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# **Materials on Consolidated Financial Results for the Six Months Ended September 30, 2024**

**-Financial Summary and the Company's Initiatives-**



**November 2024**

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## 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

Operating revenue

12,826 millions of yen

YoY +12.6%

Second in the series (※)

Operating profit

4,278 millions of yen

YoY +28.5%

Second in the series (※)

Ordinary profit

4,603 millions of yen

YoY +29.6%

All-time high (※)

Recorded ordinary profit for 48 consecutive quarters

Profit attributable to owners of parent

3,184 millions of yen

YoY +27.5%

Second in the series (※)

Earnings per share

135.56 yen

YoY 106.34yen

ROE

9.6%

YoY 8.5%

Ratio of ordinary profit to operating revenue

35.9%

YoY 31.2%

Fixed cost coverage ratio

40.9%

YoY 38.5%

TSR  
(Total Shareholder Return)

※March 2024

219.5%

TOPIX 196.2%

※ Six months ended September 30, 2024

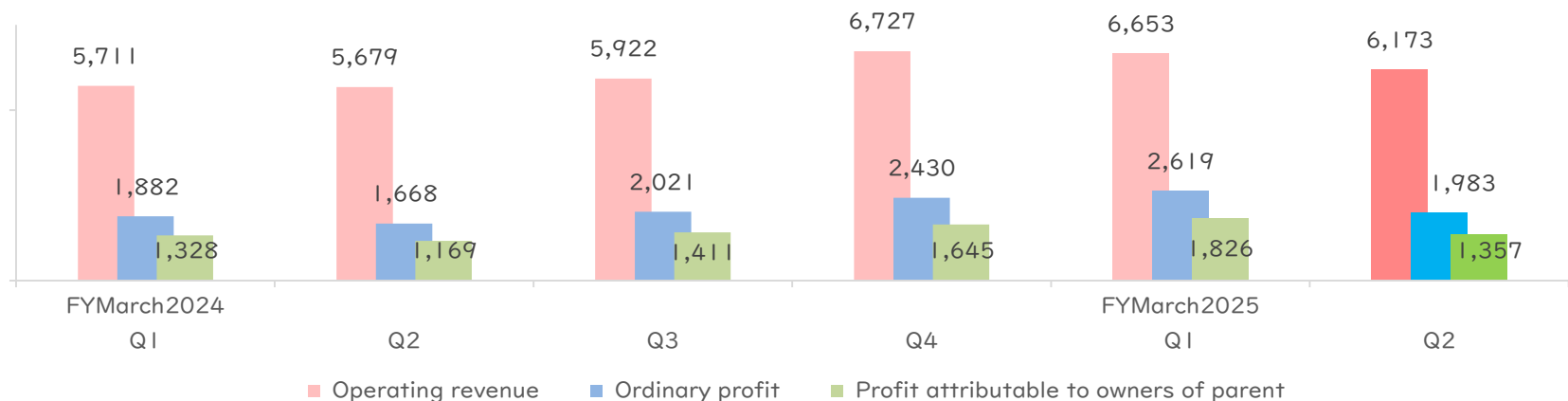
# Management Summary

- Ordinary profit (cumulative) for the six months ended September 30, 2024 exceeded the level reached in the fiscal year ended March 31, 2014, when the Bank of Japan implemented large-scale monetary easing measures ( “Kuroda’ s bazooka” ), and recorded an all-time high

(Millions of yen, %)

	Year ended March 31, 2024	Year ending March 31, 2025			Change (%) compared with the same period last year	Change (%) compared with the previous quarter
	Q1 ~Q2	Q1	Q2	Q1 ~Q2		
Operating revenue	11,390	6,653	6,173	12,826	12.6%	△7.2%
Net operating revenue	11,245	6,597	6,115	12,713	13.1%	△7.3%
Selling, general and administrative expenses	7,915	4,301	4,132	8,434	6.6%	△3.9%
Operating profit	3,329	2,295	1,982	4,278	28.5%	△13.6%
Ordinary profit	3,551	2,619	1,983	4,603	29.6%	△24.3%
Profit attributable to owners of parent	2,497	1,826	1,357	3,184	27.5%	△25.6%
Earnings per share	106.34yen	77.75yen	57.81yen	135.56yen	27.5%	△25.6%
Net assets per share	2,576.77yen	2,764.96yen	2,821.62yen	2,821.62yen	9.5%	2.0%
ROE	8.5%	11.1%	8.3%	9.6%	1.1pt	△2.9pt

※ Annualized for ROE



# Operating revenue

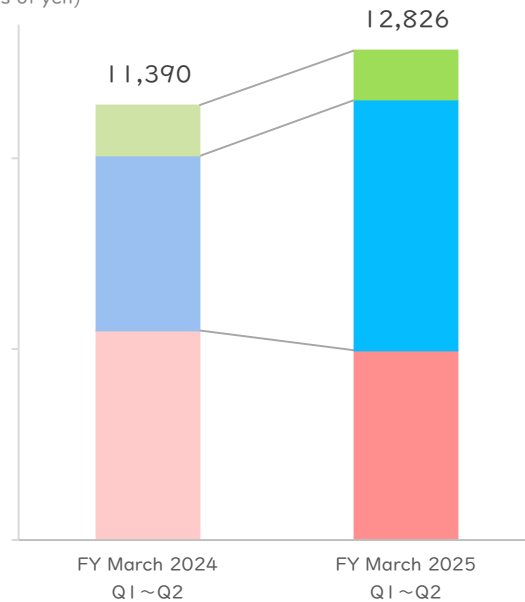
Although brokerage commission declined, operating revenue increased 12.6% year on year due to higher net trading income.

	FY March 2024 Q1~Q2	FY March 2025 Q1~Q2	Percentage change from the previous fiscal year
Commission received	5,484	4,964	△9.5%
Net trading income	4,570	6,561	43.6%
Financial revenue	1,335	1,300	△2.6%
<b>Operating revenue</b>	<b>11,390</b>	<b>12,826</b>	<b>12.6%</b>

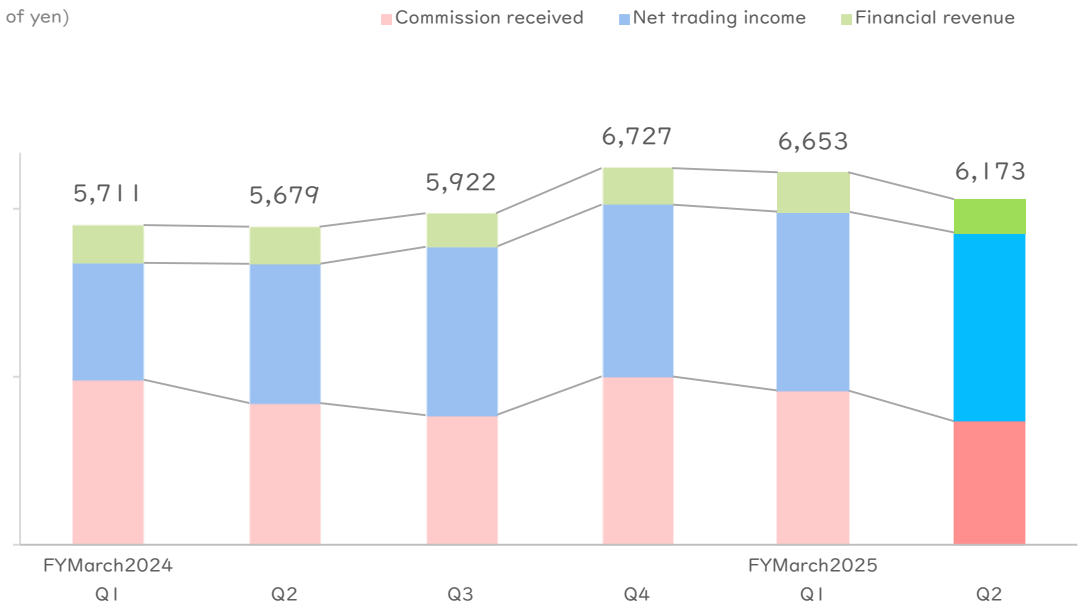
(million yen)

FY March 2024 Q1	Q2	Q3	Q4	FY March 2025 Q1	Q2	Change (%) compared with the previous quarter
2,951	2,533	2,317	3,007	2,757	2,207	△20.0%
2,085	2,484	3,001	3,064	3,191	3,370	5.6%
674	660	603	655	704	596	△15.3%
<b>5,711</b>	<b>5,679</b>	<b>5,922</b>	<b>6,727</b>	<b>6,653</b>	<b>6,173</b>	<b>△7.2%</b>

