

January 31, 2025



Summary of Consolidated Financial Statements for the Nine Months Ended December 31, 2024 Under Japanese GAAP

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Preparation of supplemental explanatory documents: Yes

Holding of quarterly presentation meeting: No

1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (April 1, 2024 to December 31, 2024)

(Amounts are rounded down to the nearest millions of yen)

(1) Consolidated operating results

(Percentage figures represent year-on-year changes)

	Operating revenues		Net operating revenues		Operating income		Ordinary income	
Nine months ended	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
December 31, 2024	559,194	32.1	311,668	26.1	75,446	108.9	75,937	115.9
December 31, 2023	423,451	40.9	247,224	20.7	36,112	150.3	35,174	147.9

(Note) Comprehensive income: December 31, 2024 59,242 million yen (11.8%)
December 31, 2023 52,991 million yen (229.6%)

	Net income attributable to owners of parent		Net income per share	Net income per share - fully diluted
Nine months ended	millions of yen	%	Yen	Yen
December 31, 2024	51,577	73.3	35.82	—
December 31, 2023	29,762	81.3	24.40	—

(2) Consolidated financial positions

	Total assets	Net assets	Equity ratio
	millions of yen	millions of yen	%
December 31, 2024	26,432,714	1,019,111	3.8
March 31, 2024	23,105,316	909,858	3.9

Reference: Equity (i.e. "Shareholders' equity" and "Accumulated other comprehensive income"):

December 31, 2024 1,012,522 million yen
March 31, 2024 903,736 million yen

2. Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Application of specific accounting methods in the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, estimates and restatements:
 - 1) Changes in accounting policies in accordance with revisions of accounting standards: None
 - 2) Changes other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Restatements: None

(4) Number of outstanding shares (common stock)

1) Number of shares issued at end of the period (including treasury stock):

December 31, 2024:	2,015,102,652 shares
March 31, 2024:	2,015,102,652 shares

2) Number of treasury stock at end of the period:

December 31, 2024:	566,797,204 shares
March 31, 2024:	644,196,585 shares

3) Average number of outstanding shares for the nine months:

Nine Months Ended December 31, 2024	1,439,705,517 shares
Nine Months Ended December 31, 2023	1,219,526,499 shares

* Other important matters

Not applicable

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1. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and bank deposits	821,722	937,700
Cash segregated as deposits for customers and others	533,915	553,876
Trading assets	11,826,233	12,670,140
Trading securities and others	4,383,698	5,171,460
Derivatives	7,442,534	7,498,679
Receivables - unsettled trades	—	56,115
Operating investment securities	97,890	94,452
Operating loans receivable	7,705	4,645
Receivables related to margin transactions	26,188	23,880
Loans receivable under margin transactions	23,934	22,770
Cash collateral for borrowed securities under margin transactions	2,254	1,110
Collateralized short-term financing agreements - receivable	8,346,602	10,529,869
Deposits paid for securities borrowed	2,171,511	1,988,300
Securities purchased under agreements to resell	6,175,091	8,541,568
Advances paid	2,893	1,288
Short-term guarantee deposits	769,963	845,779
Securities: fail to deliver	80,541	105,943
Variation margin paid	—	23,453
Short-term loans receivable	196	16,266
Securities	274	265
Other current assets	149,522	145,955
Less: Allowance for doubtful accounts	(997)	(1,004)
Total current assets	22,662,651	26,008,630
Noncurrent assets		
Property and equipment	27,671	25,514
Intangible assets	62,675	67,079
Investments and other assets	352,310	331,445
Investment securities	216,542	212,305
Long-term guarantee deposits	12,826	12,063
Net defined benefit asset	46,894	46,414
Deferred tax assets	69,057	55,133
Other	10,402	8,719
Less: Allowance for doubtful accounts	(3,412)	(3,191)
Total noncurrent assets	442,656	424,038
Deferred assets	8	45
Total assets	23,105,316	26,432,714

(Millions of yen)

