

Securities Code: 8622

Three Months Ended June 30, 2024 (FY2025/3 1Q) Non-consolidated Financial Results Briefing Materials

July, 2024
Mito Securities Co., Ltd.

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I . Financial Status

Three Months Ended June 30, 2024
(FY2025/3 1Q)

- The domestic stock market has moved higher since the beginning of 2024, reaching an all-time high of 41,000-yen level in March, and has remained stable since then.
- The U.S. stock market reached an all-time high in May, surpassing the 40,000-dollar level and showing strong performance, but it has been trading within a range since then.

(Source) Prepared by the Company from QUICK data
January 3, 2023 – June 28, 2024

■ Nikkei Stock Average



■ New York – Dow Jones



■ Closing prices at the end of June 2024

Nikkei Stock Average
39,583.08 yen

Dow Jones Industrial Average
39,118.86 USD

U.S. dollar / yen exchange rate
160.85 yen

Prime market Market capitalization
968,546.3 billions of yen

Prime Market (June) Average daily trading value
4,574.0 billions of yen

Financial Summary

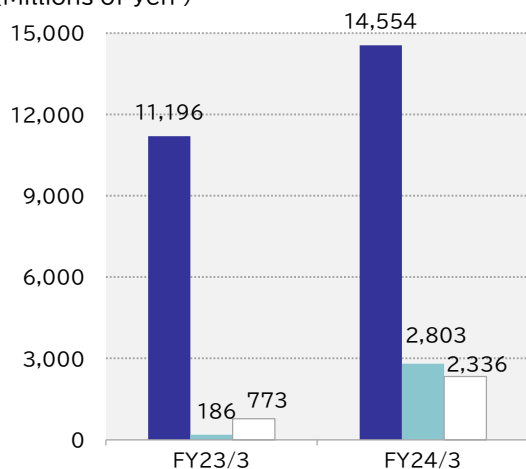
■ Operating revenue: 4,043 million yen (113.3% YoY)
 ■ Operating profit: 805 million yen (135.9% YoY)
■ Ordinary profit: 1,022 million yen(133.4% YoY)
 ■ Profit: 850 million yen (117.6% YoY)

(Millions of yen)

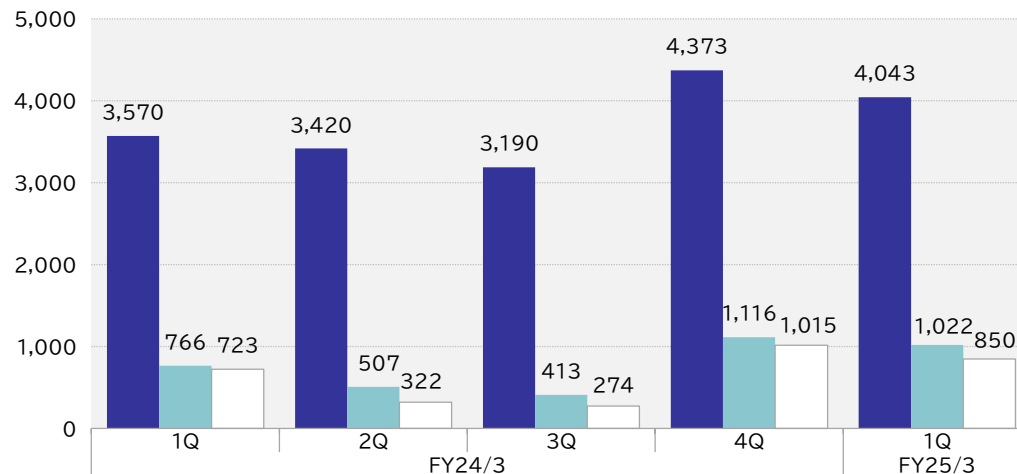
One year	Ended March 31, 2023 (FY23/3)	Ended March 31, 2024 (FY24/3)	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
				1Q	2Q	3Q	4Q	1Q		
Operating revenue	11,196	14,554	130.0%	3,570	3,420	3,190	4,373	4,043	92.5%	113.3%
Net operating revenue	11,140	14,502	130.2%	3,555	3,406	3,178	4,361	4,031	92.4%	113.4%
Operating profit (loss)	△268	2,391	—	592	449	270	1,078	805	74.6%	135.9%
Ordinary profit(loss)	186	2,803	1,505.8%	766	507	413	1,116	1,022	91.6%	133.4%
Profit	773	2,336	301.9%	723	322	274	1,015	850	83.8%	117.6%