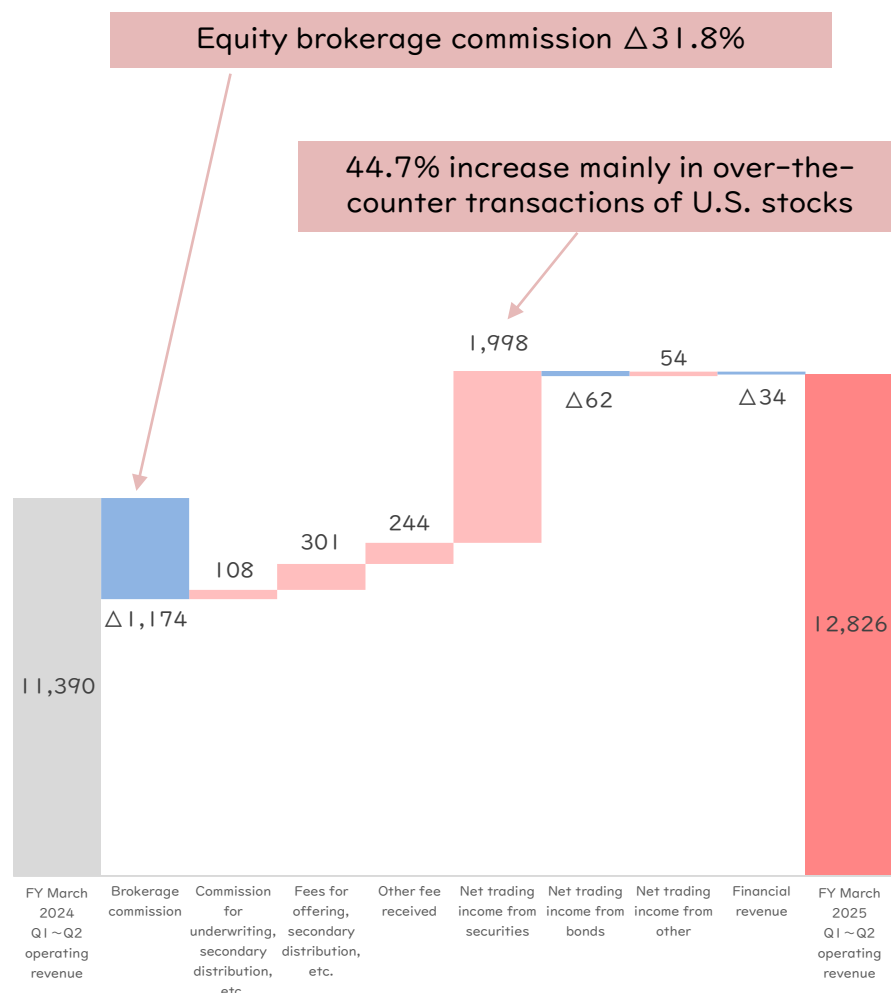
(Millions of yen)



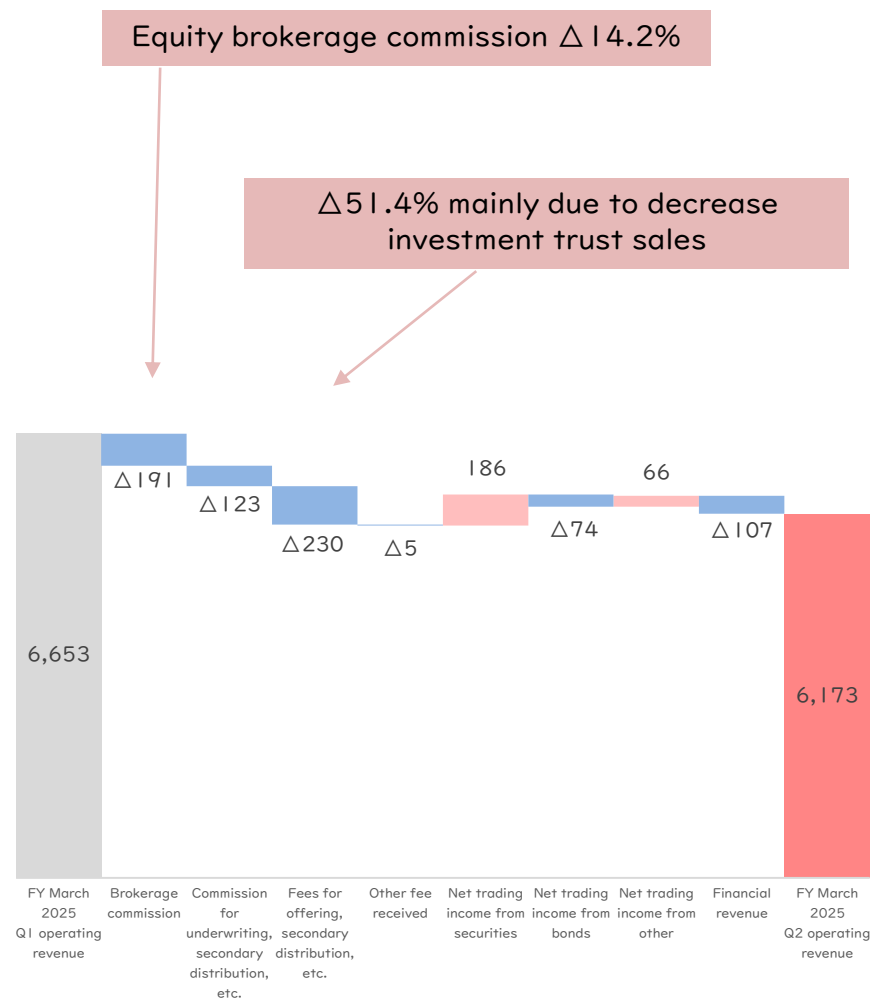
(Millions of yen)



## YoY



## QoQ

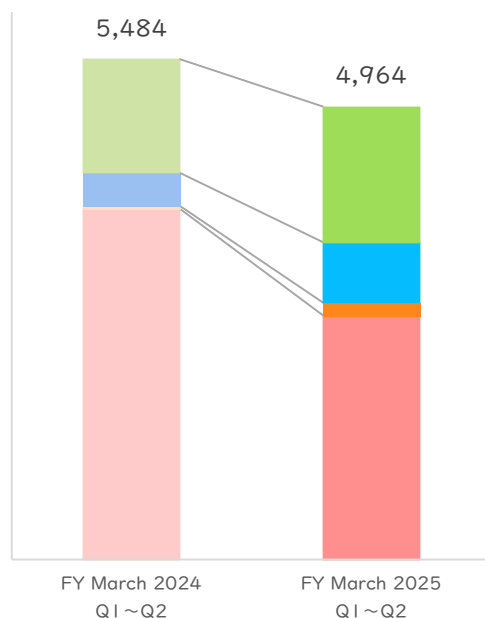


# Commission receive

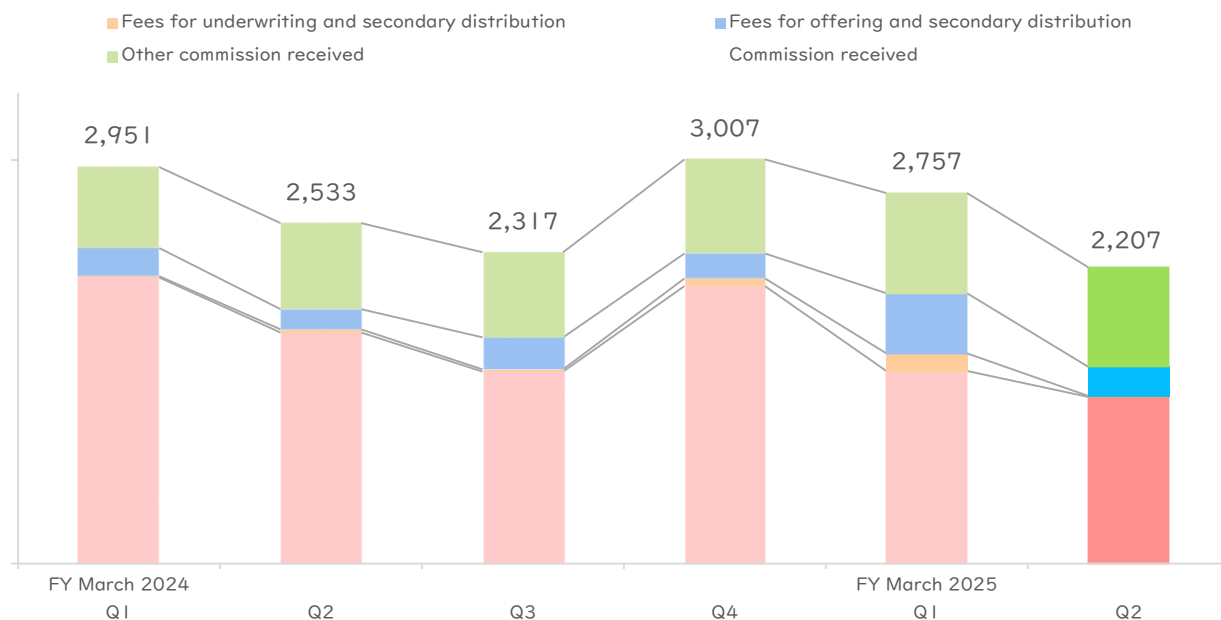
Equity brokerage commission declined 31.8% year on year, 83.1% mainly due to an increase in investment trust sales.

