

Consolidated Financial Summary (for the nine months ended December 31, 2024)

January 31, 2025

Company Name: Tokai Tokyo Financial Holdings, Inc.
 Stock Listings: Tokyo Stock Exchange / Nagoya Stock Exchange
 Stock Code: 8616 URL: <https://www.tokaitokyo-fh.jp/>
 Representative: Masataka Sato, President
 Contact: Shoji Maeta
 General Manager - Finance Planning Department
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Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Figures are rounded down to the nearest one million yen and those in parentheses are negative figures.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2024**(1) Consolidated Results of Operation**

(Figures in percentages denote the year-on-year change.)

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
Nine months ended										
December 31, 2024	66,899	3.6	64,840	3.3	11,299	7.6	13,002	13.4	9,629	35.2
December 31, 2023	64,590	14.6	62,742	17.1	10,501	196.5	11,467	170.4	7,123	432.8

(Note) Comprehensive income Nine-month period ended December 31, 2024: 8,565 million yen [(6.8)%]
 Nine-month period ended December 31, 2023: 9,193 million yen [293.2%]

	Net income per share	Diluted net income per share
	yen	yen
Nine months ended		
December 31, 2024	38.42	38.28
December 31, 2023	28.58	28.50

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of				
December 31, 2024	1,238,516	194,361	14.6	721.34
March 31, 2024	1,400,360	192,935	12.8	718.21

(Reference) Shareholders' equity December 31, 2024: 180,865 million yen March 31, 2024: 179,841 million yen

2. Dividends

(Base date)	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	End of year	Annual
Fiscal year	yen	yen	yen	yen	yen
Ended March 31, 2024	—	12.00	—	16.00	28.00
Ending March 31, 2025	—	12.00	—		
Ending March 31, 2025 (Forecast)				—	—

(Note) 1) Revision to the dividend forecast that has been disclosed lastly: None

2) Dividend forecast for the fiscal year ending March 31, 2025 has not been determined.

3. Forecast of Consolidated Operating Results for Fiscal 2024 (from April 1, 2024 to March 31, 2025)

The Group operates principally in the financial instruments business, and its operating results are likely to be affected by market fluctuations. Due to such nature of its business and consequential difficulty in predicting its performance, the Group does not disclose the forecast of operating results.

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

New : None

Exclusion : One company(TT Solution Inc.)

(2) Application of special accounting treatments in preparing quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies in accordance with revision of accounting standards: Yes

2) Changes in accounting policies other than item 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatements: None

(4) Number of shares issued (common stock)

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

As of December 31, 2024:	260,582,115	As of March 31, 2024:	260,582,115
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2) Number of treasury shares at the end of the period

As of December 31, 2024:	9,845,229	As of March 31, 2024:	10,178,451
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3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2024:	250,594,883	Nine months ended December 31, 2023:	249,222,359
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* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Note to proper use of forecast of operating results and other special remarks

Dividends for the fiscal year ending March 31, 2025 have not been determined because it is difficult to forecast operating results, as described similarly in "3.Forecast of Consolidated Operating Results for Fiscal 2024."

* How to view supplementary material on financial results

Supplementary material on financial results will be available on both Timely Disclosure network and our website on Friday, January 31, 2025.

* Concerning review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm

The Company will disclose the quarterly financial results with the review report attached after the completion of the review.

Disclosure date: February 10, 2025

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: million yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	97,673	119,301
Cash segregated as deposits	95,426	98,967
Cash segregated as deposits for customers	90,100	92,300
Cash segregated as deposits for others	5,325	6,667
Trading products	328,216	319,596
Trading securities and other	319,327	308,335
Derivatives	8,889	11,260
Trade date accrual	24,877	37,125
Margin transaction assets	87,176	89,349
Loans on margin transactions	59,909	59,789
Cash collateral pledged for securities borrowing on margin transactions	27,267	29,560
Loans secured by securities	506,706	321,832
Cash collateral pledged for securities borrowed	93,985	62,716
Loans on Gensaki transactions	412,720	259,116
Advances paid	98	2,653
Short-term guarantee deposits	54,048	51,725
Short-term loans receivable	90,585	97,403
Accrued income	4,889	4,641
Other	23,110	6,888
Allowance for doubtful accounts	(132)	(137)
Total current assets	1,312,677	1,149,347
Non-current assets		
Property, plant and equipment	11,107	10,358
Intangible assets	7,615	7,376
Investments and other assets	68,959	71,434
Investment securities	51,781	57,468
Long-term guarantee deposits	4,845	4,781
Deferred tax assets	74	77
Retirement benefit asset	11,297	8,065
Other	1,288	1,371
Allowance for doubtful accounts	(328)	(329)
Total non-current assets	87,682	89,168
Total assets	1,400,360	1,238,516

