

AIZAWA SECURITIES GROUP CO., LTD. 

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# Financial results for 1Q, FY 2024

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July,2023

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

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# 1. AIZAWA SECURITIES GROUP CO., LTD.

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## 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 1Q, FY24

- Operating revenue: 4,588 million yen (+34.8% vs. 4Q, FY23)
- Operating profit: 564 million yen
- Ordinary profit: 830 million yen
- Profit attributable to owners of parent: 734 million yen

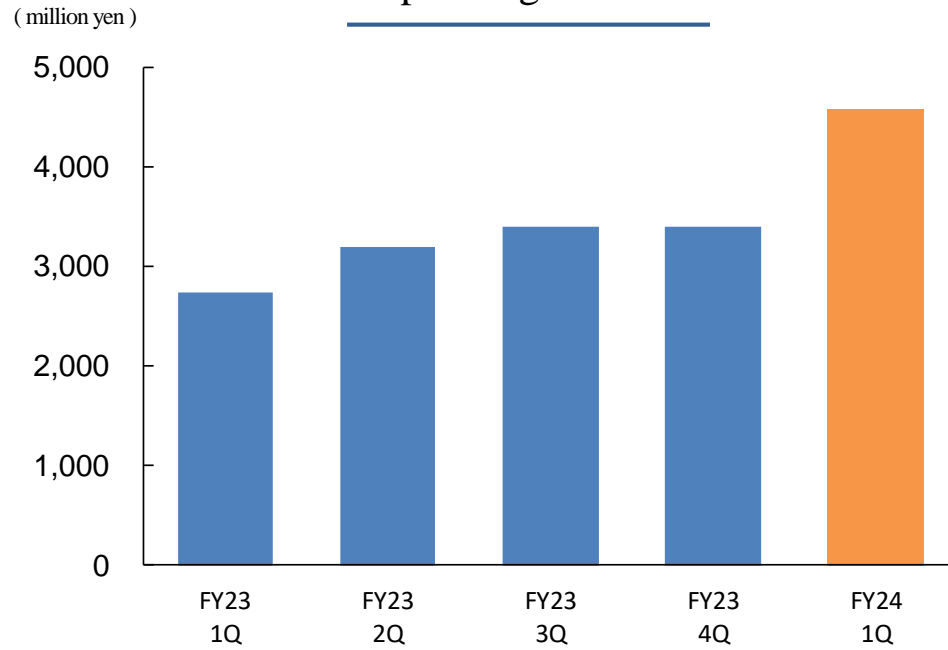
※ LIFE DESIGN PARTNERS CO., LTD. and Japan Securities Co., Ltd. are included in the scope of consolidated financial results from 1Q, FY2024

## ► Financial summary

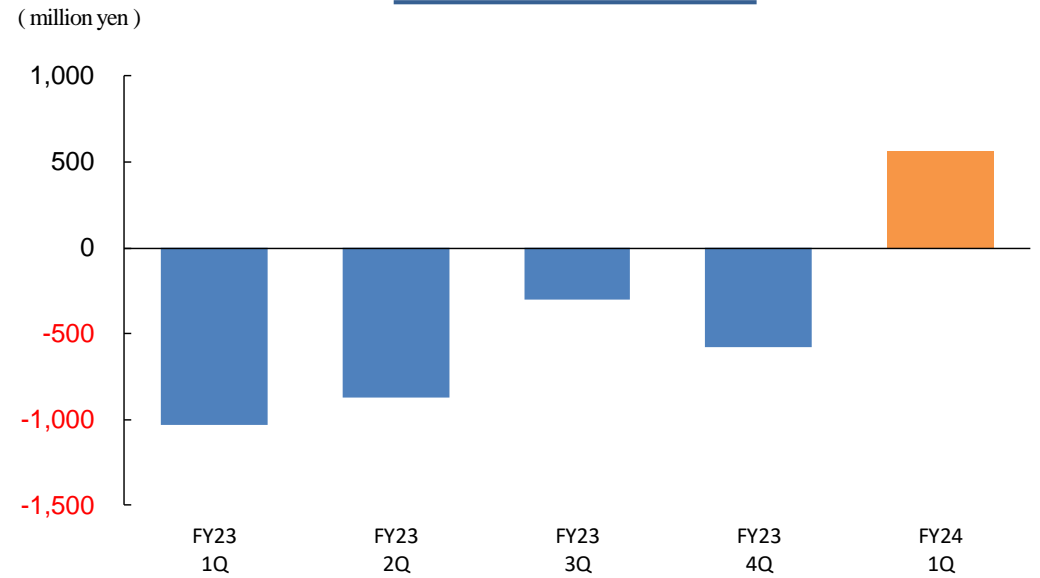
	(million yen)									
(Quarterly)	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 1Q/FY23	Change vs 4Q/FY23	FY23 1Q (cum.)	FY24 1Q (cum.)	Change vs 1Q/FY23
Operating revenue	2,746	3,199	3,401	3,404	4,588	67.1%	34.8%	2,746	4,588	67.1%
Net operating revenue	2,676	2,899	3,412	3,219	4,522	69.0%	40.5%	2,676	4,522	69.0%
Selling, general and administrative expenses	3,705	3,773	3,716	3,795	3,958	6.8%	4.3%	3,705	3,958	6.8%
Operating profit (loss)	△1,028	△874	△303	△576	564	-	-	△1,028	564	-
Ordinary profit (loss)	△753	△846	△110	△201	830	-	-	△753	830	-
Profit (loss)	△897	△558	247	△1,168	734	-	-	△897	734	-
Total assets	101,564	103,791	104,792	98,835	112,646	10.9%	14.0%	-	-	-
Net assets	56,371	55,667	55,773	54,030	55,753	△1.1%	3.2%	-	-	-
EPS (yen)	△23.27	△14.52	6.48	△30.81	19.50	-	-	△23.27	19.50	-
BPS (yen)	1,406.69	1,385.32	1,381.65	1,350.08	1,407.23	-	-	-	-	-



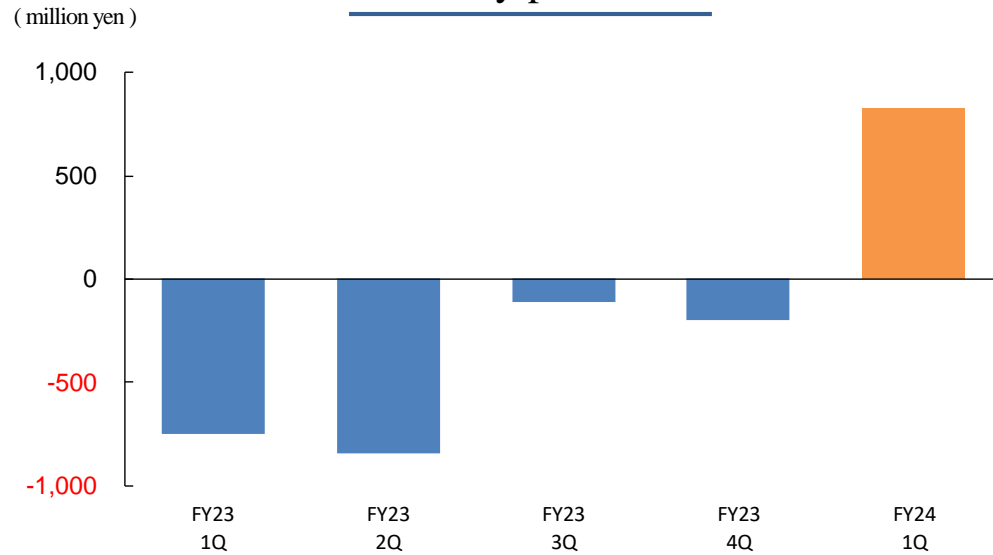
Operating revenue



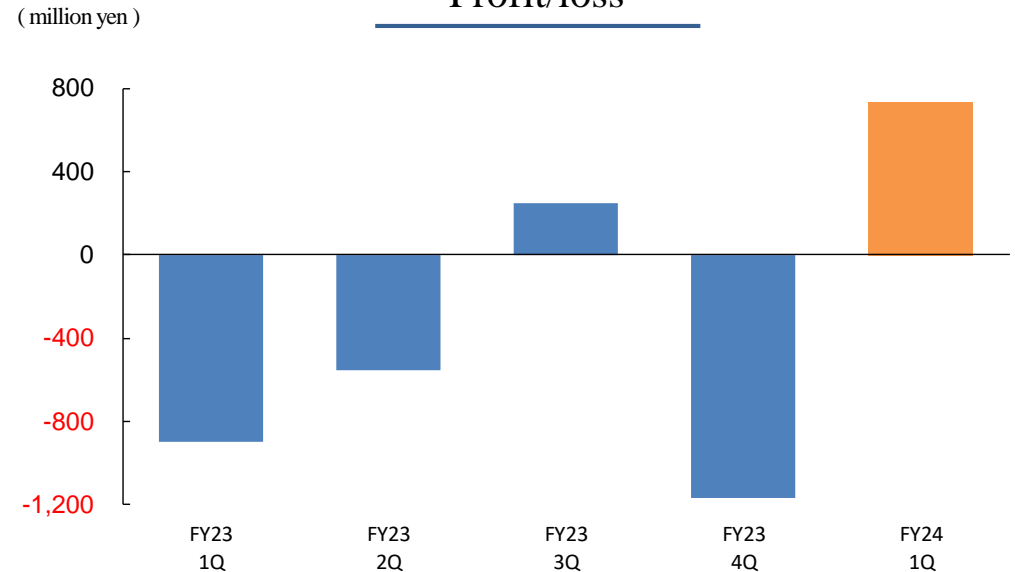
Operating profit/loss



Ordinary profit/loss



Profit/loss





▶ Operating revenue-segment wise

(million yen)

(Quarterly)	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 1Q/FY23	Change vs 4Q/FY23	FY23 1Q (cum.)	FY24 1Q (cum.)
<b>Total</b>	2,746	3,199	3,401	3,404	4,588	67.1%	34.8%	2,746	4,588
Financial securities business	2,613	2,955	2,997	2,956	4,326	65.6%	46.4%	2,613	4,326
Investment business	88	192	329	368	217	144.6%	Δ41.0%	88	217
Asset management business	55	62	87	92	56	1.9%	Δ38.2%	55	56
Other adjustments	Δ 11	Δ 11	Δ 12	Δ 12	Δ12	-	-	Δ 11	Δ 12