	FY March 2024 Q1 ~Q2	FY March 2025 Q1 ~Q2	Percentage change from the previous fiscal year	(million yen)						Change (%) compared with the previous quarter
				FY March 2024 Q1	Q2	Q3	Q4	FY March 2025 Q1	Q2	
Brokerage commission	3,846	2,671	△30.5%	2,128	1,718	1,427	2,062	1,431	1,239	△13.4%
Fees for underwriting and secondary distribution	32	140	337.0%	8	23	16	58	132	8	△93.4%
Fees for offering and secondary distribution	363	665	83.1%	211	151	238	185	447	217	△51.4%
Other commission received	1,242	1,486	19.7%	602	639	635	700	746	740	△0.7%
<b>Commission received</b>	<b>5,484</b>	<b>4,964</b>	<b>△9.5%</b>	<b>2,951</b>	<b>2,533</b>	<b>2,317</b>	<b>3,007</b>	<b>2,757</b>	<b>2,207</b>	<b>△20.0%</b>

(Millions of yen)

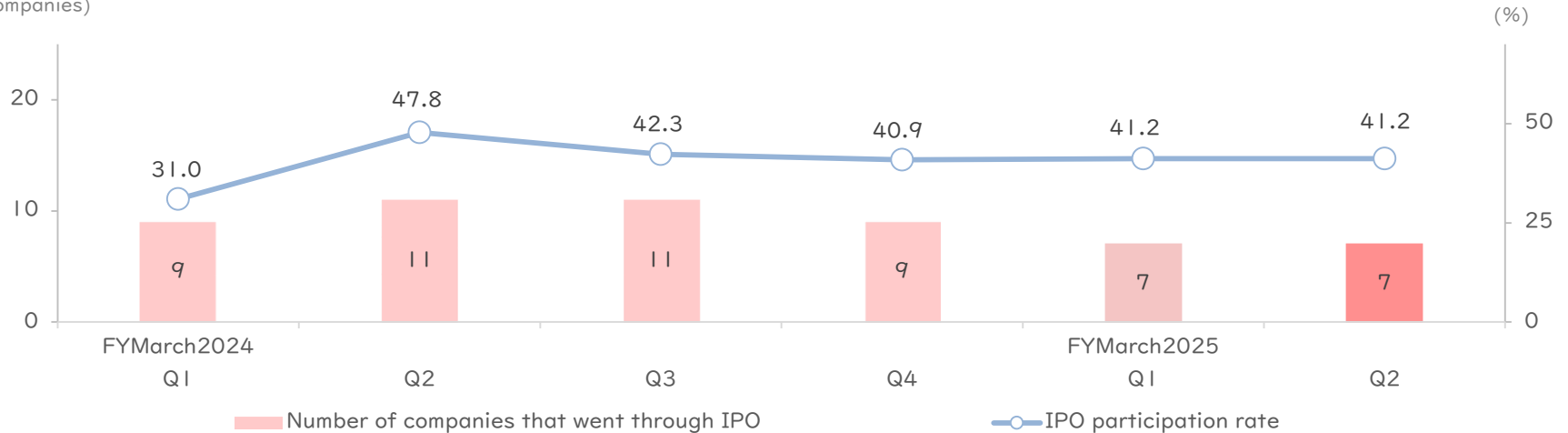


(Millions of yen)



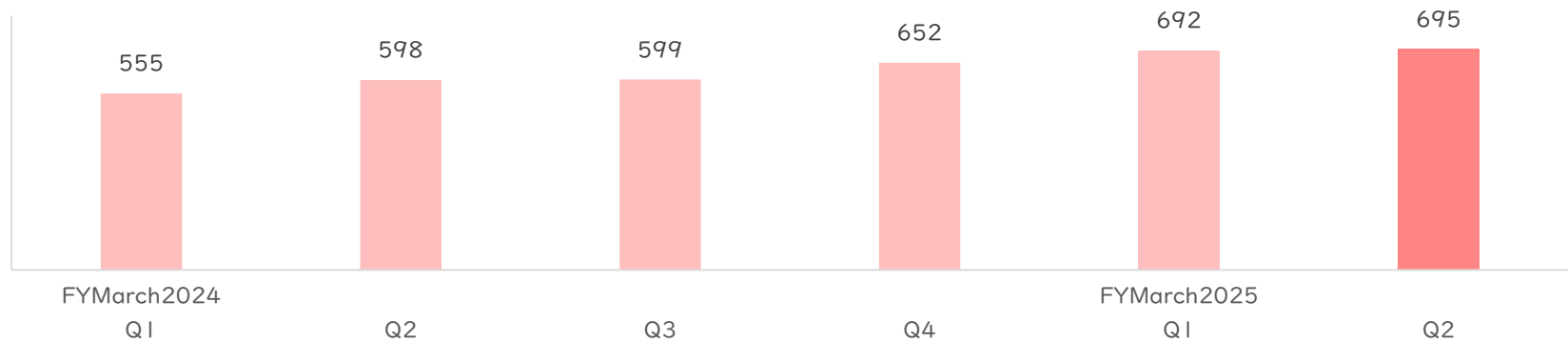
## Quarterly Changes in IPO Transactions

(Companies)



## Changes in trust fees

(Millions of yen)

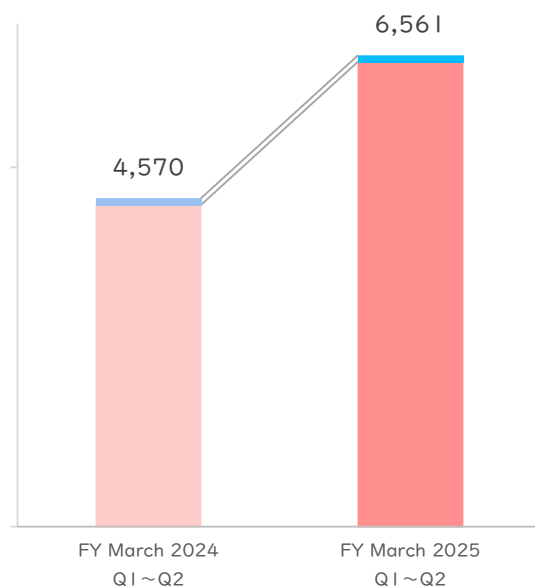


# Net trading income

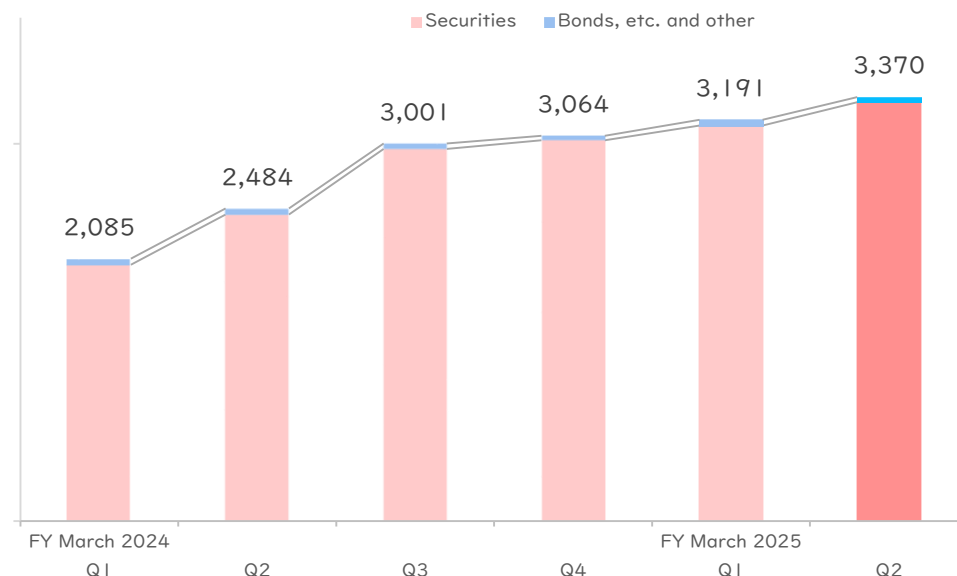
Active trading centered on semiconductor-related stocks led to a 44.7% year-on-year increase in net trading income from share certificates and other securities.