■ Operating revenue
 ■ Ordinary profit(loss)
 ■ Profit

(Millions of yen)



(Millions of yen)



Breakdown of Operating Revenue

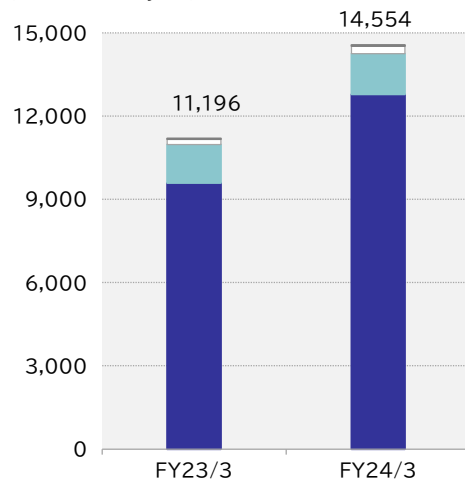
- Commission received: 3,579 million yen (121.2% YoY)
- Net trading income: 378 million yen (70.0% YoY)
- Finance revenue: 79 million yen (112.0% YoY)

(Millions of yen)

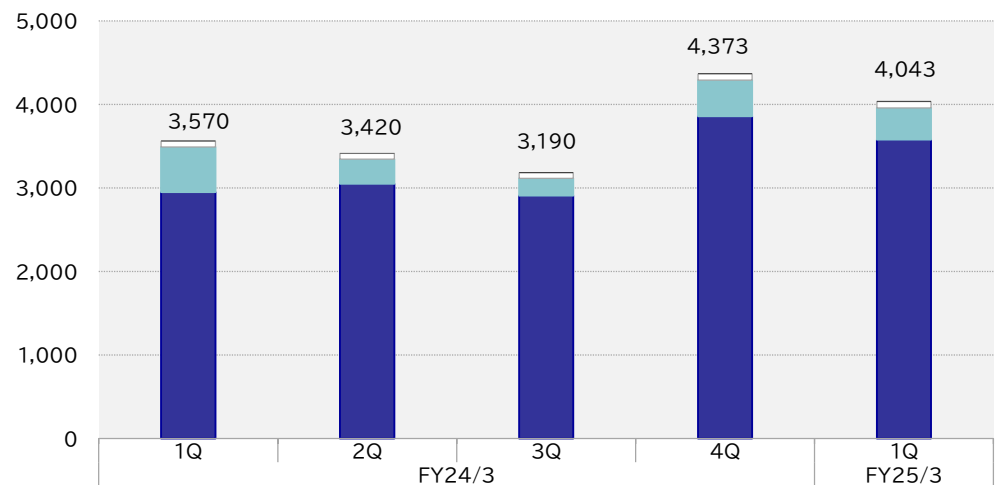
One year	Ended March 31, 2023 (FY23/3)	Ended March 31, 2024 (FY24/3)	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
				1Q	2Q	3Q	4Q	1Q		
Commission received	9,587	12,775	133.3%	2,952	3,051	2,910	3,860	3,579	92.7%	121.2%
Net trading income	1,379	1,470	106.6%	539	294	204	431	378	87.6%	70.0%
Financial revenue	202	282	139.2%	70	68	68	74	79	106.2%	112.0%
Other	26	25	95.1%	6	6	6	6	6	99.7%	94.9%
Operating revenue	11,196	14,554	130.0%	3,570	3,420	3,190	4,373	4,043	92.5%	113.3%

■ Commission received ■ Net trading income □ Financial revenue ▣ Other

(Millions of yen)



(Millions of yen)



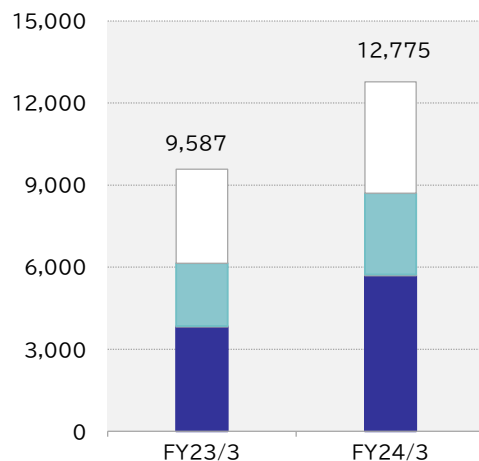
Commission Received (Commission by line item) MITO SECURITIES CO., LTD.

