

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.

October 30, 2024

## Semi-annual Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: Kyokuto Securities Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 8706  
 URL: [https:// www.kyokuto-sec.co.jp](https://www.kyokuto-sec.co.jp)  
 Representative: Kazuhiro KIKUCHI, President and Chief Executive Officer  
 Inquiries: Shunzo KAYANUMA, Senior Managing Director  
 Telephone: +81-03-3666-5130  
 Scheduled date to file semi-annual securities report: November 13, 2024  
 Scheduled date to commence dividend payments: November 22, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended										
September 30, 2024	4,297	7.1	4,262	7.0	1,660	7.2	1,850	△10.6	2,624	10.0
September 30, 2023	4,012	81.5	3,983	82.5	1,548	—	2,070	—	2,385	—

Note: Comprehensive income For the six months ended September 30, 2024: ¥917 million [△80.1%]  
 For the six months ended September 30, 2023: ¥4,602 million [—%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	82.28	—
September 30, 2023	74.77	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2024	81,408	52,040	63.9	1,630.94
March 31, 2024	83,534	53,675	64.2	1,682.18

Reference: Equity  
 As of September 30, 2024: ¥52,029 million  
 As of March 31, 2024: ¥53,663 million

**2. Cash dividends**

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	30.00	—	80.00	110.00
Fiscal year ending March 31, 2025	—	50.00			

Note: Revisions to the forecast of cash dividends most recently announced: None

Kyokuto Securities Co., Ltd. and its consolidated subsidiaries do not disclose forecast of financial results.  
Please refer to page 5 for further information.

## \* Notes

- (1) Significant changes in the scope of consolidation during the period: None  
 Newly included: 0 companies  
 Excluded: 0 companies
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None

## (4) Number of issued shares (common shares)

## (i) Total number of issued shares at the end of the period (including treasury shares)

As at the end of the current semi-annual period	32,779,000 shares
As at the end of the previous fiscal year	32,779,000 shares

## (ii) Number of treasury shares at the end of the period

As at the end of the current semi-annual period	877,595 shares
As at the end of the previous fiscal year	877,595 shares

## (iii) Average number of shares outstanding during the period (Semi-annual period)

Semi-annual period ended September 30, 2024	31,901,405 shares
Semi-annual period ended September 30, 2023	31,901,405 shares

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts and other special matters  
 The earnings forecasts are not disclosed. Please refer to page 5 for further information.

## Index of Attached Documents

## BUSINESS RESULTS

1. Qualitative Information on Business Results for the Semi-annual Period.....	2
(1) Information on Business Results .....	2
(2) Information on Financial Condition.....	4
(3) Future Outlook .....	5
2. Semi-annual Consolidated Financial Statements and Notes .....	6
(1) Semi-annual Consolidated Balance Sheets .....	6
(2) Semi-annual Consolidated Income Statements and Semi-annual Consolidated Comprehensive Income Statements.....	8
(Semi-annual Consolidated Income Statements) .....	8
(Semi-annual Consolidated Comprehensive Income Statements).....	10
(3) Notes to Semi-annual Consolidated Financial Statements .....	11
(Notes to Changes of Accounting Policies) .....	11
(Notes in the Event of Substantial Changes in Shareholders' Equity) .....	11
(Notes Concerning Going Concern Assumption) .....	11
<b>【Referential Data】</b> .....	12
1. Referential Data on Consolidated Financial Results for the Semi-annual Period.....	12
(1) Commission Received.....	12
(2) Net Trading Income .....	12
(3) Consolidated Income Statement for the Latest Five Quarters .....	13
2. Referential Data for the Semi-annual Period.....	14
(1) Capital Adequacy Ratio .....	14
(2) Number of Directors/Auditors and Employees .....	14

## BUSINESS RESULTS

### 1. Qualitative Information on Business Results for the Semi-annual Period

#### (1) Information on Business Results

During the six month ended September 30, 2024 (from April 1 to September 30, 2024, hereinafter called “semi-annual period”) of the current consolidated fiscal year, the domestic and foreign economies generally remained steady. The Bank of Japan (BOJ), which is trying to normalize its monetary policy, postponed interest rate hikes at its monetary policy meetings in April and June, but decided to raise interest rates in July. Meanwhile, the US Federal Reserve Board (FRB) cut interest rates in September for the first time in four and a half years in view of the slowing trend in inflation rate. Also the European Central Bank (ECB) turned to cut interest rates in June and made an additional cut in September.