	FY March 2024 Q1 ~Q2	FY March 2025 Q1 ~Q2	Percentage change from the previous fiscal year	(million yen)						Change (%) compared with the previous quarter
				FY March 2024 Q1	Q2	Q3	Q4	FY March 2025 Q1	Q2	
Securities	4,475	6,473	44.7%	2,038	2,437	2,957	3,026	3,143	3,330	5.9%
Bonds, etc. and other	95	87	△8.0%	47	47	44	37	47	40	△15.3%
<b>Net trading income</b>	<b>4,570</b>	<b>6,561</b>	<b>43.6%</b>	<b>2,085</b>	<b>2,484</b>	<b>3,001</b>	<b>3,064</b>	<b>3,191</b>	<b>3,370</b>	<b>5.6%</b>

(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: 53.3 billion yen (As of September 30, 2024) ,6th in industry (17 retail securities companies, excluding online securities companies).

Foreign exchange gain (loss) down 58.1% year on year due to exchange rate fluctuations.

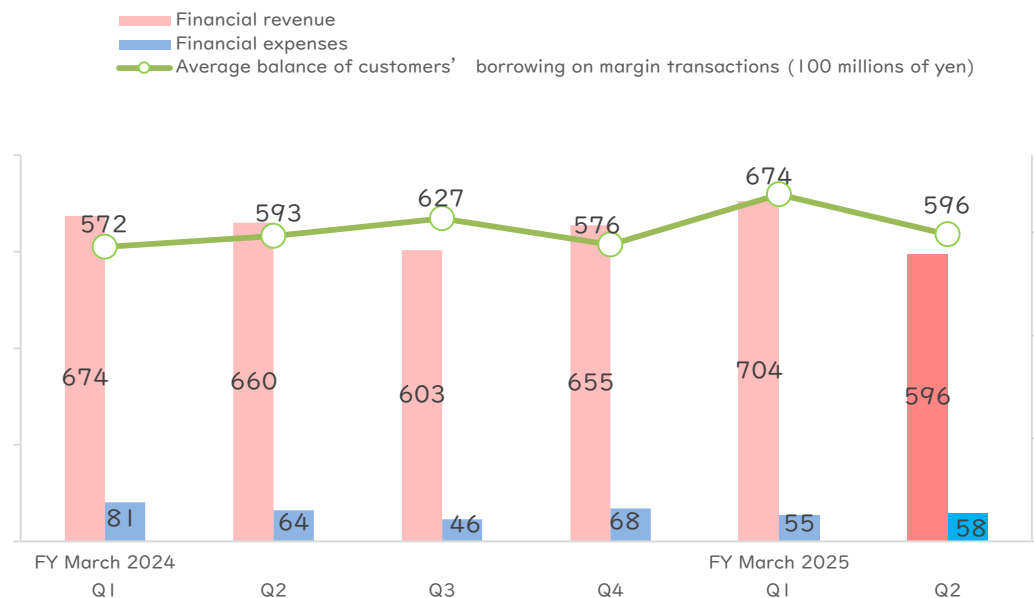
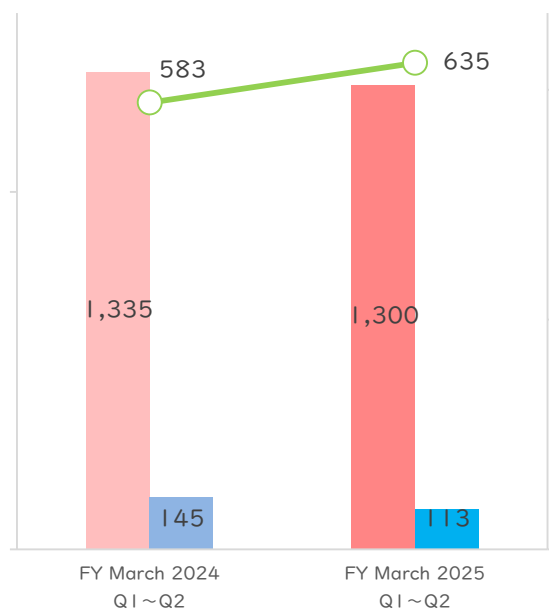
	FY March 2024 Q1 ~Q2	FY March 2025 Q1 ~Q2	Percentage change from the previous fiscal year	(million yen, %)					
				FY March 2024 Q1	Q2	Q3	Q4	FY March 2025 Q1	Q2
Financial revenue	1,335	1,300	△2.6%	674	660	603	655	704	596
Financial expenses	145	113	△21.7%	81	64	46	68	55	58
<b>Financial balance</b>	<b>1,190</b>	<b>1,186</b>	<b>△0.3%</b>	<b>593</b>	<b>596</b>	<b>557</b>	<b>587</b>	<b>648</b>	<b>538</b>
Average balance of customers' borrowing on margin transactions (100 millions of yen)	583	635	9.0%	572	593	627	576	674	596
									△11.5%

(Millions of yen)

(100 millions of yen)

(Millions of yen)

(100 millions of yen)



# Selling, general and administrative expenses

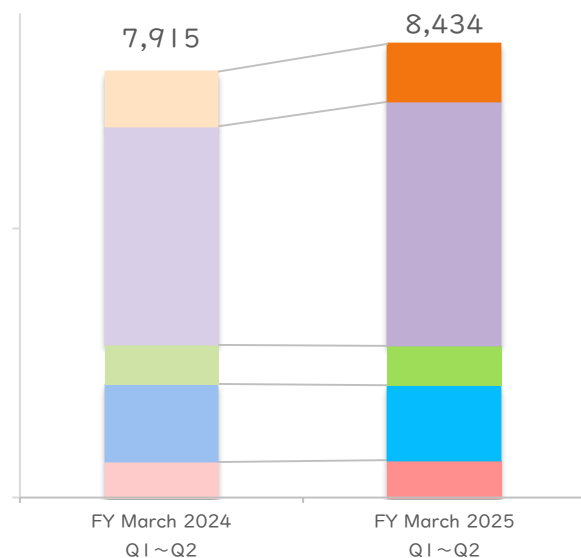
Total SG&A expenses increased 6.6% year on year, mainly due to an increase in variable expenses such as bonuses, in addition to expenses including television commercial fees.

	FY March 2024 Q1~Q2	FY March 2025 Q1~Q2	Percentage change from the previous fiscal year
Trading related expenses	1,015	1,075	5.9%
Personnel expenses	4,059	4,539	11.8%
Real estate expenses	729	728	△0.2%
Office expenses	1,448	1,394	△3.7%
Other	662	696	5.1%
<b>Selling, general and administrative expenses</b>	<b>7,915</b>	<b>8,434</b>	<b>6.6%</b>

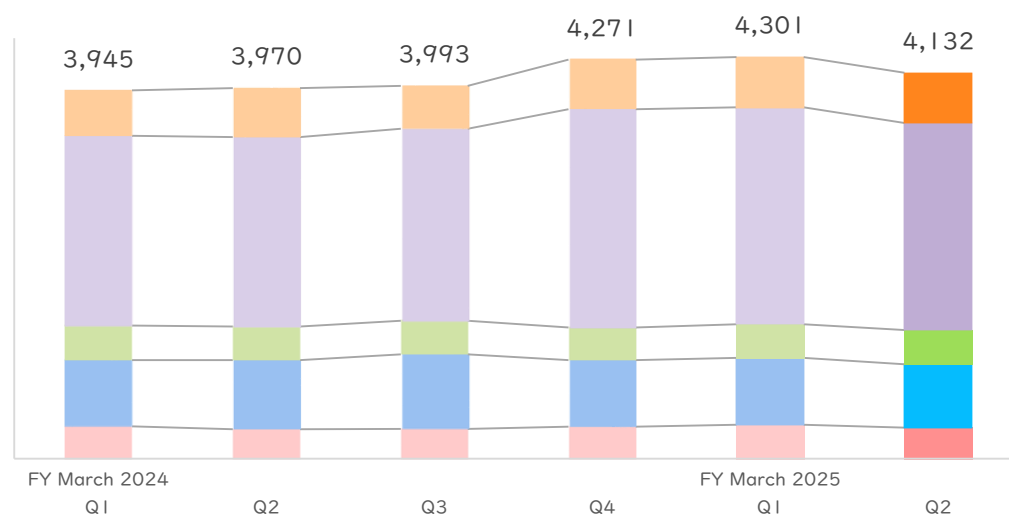
						(million yen, %)
FY March 2024 Q1	Q2	Q3	Q4	FY March 2025 Q1	Q2	Change (%) compared with the previous quarter
488	527	461	531	539	536	△0.5%
2,031	2,027	2,053	2,334	2,322	2,216	△4.6%
370	358	360	352	361	366	1.5%
707	740	798	711	715	678	△5.1%
346	315	318	342	362	333	△8.0%
3,945	3,970	3,993	4,271	4,301	4,132	△3.9%

