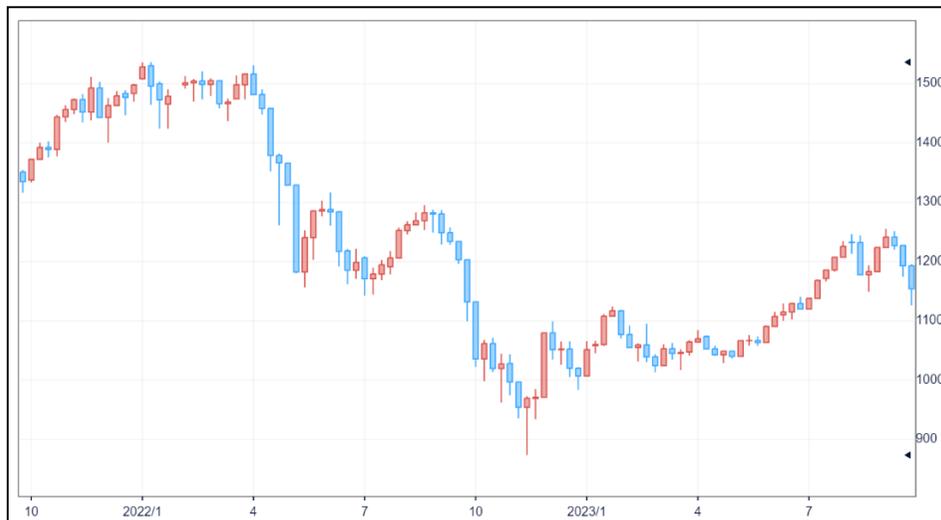
▶ Dow Jones Industrial Average Index



▶ Hang Seng Index



▶ Vietnam VN Index



▶ Jakarta Composite Index





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 second quarter of the fiscal year ending in March 2024, based upon the information as of 30 September 2023.

The information herein identifies our views, forecast etc. at the time of creation of the material, and the company does not make any representation or warranty for its accuracy or completeness, therefore, such information may be changed without any notices.

The company does not assume responsibility for any omissions or errors of any data and descriptions in the material.

AIZAWA SECURITIES GROUP CO., LTD.

Contact information :
Corporate Planning Department
E-MAIL : ir@aizawa-group.jp
URL : <https://www.aizawa-group.jp/english/>