
Materials on Consolidated Financial Results for the Year Ended March 31, 2024

-Financial Summary and the Company's Initiatives-



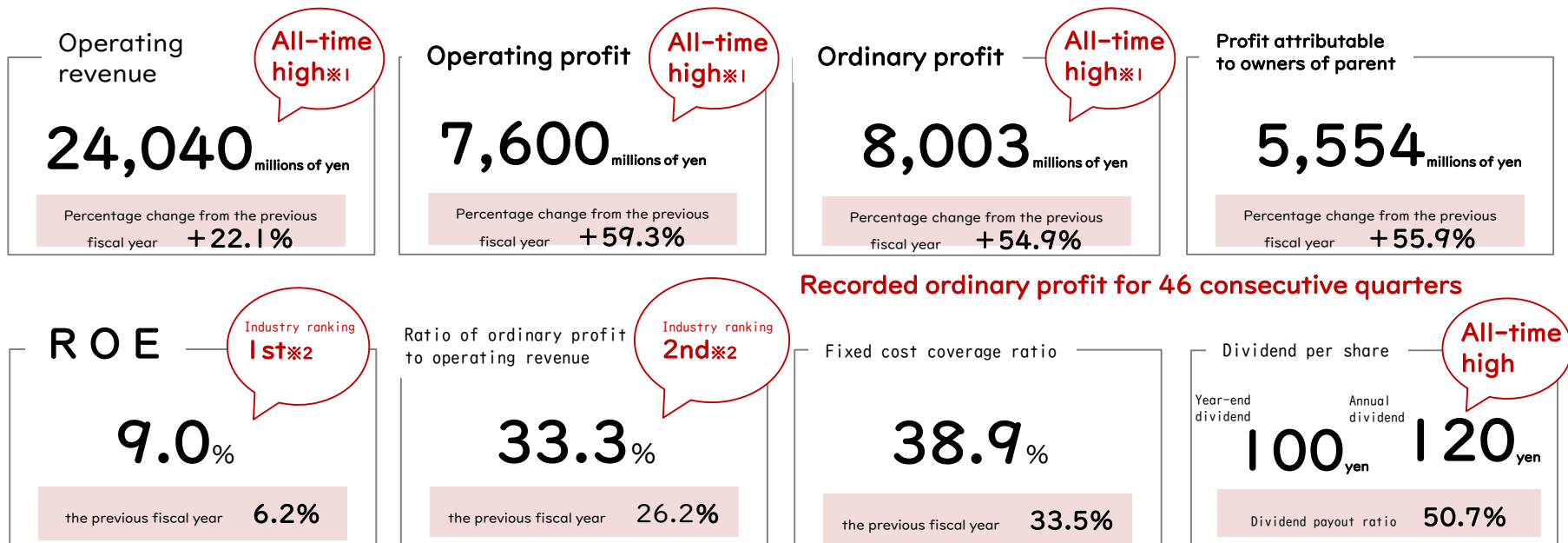
IwaiCosmo Holdings, Inc.

(stock code : 8707)

May 2024

Financial highlights

Top-ranked operating revenue and operating profit and ordinary profit and Profit attributable to owners of parent among seven mid-sized securities companies



Recorded ordinary profit for 46 consecutive quarters

TOPIX

※1 : since merger of securities subsidiaries (May 2012) 、※2 : Seventeen retail securities companies

- | | |
|----------------|--|
| TOPIX.1 | IwaiCosmo Securities broadcast new television commercials (face-to-face trading edition, online trading edition) |
| TOPIX.2 | Established Digital Transformation Promotion Department in January 2024 to accelerate promotion of digital transformation (DX) |
| TOPIX.3 | Free brokerage for Japanese and U.S. equities through NISA accounts at “Cosmo Netre” online trading platform (from April 2024) |
| TOPIX.4 | Wage increase in fiscal 2024 is planned to be 7% (including base wage hike), higher than previous fiscal year (5%). Increase in base wage for third consecutive year |
| TOPIX.5 | Increased number of new recruits in April 2024 to 77 (53 in April 2023) in order to strengthen sales force |
| TOPIX.6 | Percentage of female officers 33.3% (three out of nine) ・ ・ Government target for TSE Prime listed companies (30% by 2030) achieved by end of June 2023!
Gained top rank in the securities and commodity futures business sector for all listed companies (Source: Female Officer Information Site, Gender Equality Bureau, Cabinet Office) |

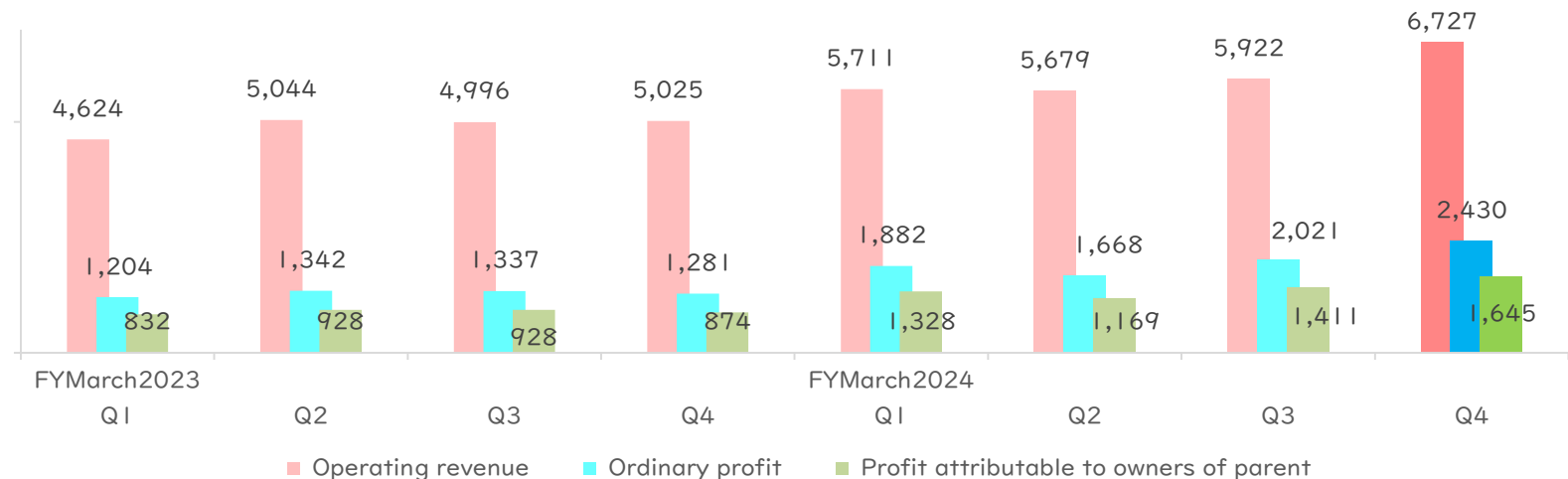
Management Summary

- **Top-ranked operating revenue and operating profit and ordinary profit and Profit attributable to owners of parent** among seven mid-sized securities companies
- **Recorded ordinary profit for 46 consecutive quarters**

(Millions of yen, %)

	Year ended March 31, 2023	Year ending March 31, 2024			Percentage change from the previous fiscal year	Change (%) compared with the previous quarter
	Q1 ~ Q4	Q3	Q4	Q1 ~ Q4		
Operating revenue	19,691	5,922	6,727	24,040	22.1%	13.6%
Net operating revenue	19,428	5,876	6,659	23,781	22.4%	13.3%
Selling, general and administrative expenses	14,658	3,993	4,271	16,180	10.4%	7.0%
Operating profit	4,770	1,883	2,387	7,600	59.3%	26.8%
Ordinary profit	5,165	2,021	2,430	8,003	54.9%	20.2%
Profit attributable to owners of parent	3,564	1,411	1,645	5,554	55.9%	16.6%
Earnings per share	151.73yen	60.08yen	70.08yen	236.49yen	55.9%	16.6%
Net assets per share	2,450.40yen	2,637.95yen	2,824.53yen	2,824.53yen	15.3%	7.1%
ROE	6.2%	9.2%	10.3%	9.0%	2.7pt	1.1pt