▶ Operating profit/loss (Δ) -segment wise

(million yen)

(Quarterly)	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 1Q/FY23	Change vs 4Q/FY23	FY23 1Q (cum.)	FY24 1Q (cum.)
<b>Total</b>	Δ 1,028	Δ 874	Δ 303	Δ 576	564	-	-	Δ 1,028	564
Financial securities business	Δ 873	Δ 601	Δ 586	Δ 671	439	-	-	Δ 873	439
Investment business	Δ 34	Δ 146	311	75	132	-	75.5%	Δ 34	132
Asset management business	Δ 31	Δ 46	Δ 20	Δ 31	Δ57	-	-	Δ 31	Δ57
Other adjustments	Δ 88	Δ 80	Δ 8	50	49	-	Δ3.2%	Δ 88	49

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

(million yen)

(Quarterly)	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 1Q/FY23	Change vs 4Q/FY23	FY23 1Q (cum.)	FY24 1Q (cum.)
<b>Total</b>	Δ 778	Δ 539	312	Δ 902	971	-	-	Δ 778	971
Financial securities business	Δ 874	Δ 552	Δ 572	Δ 1,268	472	-	-	Δ 874	472
Investment business	322	Δ 20	586	690	444	38.0%	Δ35.6%	322	444
Asset management business	Δ 30	Δ 45	Δ 18	Δ 72	Δ52	-	-	Δ 30	Δ52
Other adjustments	Δ 196	79	317	Δ 252	106	-	-	Δ 196	106

▶ 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

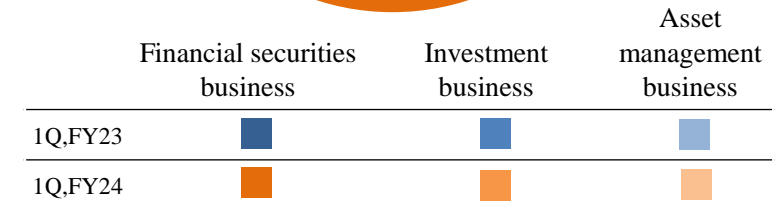
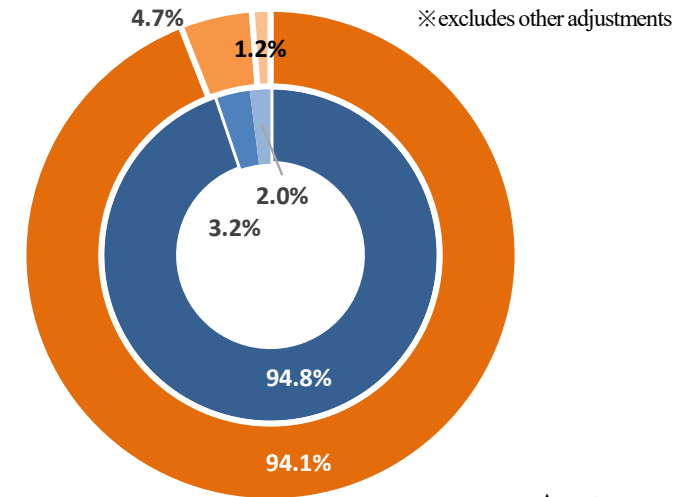
Investment Business

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

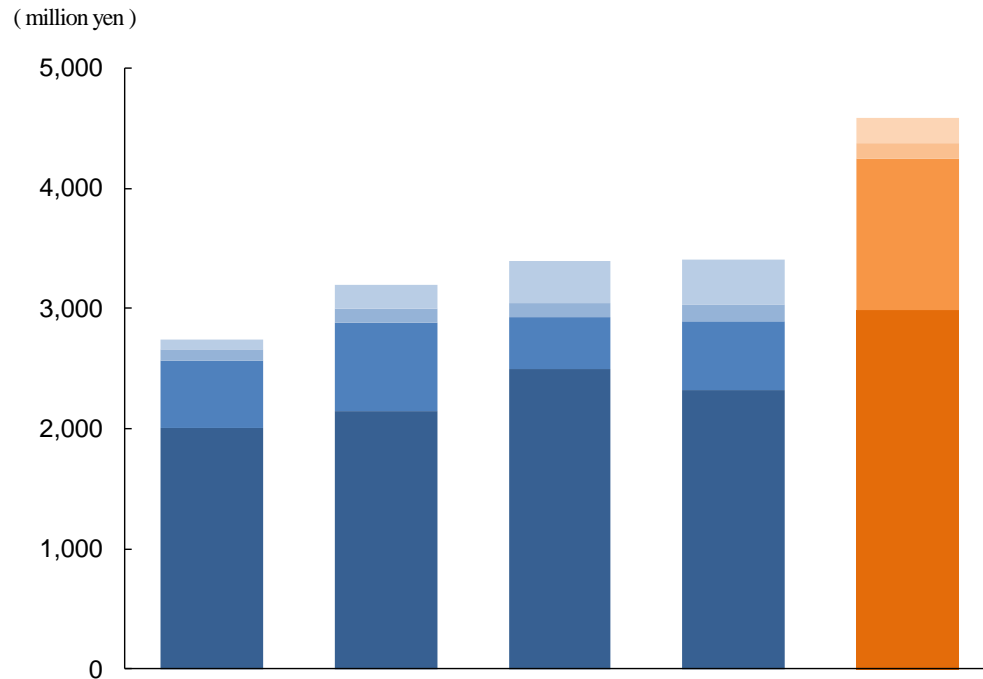
Asset Management Business

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

▶ Operating revenue-segment wise



## ▶ Operating revenue-breakdown



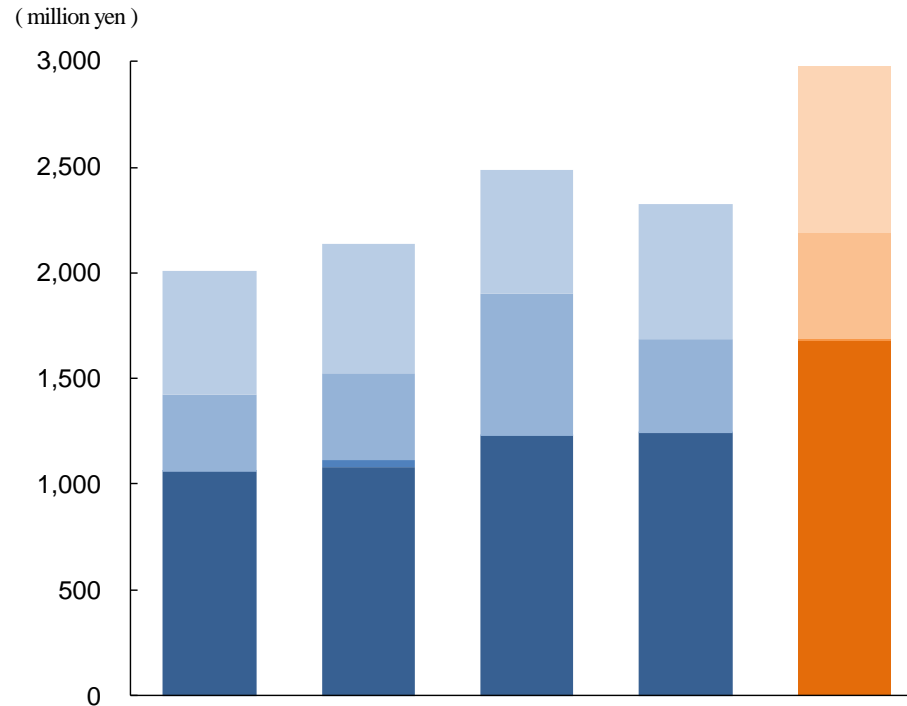
## ▶ Highlights

### For the 1Q, FY24 (change vs. 4Q, FY23)

- Commissions received increased by 28.3% to 2,983 million yen
- Net trading income increased by 122.4% to 1,267 million yen
- Financial income declined by 7.4% to 127 million yen
- Other income declined by 43.3% to 209 million yen

(Quarterly)									(million yen)		
	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 1Q/FY23	Change vs 4Q/FY23	FY23 1Q (cum.)	FY24 1Q (cum.)	Change vs 1Q/FY23	
<b>Operating revenue</b>	2,746	3,199	3,401	3,404	4,588	67.1%	34.8%	2,746	4,588	67.1%	
Commission received	2,010	2,142	2,492	2,326	2,983	48.4%	28.3%	2,010	2,983	48.4%	
Net trading income	560	745	441	570	1,267	126.2%	122.4%	560	1,267	126.2%	
Financial income	93	116	114	137	127	36.0%	△7.4%	93	127	36.0%	
Others	81	195	352	369	209	158.0%	△43.3%	81	209	158.0%	

## Breakdown



## Highlights

### For the 1Q, FY24 (change vs. 4Q, FY23)

- Commissions received increased by 35.5% to 1,680 million yen <sup>(\*)</sup>
- Commissions from distribution increased by 14.6% to 507 million yen
- Other commissions increased by 24.1% to 790 million yen

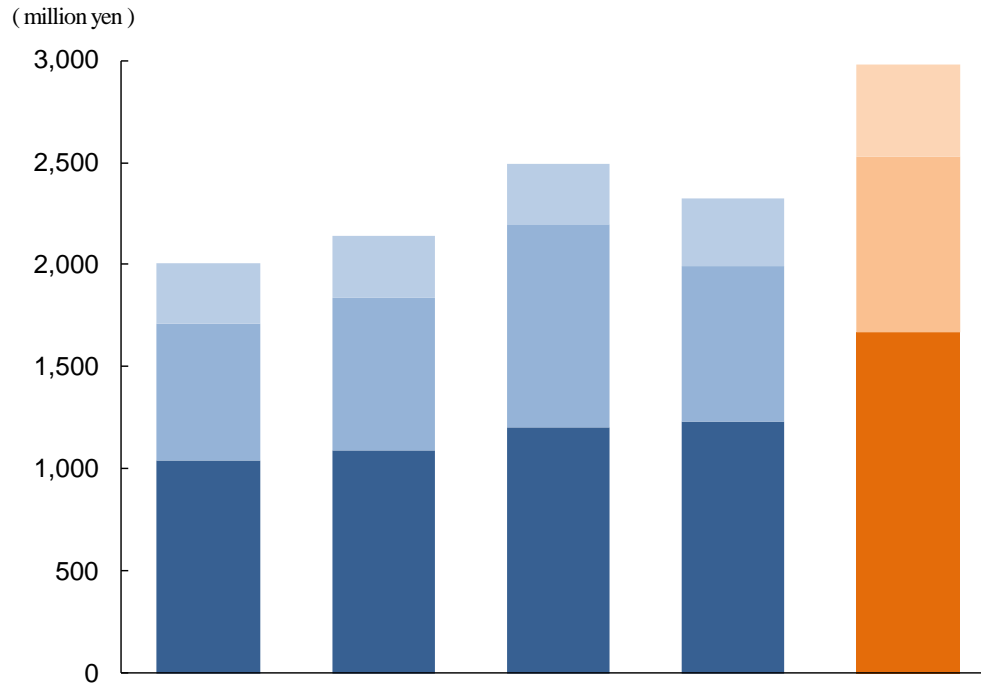
(\*) Please refer to page 19 for breakdown of commissions on Equity and Equity trading value.