(Millions of yen)

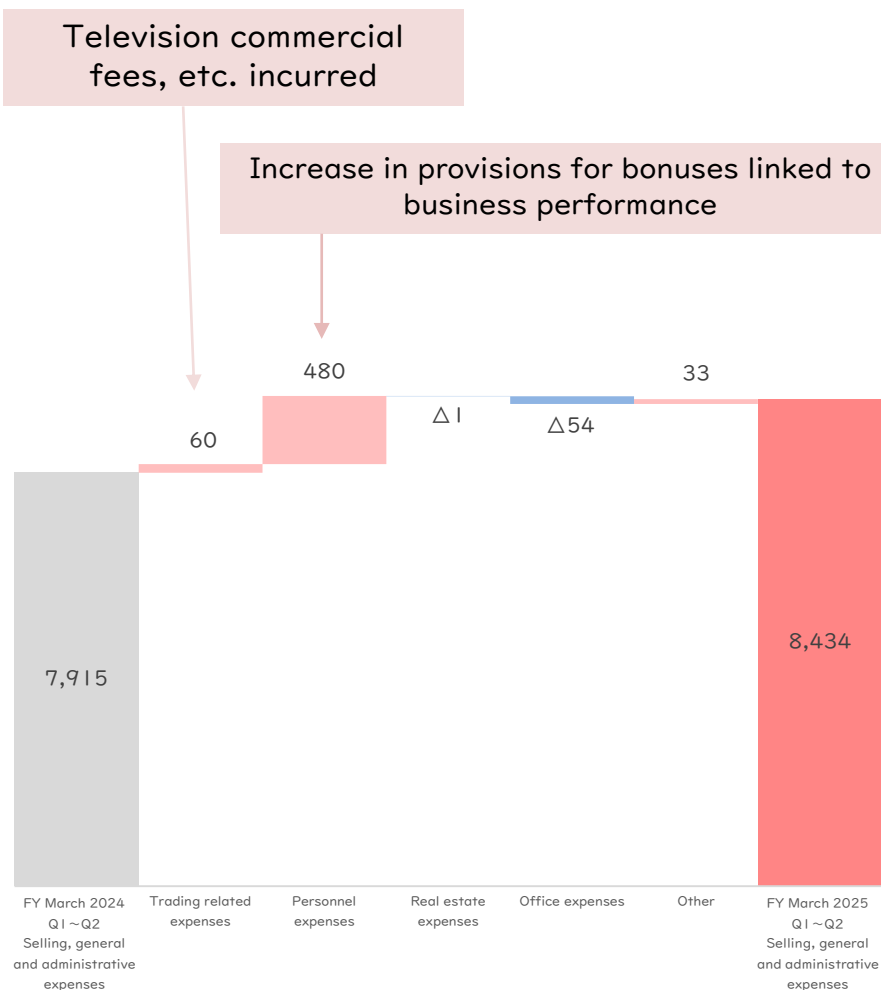
(Millions of yen)



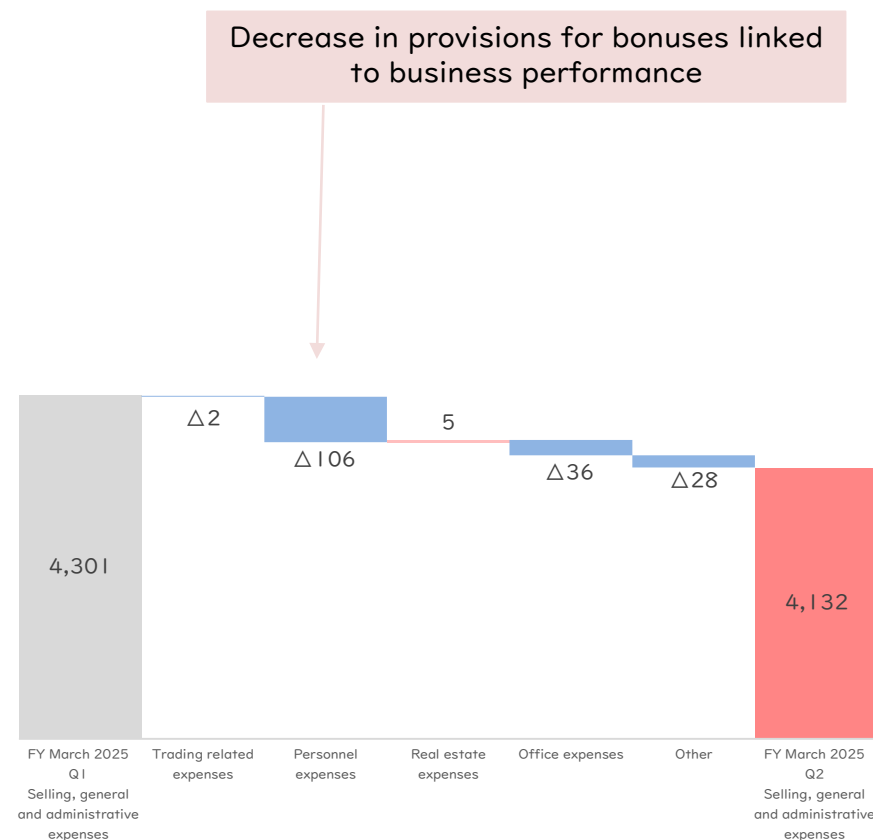
Trading related expenses Personnel expenses Real estate expenses Office expenses Other



## YoY



## QoQ



## Recorded ordinary profit for 48 consecutive quarters

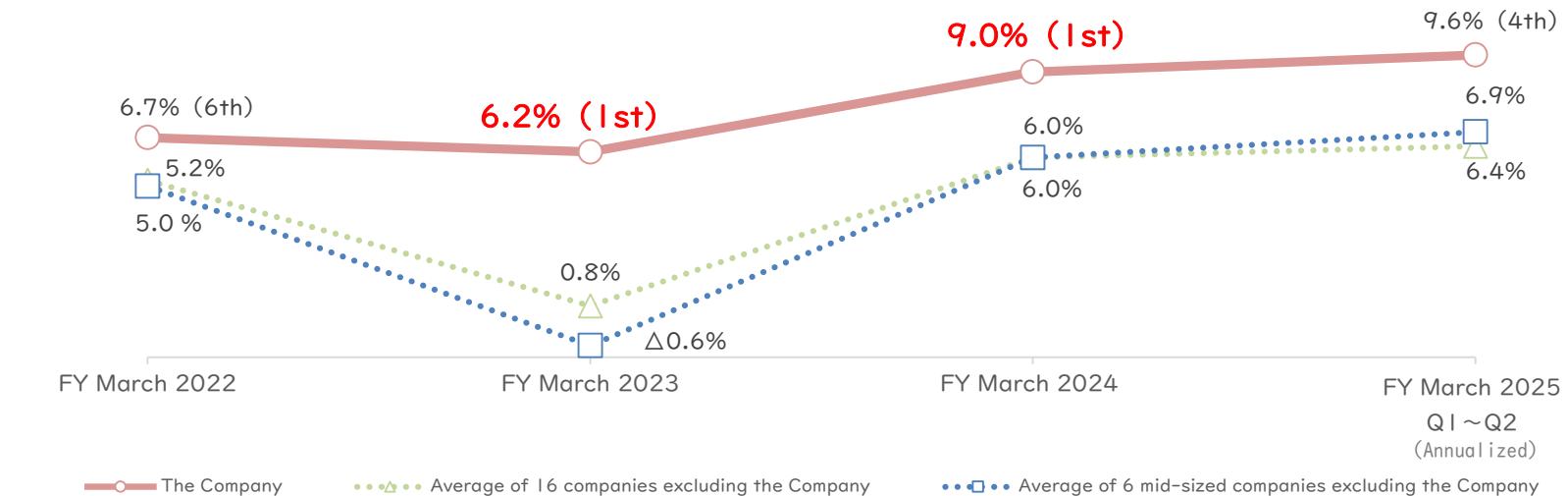
(Millions of yen)