※ Annualized for ROE

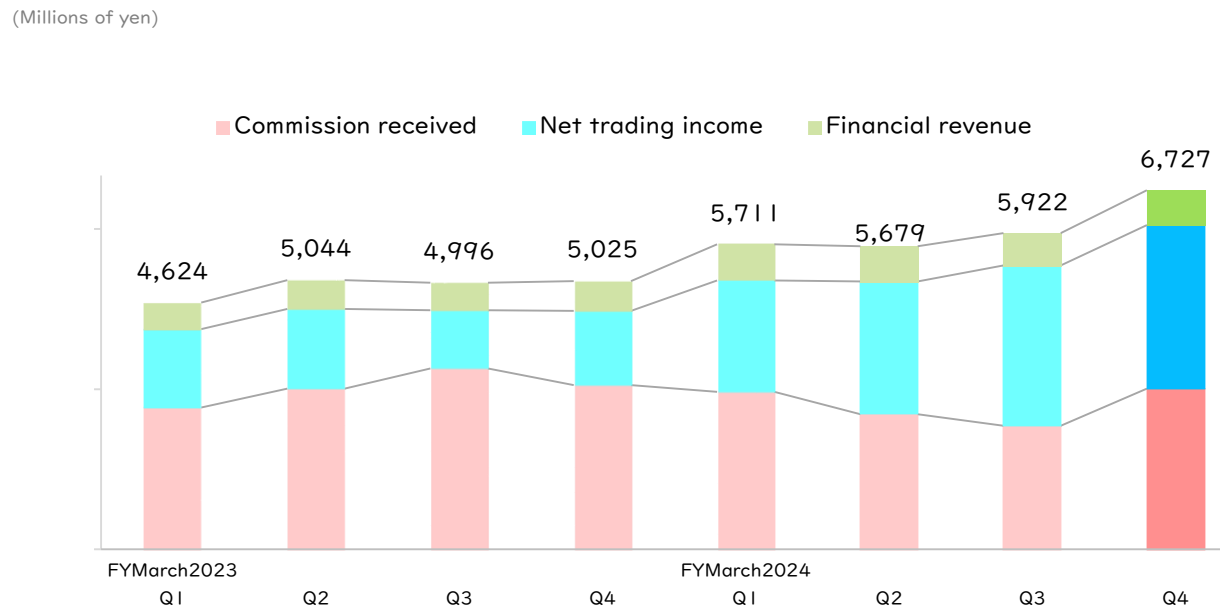
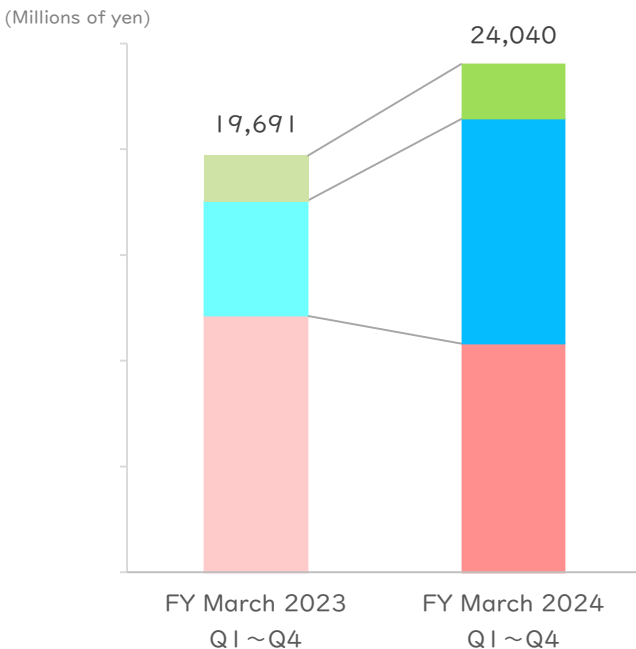


Operating revenue

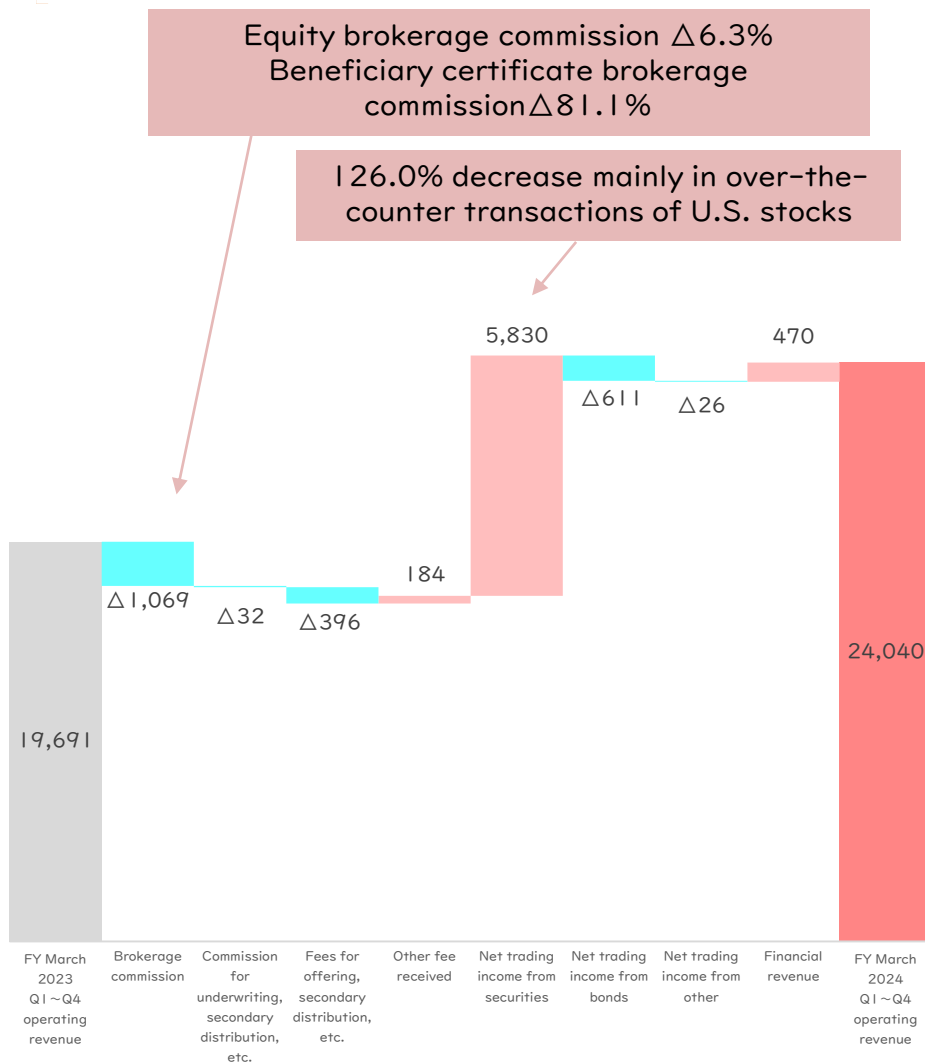
Net trading income increased by 95.4% year-on-year on the back of active trading in a favorable market environment, including rising expectations of a “soft landing” in the U.S. and the Dow Jones Industrial Average hitting an all-time high at the end of March.

	FY March 2023 Q1~Q4	FY March 2024 Q1~Q4	Percentage change from the previous fiscal year
Commission received	12,123	10,809	△10.8%
Net trading income	5,443	10,636	95.4%
Financial revenue	2,124	2,595	22.2%
Operating revenue	19,691	24,040	22.1%

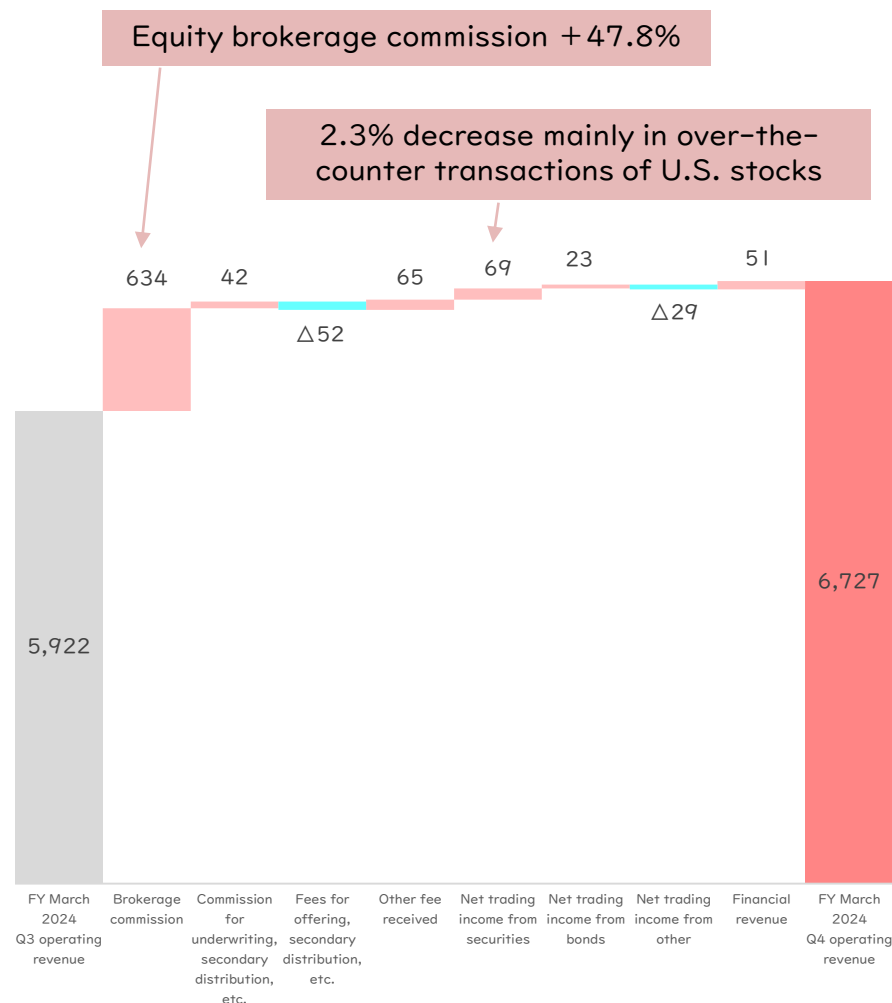
(million yen)									
FY March 2023				FY March 2024				Change (%) compared with the previous quarter	
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
2,656	3,007	3,385	3,073	2,951	2,533	2,317	3,007	29.8%	
1,467	1,494	1,090	1,391	2,085	2,484	3,001	3,064	2.1%	
500	542	520	560	674	660	603	656	8.6%	
4,624	5,044	4,996	5,025	5,711	5,679	5,922	6,727	13.6%	