(Quarterly)									(million yen)		
	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 1Q/FY23	Change vs 4Q/FY23	FY23 1Q (cum.)	FY24 1Q (cum.)	Change vs 1Q/FY23	
<b>Commission received</b>	2,010	2,142	2,492	2,326	2,983	48.4%	28.3%	2,010	2,983	48.4%	
Brokerage	1,060	1,080	1,226	1,240	1,680	58.4%	35.5%	1,060	1,680	58.4%	
Underwriting	1	31	2	5	4	215.6%	△13.6%	1	4	215.6%	
Distribution	363	416	672	443	507	39.8%	14.6%	363	507	39.8%	
Others	584	613	590	637	790	35.2%	24.1%	584	790	35.2%	





## Product-wise breakdown



## Highlights

For the 1Q, FY24 (change vs. 4Q, FY23)

- Commissions received on equities increased by 35.6% to 1,668 million yen<sup>(\*)</sup>
- Commissions received from beneficiary securities increased by 13.0% to 860 million yen

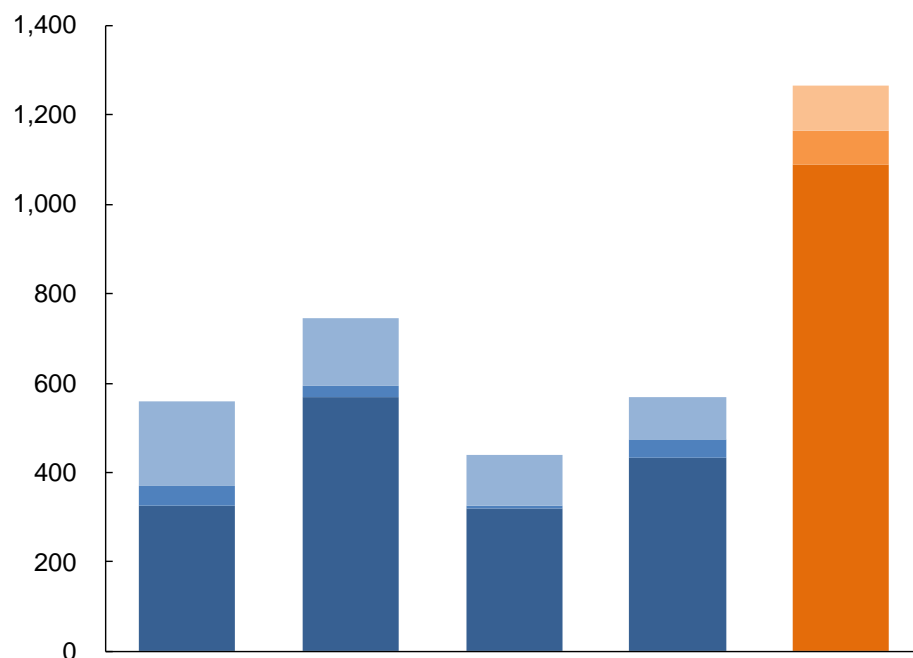
<sup>(\*)</sup> Please refer to page 19 for breakdown of commissions on Equity and Equity trading value.

(Quarterly)									(million yen)		
	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 1Q/FY23	Change vs 4Q/FY23	FY23 1Q (cum.)	FY24 1Q (cum.)	Change vs 1Q/FY23	
<b>Commission received</b>	2,010	2,142	2,492	2,326	2,983	48.4%	28.3%	2,010	2,983	48.4%	
Equities	1,042	1,093	1,200	1,231	1,668	60.1%	35.6%	1,042	1,668	60.1%	
Bonds	0	0	0	0	0	△72.4%	△57.1%	0	0	△72.4%	
Beneficiary securities	669	741	996	761	860	28.6%	13.0%	669	860	28.6%	
Others	298	306	294	333	453	52.3%	36.2%	298	453	52.3%	

## Net trading income

Equities Bonds Forex

(million yen)



## Highlights

For the 1Q, FY24 (change vs. 4Q, FY23)

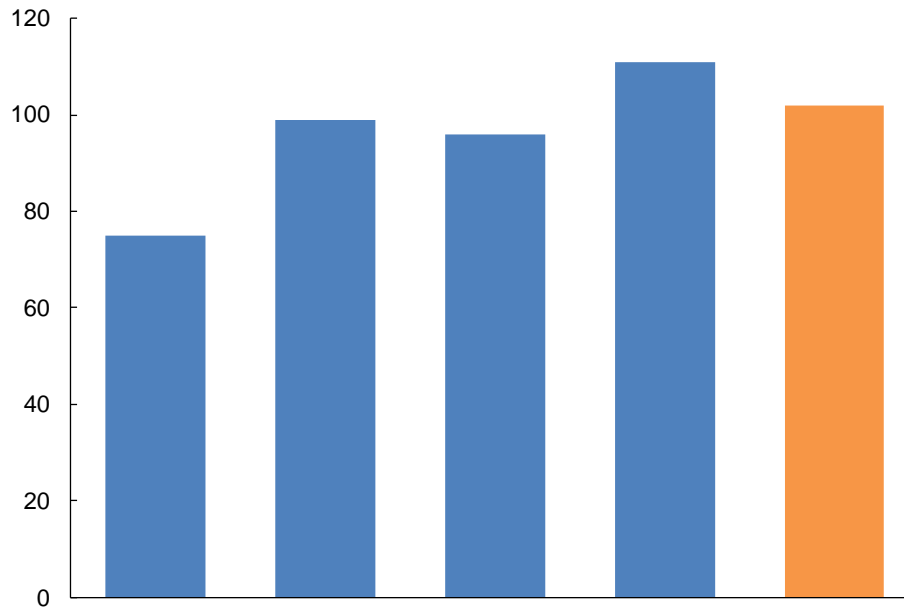
- Net trading income increased by 122.4% to 1,267 million yen due to increase in the OTC trading of U.S equities

(Quarterly)	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 1Q/FY23	Change vs 4Q/FY23	FY23 1Q (cum.)	FY24 1Q (cum.)	Change vs 1Q/FY23
<b>Net trading income</b>	560	745	441	570	1,267	126.2%	122.4%	560	1,267	126.2%
Equities	325	568	319	433	1,088	234.3%	151.2%	325	1,088	234.3%
Bonds	44	26	8	41	78	77.2%	87.3%	44	78	77.2%
Forex	190	150	114	95	100	Δ47.2%	6.0%	190	100	Δ47.2%



## ▶ Net financial income

(million yen)



## ▶ Highlights

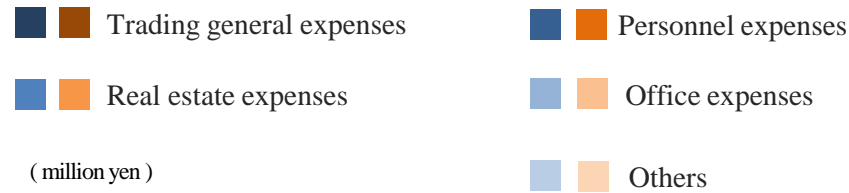
For the 1Q, FY24 (change vs. 4Q, FY23)

- Net financial income declined by 7.4% to 102 million yen
- Financial income declined by 7.4% to 127 million yen
- Financial expense declined by 7.3% to 24 million yen

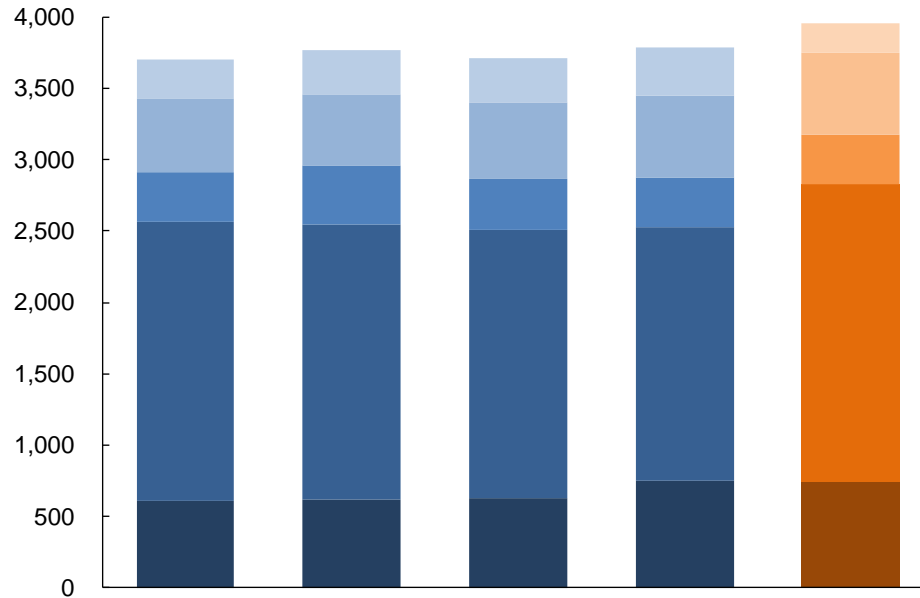
(Quarterly)								(million yen)		
	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 1Q/FY23	Change vs 4Q/FY23	FY23 1Q (cum.)	FY24 1Q (cum.)	Change vs 1Q/FY23
<b>Net financial income</b>	75	99	96	111	102	35.3%	Δ7.4%	75	102	35.3%
Financial income	93	116	114	137	127	36.0%	Δ7.4%	93	127	36.0%
Financial expenses	17	16	18	26	24	39.0%	Δ7.3%	17	24	39.0%