	Year ending March 31, 2024					Year ending March 31, 2025		
	Q1	Q2	Q3	Q4	full year	Q1	Q2	Q1 ~ Q2
<b>Operating revenue</b>	<b>5,711</b>	<b>5,679</b>	<b>5,922</b>	<b>6,727</b>	<b>24,040</b>	<b>6,653</b>	<b>6,173</b>	<b>12,826</b>
Commission received	2,951	2,533	2,317	3,007	10,809	2,757	2,207	4,964
Brokerage commission	2,128	1,718	1,427	2,062	7,336	1,431	1,239	2,671
Commission for underwriting, secondary distribution, etc.	8	23	16	58	107	132	8	140
Fees for offering, secondary distribution, etc.	211	151	238	185	787	447	217	665
Other fee received	602	639	635	700	2,577	746	740	1,486
<b>Net trading income</b>	<b>2,085</b>	<b>2,484</b>	<b>3,001</b>	<b>3,064</b>	<b>10,636</b>	<b>3,191</b>	<b>3,370</b>	<b>6,561</b>
Securities	2,038	2,437	2,957	3,026	10,459	3,143	3,330	6,473
Bonds, etc. and other	47	47	44	37	177	47	40	87
<b>Financial revenue</b>	<b>674</b>	<b>660</b>	<b>603</b>	<b>655</b>	<b>2,595</b>	<b>704</b>	<b>596</b>	<b>1,300</b>
Financial expenses	81	64	46	68	259	55	58	113
<b>Net operating revenue</b>	<b>5,630</b>	<b>5,614</b>	<b>5,876</b>	<b>6,659</b>	<b>23,781</b>	<b>6,597</b>	<b>6,115</b>	<b>12,713</b>
Selling, general and administrative expenses	3,945	3,970	3,993	4,271	16,180	4,301	4,132	8,434
<b>Operating profit</b>	<b>1,685</b>	<b>1,644</b>	<b>1,883</b>	<b>2,387</b>	<b>7,600</b>	<b>2,295</b>	<b>1,982</b>	<b>4,278</b>
Non-operating income	198	29	144	54	428	324	21	346
Non-operating expenses	1	5	6	12	25	0	20	21
<b>Non-operating profit</b>	<b>197</b>	<b>24</b>	<b>138</b>	<b>42</b>	<b>403</b>	<b>323</b>	<b>0</b>	<b>324</b>
<b>Ordinary profit</b>	<b>1,882</b>	<b>1,668</b>	<b>2,021</b>	<b>2,430</b>	<b>8,003</b>	<b>2,619</b>	<b>1,983</b>	<b>4,603</b>
Extraordinary profit	19	24	15	△19	40	5	-	5
Extraordinary losses	-	-	-	95	95	-	-	-
<b>Extraordinary profit(loss)</b>	<b>19</b>	<b>24</b>	<b>15</b>	<b>△115</b>	<b>△55</b>	<b>5</b>	<b>-</b>	<b>5</b>
<b>Profit before income taxes</b>	<b>1,902</b>	<b>1,693</b>	<b>2,037</b>	<b>2,314</b>	<b>7,947</b>	<b>2,625</b>	<b>1,983</b>	<b>4,609</b>
<b>Profit attributable to owners of parent</b>	<b>1,328</b>	<b>1,169</b>	<b>1,411</b>	<b>1,645</b>	<b>5,554</b>	<b>1,826</b>	<b>1,357</b>	<b>3,184</b>

	Year ending March 31, 2024					Year ending March 31, 2025		
	Q1	Q2	Q3	Q4	full year	Q1	Q2	Q1 ~ Q2
Ratio of ordinary profit to operating revenue	33.0%	29.4%	34.1%	36.1%	33.3%	39.4%	32.1%	35.9%
ROE	9.1%	7.9%	9.2%	10.3%	9.0%	11.1%	8.3%	9.6%
Earnings per share	56.54yen	49.80yen	60.08yen	70.08yen	236.49yen	77.75yen	57.81yen	135.56yen
Capital adequacy ratio	846.9%	839.5%	856.2%	806.9%	806.9%	757.4%	778.4%	778.4%

ROE: annualized

## Changes in ROE



(Note) Seventeen retail securities companies

## Operating Performance Time Series

(Millions of yen)

	FY March 2020	FY March 2021	FY March 2022	FY March 2023	FY March 2024	FY March 2025 Q1 ~ Q2
Operating revenue	18,948	22,993	20,708	19,691	24,040	12,826
Ordinary profit	4,239	7,530	5,799	5,165	8,003	4,603
Profit	2,700	5,362	3,756	3,564	5,554	3,184
Ratio of ordinary profit to operating revenue	22.4%	32.8%	28.0%	26.2%	33.3%	35.9%
(Industry ranking *1)	1st	3rd	3rd	1st	2nd	2nd
(Industry average *2)	3.4%	19.8%	13.0%	△2.5%	19.0%	11.2%
Dividends per share	75yen	117yen	80yen	80yen	120yen	20yen
Dividend payout ratio	65.2%	51.3%	50.0%	52.7%	50.7%	14.8%

※1 17 retail securities companies

※2 Industry simple average excluding our company

## Reference : Time Series in operating revenue (by product)

(Millions of yen)

	Year ending March 31, 2020		Year ending March 31, 2021		Year ending March 31, 2022		Year ending March 31, 2023		Year ending March 31, 2024		Year ending March 31, 2025 Q1 ~ Q2	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Japanese equity (※)	5,809	30.7	5,781	25.1	5,222	25.2	9,173	46.6	8,480	35.3	3,199	24.9
Foreign equity (brokerage commission + MM)	6,009	31.8	11,993	52.1	9,625	46.4	5,080	25.8	11,311	47.0	6,976	54.4
Investment trusts (including trust fees)	5,087	26.8	3,651	15.9	4,237	20.5	4,073	20.7	3,334	13.9	2,140	16.7
Bonds	1,505	7.9	1,025	4.5	1,112	5.4	906	4.6	249	1.0	226	1.8
Other	536	2.8	541	2.4	510	2.5	457	2.3	664	2.8	284	2.2
Operating revenue	18,948	100.0	22,993	100.0	20,708	100.0	19,691	100.0	24,040	100.0	12,826	100.0

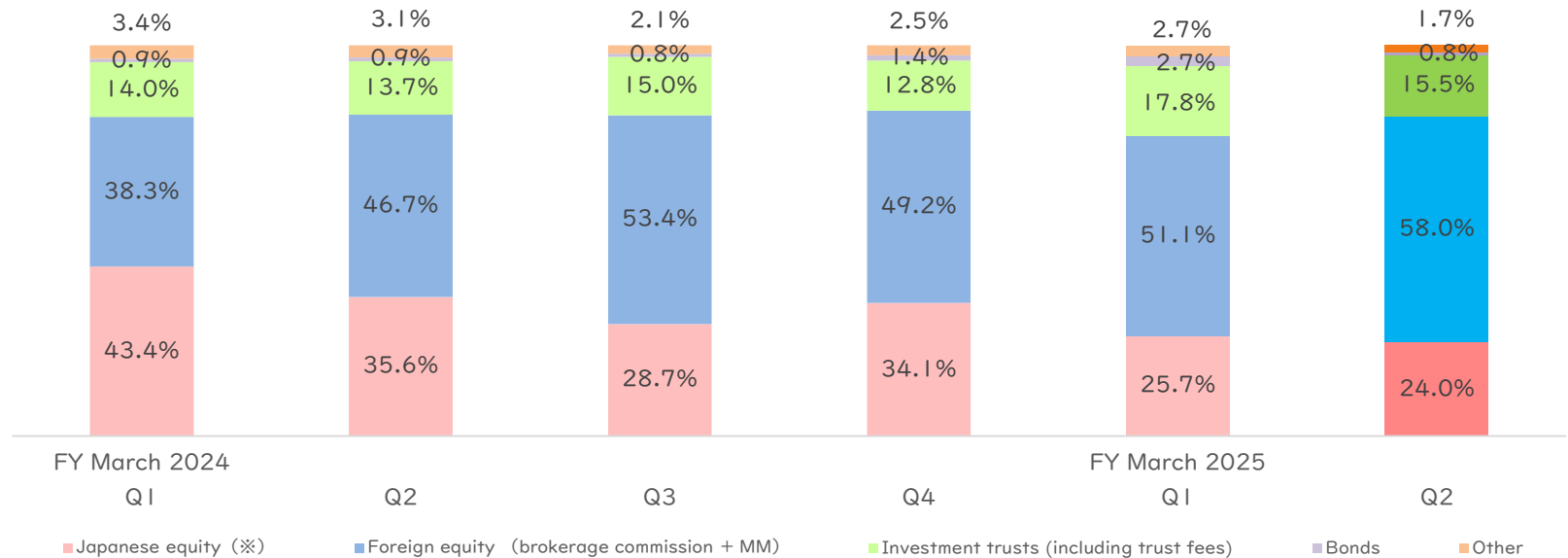
※Includes a portion of financial revenue (margin transaction revenue, etc.)