In the stock market, the Nikkei Stock Average (Nikkei 225) rose to 42,426 yen in July on the back of a shift in foreign investors' purchases of Japanese equities and the further depreciation of the Yen. However, against the background of the BOJ's interest rate hike and the Yen's sharp appreciation triggered by concerns of a significant interest rate cut in the U.S. due to worsening the U.S. employment statistics, Nikkei 225 fell to 31,458 yen on August 5, the largest ever drop (-4,451 yen). Although Nikkei 225 recovered towards the end of September, due to concerns about the policies of the Liberal Democratic Party's new President Shigeru Ishiba, it fell sharply by about 5% from the previous day on September 30 (the last day of the semi-annual period) to 37,919 yen which is 6.1% down compared with the end of March.

In the U.S. stock market, supported by the FRB's interest rate cut and expectations of a soft landing in the U.S. economy, the New York Dow Jones Industrial Average reached to \$42,330 at the end of semi-annual period, which is 6.3% up compared with the end of March.

In the foreign exchange market, the Japanese Ministry of Finance and the BOJ conducted the intervention to buy Yen in April and May, but the Yen weakened to 162 yen to the Dollar at the beginning of July, the first time in about 37 and a half years. Subsequently, the Yen appreciated against the Dollar to the level of 139 yen to the Dollar on September 16 due to another round of the intervention to buy Yen, the prospect of the FRB starting to cut interest rates and the BOJ's interest rates hike. Although the Yen returned to a certain level at 143.59 yen to the Dollar at the end of the Semi-annual period, the Yen was significantly weaker by 7.73 yen against the Dollar compared with the end of March 2024.

In the bond market, the yield on 10-year Japanese government bonds (JGB) surged to 1.1% in May and July due to the prospect of an interest rate hike by the BOJ, but subsequently it fell to 0.855% at the end of the semi-annual period as the outlook for the timing of the rate hike receded. Also the yield on 10-year U.S. government bonds rose to 4.737% in April, but it closed at 3.781% at the end of the semi-annual period due to a fall in the inflation rate and an interest rate cut to avoid an economic slowdown.

In this environment, we made efforts to offer "unique in-season financial products" for responding to customers' varied needs. Also we conducted active financial management from the view point of effective management of shareholders' equity.

For this semi-annual period compared with the same period of previous fiscal year, our operating revenue increased by 7.1% to 4,297 million yen, net operating revenue increased by 7.0% to 4,262 million yen, operating

income increased by 7.2% to 1,660 million yen, ordinary profit decreased by 10.6% to 1,850 million yen, and net profit attributable to owners of the parent company increased by 10.0% to 2,624 million yen.

Details of the semi-annual period's results are as follows:

①Commission Received

The total commission received resulted 1,557 million yen (up 20.2% from the same period of previous fiscal year), the details of which are shown below:

(Brokerage Commission)

Brokerage commission on equity securities was 608 million yen (down 14.6% from the same period of previous fiscal year). Total amount of brokerage commission including those on beneficiary securities (Exchange Traded Funds) was 622 million yen (down 13.3% from the same period of previous fiscal year).

(Commission for Underwriting, Secondary Distribution and Solicitation for Selling and Others for Professional Investors)

The amount of commission for underwriting, secondary distribution and solicitation for selling and others for professional investors was 6 million yen (down 13.6% from the same period of previous fiscal year).

(Fee for Offering, Secondary Distribution and Solicitation for Selling and Others for Professional Investors)

The amount of fees for offering, secondary distribution and solicitation for selling and others for professional investors was 632 million yen (up 61.6% from the same period of previous fiscal year), due to an increase of handling of beneficiary securities (investment trusts).