(Unit: million yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Trading products	422,974	275,578
Trading securities and other	397,368	253,525
Derivatives	25,605	22,052
Margin transaction liabilities	19,701	18,843
Borrowings on margin transactions	16,273	16,564
Cash received for securities lending on margin transactions	3,427	2,279
Borrowings secured by securities	264,354	235,616
Cash received on debt credit transaction of securities	92,980	95,344
Borrowings on Gensaki transactions	171,374	140,272
Deposits received	92,383	131,866
Guarantee deposits received	18,826	17,419
Short-term borrowings	201,043	160,576
Short-term bonds payable	12,500	16,000
Current portion of bonds payable	9,070	6,081
Income taxes payable	6,358	1,031
Provision for bonuses	3,267	1,595
Provision for bonuses for directors (and other officers)	74	42
Other	8,166	8,451
Total current liabilities	1,058,720	873,104
Non-current liabilities		
Bonds payable	13,731	12,703
Long-term borrowings	127,000	150,100
Deferred tax liabilities	3,567	4,185
Provision for retirement benefits for directors (and other officers)	105	137
Retirement benefit liability	141	145
Other	3,373	2,994
Total non-current liabilities	147,919	170,266
Reserves under special laws		
Reserve for financial instruments transaction liabilities	784	783
Total reserves under special laws	784	783
Total liabilities	1,207,425	1,044,154
Net assets		
Shareholders' equity		
Share capital	36,000	36,000
Capital surplus	24,440	24,431
Retained earnings	116,270	118,886
Treasury shares	(4,409)	(4,264)
Total shareholders' equity	172,302	175,053
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,736	2,428
Foreign currency translation adjustment	753	858
Remeasurements of defined benefit plans	4,049	2,525
Total accumulated other comprehensive income	7,539	5,812
Share acquisition rights	430	360
Non-controlling interests	12,663	13,135
Total net assets	192,935	194,361
Total liabilities and net assets	1,400,360	1,238,516

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income
(Nine months ended December 31)

(Unit: million yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Operating revenue		
Commission received	30,532	31,398
Brokerage commission	12,196	11,514
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	898	1,272
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	6,229	6,327
Other fees received	11,207	12,284
Net trading income	29,655	29,952
Financial revenue	4,403	5,547
Total operating revenue	64,590	66,899
Financial expenses	1,848	2,058
Net operating revenue	62,742	64,840
Selling, general and administrative expenses		
Trading related expenses	9,530	10,891
Personnel expenses	24,795	24,674
Real estate expenses	5,773	5,783
Office expenses	6,549	6,429
Depreciation	2,586	2,721
Taxes and dues	1,287	1,281
Provision of allowance for doubtful accounts	72	4
Other	1,645	1,752
Total selling, general and administrative expenses	52,240	53,540
Operating profit	10,501	11,299
Non-operating income		
Dividend income	362	335
Share of profit of entities accounted for using equity method	251	244
Gain on investments in investment partnerships	73	839
Gain on valuation of investment securities	304	330
Other	190	204
Total non-operating income	1,182	1,954
Non-operating expenses		
Loss on investments in investment partnerships	197	85
Foreign exchange losses	—	103
Other	19	63
Total non-operating expenses	216	252
Ordinary profit	11,467	13,002

(Unit: million yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Extraordinary income		
Gain on sale of non-current assets	2	—
Gain on sale of investment securities	182	704
Gain on change in equity	425	—
Gain on reversal of share acquisition rights	117	117
Gain on return of assets from retirement benefit trust	—	1,491
Reversal of reserve for financial instruments transaction liabilities	66	1
Total extraordinary income	794	2,314
Extraordinary losses		
Impairment losses	—	192
Loss on retirement of noncurrent assets	166	—
Loss on sale of investment securities	110	—
Loss on valuation of investment securities	268	33
Loss on change in equity	9	—
Total extraordinary losses	555	225
Profit before income taxes	11,706	15,090
Income taxes-current	3,350	3,358
Income taxes-deferred	334	1,315
Total income taxes	3,684	4,674
Profit	8,021	10,416
Profit attributable to non-controlling interests	897	787
Profit attributable to owners of parent	7,123	9,629

Consolidated Statements of Comprehensive Income
(Nine months ended December 31)

(Unit: million yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	8,021	10,416
Other comprehensive income		
Valuation difference on available-for-sale securities	936	(432)
Foreign currency translation adjustment	473	104
Remeasurements of defined benefit plans, net of tax	(240)	(1,524)
Share of other comprehensive income of entities accounted for using equity method	2	1
Total other comprehensive income	1,171	(1,850)
Comprehensive income	9,193	8,565
(Comprehensive income attributable to)		
Owners of parent	8,295	7,901
Non-controlling interests	897	663