- Brokerage commission : 1,506 million yen (110.4% YoY) mainly due to an increase in the volume of stock brokered
- Fees for offering, secondary distribution and solicitation of selling and others for professional investors : 815 million yen (120.1% YoY) due to an increase in investment trust sales commissions
- Other fees received : 1,238 million yen (137.1% YoY) mainly due to increases in agency commission for investment trusts and commission for mutual fund wraps.

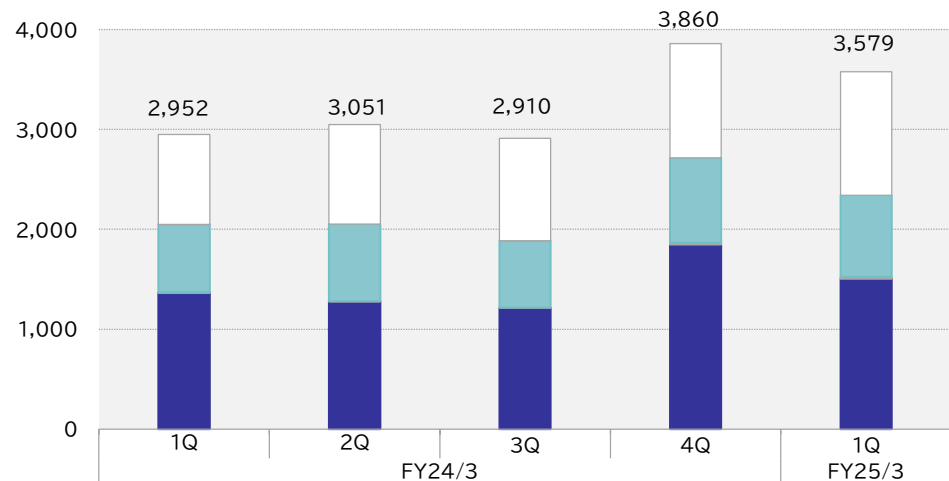
(Millions of yen)

One year	Ended March 31, 2023 (FY23/3)	Ended March 31, 2024 (FY24/3)	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
				1Q	2Q	3Q	4Q	1Q		
■ Brokerage commission	3,826	5,704	149.1%	1,365	1,277	1,215	1,847	1,506	81.6%	110.4%
■ Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	24	31	127.9%	5	3	2	19	19	97.9%	356.3%
■ Fee for offering, secondary distribution and solicitation for selling and others for professional investors	2,299	2,969	129.1%	678	771	669	849	815	96.0%	120.1%
□ Other commission received	3,436	4,070	118.5%	903	998	1,024	1,144	1,238	108.2%	137.1%
Commission received	9,587	12,775	133.3%	2,952	3,051	2,910	3,860	3,579	92.7%	121.2%

(Millions of yen)



(Millions of yen)



Commission Received (Commission by product) MITO SECURITIES CO., LTD.

■ Stock: 1,502 million yen (110.3% YoY)

■ Beneficiary certificates: 2,053 million yen (130.2% YoY)

* Please refer to the slides 17 to 20 for market value balances, fees, etc. for each product type.

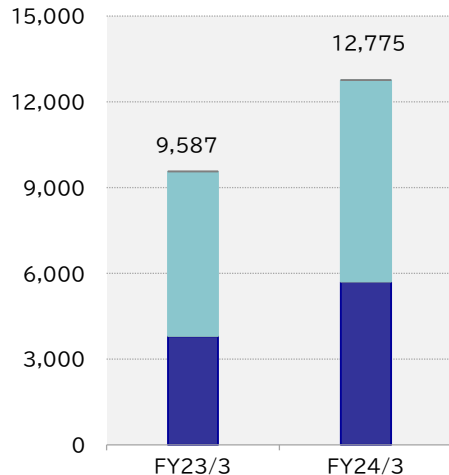
(Millions of yen)

One year	Ended March 31, 2023 (FY23/3)	Ended March 31, 2024 (FY24/3)	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
				1Q	2Q	3Q	4Q	1Q		
Stocks	3,802	5,697	149.8%	1,362	1,279	1,211	1,844	1,502	81.5%	110.3%
Bonds	17	26	147.5%	4	0	1	18	19	101.5%	410.5%
Beneficiary Certificates *	5,731	7,025	122.6%	1,576	1,764	1,692	1,991	2,053	103.1%	130.2%
Other	34	26	77.0%	9	6	5	5	4	82.9%	53.3%
Commission received	9,587	12,775	133.3%	2,952	3,051	2,910	3,860	3,579	92.7%	121.2%