YoY



QoQ



Commission receive

Equity brokerage commission declined 6.3% year on year, beneficiary certificate brokerage commission declined 81.1% year on year.

	FY March 2023 Q1~Q4	FY March 20224 Q1~Q4	Percentage change from the previous fiscal year
Brokerage commission	8,405	7,336	△12.7%
Fees for underwriting and secondary distribution	139	107	△23.4%
Fees for offering and secondary distribution	1,183	787	△33.5%
Other commission received	2,393	2,577	7.7%
Commission received	12,123	10,809	△10.8%

(million yen)								
FY March 2023 Q1	Q2	Q3	Q4	FY March 2024 Q1	Q2	Q3	Q4	Change (%) compared with the previous quarter
1,844	2,121	2,269	2,169	2,128	1,718	1,427	2,062	44.5%
10	14	93	21	8	23	16	58	261.4%
187	257	431	307	211	151	238	185	△22.0%
613	614	590	574	602	639	635	700	10.3%
2,656	3,007	3,385	3,073	2,951	2,533	2,317	3,007	29.8%

(Millions of yen)

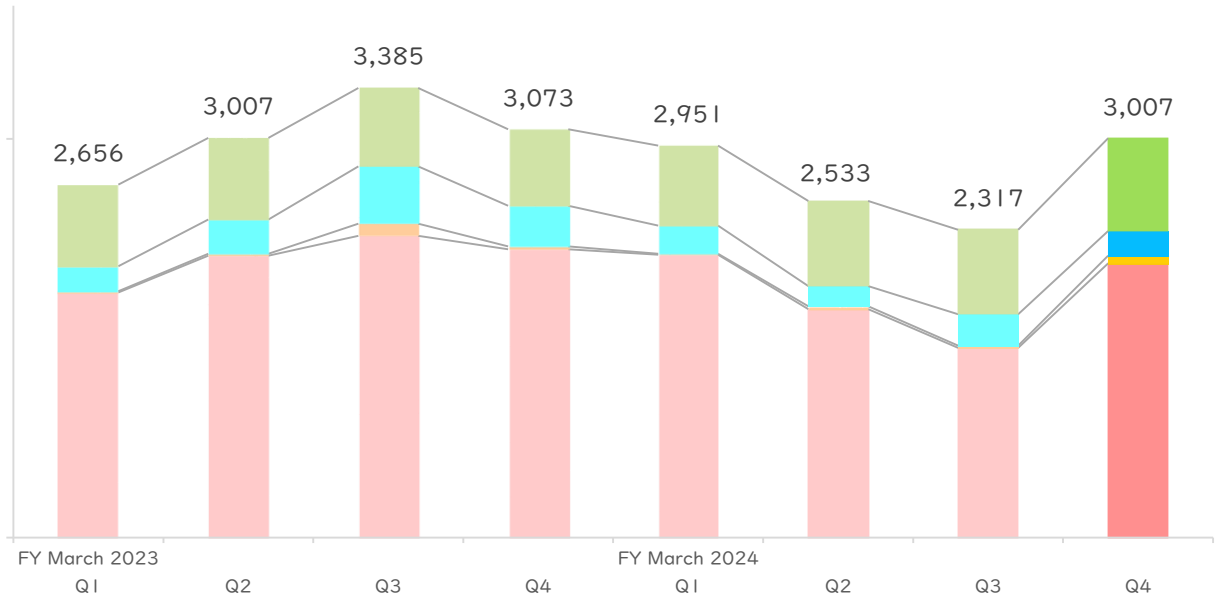
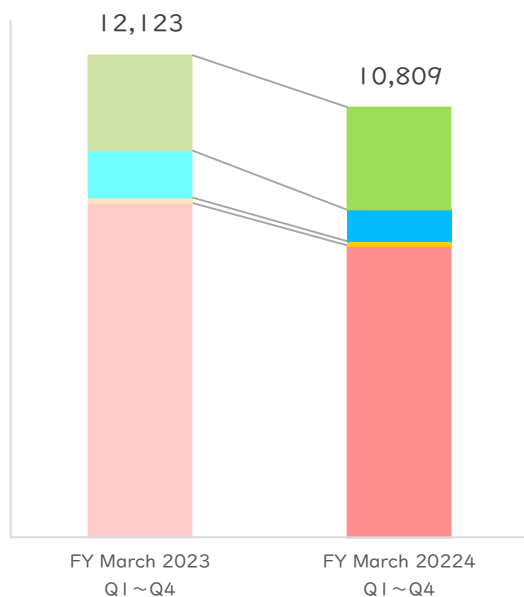
(Millions of yen)