## ▶ Selling, general & administrative expenses



(million yen)



## ▶ Highlights

For the 1Q, FY24 (change vs. 4Q, FY23)

- Selling, general and administrative expenses increased by 4.3% to 3,958 million yen

(million yen)

(Quarterly)	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 1Q/FY23	Change vs 4Q/FY23	FY23 1Q (cum.)	FY24 1Q (cum.)	Change vs 1Q/FY23
<b>Selling, general and administrative expenses</b>	3,705	3,773	3,716	3,795	3,958	6.8%	4.3%	3,705	3,958	6.8%
Trading related expenses	605	619	625	749	736	21.6%	△1.7%	605	736	21.6%
Personal expenses	1,958	1,930	1,884	1,776	2,094	6.9%	17.9%	1,958	2,094	6.9%
Real estate expenses	350	414	359	353	350	△0.1%	△0.8%	350	350	△0.1%
Office expenses	517	496	539	576	569	10.0%	△1.2%	517	569	10.0%
Others	271	313	307	339	207	△23.8%	△39.0%	271	207	△23.8%
↳ (Depreciation)	75	107	86	93	48	△34.9%	△47.6%	75	48	△34.9%

## Highlights

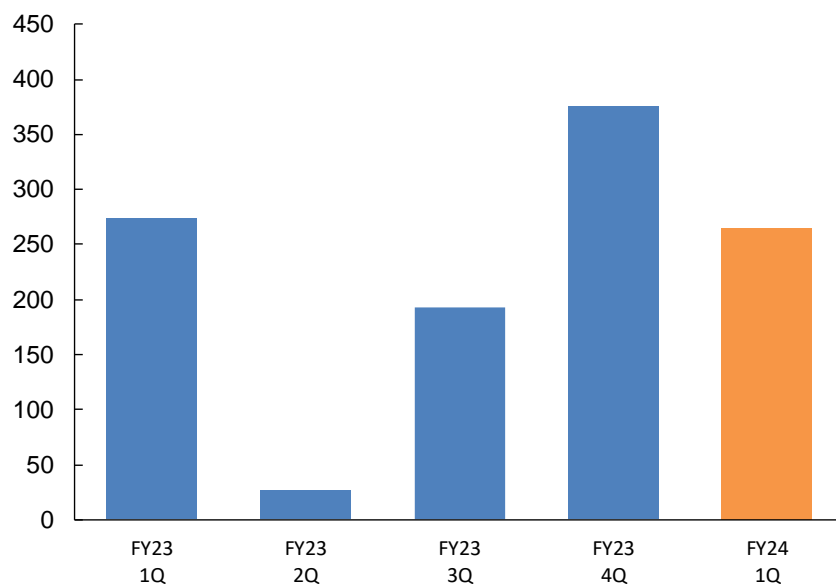
For the 1Q of FY 24, company reported extraordinary income of 156 million yen and extraordinary profit of 140 million yen.

Non-operating profit declined by 29.2% to 265 million yen. Non-operating income declined by 35.5% to 279 million yen led by dividend income.

Non-operating expenses declined by 76.4% to 13 million yen.

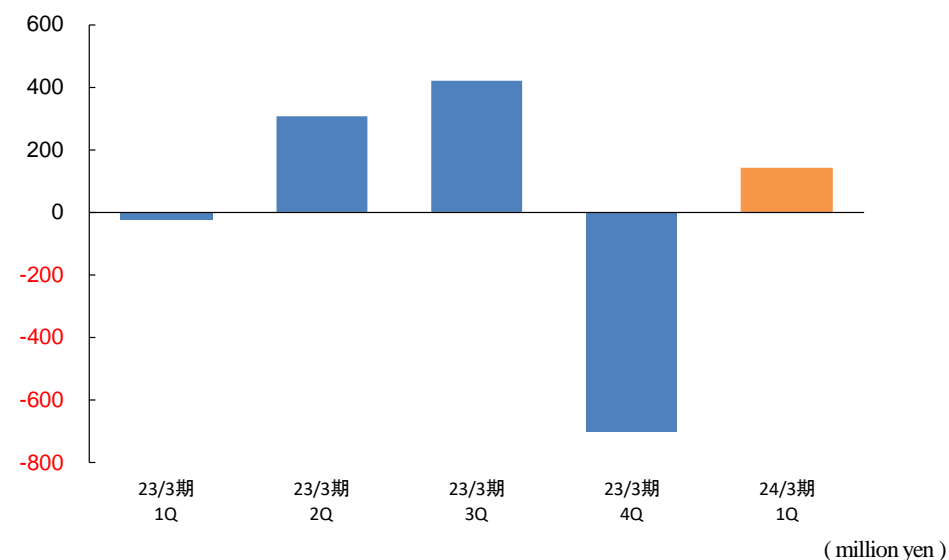
## Non-operating profit (loss)

(million yen)



## Extraordinary profit (loss)

(million yen)



(Quarterly)	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 1Q/FY23	Change vs 4Q/FY23	FY23 1Q (cum.)	FY24 1Q (cum.)	Change vs 1Q/FY23
	<b>Non-operating profit (loss)</b>	274	27	193	375	265	△3.2%	△29.2%	274	265
Non-operating income	281	46	199	433	279	△0.7%	△35.5%	281	279	△0.7%
Non-operating expenses	6	18	5	58	13	97.9%	△76.4%	6	13	97.9%
<b>Extraordinary profit (loss)</b>	△ 24	307	422	△ 701	140	-	-	△ 24	140	-
Extraordinary income	259	326	156	257	156	△39.8%	△39.4%	259	156	△39.8%
Extraordinary losses	283	18	△ 265	959	15	△94.7%	△98.4%	283	15	△94.7%



Company purchased 400,000 treasury shares (1.1% of outstanding shares excluding the treasury shares) in between the period of February 1, 2023 and June 19, 2023.

## ▶ Balance sheet

(million yen)

	FY22	FY23	FY24 1Q
<b>Assets</b>			
Current Assets	69,488	63,533	75,619
Cash and deposit	19,126	14,142	22,356
Cash segregated as deposits	23,419	20,908	25,161
Operational investment securities	8,601	10,521	10,552
Trading products	361	207	457
Trade date actual	776	615	1,009
Margin transaction assets	15,810	15,692	14,803
Loans on margin transactions	15,528	15,314	14,291
Advances paid	176	56	225
Non-current assets	35,217	35,291	37,018
Property, plant and equipment	8,160	9,936	9,919
Intangible assets	241	100	71
Investments and other assets	26,815	25,253	27,027
Investments securities	24,791	23,439	24,700
Allowance for doubtful accounts	△ 3	△ 3	△ 11
Deferred assets	17	10	9
Organization expenses	1	0	0
Start up expenses	16	9	8
<b>Total assets</b>	<b>104,723</b>	<b>98,835</b>	<b>112,646</b>

	FY22	FY23	FY24 1Q
<b>Liabilities</b>			
Current liabilities	38,440	34,365	45,863
Trading products	117	90	164
Margin transaction liabilities	1,791	1,516	1,786
Borrowings on margin transactions	1,115	726	738
Deposits received	20,514	16,760	26,077
Guarantee deposits received	4,937	5,099	6,140
Short-term loans payable	3,795	6,445	6,445
Non-current liabilities	8,107	10,293	10,882
Long-term borrowings	3,036	5,588	5,507
Deferred tax liabilities	4,553	4,318	4,983
Reserves under special laws	146	146	146
Reserve for financial instruments transaction liabilities	146	146	146
<b>Total liabilities</b>	<b>46,693</b>	<b>44,804</b>	<b>56,893</b>
<b>Net assets</b>			
Total shareholder's equity	48,254	44,162	44,308
Treasury shares	△ 4,790	△ 5,471	△ 5,632
Accumulated other comprehensive income	7,457	6,834	8,540
Valuation difference on available-for-sale securities	7,391	6,579	7,986
Remeasurements of defined benefit plans	△ 19	△ 74	△ 64
Non-controlling interests	2,317	3,033	2,904
<b>Total net assets</b>	<b>58,029</b>	<b>54,030</b>	<b>55,753</b>
<b>Total liabilities and assets</b>	<b>104,723</b>	<b>98,835</b>	<b>112,646</b>

## **2. AIZAWA SECURITIES CO.,LTD.**

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**Non-consolidated**



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

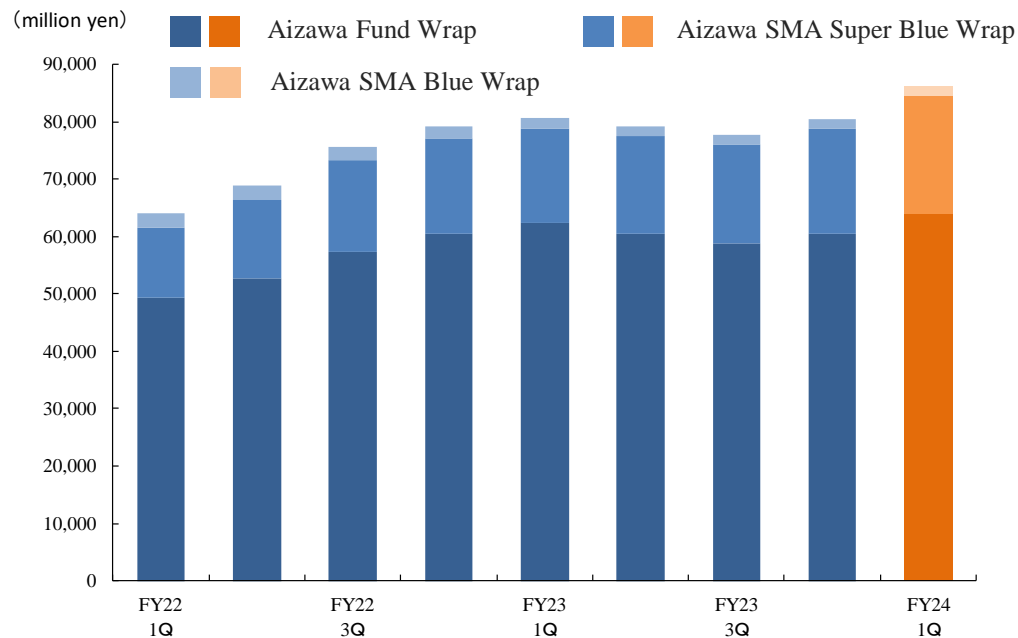
(AUM: million yen, Customers: numbers)

		FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 4Q/FY23
<b>Super blue wrap</b>	AUM (Market value)	16,494	17,020	17,377	18,369	20,367	10.9%
	Customers	988	1,045	1,030	1,009	990	△1.9%
<b>Blue wrap</b>	AUM (Market value)	1,790	1,714	1,612	1,613	1,715	6.3%
	Customers	216	208	196	186	178	△4.3%
<b>Fund wrap</b>	AUM (Market value)	62,354	60,386	58,712	60,457	64,075	6.0%
	Customers	7,200	7,208	7,148	7,101	6,949	△2.1%

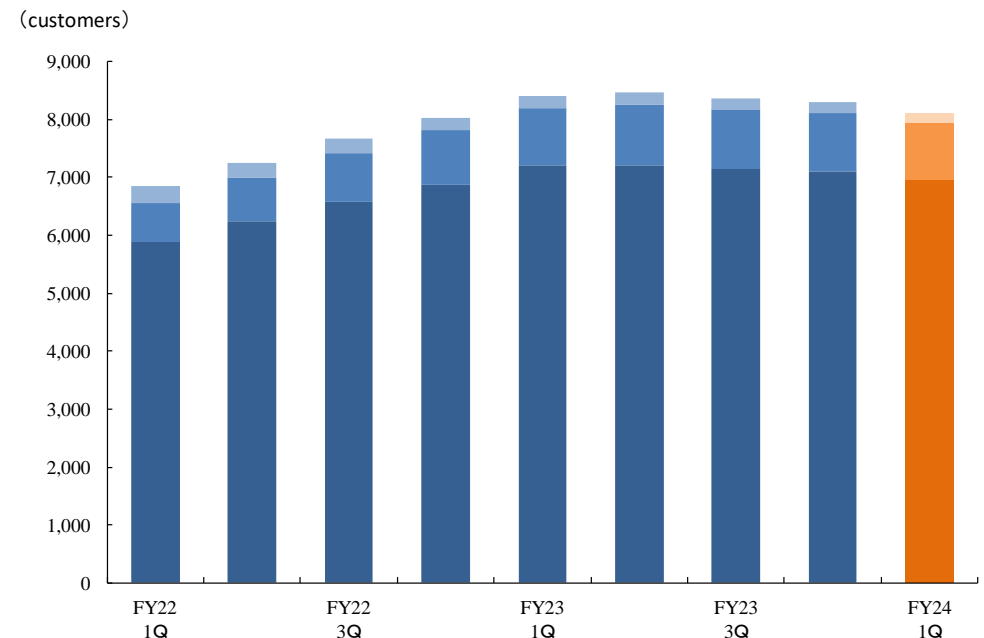
## ▶ Highlights

As a strategic shift to the asset building business, group is focusing on offering discretionary investment management services (wrap). The balance of accounts has been steadily increasing, led by "Aizawa Fund Wrap", our unique service that offers a "savings plan" starting at 50,000 yen per month. AUM for wrap was 86.1 billion yen with 8,117 accounts.

### AUM (Market value)



### Number of customers





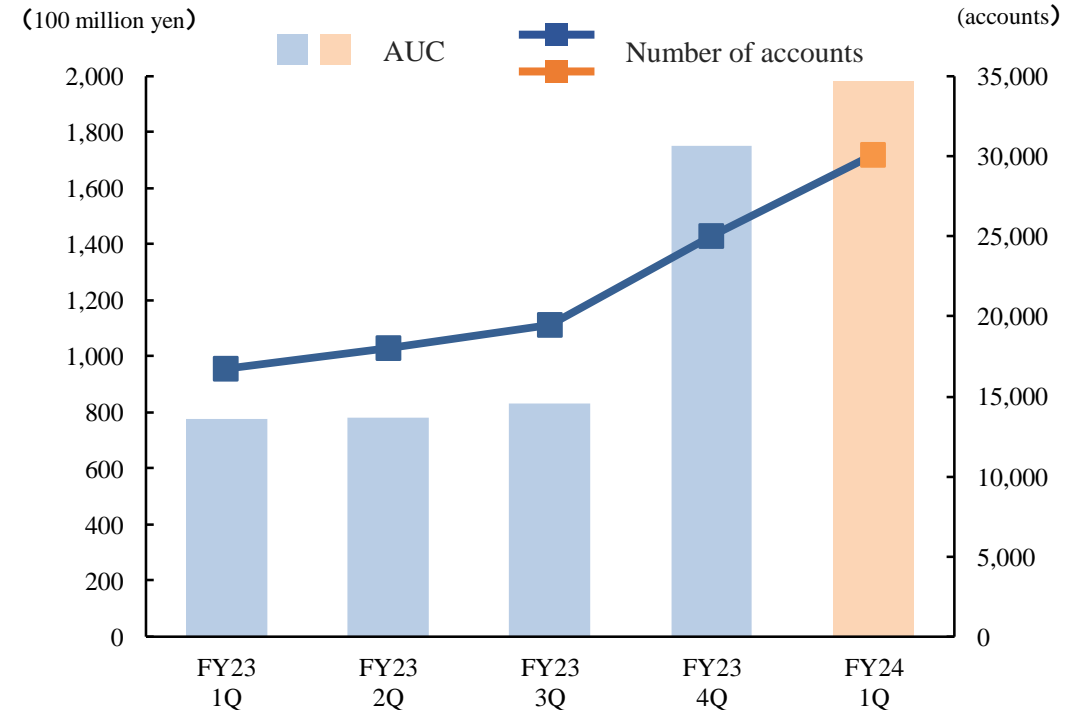
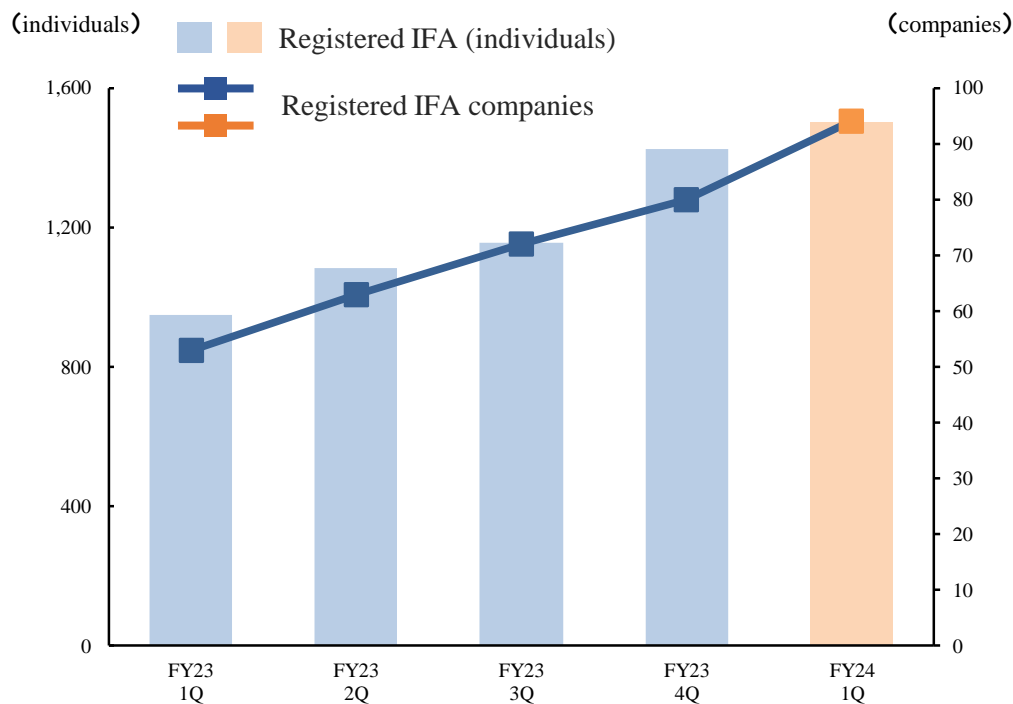


▶ Independent financial advisory (IFA) Business Update

	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 4Q/FY23
Registered IFA companies	53	63	72	80	94	17.5%
Registered IFA (Individuals)	948	1,085	1,158	1,424	1,501	5.4%
AUC (100 million yen)	778	781	833	1,752	1,979	13.0%
└ Financial institution affiliated	179	192	192	200	244	22.0%
└ IFA	599	589	641	1,551	1,734	11.8%
└ LIFE DESIGN PARTNERS	34	41	72	937	1,025	9.4%
Number of accounts	16,745	18,053	19,507	24,999	30,062	20.3%
└ Financial institution affiliated	6,947	7,249	7,600	7,983	11,744	47.1%
└ IFA	9,798	10,804	11,907	17,016	18,318	7.7%
└ LIFE DESIGN PARTNERS	310	488	880	5,069	5,175	2.1%

▶ 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 47.1%. (vs. 4Q, FY 23)