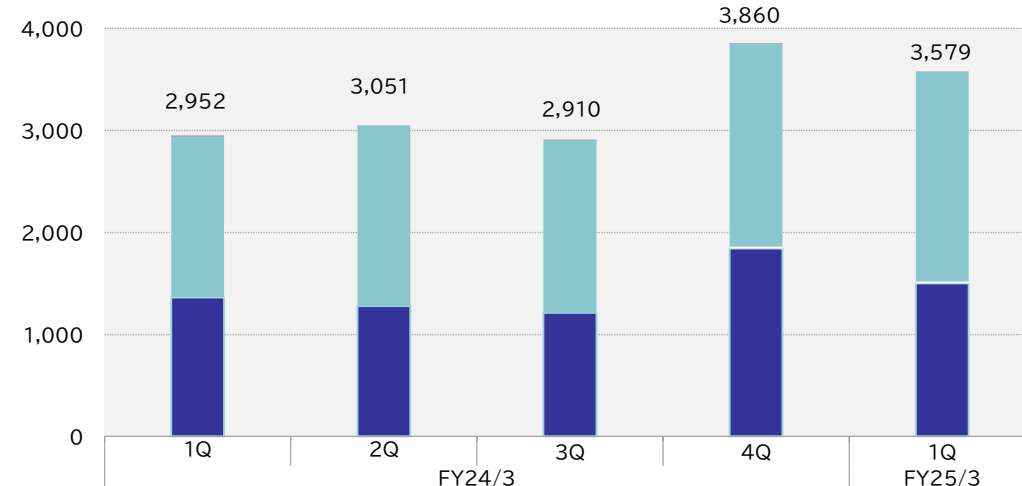
*Including fund wraps, etc.

■ Stocks ■ Bonds ■ Beneficiary Certificates * ■ Other

(Millions of yen)



(Millions of yen)



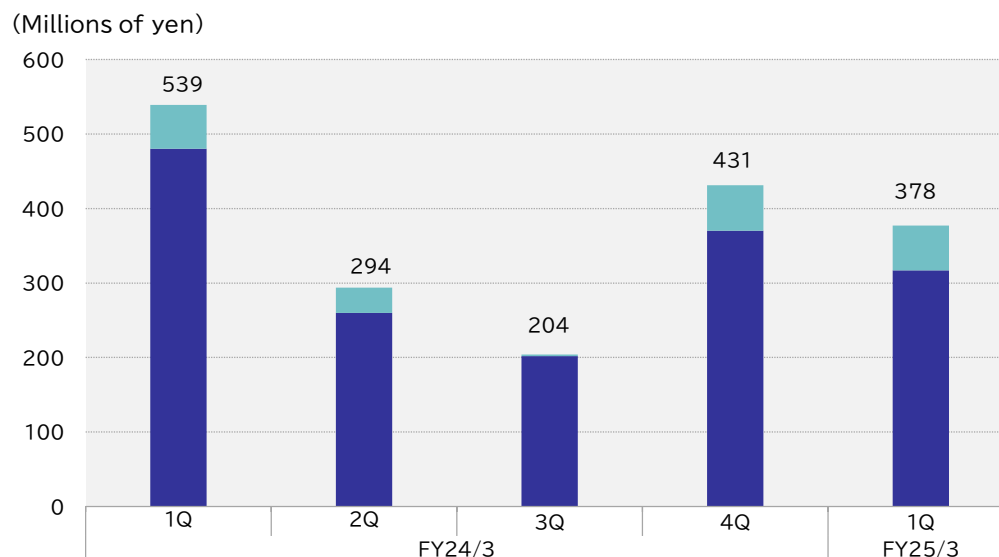
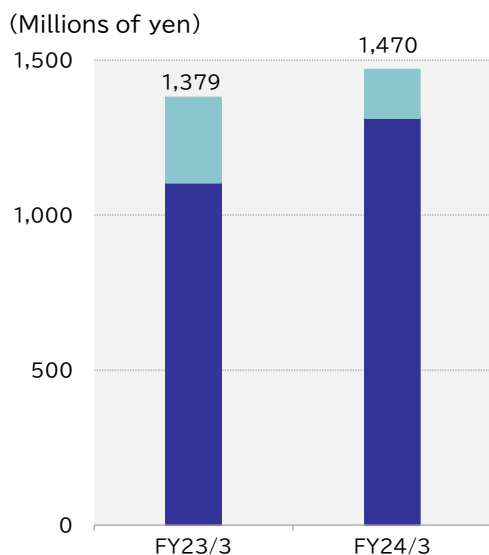
Breakdown of Net Trading Income