■ Brokerage commission

■ Fees for offering and secondary distribution

■ Fees for underwriting and secondary distribution

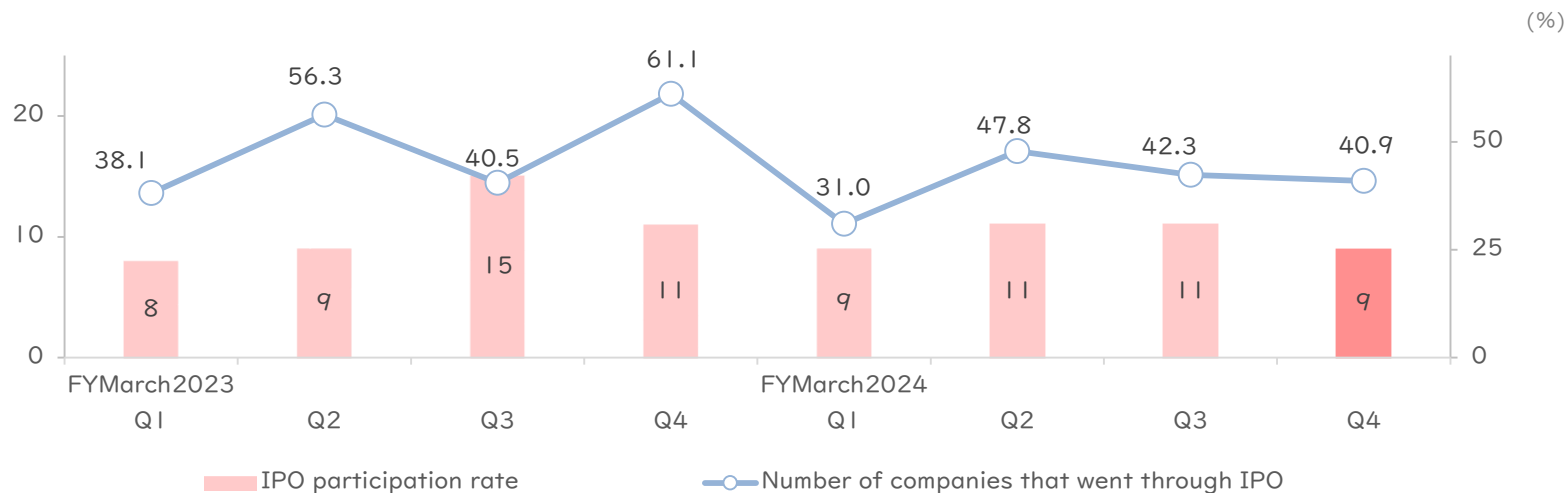
■ Other commission received



Quarterly Changes in IPO Transactions

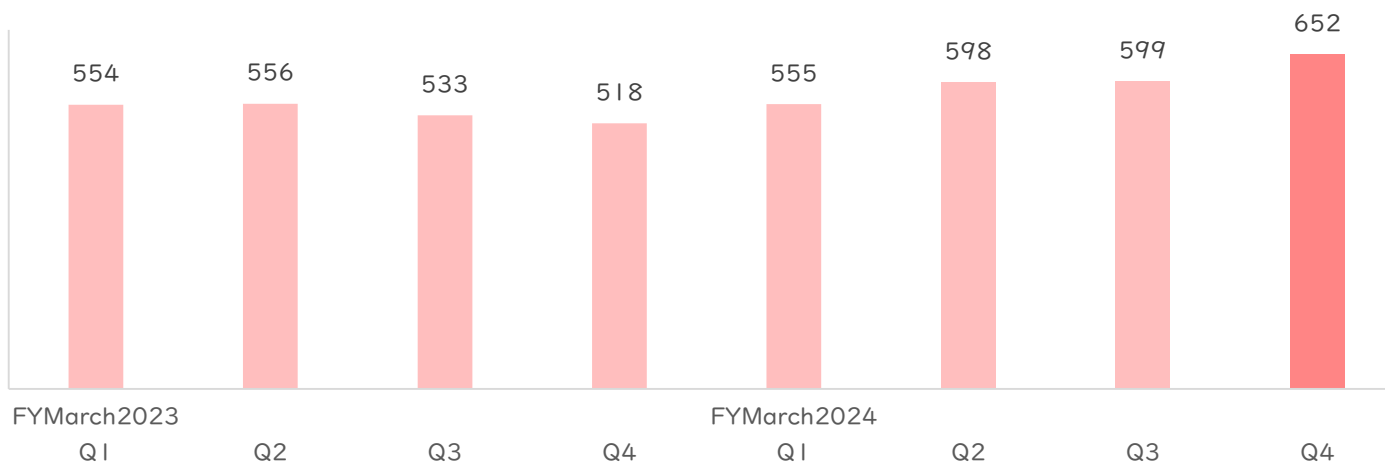
Fiscal 2023 IPO participation rate: 40.0%
(Fiscal 2022 IPO participation rate: 46.7%)

(Companies)



Changes in trust fees

(Millions of yen)



Net trading income

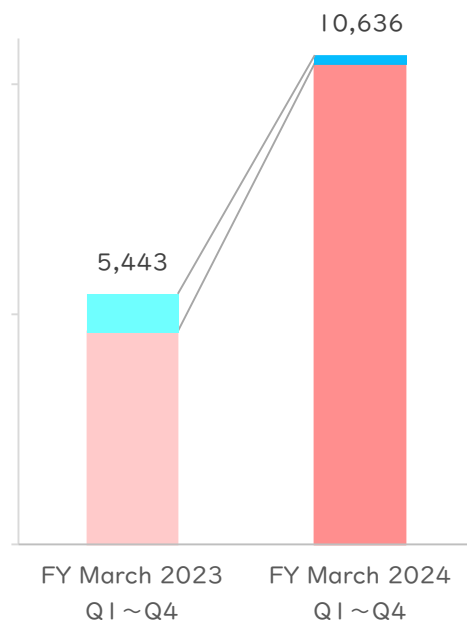
Active trading centered on the “Magnificent Seven(※)” led to increase in net trading income from share certificates and other securities.

(※) Apple, Alphabet, Meta Platforms, Amazon.com, Microsoft, Nvidia, Tesla

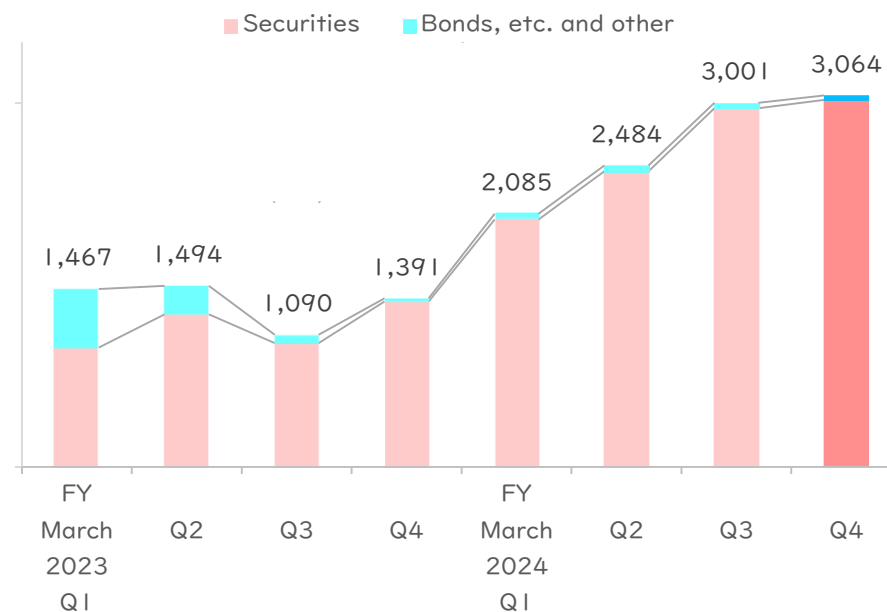
	FY March 2023 Q1 ~ Q4	FY March 2024 Q1 ~ Q4	Percentage change from the previous fiscal year
Securities	4,628	10,459	126.0%
Bonds, etc. and other	815	177	Δ78.3%
Net trading income	5,443	10,636	95.4%

								(million yen)
FY March 2023 Q1	Q2	Q3	Q4	FY March 2024 Q1	Q2	Q3	Q4	Change (%) compared with the previous quarter
983	1,259	1,020	1,364	2,038	2,437	2,957	3,026	2.3%
484	234	69	27	47	47	44	37	Δ14.6%
1,467	1,494	1,090	1,391	2,085	2,484	3,001	3,064	2.1%

(Millions of yen)



(Millions of yen)



※ Income from securities is mainly related to over-the-counter transactions of U.S. stocks

Financial balance

Balance of customers' borrowing on margin transactions: 60.0 billion yen (As of March 31, 2024) ,
5th in industry (17 retail securities companies, excluding online securities companies)

	FY March 2023 Q1~Q4	FY March 2024 Q1~Q4	Percentage change from the previous fiscal year
Financial revenue	2,124	2,595	22.2%
Financial expenses	262	259	Δ1.3%
Financial balance	1,861	2,335	25.5%
Average balance of customers' borrowing on margin transactions (100 millions of yen)	554	592	6.9%

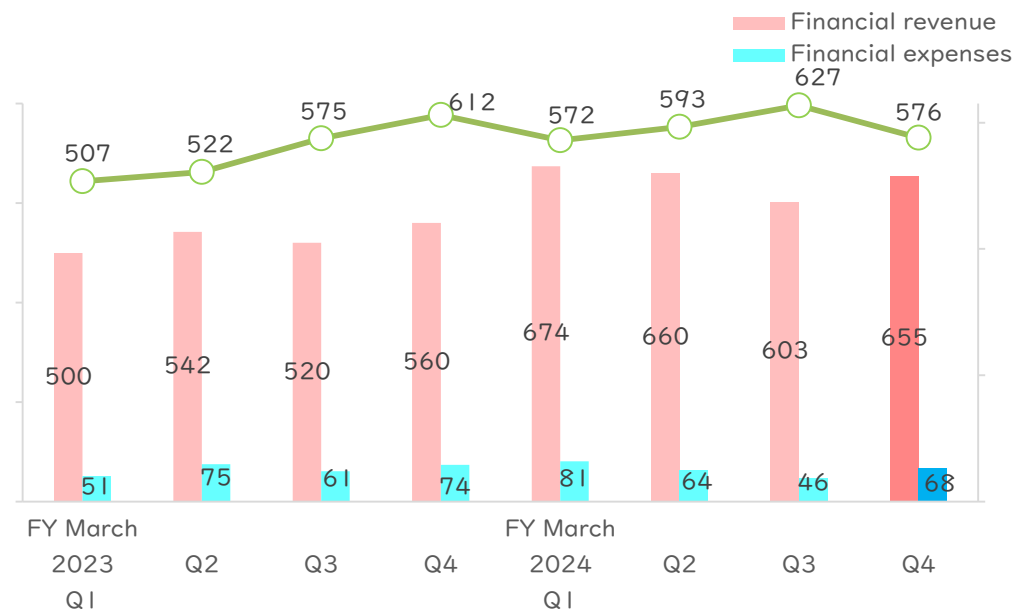
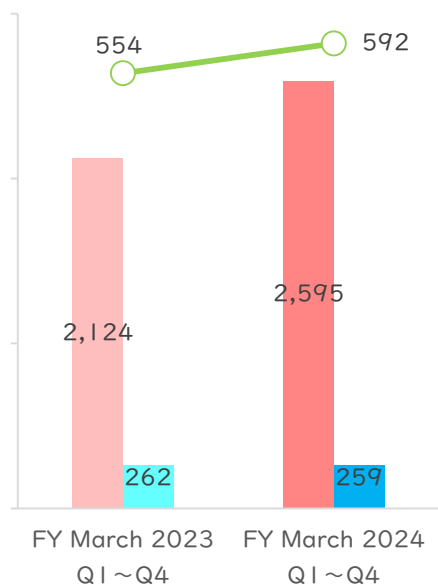
								(million yen, %)
FY March 2023 Q1	Q2	Q3	Q4	FY March 2024 Q1	Q2	Q3	Q4	Change (%) compared with the previous quarter
500	542	520	560	674	660	603	655	8.6%
51	75	61	74	81	64	46	68	47.2%
448	467	459	486	593	596	557	587	5.4%
507	522	575	612	572	593	627	576	Δ8.2%