(Other Commission Received)

The amount of other commission received consisting mainly of trailer fee of beneficiary securities (investment trusts) was 295 million yen (up 66.2% from the same period of previous fiscal year).

②Net trading Income

Net trading income of equities, etc. resulted in a loss of 40 million yen (a gain of 20 million yen in the same period of previous fiscal year). Net trading income of bonds etc. resulted in a gain of 2,134 million yen (up 1.8% from the same period of previous fiscal year). Net trading income on other trading consisting mainly of foreign exchange derivatives resulted in a loss of 154 million yen (a loss of 261 million yen in the same period of previous fiscal year). As a result, net trading income resulted in a gain of 1,939 million yen (up 4.5% from the same period of previous fiscal year).

③Net Financial Income

Net financial income decreased by 4.3% to 778 million yen, as a result of deducting 34 million yen (up 24.2% from the same period of previous fiscal year) of financial expenses from 813 million yen (down 3.4% from the same period of previous fiscal year) of financial revenue.

④Selling, General and Administrative Expenses

Selling, general and administrative expenses were 2,602 million yen (up 6.9% from the same period of previous fiscal year).

⑤ Non-operating Income and Expenses

Non-operating income, consisting mainly of dividend received, totaled 468 million yen (down 39.0% from the same period of previous fiscal year), while non-operating expenses consisting mainly of loss on investments in partnership, totaled 277 million yen (up 12.7% from the same period of previous fiscal year).

As a result, net non-operating income amounted to gain of 190 million yen (down 63.5% from the same period of previous fiscal year).

⑥ Extraordinary Income and Loss

Extraordinary income was 2,024 million yen (up 36.6% from the same period of previous fiscal year), as a result of sales of investment securities, while extraordinary loss was 5 million yen (down 95.4% from the same period of previous fiscal year) including loss on retirement of non-current assets.

As a result, net extraordinary income amounted to 2,018 million yen (up 49.1% from the same period of previous fiscal year).

(2) Information on Financial Condition

① Assets

Current assets as at the end of the semi-annual period (September 30, 2024) were 45,968 million yen and decreased by 2,293 million yen from previous fiscal year end. This is mainly because, while trading products increased by 1,871 million yen, trade date accrual increased by 1,003 million yen and margin transaction asset increased by 567 million yen, cash and deposits decreased by 3,942 million yen and segregated deposits decreased by 1,994 million yen. Non-current assets as at the end of the semi-annual period were 35,439 million yen and increased by 168 million yen from previous fiscal year end. The main factor was investment securities increased by 114 million yen.

As a result, the total assets as at the end of the semi-annual period were 81,408 million yen and decreased by 2,125 million yen from previous fiscal year end.

② Liabilities

Current liabilities as at the end of the semi-annual period were 26,997 million yen and increased by 292 million yen from previous fiscal year end. This is mainly because, while deposit received decreased by 1,293 million yen and income taxes payable decreased by 421 million yen, short-term borrowings increased by 1,800 million yen. Non-current liabilities as at the end of the semi-annual period were 2,348 million yen and decreased by 785 million yen from previous fiscal year end. As a result, the total liabilities as at the end of the semi-annual period were 29,367 million yen and decreased by 490 million yen from previous fiscal year end.

③ Net Assets

Within net asset for the semi-annual period, while retained earnings increased by 72 million yen, valuation difference on available for sale securities decreased by 177 million yen from previous fiscal year end.

As a result, net assets as at the end of the semi-annual period were 52,040 million yen and decreased by 1,634 million yen from previous fiscal year end.

(3) Future Outlook

Consolidated operating revenues are mainly comprised of commissions received and trading income, related to the securities markets, the majority of which are coming from the stock and bond markets. In order to mitigate the impact of favorable or unfavorable conditions in the stock and bond markets on our financial results, we are striving to ensure revenue stability by diversifying our revenue sources. Even so, our business performance may still be affected by trends in the securities markets and may fluctuate significantly. In addition, sharp fluctuations in the domestic and foreign financial instrument markets could result in large valuation gains or losses on financial instruments held by ourselves.

