

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

October 25, 2024

Company name: IwaiCosmo Holdings, Inc.
 Stock exchange listing: Tokyo
 Stock code: 8707 URL <https://www.iwaicosmo-hd.jp>
 Representative: Chairman and Chief Executive Officer Yoshiaki Okitsu
 Inquiries: President and Chief Operating Officer Takao Sasakawa TEL 06-6229-2800
 Scheduled date to file Semi-annual Securities Report: November 8, 2024
 Scheduled date to commence dividend payments: November 22, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

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	12,826	12.6	12,713	13.1	4,278	28.5	4,603	29.6	3,184	27.5
Six months ended September 30, 2023	11,390	17.8	11,245	17.8	3,329	45.7	3,551	39.4	2,497	41.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2024	135.56		-	
Six months ended September 30, 2023	106.34		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	199,686	66,276	33.2
As of March 31, 2024	208,114	66,344	31.9

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	-	20.00	-	100.00	120.00
Year ending March 31, 2025	-	20.00	-	-	-
Year ending March 31, 2025 (Forecast)	-	-	-	-	-

3. Notes

- (1) Significant changes in the scope of consolidation during the six months ended September 30, 2024: No
- (2) Application of special accounting methods for preparing interim consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
 - Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - Changes in accounting policies due to other reasons: No
 - Changes in accounting estimates: No
 - Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2024	25,012,800 shares	As of March 31, 2024	25,012,800 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	1,523,944 shares	As of March 31, 2024	1,523,944 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	23,488,856 shares	Six months ended September 30, 2023	23,488,896 shares
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Interim consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	8,422	8,100
Segregated deposits	104,308	104,540
Segregated deposits for customers	102,000	100,000
Other segregated deposits	2,308	4,540
Trading products	1,747	2,128
Trading securities and other	1,746	2,128
Derivatives	0	0
Trade date accrual	311	317
Margin transaction assets	61,754	55,039
Margin loans	60,008	53,308
Cash collateral provided for securities borrowed in margin transactions	1,745	1,730
Loans secured by securities	335	262
Cash collateral provided for securities borrowed	335	262
Advances paid	4	259
Short-term guarantee deposits	8,451	8,320
Accrued revenue	1,328	1,301
Other current assets	788	338
Allowance for doubtful accounts	(6)	(5)
Total current assets	187,447	180,601
Non-current assets		
Property, plant and equipment	1,745	1,673
Buildings, net	281	300
Equipment	905	818
Land	541	541
Other	16	13
Intangible assets	274	195
Software	274	194
Other	0	0
Investments and other assets	18,647	17,215
Investment securities	17,229	15,952
Long-term guarantee deposits	710	716
Deferred tax assets	507	428
Other	327	247
Allowance for doubtful accounts	(127)	(128)
Total non-current assets	20,666	19,084
Total assets	208,114	199,686

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Trading products	406	377
Trading securities and other	394	367
Derivatives	11	9
Margin transaction liabilities	18,534	14,778
Margin borrowings	11,031	8,891
Cash received for securities sold in margin transactions	7,502	5,886
Borrowings secured by securities	4,370	3,217
Cash collateral received for securities lent	4,370	3,217
Deposits received	54,731	58,908
Deposits from customers	46,434	40,156
Other deposits received	8,296	18,752
Guarantee deposits received	46,642	40,104
Short-term borrowings	3,500	3,500
Income taxes payable	2,039	1,501
Provision for bonuses	1,424	1,431
Other current liabilities	1,068	954
Total current liabilities	132,716	124,773
Non-current liabilities		
Bonds payable	4,000	4,000
Deferred tax liabilities	4,085	3,667
Other noncurrent liabilities	431	432
Total non-current liabilities	8,516	8,100
Reserves under special laws		
Reserve for financial instruments transaction liabilities	535	535
Total reserves under special laws	535	535
Total liabilities	141,769	133,409
Net assets		
Shareholders' equity		
Share capital	10,004	10,004
Capital surplus	4,890	4,890
Retained earnings	43,242	44,077
Treasury shares	(1,702)	(1,702)
Total shareholders' equity	56,433	57,269
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,911	9,007
Total accumulated other comprehensive income	9,911	9,007
Total net assets	66,344	66,276
Total liabilities and net assets	208,114	199,686

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Operating revenue		
Commission received	5,484	4,964
Brokerage commission	3,846	2,671
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	32	140
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	363	665
Other commission received	1,242	1,486
Net trading income	4,570	6,561
Net trading income from securities	4,475	6,473
Net trading income from bonds	141	78
Net other trading income	(45)	8
Financial revenue	1,335	1,300
Total operating revenue	11,390	12,826
Financial expenses	145	113
Net operating revenue	11,245	12,713
Selling, general and administrative expenses	7,915	8,434
Trading related expenses	1,015	1,075
Personnel expenses	4,059	4,539
Real estate expenses	729	728
Office expenses	1,448	1,394
Depreciation	326	333
Taxes and dues	205	221
Other	130	141
Operating profit	3,329	4,278
Non-operating income	228	346
Non-operating expenses	6	21
Ordinary profit	3,551	4,603
Extraordinary income		
Gain on sale of investment securities	24	5
Reversal of reserve for financial instruments transaction liabilities	19	–
Total extraordinary income	44	5
Profit before income taxes	3,596	4,609
Income taxes - current	1,213	1,365
Income taxes - deferred	(115)	59
Total income taxes	1,098	1,425
Profit	2,497	3,184
Profit attributable to owners of parent	2,497	3,184

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	2,497	3,184
Other comprehensive income		
Valuation difference on available-for-sale securities	1,879	(903)
Total other comprehensive income	1,879	(903)
Comprehensive income	4,377	2,280
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,377	2,280