As of March 31, 2024 As of December 31, 2024

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Trading liabilities	10,180,626	10,008,851
Trading securities and others	2,996,687	2,793,013
Derivatives	7,183,939	7,215,837
Payables - unsettled trades	147,160	—
Payables related to margin transactions	31,028	19,831
Borrowings on margin transactions	10,173	1,803
Cash collateral for loaned securities under margin transactions	20,854	18,028
Collateralized short-term financing agreements - payable	6,950,213	9,963,119
Deposits received for securities loaned	1,287,886	1,332,433
Securities sold under agreements to repurchase	5,662,326	8,630,685
Deposits received	446,651	553,346
Guarantee deposits received	421,172	645,796
Securities: fail to receive	57,935	107,621
Variation margin received	4,687	—
Short-term borrowings	1,519,062	1,437,744
Commercial paper	476,000	586,000
Bonds and notes due within one year	151,041	160,636
Income taxes payable	4,829	1,252
Accrued employees' bonuses	34,837	28,637
Provision for variable compensation	377	219
Other current liabilities	190,759	168,145
Total current liabilities	20,616,384	23,681,204
Noncurrent liabilities		
Bonds and notes	731,697	809,907
Long-term borrowings	809,400	887,200
Lease obligations	3,139	2,756
Provision for directors' retirement benefits	82	48
Provision for executive officers' retirement benefits	60	65
Net defined benefit liability	20,282	19,162
Provision for loss on head office transfer	802	385
Provision for loss related to entrusted business	5,733	5,733
Other noncurrent liabilities	4,095	3,366
Total noncurrent liabilities	1,575,292	1,728,625
Statutory reserves		
Reserve for financial instruments transaction liabilities	3,781	3,772
Total statutory reserves	3,781	3,772
Total liabilities	22,195,458	25,413,602

(Millions of yen)

As of March 31, 2024 As of December 31, 2024

Net assets

Shareholders' equity		
Common stock	125,167	125,167
Capital surplus	411,084	437,323
Retained earnings	527,963	579,540
Treasury stock	(197,768)	(174,006)
Total shareholders' equity	<u>866,447</u>	<u>968,024</u>
Accumulated other comprehensive income (loss)		
Net unrealized gains (losses) on (operating) investment securities, net of tax, etc.	25,063	21,030
Foreign currency translation adjustments	35	12,331
Remeasurement of defined benefit plans	12,189	11,136
Total accumulated other comprehensive income (loss)	<u>37,288</u>	<u>44,498</u>
Non-controlling interests	<u>6,122</u>	<u>6,589</u>
Total net assets	<u>909,858</u>	<u>1,019,111</u>
Total liabilities and net assets	<u>23,105,316</u>	<u>26,432,714</u>

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income
For the nine months ended December 31, 2023 and 2024

	(Millions of yen)	
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Operating revenues		
Commissions	146,754	181,704
Brokerage commissions	27,179	29,863
Underwriting and selling fees, and commissions from solicitation to qualifying investors	34,187	44,161
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	25,755	27,715
Other commissions and fees	59,632	79,964
Net gain on trading	86,674	111,725
Net gain (loss) on operating investment securities	2,636	5,061
Interest and dividend income	187,386	260,702
Total operating revenues	423,451	559,194
Interest expenses	176,226	247,525
Net operating revenues	247,224	311,668
Selling, general and administrative expenses	211,112	236,222
Transaction-related expenses	35,262	39,820
Personnel expenses	94,544	108,946
Real estate expenses	29,298	31,403
Administrative expenses	28,722	31,340
Depreciation and amortization	15,906	17,398
Taxes and dues	4,256	4,502
Provision of allowance for doubtful accounts	345	9
Other	2,775	2,799
Operating income	36,112	75,446
Non-operating income	965	22,508
Non-operating expenses	1,902	22,017
Ordinary income	35,174	75,937
Extraordinary gain	2,126	630
Gain on sales of investment securities	656	391
Gain on sales of shares of subsidiaries and affiliates	585	—
Gain on change in equity	884	—
Gain on reversal of asset retirement obligations	—	221
Reversal of reserve for financial instruments transaction liabilities	—	8
Other	0	8
Extraordinary loss	3,692	5,154
Loss on disposal of noncurrent assets	419	247
Loss on liquidation of subsidiaries and affiliates	1,702	—
Impairment losses	181	709
Head office transfer cost	933	3,384
Provision of reserve for financial instruments transaction liabilities	1	—
Other	452	812
Income before income taxes and non-controlling interests	33,609	71,414
Income taxes - current	716	3,506
Income taxes - deferred	3,031	16,158
Total income taxes	3,748	19,664
Net income	29,861	51,749
Net income attributable to non-controlling interests	98	171
Net income attributable to owners of parent	29,762	51,577

Quarterly Consolidated Statements of Comprehensive Income
For the nine months ended December 31, 2023 and 2024