- Net trading income(Stocks, etc.): 317 million yen (66.1 % YoY) due to a decrease in the trading value of US stocks
- Net trading income(Bonds, foreign exchange , etc.): 60 million yen (101.9 % YoY)

(Millions of yen)

One year	Ended March 31, 2023 (FY23/3)	Ended March 31, 2024 (FY24/3)	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
				1Q	2Q	3Q	4Q	1Q		
Stocks, etc.	1,105	1,313	118.9%	480	260	202	370	317	85.8%	66.1%
Bonds, foreign exchange, etc.:	274	156	57.2%	59	34	2	61	60	98.4%	101.9%
(Bonds, etc.)	166	1	0.8%	△9	6	8	△3	△3	—	—
(Foreign exchange, etc.)	108	155	143.5%	69	28	△6	64	63	98.4%	91.8%
Net trading income	1,379	1,470	106.6%	539	294	204	431	378	87.6%	70.0%

■ Stocks, etc. ■ Bonds, foreign exchange, etc.:



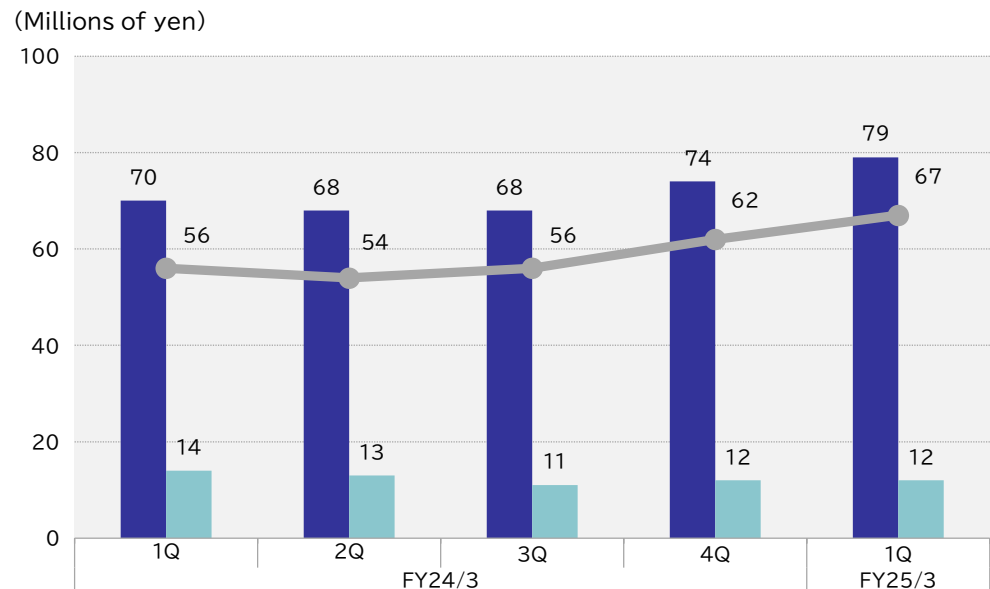
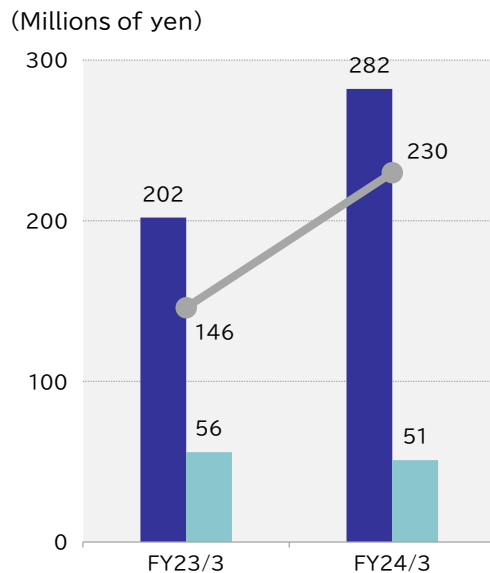
Breakdown of Financial Revenue and Expenses