(Millions of yen)

(100 millions of yen)

(Millions of yen)

(100 millions of yen)



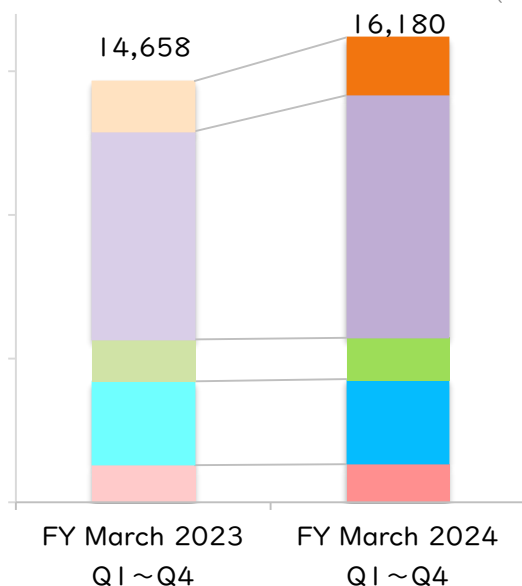
Selling, general and administrative expenses

Total SG&A expenses increased 10.4% year on year, mainly due to television commercial fee and enhancement of online trading services (U.S. equity foreign currency settlement service, new NISA system support, etc.), as well as an increase in variable expenses such as bonuses.

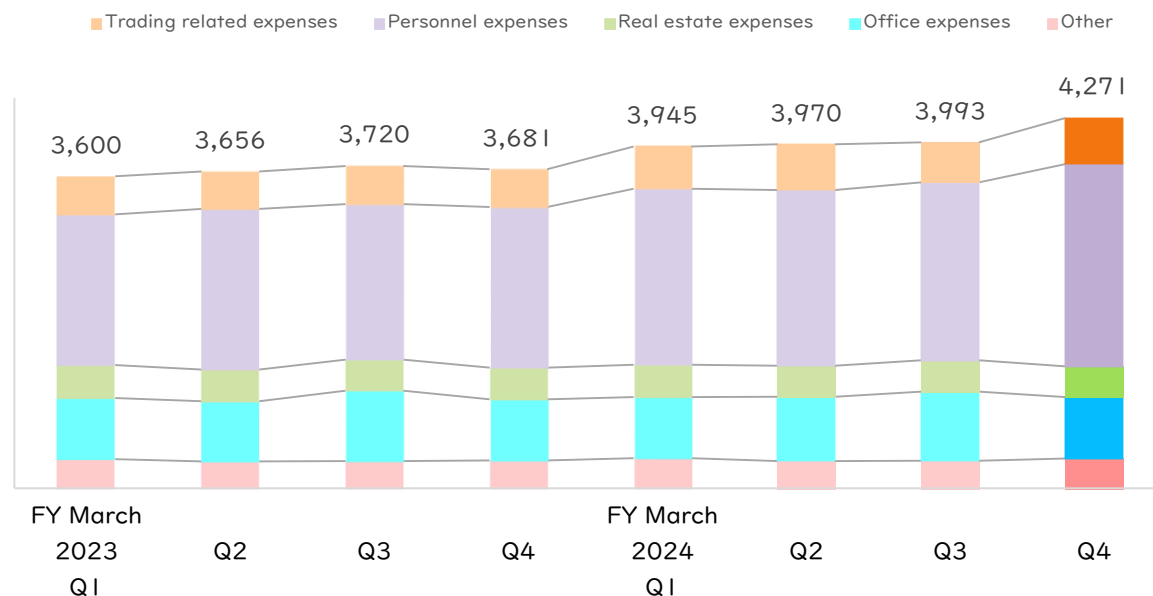
	FY March 2023 Q1 ~ Q4	FY March 2024 Q1 ~ Q4	Percentage change from the previous fiscal year
Trading related expenses	1,752	2,008	14.6%
Personnel expenses	7,233	8,447	16.8%
Real estate expenses	1,470	1,442	△1.9%
Office expenses	2,918	2,958	1.4%
Other	1,283	1,323	3.1%
Selling, general and administrative expenses	14,658	16,180	10.4%

									(million yen, %)
FY March 2023 Q1	Q2	Q3	Q4		FY March 2024 Q1	Q2	Q3	Q4	Change (%) compared with the previous quarter
440	434	440	436		488	527	461	531	15.0%
1,736	1,850	1,794	1,851		2,031	2,027	2,053	2,334	13.7%
381	366	355	365		370	358	360	352	△2.4%
705	692	814	705		707	740	798	711	△10.9%
335	312	313	321		346	315	318	342	7.7%
3,600	3,656	3,720	3,681		3,945	3,970	3,993	4,271	7.0%

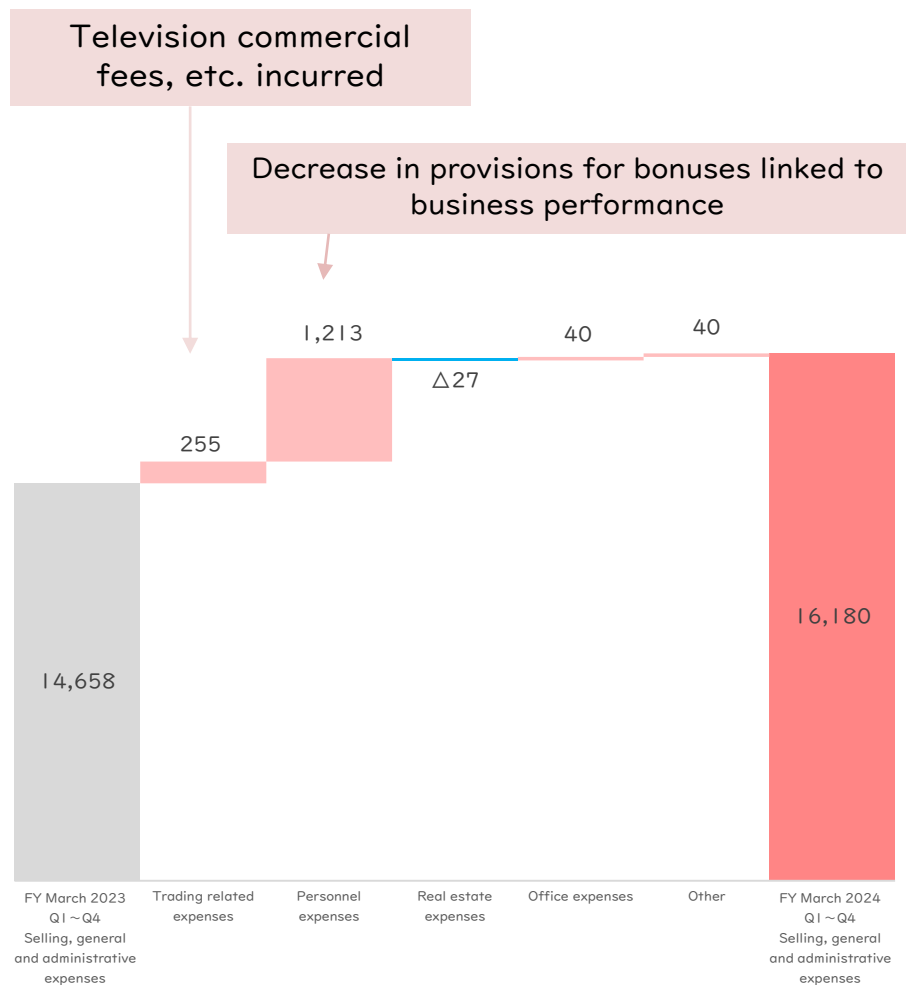
(Millions of yen)