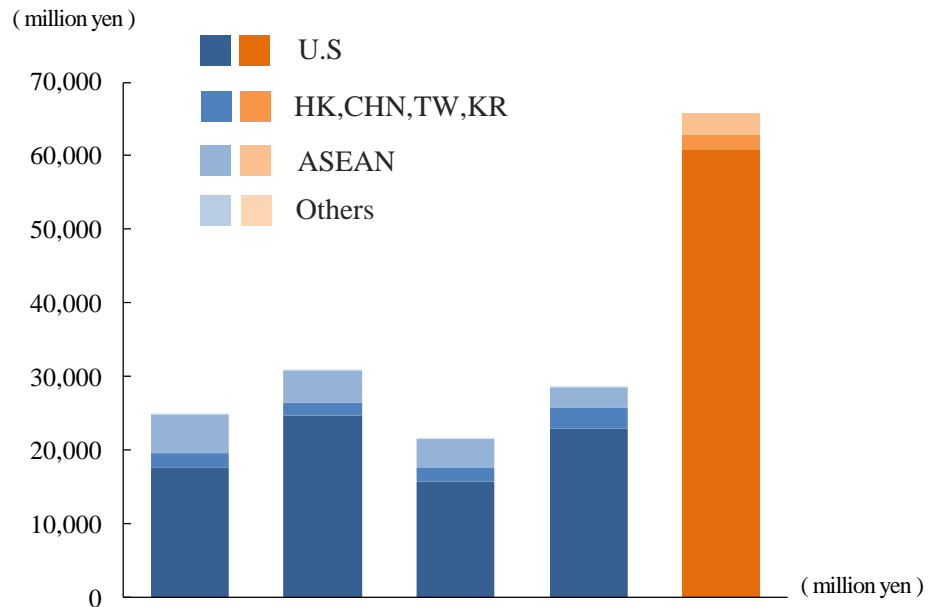


## ▶ Highlights

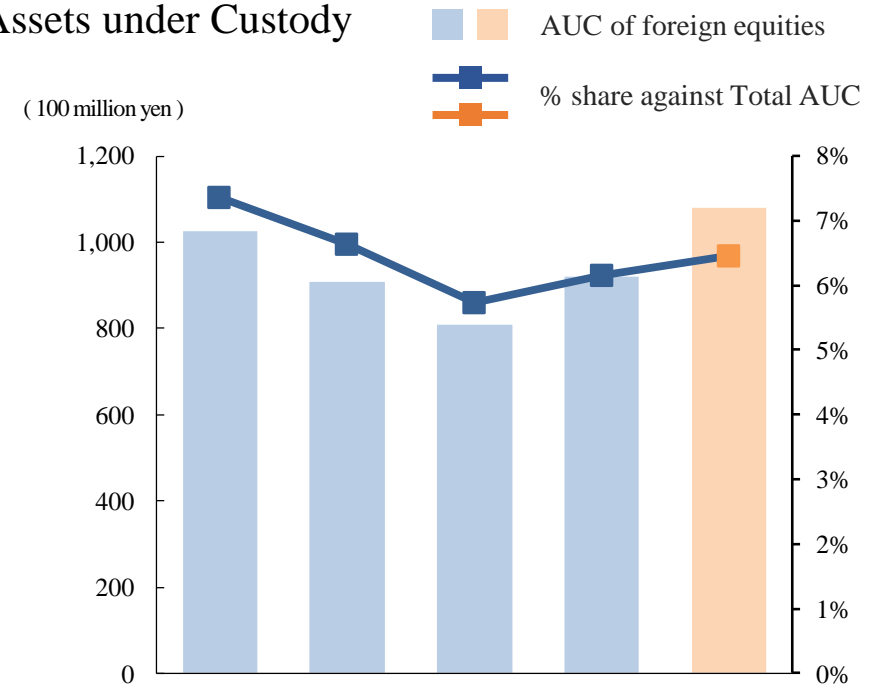
Trading value for U.S equities increased by 164.3%. Aggregate trading value for Hong Kong, China, Taiwan and Korea equities declined by 31.2%. Trading value for ASEAN market equities increased by 7.9%.

For details please refer to next page. (All % are in comparison with 4Q of FY 23)

## ▶ Foreign stocks : Trade value



## ▶ Assets under Custody

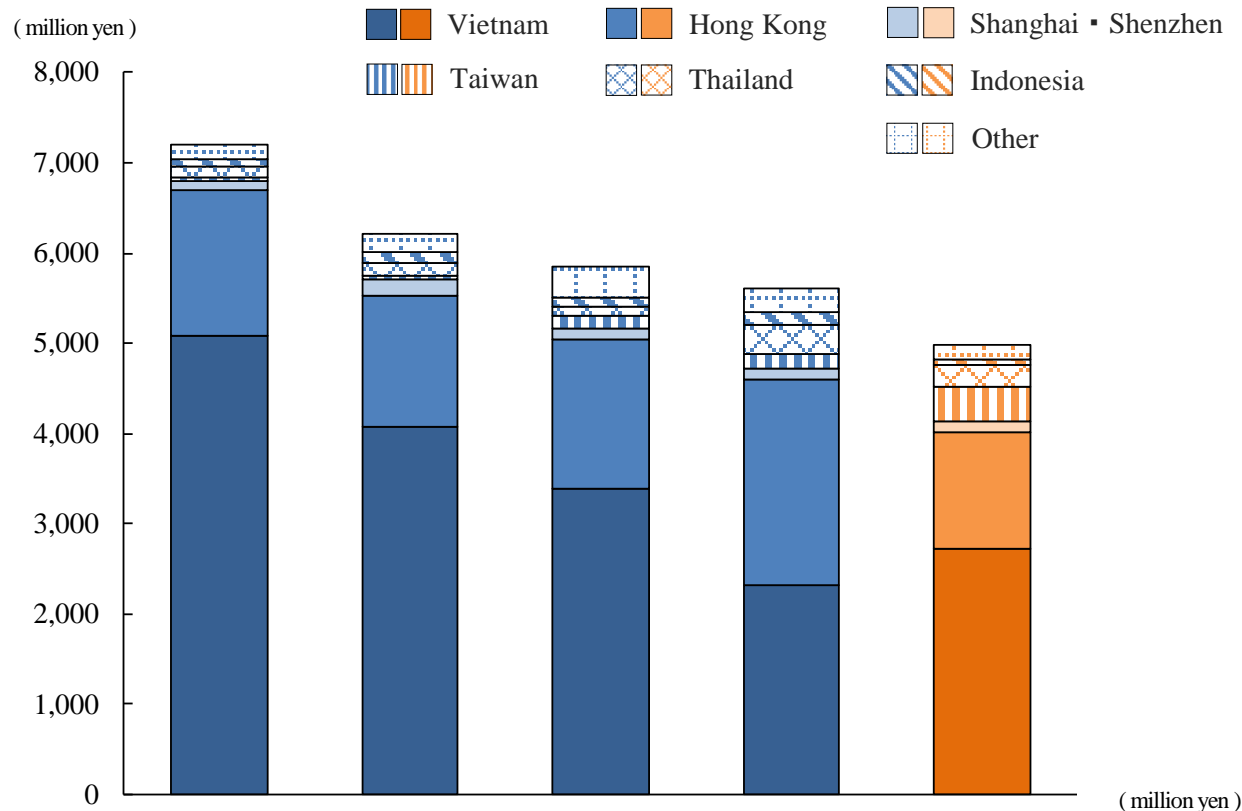


	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 4Q/FY23		FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 4Q/FY23
<b>Total of trade value</b>	24,960	30,987	21,560	28,647	65,844	129.8%	AUC of foreign equities	1,025	909	810	920	1,080	17.3%
U.S.	17,737	24,709	15,683	23,019	60,849	164.3%	% share against Total AUC	7.4%	6.6%	5.7%	6.2%	6.5%	-
HK, CHN, TW, KR	1,808	1,727	2,029	2,727	1,875	△31.2%							
ASEAN	5,396	4,486	3,823	2,869	3,097	7.9%							
Others	18	64	23	31	22	△27.6%							

(100 million yen)



## ▶ Trading value-Asia Stocks



	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 4Q/FY23
<b>Total of trading value</b>	7,206	6,220	5,861	5,600	4,977	△11.1%
Vietnam	5,081	4,069	3,387	2,314	2,719	17.5%
Hong Kong	1,622	1,455	1,653	2,276	1,302	△42.8%
Shanghai, Shenzhen	98	186	114	124	108	△12.4%
Taiwan	45	38	156	170	396	133.1%
Thailand	104	137	85	327	232	△28.9%
Indonesia	84	132	114	139	71	△48.6%
Others	170	200	348	247	145	△41.1%

## ▶ Highlights

- **Vietnam**  
Trading value for Vietnam stocks increased by 17.5% (change vs. 4Q, FY23), while maintaining 54.6% (41.3% in 4Q, FY23) share among our handling of Asian equities
- **Hong Kong**  
Trading value for Hong Kong stocks declined by 42.8% (change vs. 4Q, FY23), while maintaining 26.2% (40.7% in 4Q, FY23) share among our handling of Asian equities
- **Taiwan**  
Trading value for Taiwan stocks increased by 133.1% (change vs. 4Q, FY23), while maintaining 8.0% (3.0% in 4Q, FY23) share among our handling of Asian equities