In general, securities markets and foreign exchange markets fluctuate, reflecting variety of factors such as domestic and international political and economic conditions, interest rates, and corporate earnings. Therefore, in order to forecast our consolidated financial results, it is necessary to accurately grasp future market trends while predicting these factors in advance, but the reality is that it is nearly impossible to achieve this. In a situation where such uncertain factors are likely to cause a large discrepancy between forecasts and actual results, daring to disclose forecast of financial results may result in sending a false message to the market, which may impede fair stock price formation.

For the aforementioned reasons, we will not disclose forecast of financial results, but will instead endeavor to disclose financial results as early as possible, and will announce such figures as preliminary figures around the 10th business day after the end of the fiscal year or the end of the quarter, when consolidated financial results are almost finalized.



## 2. Semi-annual Consolidated Financial Statements and Notes

## (1)Semi-annual Consolidated Balance Sheets

(Millions of yen)

	Previous Fiscal Year End (March 31, 2024)	Current Semi-annual Period End(September 30, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	14,389	10,447
Segregated deposits	13,014	11,019
Trading products	17,553	19,424
Trading securities and other	17,550	19,418
Derivatives	2	6
Securities	45	42
Trade date accrual	392	1,396
Margin transaction assets	2,217	2,785
Margin loans	2,048	2,281
Cash collateral provided for securities borrowed in margin transactions	168	503
Other current assets	659	860
Allowance for doubtful accounts	△9	△7
<b>Total current assets</b>	<b>48,262</b>	<b>45,968</b>
Non-current assets		
Property, plant and equipment	1,903	1,908
Buildings	377	390
Land	1,167	1,167
Other	358	350
Intangible assets	60	60
Investments and other assets	33,307	33,470
Investment securities	31,649	31,764
Other	1,729	1,777
Allowance for doubtful accounts	△71	△71
<b>Total non-current assets</b>	<b>35,271</b>	<b>35,439</b>
<b>Total assets</b>	<b>83,534</b>	<b>81,408</b>
<b>Liabilities</b>		
Current liabilities		
Trading products	27	259
Trading securities and other	8	259
Derivatives	19	—
Margin transaction liabilities	344	263
Margin borrowings	174	185
Cash received for securities sold in margin transactions	170	77
Deposits received	14,320	13,026
Short-term borrowings	9,580	11,380
Income taxes payable	1,677	1,256
Provision for bonuses	250	261
Other current liabilities	504	550
<b>Total current liabilities</b>	<b>26,705</b>	<b>26,997</b>
Non-current liabilities		
Long-term borrowings	500	500
Retirement benefit liability	97	94
Other noncurrent liabilities	2,537	1,754
<b>Total non-current liabilities</b>	<b>3,134</b>	<b>2,348</b>
Reserves under special laws		
Reserve for financial instruments transaction liabilities	19	21
<b>Total reserves under special laws</b>	<b>19</b>	<b>21</b>
<b>Total liabilities</b>	<b>29,858</b>	<b>29,367</b>

(Millions of yen)

	Previous Fiscal Year End (March 31, 2024)	Current Semi-annual Period End (September 30, 2024)
Net assets		
Shareholders' equity		
Share capital	5,251	5,251
Capital surplus	4,774	4,774
Retained earnings	40,276	40,348
Treasury shares	△863	△863
Total shareholders' equity	49,438	49,511
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,225	2,517
Total accumulated other comprehensive income	4,225	2,517
Non-controlling interests	11	11
Total net assets	53,675	52,040
Total liabilities and net assets	83,534	81,408

(2) Semi-annual Consolidated Income Statements and Semi-annual Consolidated Comprehensive Income Statements  
 Statements  
 (Semi-annual Consolidated Income Statements)