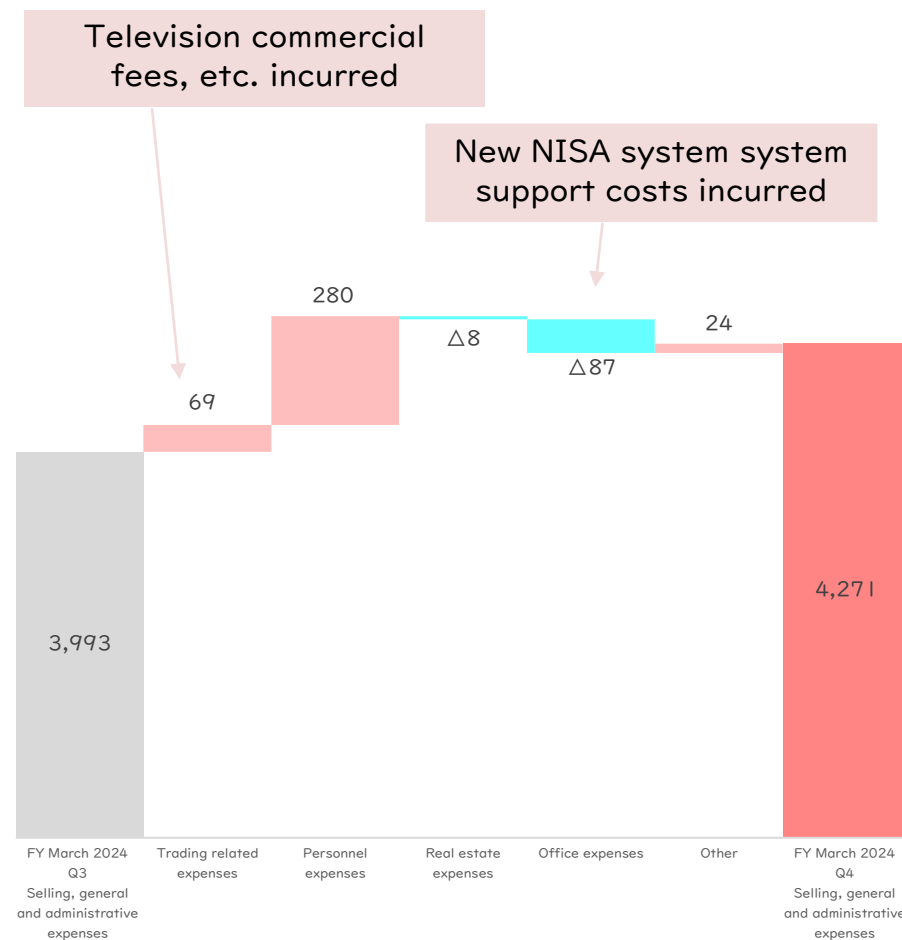
(Millions of yen)



YoY



QoQ



Quarterly Changes in Operating Results

Recorded ordinary profit for 46 consecutive quarters

(Millions of yen)

	Year ending March 31, 2023					Year ending March 31, 2024				
	Q1	Q2	Q3	Q4	full year	Q1	Q2	Q3	Q4	full year
Operating revenue	4,624	5,044	4,996	5,025	19,691	5,711	5,679	5,922	6,727	24,040
Commission received	2,656	3,007	3,385	3,073	12,123	2,951	2,533	2,317	3,007	10,809
Brokerage commission	1,844	2,121	2,269	2,169	8,405	2,128	1,718	1,427	2,062	7,336
Commission for underwriting, secondary distribution, etc.	10	14	93	21	139	8	23	16	58	107
Fees for offering, secondary distribution, etc.	187	257	431	307	1,183	211	151	238	185	787
Other fee received	613	614	590	574	2,393	602	639	635	700	2,577
Net trading income	1,467	1,494	1,090	1,391	5,443	2,085	2,484	3,001	3,064	10,636
Securities	983	1,259	1,020	1,364	4,628	2,038	2,437	2,957	3,026	10,459
Bonds, etc. and other	484	234	69	27	815	47	47	44	37	177
Financial revenue	500	542	520	560	2,124	674	660	603	655	2,595
Financial expenses	51	75	61	74	262	81	64	46	68	259
Net operating revenue	4,572	4,969	4,935	4,951	19,428	5,630	5,614	5,876	6,659	23,781
Selling, general and administrative expenses	3,600	3,656	3,720	3,681	14,658	3,945	3,970	3,993	4,271	16,180
Operating profit	972	1,313	1,214	1,270	4,770	1,685	1,644	1,883	2,387	7,600
Non-operating income	233	31	124	66	456	198	29	144	54	428
Non-operating expenses	1	2	2	55	60	1	5	6	12	25
Non-operating profit	231	29	122	11	395	197	24	138	42	403
Ordinary profit	1,204	1,342	1,337	1,281	5,165	1,882	1,668	2,021	2,430	8,003
Extraordinary profit	0	-	Δ0	-	-	19	24	15	Δ19	40
Extraordinary losses (※)	-	-	0	0	1	-	-	-	95	95
Extraordinary profit	0	-	Δ0	Δ0	Δ1	19	24	15	Δ115	Δ55
Profit before income taxes	1,204	1,342	1,337	1,280	5,164	1,902	1,693	2,037	2,314	7,947
Profit attributable to owners of parent	832	928	928	874	3,564	1,328	1,169	1,411	1,645	5,554

	Year ending March 31, 2023					Year ending March 31, 2024				
	Q1	Q2	Q3	Q4	full year	Q1	Q2	Q3	Q4	full year
Ratio of ordinary profit to operating revenue	26.0%	26.6%	26.8%	25.5%	26.2%	33.0%	29.4%	34.1%	36.1%	33.3%
ROE	6.0%	6.7%	6.6%	6.1%	6.2%	9.1%	7.9%	9.2%	10.3%	9.0%
Earnings per share	35.43yen	39.52yen	39.55yen	37.23yen	151.73yen	56.54yen	49.80yen	60.08yen	70.08yen	236.49yen
Capital adequacy ratio	776.8%	732.3%	736.5%	740.8%	740.8%	846.9%	839.5%	856.2%	806.9%	806.9%

ROE: annualized

Reference : Operating Performance Time Series

(Millions of yen)

	FY March 2019	FY March 2020	FY March 2021	FY March 2022	FY March 2023	FY March 2024
Operating revenue	21,241	18,948	22,993	20,708	19,691	24,040
Ordinary profit	5,924	4,239	7,530	5,799	5,165	8,003
Profit	4,148	2,700	5,362	3,756	3,564	5,554
Ratio of ordinary profit to operating revenue	27.9%	22.4%	32.8%	28.0%	26.2%	33.3%
(Industry ranking *1)	1st	1st	3rd	3rd	1st	2nd
(Industry average *2)	4.0%	3.4%	19.8%	13.0%	Δ2.5%	19.0%
Dividends per share	75yen	75yen	117yen	80yen	80yen	120yen
Dividend payout ratio	42.5%	65.2%	51.3%	50.0%	52.7%	50.7%

※1 17 retail securities companies

※2 Industry simple average excluding our company

12 consecutive years of profitability since the merger in May 2012

(Millions of yen)

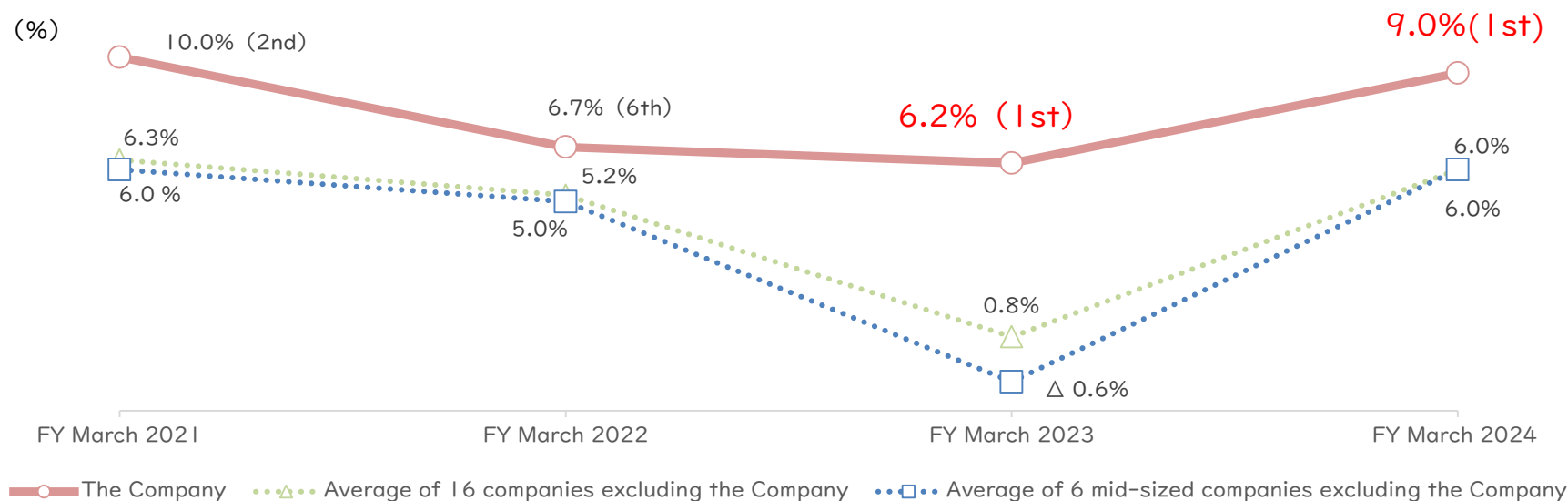
	FY March 2015	FY March 2016	FY March 2017	FY March 2018	FY March 2019
Operating revenue	20,373	18,774	16,146	21,089	21,241
Operating profit	4,460	3,403	1,579	5,202	5,523
Ordinary profit	4,743	3,686	1,921	5,465	5,924
Profit attributable to owners of parent	4,439	3,497	3,339	4,726	4,148