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net income	29,861	51,749
Other comprehensive income (loss)		
Net unrealized gains (losses) on (operating) investment securities, net of tax, etc.	5,059	(4,032)
Foreign currency translation adjustments	18,876	12,469
Remeasurement of defined benefit plans	(847)	(1,056)
Share in other comprehensive income of affiliates accounted for using equity method	41	113
Total other comprehensive income (loss)	23,130	7,493
Comprehensive income (loss)	52,991	59,242
(Breakdown)		
Attributable to:		
Owners of parent	52,735	58,786
Non-controlling interests	255	456

(3) Note on the going-concern assumption

Not applicable

(4) Note on material changes in shareholders' equity

The Company disposed of 77,399,381 shares of treasury stock through a third-party allotment on May 20, 2024 based on resolutions of Extraordinary General Meeting of Shareholders on May 9, 2024. Accordingly, the capital surplus increased by 26,238 million yen and the treasury stock decreased by 23,761 million yen. As a result, the balances of capital surplus and treasury stock as of December 31, 2024 were 437,323 million yen and 174,006 million yen respectively.

2. Supplemental Information**(1) Commissions****1) Breakdown by items**

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Increase/(Decrease)	
			Amount	Percentage (%)
Brokerage commissions	27,179	29,863	2,684	9.9
Equities	26,008	28,385	2,376	9.1
Bonds	857	437	(420)	(49.0)
Underwriting and selling fees, and commissions from solicitation to qualifying investors	34,187	44,161	9,973	29.2
Equities	17,233	23,243	6,009	34.9
Bonds	16,536	20,481	3,944	23.9
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	25,755	27,715	1,960	7.6
Other commissions and fees	59,632	79,964	20,331	34.1
Total	146,754	181,704	34,950	23.8

2) Breakdown by instruments

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Increase/(Decrease)	
			Amount	Percentage (%)
Equities	48,658	57,960	9,302	19.1
Bonds	27,417	33,832	6,415	23.4
Beneficiary certificates	38,308	43,329	5,020	13.1
Others	32,370	46,582	14,212	43.9
Total	146,754	181,704	34,950	23.8

(2) Net gain on trading

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Increase/(Decrease)	
			Amount	Percentage (%)
Equities, etc.	4,594	28,556	23,962	521.6
Bonds, etc. and others	82,079	83,168	1,088	1.3
Total	86,674	111,725	25,051	28.9

(3) Capital adequacy requirement ratio**1) Consolidated base**

(Millions of yen)

		As of March 31, 2024	As of December 31, 2024
Basic items (A)		872,605	986,944
Supplemental items	Net unrealized gains (losses) on (operating) investment securities, net of tax, etc.	37,253	32,166
	Reserve for financial instruments transaction liabilities, etc.	3,781	3,772
	Allowance for doubtful accounts	19	19
	Subordinated long-term borrowings	245,200	174,400
	Subordinated short-term borrowings	288,800	399,600
Total (B)		575,054	609,959
Deducted assets (C)		426,591	419,302
Equity after deduction (A) + (B) - (C) (D)		1,021,068	1,177,601
Amount equivalent to risk	Amount equivalent to market risk	184,336	183,002
	Amount equivalent to counterparty risk	81,575	80,667
	Amount equivalent to fundamental risk	93,279	103,729
	Total (E)	359,192	367,399
Consolidated capital adequacy requirement ratio (D)/(E) * 100		284.2%	320.5%

2) Non-consolidated base

(Millions of yen)

		As of March 31, 2024	As of December 31, 2024
Basic items (A)		817,539	912,997
Supplemental items	Net unrealized gains (losses) on (operating) investment securities, net of tax, etc.	16,158	12,108
	Reserve for financial instruments transaction liabilities, etc.	3,781	3,772
	Allowance for doubtful accounts	8	7
	Subordinated long-term borrowings	245,200	174,400
	Subordinated short-term borrowings	288,800	399,600
Total (B)		553,948	589,888
Deducted assets (C)		615,297	617,869
Equity after deduction (A) + (B) - (C) (D)		756,190	885,016
Amount equivalent to risk	Amount equivalent to market risk	146,322	155,971
	Amount equivalent to counterparty risk	62,571	50,258
	Amount equivalent to fundamental risk	77,377	85,823
	Total (E)	286,271	292,054
Capital adequacy requirement ratio (D)/(E) * 100		264.1%	303.0%

(4) Quarterly Consolidated Statements of Income

(Millions of yen)