	(Millions of yen)	
	Semi-annual Period of Previous Fiscal Year (from April 1 to September 30, 2023)	Current Semi-annual Period (from April 1 to September 30, 2024)
Operating revenue		
Commission received	1,295	1,557
Brokerage commission	718	622
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	7	6
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	391	632
Other commission received	177	295
Net trading income	1,856	1,939
Financial revenue	841	813
Other operating revenue	18	△13
Total operating revenue	4,012	4,297
Financial expenses	28	34
Net operating revenue	3,983	4,262
Selling, general and administrative expenses		
Trading related expenses	292	344
Personnel expenses	1,411	1,508
Real estate expenses	262	255
Office expenses	272	282
Depreciation	41	39
Taxes and dues	102	114
Other	53	57
Total selling, general and administrative expenses	2,434	2,602
Operating profit	1,548	1,660
Non-operating income		
Dividend income	384	424
Gain on investments in investment partnerships	347	—
Other	36	43
Total non-operating income	767	468
Non-operating expenses		
Loss on investments in investment partnerships	—	164
Foreign exchange losses	235	77
mediaton settlement	3	30
Other	7	5
Total non-operating expenses	246	277
Ordinary profit	2,070	1,850

(Millions of yen)

	Semi-annual Period of Previous Fiscal Year (from April 1 to September 30, 2023)	Current Semi-annual Period (from April 1 to September 30, 2024)
Extraordinary income		
Gain on sale of investment securities	1,481	2,024
Reversal of reserve for financial instruments transaction liabilities	0	—
Total extraordinary income	1,481	2,024
Extraordinary losses		
Loss on sale of investment securities	127	—
Loss on retirement of non-current assets	0	4
Provision of reserve for financial instruments transaction liabilities	—	1
Total extraordinary losses	128	5
Profit before income taxes	3,423	3,868
Income taxes - current	1,052	1,251
Income taxes - deferred	△14	△7
Total income taxes	1,037	1,243
Profit	2,385	2,625
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	2,385	2,624

## (Semi-annual Consolidated Comprehensive Income Statements)

(Millions of yen)

	Semi-annual Period of Previous Fiscal Year (from April 1 to September 30, 2023)	Current Semi-annual Period (from April 1 to September 30, 2024)
Profit	2,385	2,625
Other comprehensive income		
Valuation difference on available-for-sale securities	2,216	△1,707
Total other comprehensive income	2,216	△1,707
Comprehensive income	4,602	917
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,601	917
Comprehensive income attributable to non- controlling interests	1	0

(3) Notes to Quarterly Consolidated Financial Statements

(Notes to Changes of Accounting Policies)

(Application of “Accounting Standard for Current Income Taxes”, etc.)

“Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “Revised Accounting Standard 2022”), etc. have been adopted from the beginning of the first quarter ended June 30, 2024.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “Revised Implementation Guidance 2022”). This change in accounting policies has no impact on the quarterly consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for the tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of the first quarter ended June 30, 2024. This change in accounting policies was applied retrospectively. Hence, the quarterly consolidated financial statements for the same quarter of the prior fiscal year and the consolidated financial statements for the prior fiscal year have been modified retrospectively. This change in accounting policies has no impact on the quarterly consolidated financial statements for the same quarter of the prior fiscal year and the consolidated financial statements for the prior fiscal year.

(Notes in the Event of Substantial Changes in Shareholders' Equity)

None.

(Notes Concerning Going Concern Assumption)

None.

## 【Referential Data】

## 1. Referential Data on Consolidated Financial Results for the Semi-annual Period

## (1) Commission Received

## ① Commission received by sources

(Millions of yen)

	Semi-annual Period of Previous Fiscal Year (from April 1 to September 30, 2023)	Current Semi- annual Period (from April 1 to September 30, 2024)	Change		Fiscal Year of 2023
			Amount	%	
Brokerage commission	718	622	△95	△13.3	1,534
(Equities)	(712)	(608)	(△104)	(△14.6)	(1,512)
(Bonds)	(-)	(-)	(-)	(-)	(-)
(Beneficiary securities)	(6)	(14)	(8)	(138.5)	(21)
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	7	6	△1	△13.6	15
(Equities)	(7)	(6)	(△1)	(△13.6)	(15)
(Bonds)	(-)	(-)	(-)	(-)	(-)
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	391	632	241	61.6	873
Other commission received	177	295	117	66.2	399
Total	1,295	1,557	262	20.2	2,822

## ② Commission received by instruments

(Millions of yen)