(Millions of yen)

	FY March 2020	FY March 2021	FY March 2022	FY March 2023	FY March 2024
Operating revenue	18,948	22,993	20,708	19,691	24,040
Operating profit	3,817	7,182	5,381	4,770	7,600
Ordinary profit	4,239	7,530	5,799	5,165	8,003
Profit attributable to owners of parent	2,700	5,362	3,756	3,564	5,554

- FY March 2013 Merger of securities companies (May)
Turned profitable from August
- FY March 2014 Bank of Japan quantitative and qualitative monetary easing
- FY March 2015 Strengthening of information on foreign stocks (meetings with local experts commenced)
- FY March 2016 100th anniversary of establishment (May)
- FY March 2018 Commenced sales using tablets (December)
- FY March 2020 5 out of 17 retail securities companies, excluding online securities companies, posted operating losses as stock prices lacked direction against the backdrop of intensifying trade friction between the US and China
- FY March 2021 All-time high trading profit
- FY March 2022 Changed the core system to NRI (STAR-IV)
- FY March 2023 face-to-face trading: Stronger sales of Japanese stocks due to uncertain market environment in the United States.
Opened Nagasaki Plaza (January)
Online trading platform: Introduced the “real time trading system for U.S. stocks” (October), launched “IwaiCosmo GoalNavi” (January)
- FY March 2024 Online trading platform: Introduced foreign currency settlement service (July)
Nikkei Stock Average recorded all-time high (March)
Dow Jones Industrial Average recorded all-time high (March)
Bank of Japan lifted negative interest rate (March)

Changes in ROE



(Note) Seventeen retail securities companies

reference : Total Shareholder Return

T S R : Total Shareholder Return

	March 2020	March 2021	March 2022	March 2023	March 2024
iwaicosmo	82.2	158.5	129.8	136.9	219.5

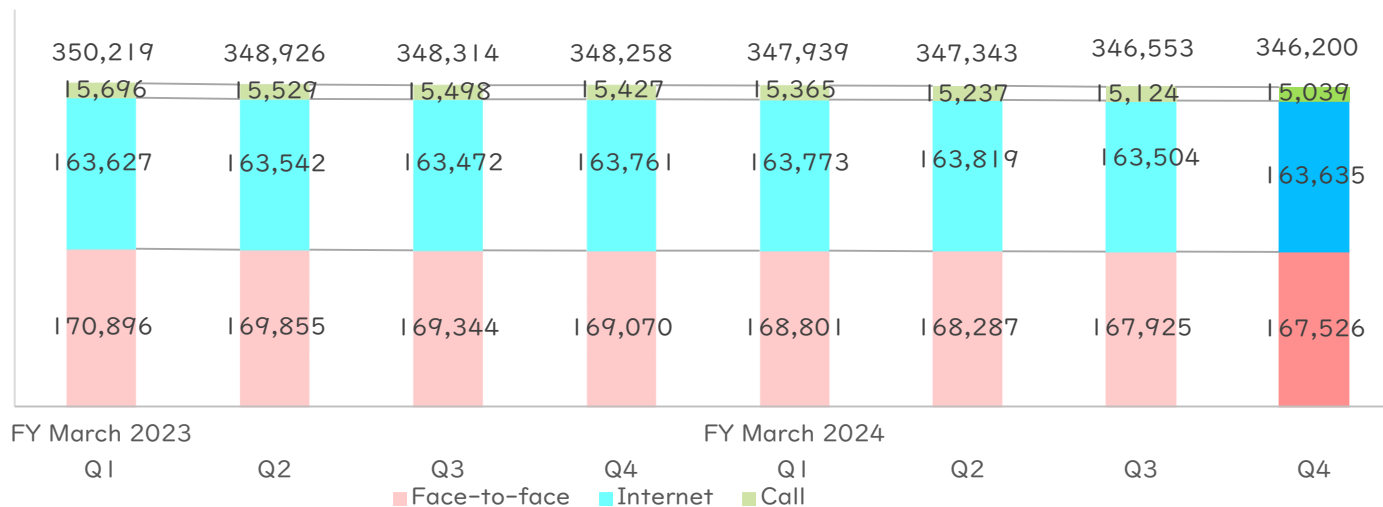
TOPIX	90.5	128.6	131.2	138.8	196.2
-------	------	-------	-------	-------	-------

T S R = (Stock price at the end of each fiscal year + Cumulative amount of dividends per share from four fiscal years prior to the current fiscal year to each fiscal year) / Stock price on the last day of the five fiscal years prior to the current fiscal year



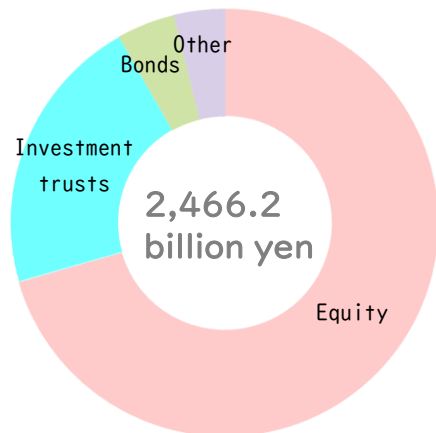
Quarterly Changes in the Number of Accounts

(Accounts)

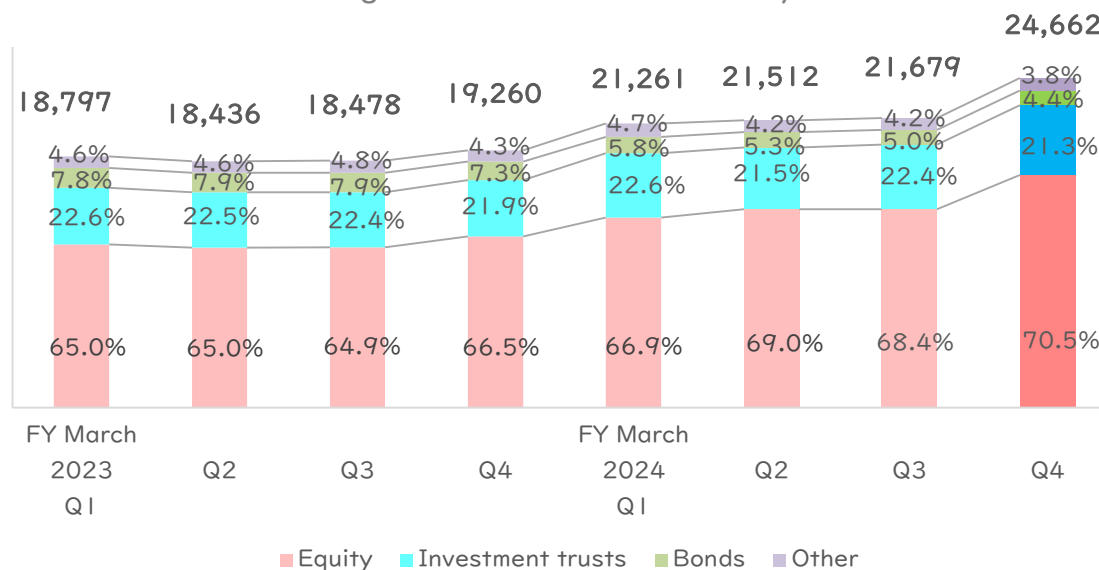


Assets under Custody

(100 millions of yen)