	Third quarter ended December 2023 Oct. 1, 2023 - Dec. 31, 2023	Fourth quarter ended March 2024 Jan. 1, 2024 - Mar. 31, 2024	First quarter ended June 2024 Apr. 1, 2024 - Jun. 30, 2024	Second quarter ended September 2024 Jul. 1, 2024 - Sep. 30, 2024	Third quarter ended December 2024 Oct. 1, 2024 - Dec. 31, 2024
Operating revenues	145,052	182,488	177,120	190,338	191,736
Commissions	50,935	53,910	54,222	62,387	65,094
Brokerage commissions	8,786	12,179	9,425	9,280	11,157
Equities	8,379	11,714	9,019	8,827	10,538
Bonds	304	361	89	106	240
Underwriting and selling fees, and commissions from solicitation to qualifying investors	13,031	8,408	10,052	17,862	16,246
Equities	8,903	3,844	1,681	11,265	10,296
Bonds	3,872	4,425	8,244	6,473	5,763
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	8,070	9,590	10,185	8,466	9,063
Other commissions and fees	21,047	23,732	24,559	26,778	28,626
Net gain on trading	29,091	25,899	41,273	29,076	41,375
Equities, etc.	12,183	(11,320)	1,397	30,325	(3,166)
Bonds, etc. and others	16,908	37,220	39,876	(1,249)	44,542
Net gain (loss) on operating investment securities	1,509	3,397	(582)	4,233	1,410
Interest and dividend income	63,516	99,280	82,205	94,641	83,856
Interest expenses	63,689	84,043	83,248	80,894	83,382
Net operating revenues	81,363	98,445	93,871	109,443	108,353
Selling, general and administrative expenses	69,227	83,722	72,653	79,807	83,761
Transaction-related expenses	11,133	13,414	12,229	14,321	13,269
Personnel expenses	31,715	36,446	33,547	35,228	40,170
Real estate expenses	9,867	11,211	10,737	9,662	11,002
Administrative expenses	10,023	12,649	10,783	10,426	10,131
Depreciation and amortization	5,452	6,438	5,939	5,732	5,726
Taxes and dues	536	2,558	2,110	(102)	2,493
Other	498	1,004	(2,694)	4,537	967
Operating income	12,135	14,722	21,217	29,636	24,592
Non-operating income	(740)	777	7,767	5,769	8,970
Non-operating expenses	1,771	(530)	7,334	6,424	8,257
Ordinary income (loss)	9,623	16,030	21,650	28,981	25,305
Extraordinary gain	95	278	81	470	77
Extraordinary loss	2,355	9,923	685	3,653	815
Income (loss) before income taxes and non- controlling interests	7,363	6,385	21,047	25,798	24,567
Income taxes - current	(1,414)	2,672	11,153	(46,111)	38,464
Income taxes - deferred	21,823	(35,754)	(8,082)	58,597	(34,356)
Net income (loss)	(13,045)	39,468	17,976	13,312	20,459
Net income (loss) attributable to non- controlling interests	86	348	52	91	27
Net income (loss) attributable to owners of parent	(13,132)	39,119	17,924	13,221	20,431

3. (Reference) Quarterly Non-consolidated Financial Statements

(1) (Reference) Quarterly Non-consolidated Balance Sheets

(Millions of yen)

As of March 31, 2024 As of December 31, 2024

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and bank deposits	682,730	837,613
Cash segregated as deposits for customers and others	527,710	561,107
Trading assets	8,062,684	9,222,246
Trading securities and others	3,067,898	3,990,740
Derivatives	4,994,785	5,231,505
Receivables - unsettled trades	—	45,193
Operating investment securities	97,135	93,801
Operating loans receivable	7,002	3,943
Receivables related to margin transactions	26,188	23,880
Loans receivable under margin transactions	23,934	22,770
Cash collateral for borrowed securities under margin transactions	2,254	1,110
Collateralized short-term financing agreements - receivable	5,272,734	6,724,138
Deposits paid for securities borrowed	2,171,511	1,988,300
Securities purchased under agreements to resell	3,101,223	4,735,837
Advances paid	706	530
Short-term guarantee deposits	679,438	767,196
Securities: fail to deliver	48	—
Variation margin paid	—	23,453
Short-term loans receivable	9,627	150
Other current assets	101,064	94,016
Less: Allowance for doubtful accounts	(281)	(288)
Total current assets	15,466,789	18,396,984
Noncurrent assets		
Property and equipment	18,755	17,038
Intangible assets	47,257	48,879
Investments and other assets	573,247	552,200
Investment securities	442,596	437,873
Long-term guarantee deposits	12,229	11,319
Prepaid pension cost	30,566	31,554
Deferred tax assets	81,150	66,203
Other	10,116	8,440
Less: Allowance for doubtful accounts	(3,412)	(3,191)
Total noncurrent assets	639,259	618,118
Total assets	16,106,049	19,015,103