	Semi-annual Period of Previous Fiscal Year (from April 1 to September 30, 2023)	Current Semi- annual Period (from April 1 to September 30, 2024)	Change		Fiscal Year of 2023
			Amount	%	
Equities	722	616	△105	△14.6	1,531
Bonds	0	0	0	38.4	0
Beneficiary securities	564	925	360	63.8	1,273
Other	8	15	7	83.1	17
Total	1,295	1,557	262	20.2	2,822

## (2) Net Trading Income

(Millions of yen)

	Semi-annual Period of Previous Fiscal Year (from April 1 to September 30, 2023)	Current Semi- annual Period (from April 1 to September 30, 2024)	Change		Fiscal Year of 2023
			Amount	%	
Equities, etc.	20	△40	△61	—	39
Bonds, etc.	2,097	2,134	37	1.8	3,716
Other	△261	△154	107	—	△352
Total	1,856	1,939	83	4.5	3,402

## (3) Consolidated Income Statement for the Latest Five Quarters

(Millions of yen)

	Quarter ended September 30, 2023	Quarter ended December 31, 2023	Quarter ended March 31, 2024	Quarter ended June 30, 2024	Quarter ended September 30, 2024
I. Operating revenue	2,180	1,360	2,357	2,641	1,655
1 Commission received	685	672	854	796	760
2 Net trading income	1,087	427	1,119	1,344	595
3 Financial revenue	403	260	383	496	316
4 Other operating revenue	4	0	0	4	△17
II. Financial expenses	14	11	13	14	20
Net operating revenue	2,165	1,349	2,343	2,627	1,635
III. Selling, general and administrative expenses	1,243	1,174	1,116	1,380	1,222
1 Trading related expenses	153	144	146	179	165
2 Personal expenses	727	677	560	817	691
3 Real estate expenses	134	119	125	130	125
4 Office expenses	132	133	144	137	144
5 Depreciation	21	21	21	19	19
6 Taxes and dues	53	37	60	62	52
7 Provision of allowance for doubtful accounts	—	—	—	2	△2
8 Other	21	39	57	30	26
Operating profit	922	174	1,227	1,247	413
IV. Non-operating income	210	84	303	494	△26
V. Non-operating expenses	38	8	146	82	195
Ordinary profit	1,094	251	1,384	1,659	191
VI. Extraordinary income	833	282	1,015	760	1,264
VII. Extraordinary losses	57	14	93	5	0
Profit/Loss before income taxes	1,870	520	2,306	2,414	1,454
Income taxes - current	654	133	686	616	635
Income taxes - deferred	△73	43	6	133	△141
Profit	1,289	342	1,613	1,664	961
Profit attributable to non-controlling interests	0	0	0	0	0
Profit attributable to owners of parent	1,289	342	1,613	1,664	960



## 2. Referential Data for the Semi-annual Period

### (1) Capital Adequacy Ratio

(Millions of yen)

		Previous Semi-annual Period End (September 30, 2023)	Current Semi-annual Period End (September 30, 2024)	Previous Fiscal Year End (March 31, 2024)
Basic items (A)		43,034	43,241	42,388
Complementary items	Valuation difference on available for sale securities, etc.	2,719	2,235	3,789
	Reserve for financial products transaction liabilities reserves under special laws	14	21	19
	Allowance for doubtful accounts	8	7	9
Total (B)		2,741	2,263	3,818
Deductible assets (C)		8,465	10,649	10,091
Unfixed net capital (A)+(B)-(C) (D)		37,310	34,855	36,115
Amount of risk correspondents	Amount of risk correspondents	5,289	6,030	6,014
	Trade party risk equivalent	195	236	192
	Basic risk equivalent	1,103	1,247	1,207
Total (E)		6,589	7,514	7,413
Capital adequacy ratio (D)/(E)×100%		566.2%	463.8%	487.1%

### (2) Number of Directors/Auditors and Employees

(persons)

	Previous Semi-annual Period End (September 30, 2023)	Current Semi-annual Period End (September 30, 2024)	Previous Fiscal Year End (March 31, 2024)
Directors and auditors	10	10	10
Employees	232	233	226