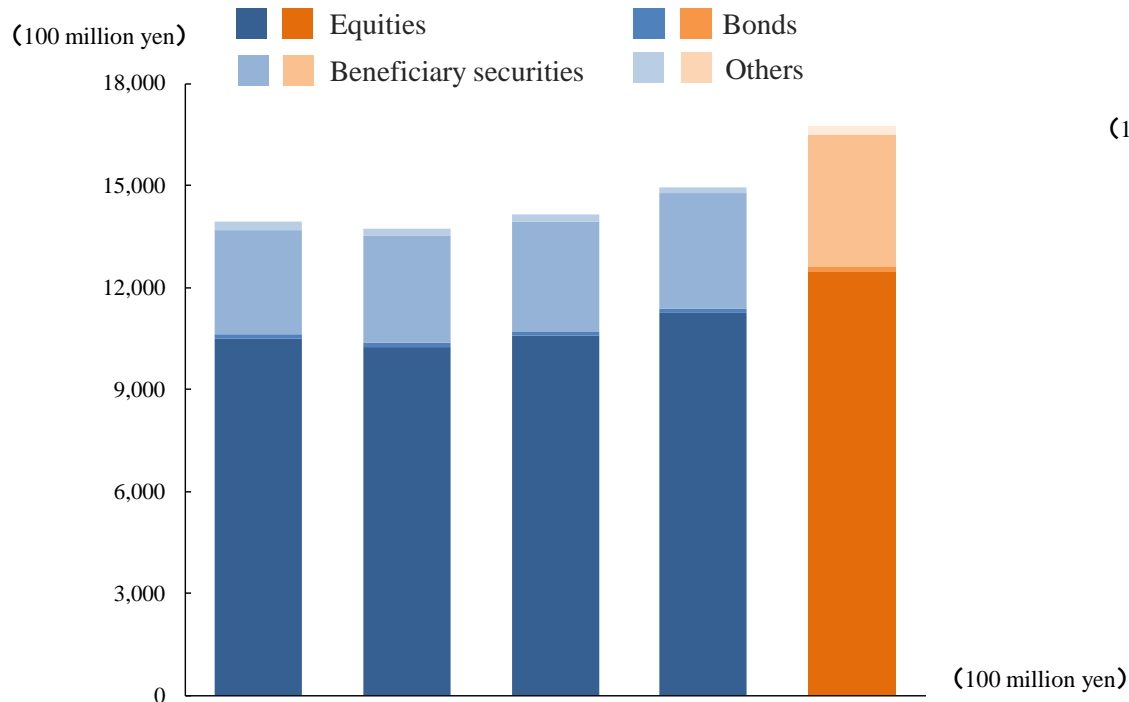


## Highlights

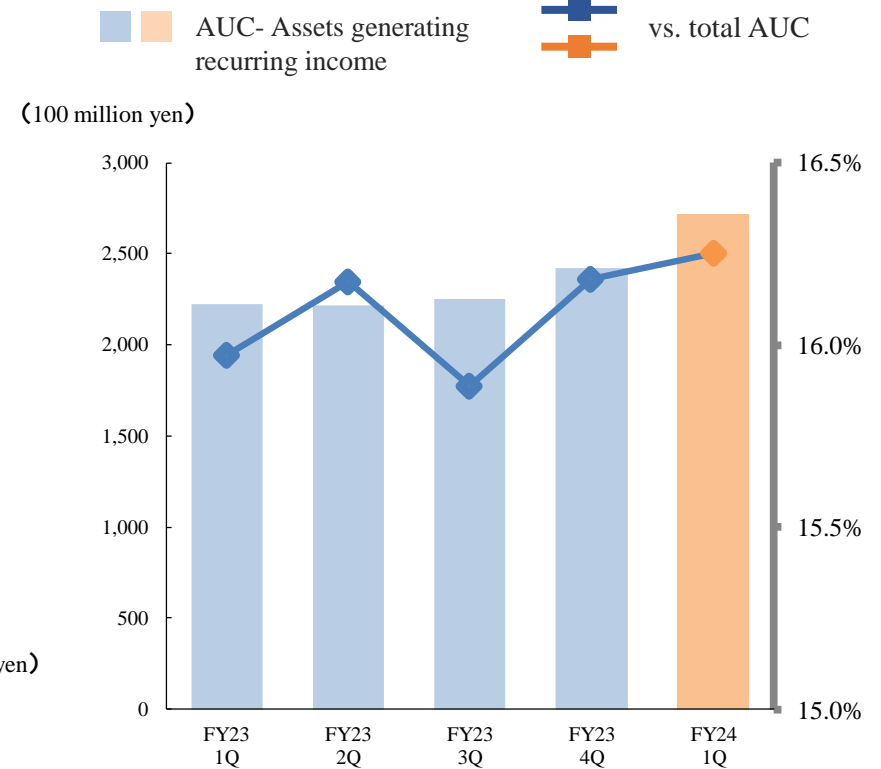
Company is increasing the custody of assets generating recurring income in line with mid-term plan of promoting asset building business. Custody of assets generating recurring income ( represents market value of fund wrap and mutual funds excluding the MRF & listed ETF) increased by 12.3% to 272 billion yen.

Assets under custody increased by 11.9% to 1.6743 trillion yen. (All % are in comparison with 4Q of FY 23)

## Assets under custody (AUC)-Breakdown



## AUC-Assets generating recurring income



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



## Highlights

Total number of client accounts maintained increased by 2.4% to 262,705 accounts.

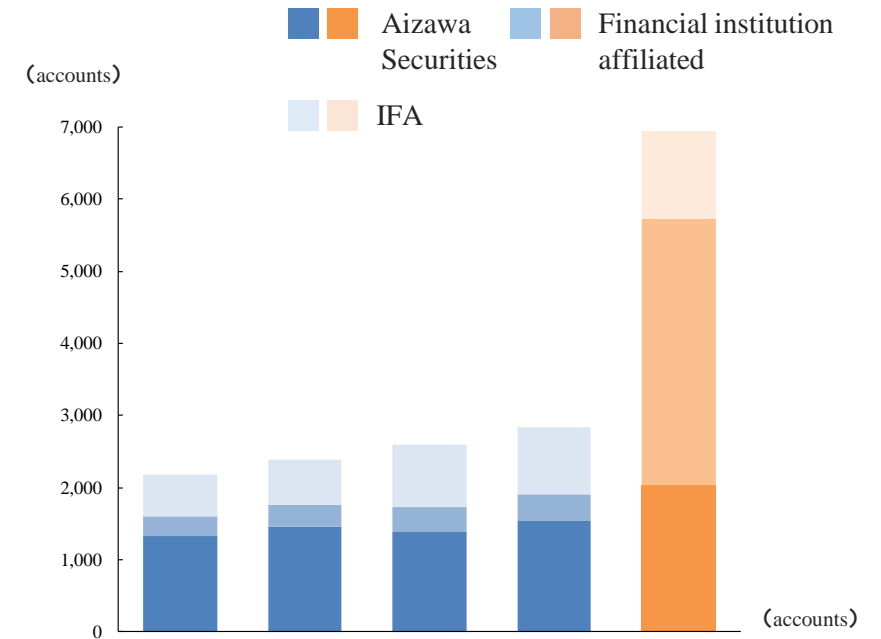
New account opening increased by 144.4% to 6,942 accounts. This was due to the expansion of platform business led by IFA business and affiliation with financial institutions like THE SAIKYO BANK, LTD. (All % are in comparison with 4Q of FY 23)

## Total number of accounts



	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 4Q/FY23
Total number of accounts	254,900	255,656	256,032	256,519	262,705	2.4%
└ Face to face trading	181,822	182,190	182,270	182,618	188,253	3.1%
└ Online trading	73,078	73,466	73,762	73,901	74,452	0.7%

## Number of new accounts



	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 4Q/FY23
Number of new accounts	2,172	2,380	2,590	2,841	6,942	144.4%
└ Aizawa Securities	1,319	1,456	1,387	1,534	2,036	32.7%
└ Financial institution affiliated	274	299	343	373	3,688	888.7%
└ IFA	579	625	860	934	1,218	30.4%

## Highlights

Brokerage commission from domestic equities and foreign equities increased by 30.9% and 68.5% respectively.

Trading value of domestic equities and foreign equities increased by 11.5% and 69.2% respectively. (All % are in comparison with 4Q of FY 23)

## Stock brokerage commission-Breakdown

	(million yen)						(% share of brokerage commission)	
	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 4Q/FY23	FY24 1Q	
<b>Commission from domestic equities</b>	805	864	1,028	1,049	1,373	30.9%	0.36%	
└ Face to face trading	686	748	897	926	1,221	31.9%	0.65%	
└ Online trading	119	116	131	122	151	23.2%	0.08%	
<b>Commission from foreign equities</b>	223	180	159	164	277	68.5%	1.87%	
└ Face to face trading	163	130	106	119	229	92.6%	1.89%	
└ Online trading	60	50	52	45	47	5.2%	1.77%	

## Stock trading value-Breakdown

	(100 million yen)					
	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q	Change vs 4Q/FY23
<b>Domestic equities trading value</b>	2,865	3,090	3,190	3,442	3,837	11.5%
└ Face to face trading	1,361	1,519	1,547	1,759	1,874	6.6%
└ Online trading	1,503	1,570	1,643	1,683	1,962	16.6%
<b>Trading value for foreign equities</b>	120	94	84	87	148	69.2%
└ Face to face trading	86	65	54	61	121	97.7%
└ Online trading	34	28	29	26	27	2.7%

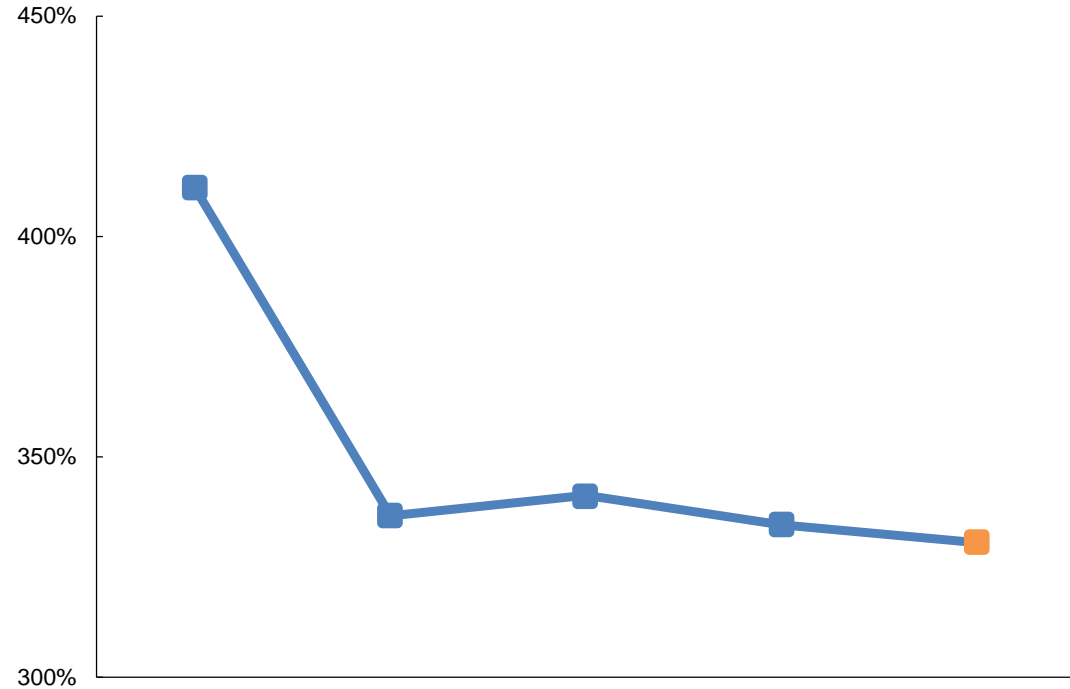
※ Stock brokerage commission excludes ETF