## Reference : Quarterly changes in operating revenue (by product)

(million yen, %)

	Year ending March 31, 2024								Year ending March 31, 2025			
	Q1		Q2		Q3		Q4		Q1		Q2	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Japanese equity (※)	2,478	43.4	2,018	35.6	1,696	28.7	2,287	34.1	1,715	25.7	1,483	24.0
Foreign equity (brokerage commission + MM)	2,185	38.3	2,652	46.7	3,164	53.4	3,309	49.2	3,398	51.1	3,577	58.0
Investment trusts (including trust fees)	801	14.0	779	13.7	888	15.0	864	12.8	1,181	17.8	958	15.5
Bonds	50	0.9	53	0.9	48	0.8	96	1.4	179	2.7	46	0.8
Other	195	3.4	175	3.1	124	2.1	169	2.5	177	2.7	106	1.7
Operating revenue	5,711	100.0	5,679	100.0	5,922	100.0	6,727	100.0	6,653	100.0	6,173	100.0

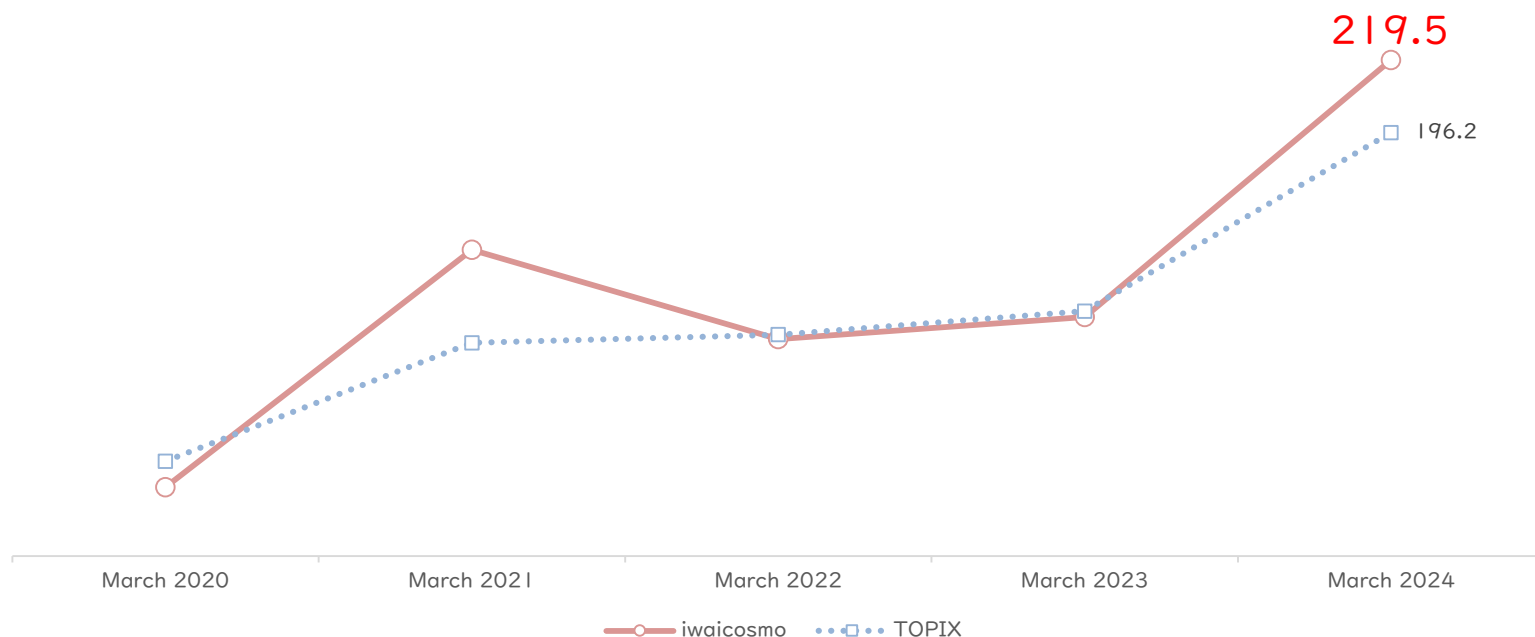
※Includes a portion of financial revenue (margin transaction revenue, etc.)



T S R : Total Shareholder Return

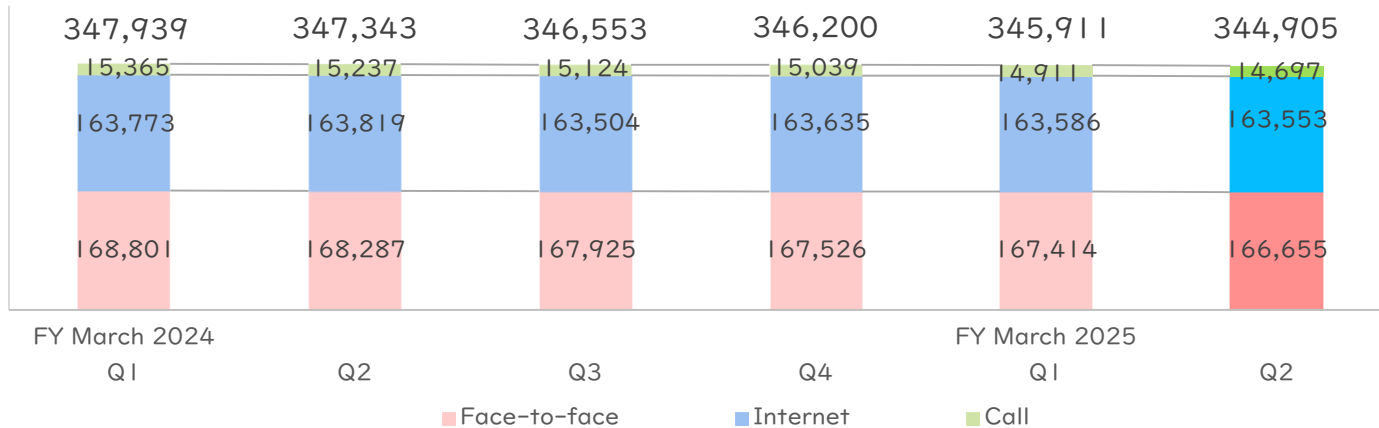
	March 2020	March 2021	March 2022	March 2023	March 2024
iwaicosmo	82.2	158.5	129.8	136.9	219.5
TOPIX	90.5	128.6	131.2	138.8	196.2

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

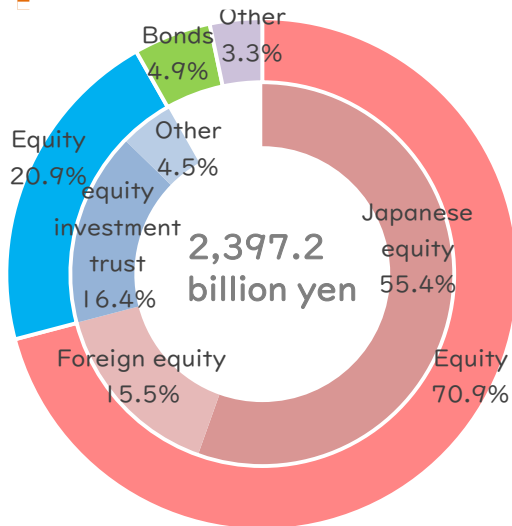


## Quarterly Changes in the Number of Accounts

( Accounts )