(Millions of yen)

As of March 31, 2024 As of December 31, 2024

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Trading liabilities	6,957,965	7,191,345
Trading securities and others	2,203,365	2,244,115
Derivatives	4,754,600	4,947,229
Payables - unsettled trades	121,820	—
Payables related to margin transactions	31,028	19,831
Borrowings on margin transactions	10,173	1,803
Cash collateral for loaned securities under margin transactions	20,854	18,028
Collateralized short-term financing agreements - payable	3,955,035	6,277,510
Deposits received for securities loaned	1,287,886	1,332,433
Securities sold under agreements to repurchase	2,667,148	4,945,076
Deposits received	446,553	553,496
Guarantee deposits received	329,556	574,951
Securities: fail to receive	1,306	19
Variation margin received	4,687	—
Short-term borrowings	1,310,285	1,102,454
Commercial paper	476,000	586,000
Bonds and notes due within one year	93,392	97,512
Income taxes payable	4,699	311
Accrued employees' bonuses	20,222	10,936
Provision for variable compensation	377	219
Other current liabilities	58,386	49,790
Total current liabilities	<u>13,811,318</u>	<u>16,464,377</u>
Noncurrent liabilities		
Bonds and notes	616,858	705,547
Long-term borrowings	809,400	887,200
Provision for retirement benefits	21,237	20,068
Provision for loss on head office transfer	802	385
Provision for loss related to entrusted business	5,733	5,733
Other noncurrent liabilities	3,219	2,911
Total noncurrent liabilities	<u>1,457,250</u>	<u>1,621,845</u>
Statutory reserves		
Reserve for financial instruments transaction liabilities	3,781	3,772
Total statutory reserves	<u>3,781</u>	<u>3,772</u>
Total liabilities	<u>15,272,350</u>	<u>18,089,996</u>
Net assets		
Shareholders' equity		
Common stock	125,167	125,167
Capital surplus	434,319	460,557
Retained earnings	455,821	501,278
Treasury stock	(197,768)	(174,006)
Total shareholders' equity	<u>817,539</u>	<u>912,997</u>
Valuation and translation adjustments		
Net unrealized gains (losses) on (operating) investment securities, net of tax, etc.	25,921	21,874
Net deferred gains or losses on hedges, net of tax	(9,762)	(9,765)
Total valuation and translation adjustments	<u>16,158</u>	<u>12,108</u>
Total net assets	<u>833,698</u>	<u>925,106</u>
Total liabilities and net assets	<u>16,106,049</u>	<u>19,015,103</u>

(2) (Reference) Quarterly Non-consolidated Statements of Income

For the nine months ended December 31, 2023 and 2024

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Operating revenues		
Commissions	127,566	149,292
Net gain on trading	78,170	105,622
Net gain (loss) on operating investment securities	2,479	5,176
Interest and dividend income	112,668	132,669
Total operating revenues	320,886	392,761
Interest expenses	113,846	132,496
Net operating revenues	207,039	260,265
Selling, general and administrative expenses	176,076	189,962
Transaction-related expenses	34,026	39,628
Personnel expenses	66,324	70,150
Real estate expenses	22,926	23,951
Administrative expenses	35,081	37,962
Depreciation and amortization	11,081	11,931
Taxes and dues	4,172	4,423
Provision of allowance for doubtful accounts	326	9
Other	2,136	1,904
Operating income	30,963	70,303
Non-operating income	967	1,118
Non-operating expenses	1,180	2,987
Ordinary income	30,751	68,433
Extraordinary gain	1,138	411
Gain on sales of investment securities	680	402
Gain on sales of shares of subsidiaries and affiliates	71	—
Gain on liquidation of subsidiaries and affiliates	386	—
Reversal of reserve for financial instruments transaction liabilities	—	8
Extraordinary loss	1,857	4,878
Loss on disposal of noncurrent assets	419	247
Impairment losses	181	709
Head office transfer cost	936	3,384
Loss on cancellation of system agreement	293	—
Provision of reserve for financial instruments transaction liabilities	1	—
Other	23	536
Income before income taxes	30,031	63,966
Income taxes - current	456	1,797
Income taxes - deferred	3,017	16,711
Total income taxes	3,474	18,509
Net income	26,557	45,457