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

330.5%

▶ Capital adequacy ratio



( million yen )

	FY23 1Q	FY23 2Q	FY23 3Q	FY23 4Q	FY24 1Q
Capital adequacy ratio(C/G×100)(%)	411.2%	336.7%	341.2%	334.6%	330.5%
Non fixed equity capital(C)	17,585	14,001	13,384	12,913	13,325
Total risk equivalent(G)	4,275	4,157	3,922	3,858	4,031
Market risk equivalent	236	176	126	138	197
Counterparty risk equivalent	659	638	597	533	643
Basic risk equivalent	3,379	3,341	3,198	3,186	3,190


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

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


**AIZAWA SECURITIES CO., LTD.**

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

Aomori Yamada High School and AIZAWA SECURITIES CO., LTD. have signed an alliance agreement with the aim of developing the regional community, promoting education and research through school management policies, and fostering human resources through close mutual collaboration and cooperation by effectively utilizing the resources of both parties.

School Name	Aomori Yamada High School
Location	3-13-40, Aoba, Aomori city, Aomori prefecture
Representative Name	Atsushi Hanada, Principal
Date of establishment	15 April, 1918
Co/single gender education	Co-Education
Course offering	General course (Special course, Career-up course, Brass band course, Sports course), IT business course, Cooking course, Automobile course

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

AIZAWA SECURITIES CO., LTD. through the absorption-type split agreement will acquire the rights and obligations of customer financial securities accounts for registered financial institution business from THE SAIKYO BANK, LTD.

While aiming to streamline and improve the efficiency of Saikyo Bank's resources for financial instruments business, Aizawa Securities will support customers' asset building from a customer perspective by utilizing its extensive know-how and product lineup, as well as its support for inheritance and business succession.

Date of Agreement	April 28, 2023
Date of effectiveness	November 22, 2023 (Planned)





## AIZAWA SECURITIES CO., LTD.

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

AIZAWA SECURITIES CO., LTD. is expanding its network of joint banking securities branch with Saikyo bank, its business alliance partner. Company jointly opened its sixth banking securities branch in “Iwakuni” (Yamaguchi prefecture).



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

AIZAWA SECURITIES CO., LTD. has started handling placements to accredited investors of financial institutions for the fund managed by AIZAWA ASSET MANAGEMENT CO., LTD., which is in charge of the asset management business within the Aizawa Securities Group. Collaboration within the two group companies of Aizawa Securities Group, will enable Aizawa Securities to propose new products and enable approach to clients with whom it has had no previous contact, and offer investment opportunities from within the Group.

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

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

From June 2023, Group’s two companies AIZAWA SECURITIES CO., LTD. & LIFE DESIGN PARTNERS CO., LTD. started a collaboration with MS&AD Insurance Group’s two companies Aioi Nissay Dowa Insurance Co., Ltd. & Mitsui Sumitomo Aioi Life Insurance Company, Limited. to enhance the value for clients by providing one-stop financial service.

As a first step, securities account holders of AIZAWA SECURITIES CO., LTD. will be offered with life & non-life insurance products. Group aims to do value addition to the clients by providing better asset building services through offering insurance products along with financial products.

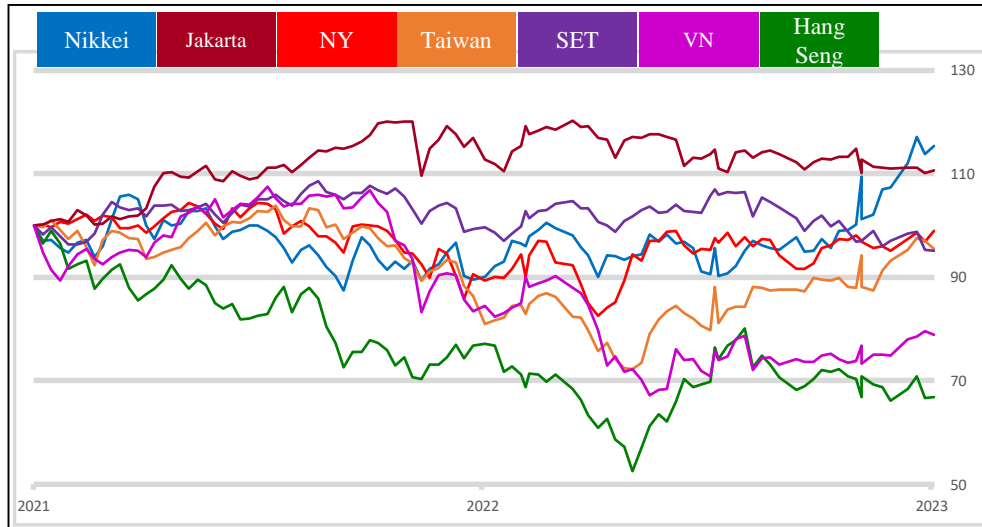
# Reference data

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( 1/7/2021 ~ 30/6/2023, Weekly )

## Assumed 100 as a base on July 1, 2021

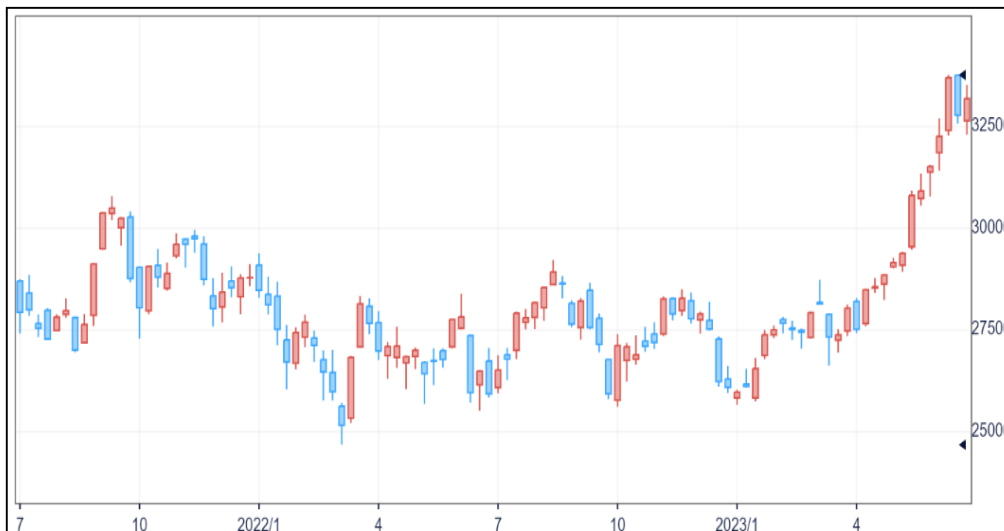


The Japanese stock market continued the gaining momentum as foreign investors continued to buy due to the continuation of monetary easing policy; expectations for governance reforms in Japanese companies; the weakening of the yen; and as per news sources the shift of investment into Japanese equities by prominent U.S. investor. In the U.S. stock market, some major technology stocks rose significantly, leading the overall market surge.

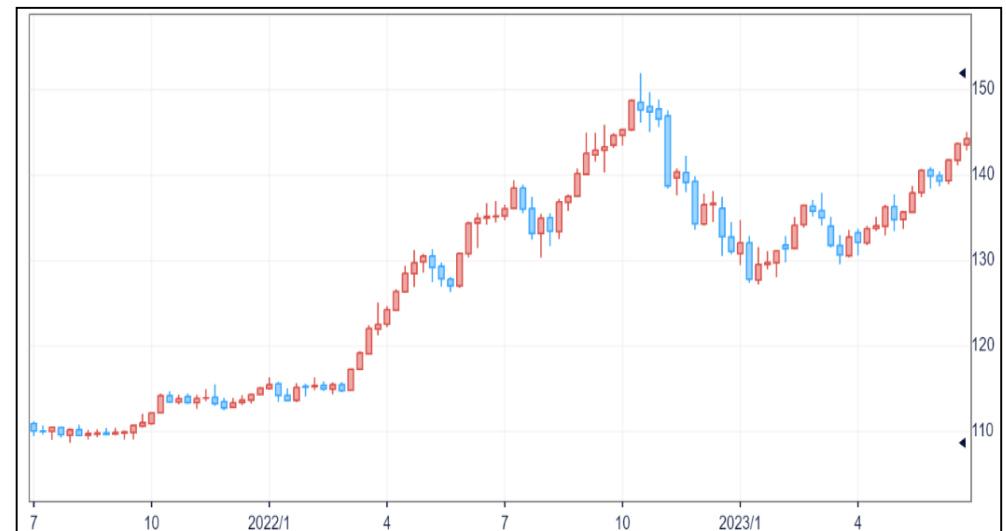
Asian stock markets continued to be weak due to currency depreciation and declining exports in various countries as the U.S. and European Central Banks continued to raise policy interest rates.

In ASEAN countries, inflation growth has slowed. Although a phase of reassessing the tightening of monetary policy has arrived, concerns of economic slowdown such as declining exports have begun to emerge.

## Nikkei 225



## USD/JPY





( 1/7/2021 ~ 30/6/2023, Weekly )

### ▶ Dow Jones Industrial Average Index



### ▶ Hang Seng Index



### ▶ Vietnam VN Index



### ▶ Taiwan Stock Exchange Weighted 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 first quarter of the fiscal year ending in March 2024, based upon the information as of 30 June 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.

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