Changes in assets under custody

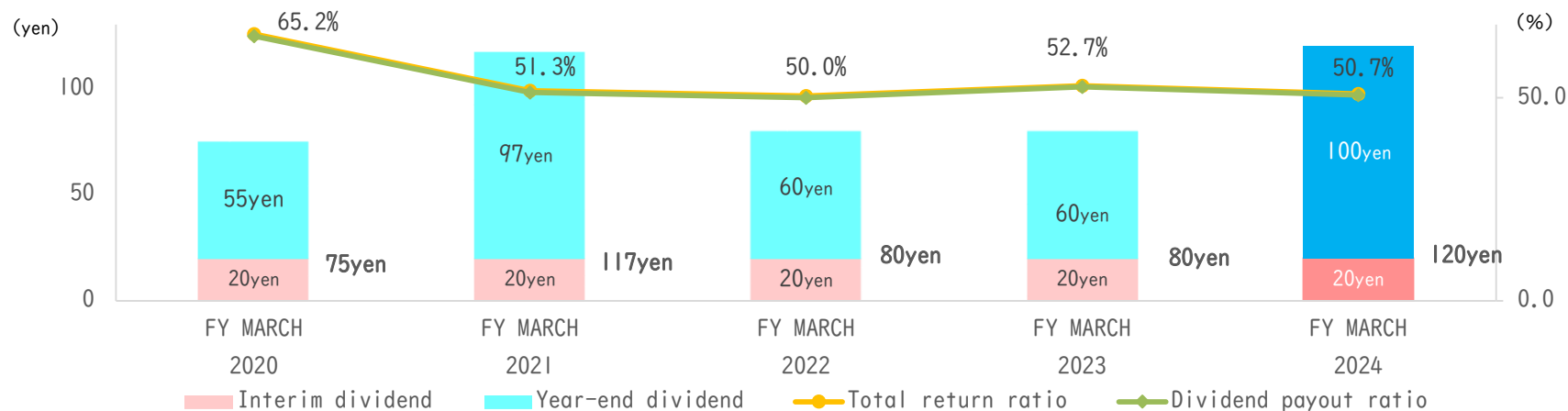


All-time high dividend: Year-end 100 yen, annual 120 yen

	FY March 2020	FY March 2021	FY March 2022	FY March 2023	FY March 2024
Interim dividend	20yen	20yen	20yen	20yen	20yen
Year-end dividend	55yen	97yen	60yen	60yen	100yen
Annual dividend	75yen	117yen	80yen	80yen	120yen
Dividend payout ratio	65.2%	51.3%	50.0%	52.7%	50.7%
Ratio of dividends to net assets	3.5%	5.1%	3.3%	3.3%	4.5%

Reference : Policy for Shareholder Returns (During the mid-term management plan period from FY March 2023 to FY March 2025)

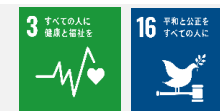
- Annual dividends per share: 40 yen (lower limit)
- And, consolidated total return ratio: 50% or higher



※ Total return ratio = (Amount of dividends paid + Amount of treasury stock acquired) ÷ Consolidated profit × 100 (%)

Social contribution activities

- Introduced Social Contribution Reserve Fund System (from fiscal year ended March 31, 2021)
- Concluded the Partnership Agreement to Promote Global Financial City Osaka Initiatives
- Participation in Securities Industry Network for Supporting Children run by the Japan Securities Dealers Association for effective utilization of shareholder benefits, etc. and contribution to largest number of support activities
- Issued “SDGs Promotion Private Placement Bonds” in which a portion of issuance fee is donated to SDGs-related organizations (March 2023)



Reduction of environmental burden

- TCFD (Task Force on Climate-related Financial Disclosures) agree with the proposal
- Use of environmentally-friendly handouts and envelopes made from recycled old banknotes (banknote cutting waste).
- Introduction of electric vehicles as business cars at the head office
- Gradually switched branch lighting to LED
- The Tokyo head office (Kayabacho Green Building) is a state-of-the-art energy-saving building that uses a hybrid radiant air-conditioning system and other equipment that is both earth- and people-friendly, thereby efficiently saving on energy consumption and water resources.
- Compared to the target of reducing CO2 emissions by 55% or more by the fiscal year ending March 31, 2025, realized a 56.2% reduction in emissions by the end of the fiscal year ended March 31, 2023, achieving the original target two years ahead of schedule



Improved customer service and paperless operations through digitalization

- Promoted the use of RPA (Robotic Process Automation) to automate office work
- Introduced a voice recognition system that uses AI to monitor the content of phone calls between sales representatives and customers, to further strengthen compliance and improve customer service
- Established Digital Transformation Promotion Department in January 2024 to accelerate promotion of digital transformation (DX)



Initiatives for work-life balance

- Changes to system to enable diverse work styles, such as staggered working hours and not requiring employees to stop by the office
- Selected among the “Top 100 Telework Pioneers” (November 2019) by the Ministry of Internal Affairs and Communications and received “Incentive Award” (January 2020) in the Japan Telework Association’s “Telework Promotion Awards,” both for the first time as a securities company!



Promoting active participation by diverse human resources

- Percentage of female officers 33.3% (three out of nine)
- Achieved the target (30% by 2030) required by the government for TSE prime listed companies by the end of June 2023!
- Gained top rank in the securities and commodity futures business sector for all listed companies
 - Source: Female Officer Information Site, Gender Equality Bureau, Cabinet Office
- Percentage of female managers 19.3% (As of March 31, 2024) <Target: 25.0%>

Newspaper publications, press releases, etc.

2023	May 6 :	The appeal of face-to-face trading and the Company's initiatives such as the stock selection meeting were featured in "NEXT JAPAN: Atsuki Kyudoshu (passionate seekers)" on Mainichi Broadcasting System (MBS).
	May 17 :	Received certificate of gratitude by World Food Programme (WFP) and Children's Future Support Fund as part of SDGs initiatives
	Jul 31 :	Introduced the "foreign currency settlement service" in real-time trading system for U.S. stocks on the "Cosmo Netre" online trading platform
	Aug~	IwaiCosmo Securities broadcast new television commercials (face-to-face trading edition, online trading edition). ※ Posted on our website : https://www.iwaicosmo.co.jp/lp/tvcm/
	Jun 29 :	The official website of IwaiCosmo Holdings was renewed.
2024	Oct 20 :	Announced "Measures to realize management with awareness of capital cost and share price"
	Oct 20 :	Announced "Early achievement of CO2 emission reduction targets"
	Nov~	Released limited edition video on investment methods and other topics related to Shigeru Fujimoto, an active trader with 68 years of investment experience, who has been a hot topic on TV and in magazines
	Jan 1 :	Established Digital Transformation Promotion Department
	Jan 13 :	IwaiCosmo Holdings to Increase Wages 7%, Including Base Wages (Nikkei Shimbun)
	Mar 28:	Published "Notice of free brokerage for Japanese and U.S. equities through NISA accounts at "Cosmo Netre" online trading platform"
	Mar 29:	IwaiCosmo to waive online brokerage fees for Japanese and U.S. equities (Nikkei Shimbun)
	Apr 26:	IwaiCosmo Holdings: First increase in bottom line profit for three years (Nikkei Shimbun, Nikkei Online Edition)



new television commercials
(face-to-face trading edition)



new television commercials
(online trading edition).



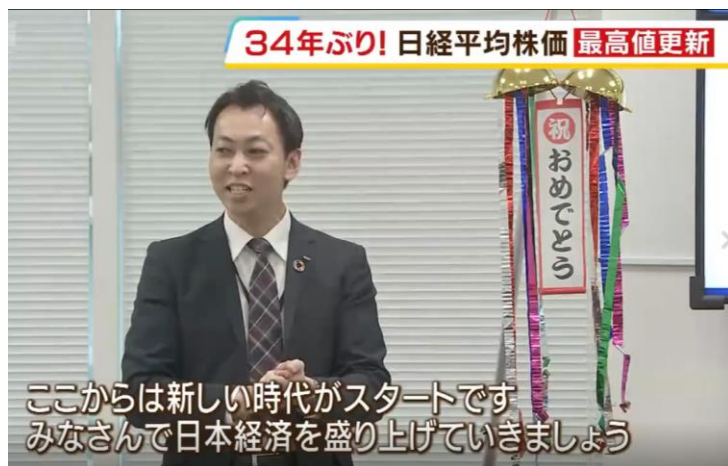
"Cosmo Netre" online trading platform
provided technical support for the senior
generation as well as beginners

The Group's Initiatives, Etc②

When the Nikkei Stock Average “reached an all-time high (February 22, 2024)” and “broke through 40,000 yen (March 4, 2024),” many reporters from NHK, Nippon TV, Fuji TV, TBS, TV Tokyo, TV Asahi, Nikkei, and others came to our Tokyo Call Center to cover the event!



The coverage was picked up by many news programs, and the keyword “Kusudama” became a bit of a hot topic on social media!





(For inquiries)

General Affairs Department, IwaiCosmo Securities Co., Ltd.

Mail : ichd-ir@iwaicosmo.co.jp

This material is provided for the purpose of providing information on operating performance for up to the year ended March 2024, and is not intended for solicitation of investments in securities issued by the Company.

It has been prepared based on data available up to and including March 31, 2024, and opinions and forecasts contained represent the Company's views.

In addition, it does not guarantee the Company's operating performance, and is subject to change without notice.

We are not responsible for any omissions or errors in the data and expressions used in the material.

Please do not copy, reproduce, or forward this material without permission for any purpose.

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.