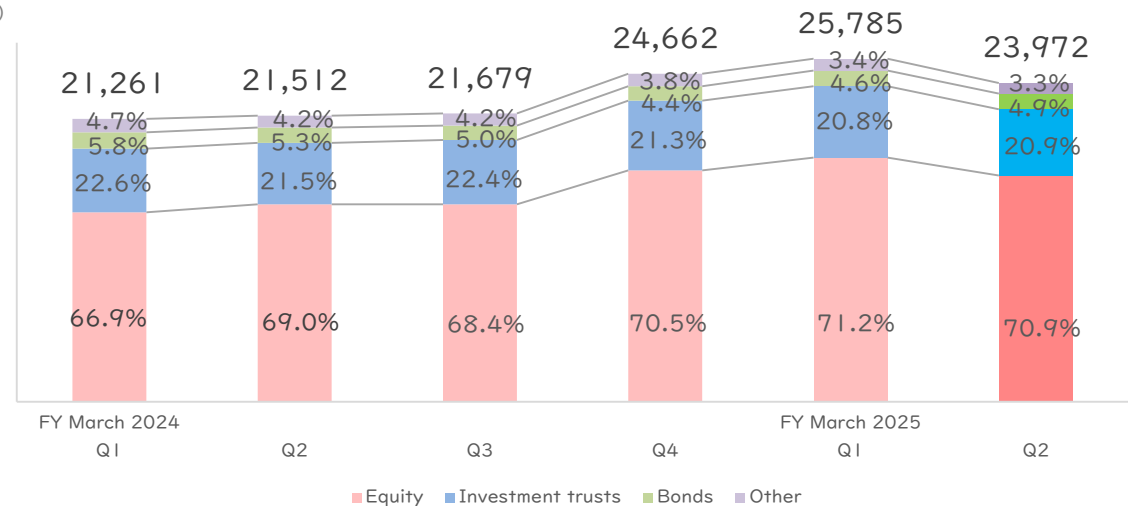


## Assets under Custody



## Changes in assets under custody

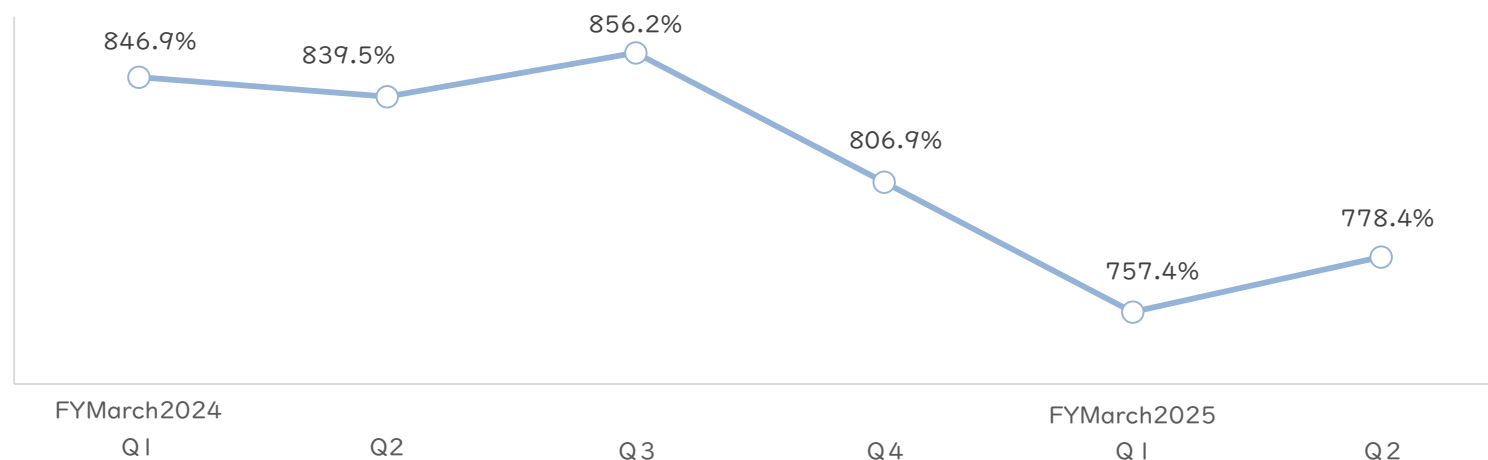
(100 millions of yen)



# Capital adequacy ratio

(Millions of yen)

		Year ending March 31, 2024				Year ending March 31, 2025	
		Q1	Q2	Q3	Q4	Q1	Q2
Basic items (A)		48,920	49,609	50,938	50,272	51,923	52,803
Supplemental items(B)		897	955	954	1,140	1,114	1,183
Valuation difference on available-for-sale securities		472	529	529	598	572	642
Reserve for financial instruments transaction liabilities		419	419	419	535	535	535
General reserve for doubtful accounts		5	6	5	6	6	5
Deductible assets(C)		5,719	4,784	5,857	6,099	7,714	8,033
Non-fixed capital(A)+(B)-(C)	(D)	44,098	45,780	46,035	45,313	45,323	45,953
Value of loss risk equivalent	(E)	5,206	5,453	5,376	5,615	5,983	5,903
Market risk equivalent amount		388	375	403	455	606	652
Counterparty risk equivalent amount		1,314	1,465	1,308	1,405	1,468	1,261
Basic risk equivalent amount		3,504	3,612	3,664	3,753	3,908	3,989
Capital adequacy ratio(%)	(D)/(E) × 100	846.9	839.5	856.2	806.9	757.4	778.4



per share: **20 yen**

Effective date : November 22 th , 2024

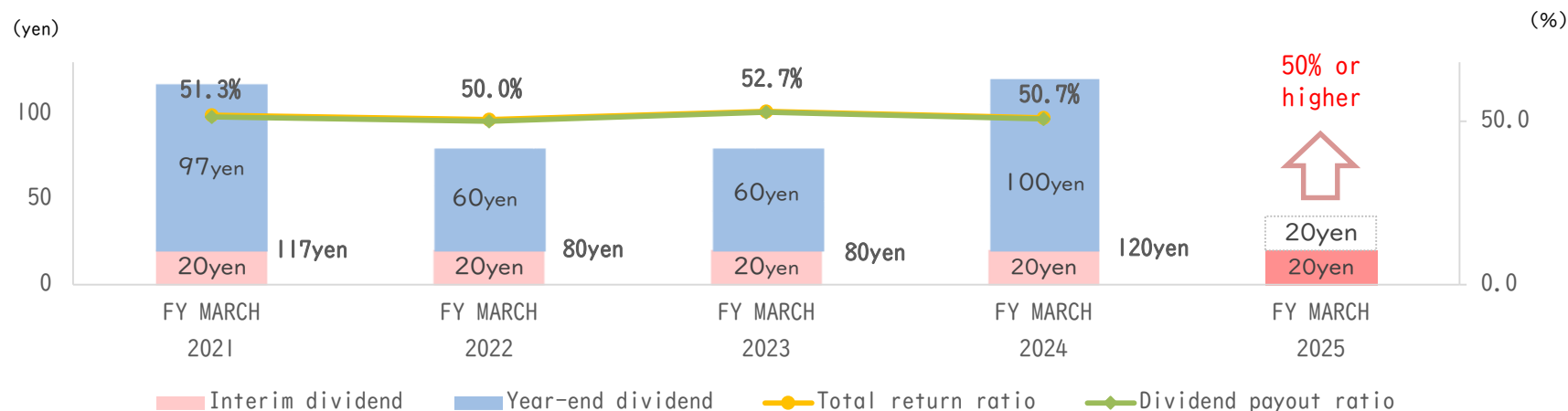
The interim dividend for the fiscal year under review was 20 yen per share (previous interim period: 20 yen per share), estimating conservatively based on the characteristics of the securities business of which performance is subject to fluctuation due to economic conditions and the market environment. As for annual dividends, the total return ratio will be 50% or more on a consolidated basis.

## Change in dividends per share

	FY March 2021	FY March 2022	FY March 2023	FY March 2024	FY March 2025
Interim dividend	20yen	20yen	20yen	20yen	20yen
Year-end dividend	97yen	60yen	60yen	100yen	—
Annual dividend	117yen	80yen	80yen	120yen	—
Dividend payout ratio	51.3%	50.0%	52.7%	50.7%	—
Ratio of dividends to net assets	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 x 100 (%)

## Social contribution activities

- Introduced Social Contribution Reserve Fund System (from fiscal year ended March 31, 2021)
- 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)
- Sponsorship of the Bunraku Evening, an event to promote the appeal of bunraku (Japanese puppet theater), a traditional performing art that originated in Osaka, to contribute to the development of cultural activities in Osaka
- Sponsorship of Japan Annual-International Arts Festival to promote Japanese history, art, and culture



## Reduction of environmental burden

- 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, 2024, achieving the original target two years ahead of schedule ( the fiscal year ending March 31, 2025, realized a 59.0% )



## 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!
- Percentage of female managers 19.2% (As of September 30, 2024) <Target: 25.0%>



## Newspaper publications, press releases, etc.

2024	Apr 1:	Launched free brokerage for Japanese and U.S. equities through NISA accounts at “Cosmo Netre” online trading platform
	Apr26:	IwaiCosmo Holdings: First increase in bottom line profit for three years (Nikkei Shimbun, Nikkei Online Edition)
	Aug~	Produced and began airing new TV commercials to further increase recognition of the company and its services
	Sep24:	Opening of the renovated Nishiogikubo Branch
	Oct~	Renewal of the stock price information screen at the Tokyo Call Center
	Oct26:	IwaiCosmo: April to September profit up 28% driven by bonds and U.S. stocks (Nikkei Shimbun, Nikkei Online Edition).

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



The “face-to-face trading episode” highlights the information and analytical capabilities of analysts in the Investment Research Department.

new television commercials  
(online trading edition).



“The “online trading episode” features Shigeru Fujimoto, a senior citizen day trader who has been a hot topic on TV and in magazines, and highlights user-friendliness and customer-support capabilities of online trading tools.

### < Opening of the renovated Nishiogikubo Branch >



At the first floor entrance facing the main street, digital signage has been installed to display information about campaigns and seminars as well as video content!

### < Renewal of the stock price information screen at the Tokyo Call Center >



The stock price information screen at the Tokyo Call Center was renewed to allow the press to use it when covering economic indicators and various events that affect the stock market.



(For inquiries)

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