Supplementary Information

(1) Breakdown of Commission Received and Net Trading Income

① Commission received

(i) By item

(Unit: million yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Yr/Yr	
			Increase (Decrease)	% change
Brokerage commission	12,196	11,514	(682)	(5.6) %
Stocks	11,780	11,058	(722)	(6.1)
Bonds	11	15	3	30.3
Beneficiary certificates	387	440	52	13.6
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	898	1,272	374	41.7
Stocks	411	556	144	35.1
Bonds	486	625	139	28.7
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	6,229	6,327	97	1.6
Beneficiary certificates	6,173	6,323	150	2.4
Other fees received	11,207	12,284	1,076	9.6
Beneficiary certificates	4,347	5,465	1,117	25.7
Total	30,532	31,398	866	2.8

(ii) By product

(Unit: million yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Yr/Yr	
			Increase (Decrease)	% change
Stocks	12,628	12,227	(400)	(3.2) %
Bonds	513	664	150	29.2
Beneficiary certificates	10,908	12,319	1,410	12.9
Others	6,481	6,187	(293)	(4.5)
Total	30,532	31,398	866	2.8

② Net trading income

(Unit: million yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Yr/Yr	
			Increase (Decrease)	% change
Stocks	17,726	18,532	805	4.5 %
Bonds and Forex	11,929	11,420	(508)	(4.3)
Total	29,655	29,952	297	1.0

(2) Comparative Quarterly Consolidated Statements of Income

(Unit: million yen)

	Fiscal 2023		Fiscal 2024		
	3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter
	Oct. 1, 2023 - Dec. 31, 2023	Jan. 1, 2024 - Mar. 31, 2024	Apr. 1, 2024 - Jun. 30, 2024	Jul. 1, 2024 - Sep. 30, 2024	Oct. 1, 2024 - Dec. 31, 2024
Operating revenues					
Commission received	10,148	11,707	10,559	10,384	10,455
Brokerage commission	3,873	5,586	4,212	3,594	3,707
(Stocks)	3,722	5,469	4,047	3,436	3,574
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	397	248	251	214	805
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	1,877	1,953	2,297	2,251	1,778
(Beneficiary certificates)	1,875	1,952	2,296	2,250	1,777
Other fees received	3,999	3,919	3,797	4,323	4,163
(Beneficiary certificates)	1,495	1,636	1,771	1,794	1,899
Net trading income	9,478	10,784	11,001	7,946	11,005
(Stocks)	5,193	7,771	7,477	2,981	8,073
(Bonds and Forex)	4,285	3,012	3,524	4,964	2,932
Financial revenue	1,489	2,119	1,642	2,277	1,628
Total operating revenue	21,116	24,610	23,203	20,607	23,088
Financial expenses	578	660	580	918	560
Net operating revenue	20,538	23,949	22,623	19,688	22,528
Selling, general and administrative expenses					
Trading related expenses	3,342	3,837	3,762	3,696	3,433
Personnel expenses	8,022	9,133	8,223	7,975	8,475
Real estate expenses	1,942	2,003	1,967	1,888	1,928
Office expenses	2,095	2,336	2,107	2,288	2,033
Depreciation	882	849	900	920	900
Taxes and dues	464	480	422	418	440
Provision of allowance for doubtful accounts	55	(7)	8	(6)	2
Other	473	513	662	573	516
Total selling, general and administrative expenses	17,278	19,147	18,053	17,756	17,730
Operating profit	3,259	4,802	4,569	1,932	4,797
Non-operating income	(42)	2,252	1,355	(47)	646
Share of profit of entities accounted for using equity method	74	255	52	(52)	244
Other	(117)	1,997	1,303	4	402
Non-operating expenses	6	124	31	417	(195)
Share of loss of entities accounted for using equity method	—	—	—	5	(5)
Other	6	124	31	412	(190)
Ordinary profit	3,210	6,930	5,893	1,467	5,640
Extraordinary income	547	141	1	175	2,136
Extraordinary losses	159	447	28	7	189
Profit before income taxes	3,598	6,624	5,867	1,636	7,587
Income taxes-current	788	2,635	758	1,407	1,192
Income taxes for prior periods	—	677	—	—	—
Income taxes-deferred	476	(477)	1,000	(523)	838
Profit	2,333	3,789	4,108	751	5,556
Profit attributable to non-controlling interests	(165)	722	836	(979)	930
Profit attributable to owners of parent	2,498	3,066	3,271	1,731	4,625