- Financial revenue: 79 million yen (112.0% YoY)
- Financial expenses: 12 million yen (84.8 YoY)
- Financial revenue and expenses (financial revenue deducted by financial expenses): 67 million yen (118.9% YoY)

(Millions of yen)

One year	Ended March 31, 2023 (FY23/3)	Ended March 31, 2024 (FY24/3)	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
				1Q	2Q	3Q	4Q	1Q		
Financial revenue	202	282	139.2%	70	68	68	74	79	106.2%	112.0%
Financial expenses	56	51	91.7%	14	13	11	12	12	99.4%	84.8%
Financial revenue and expenses	146	230	157.4%	56	54	56	62	67	107.5%	118.9%

■ Financial revenue ■ Financial expenses ● Financial revenue



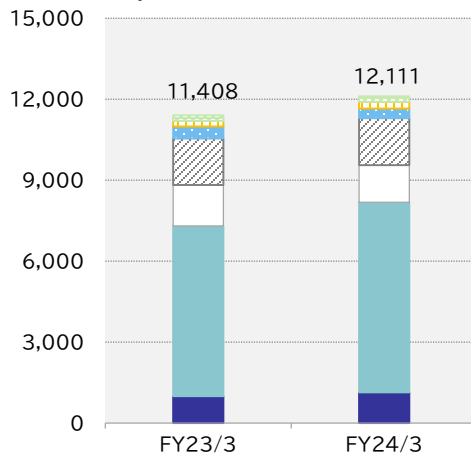
Breakdown of Selling, General and Administrative Expenses

- Selling, general and administrative expenses: 3,226 million yen (108.9% YoY) due to an increase in “Personnel expenses,” “Real estate expenses,” “Administrative outsourcing expenses,” and others.

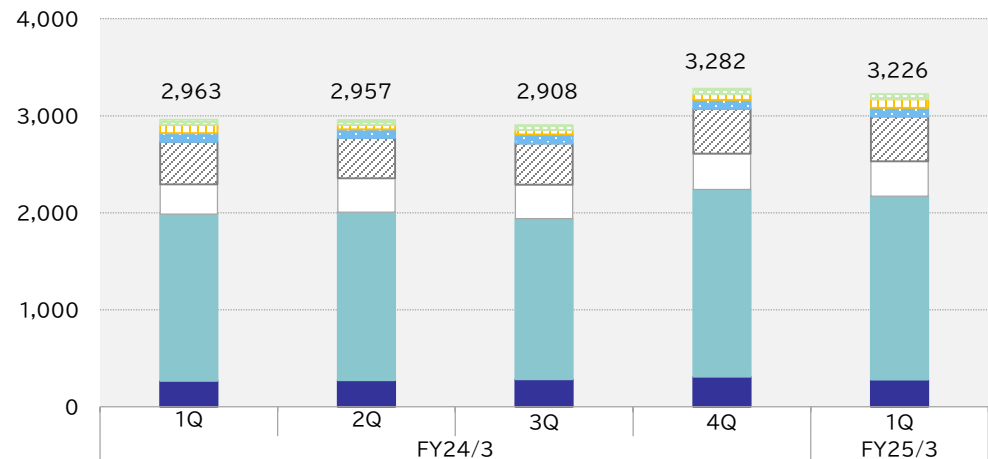
(Millions of yen)

One year	Ended March 31, 2023 (FY23/3)	Ended March 31, 2024 (FY24/3)	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
				1Q	2Q	3Q	4Q	1Q		
Trading related expenses	997	1,135	113.8%	266	273	283	311	282	90.7%	106.1%
Personnel expenses	6,311	7,042	111.6%	1,721	1,733	1,658	1,929	1,890	98.0%	109.8%
Real estate expenses	1,518	1,379	90.9%	307	350	350	370	359	96.9%	116.7%
Office expenses	1,725	1,740	100.8%	438	414	425	460	461	100.1%	105.1%
Depreciation	443	365	82.3%	89	90	91	93	90	96.6%	100.8%
Taxes and dues	199	238	120.0%	85	46	47	59	87	147.8%	102.1%
Other	211	208	98.7%	52	48	50	57	54	94.9%	103.2%
Selling, general and administrative expenses	11,408	12,111	106.2%	2,963	2,957	2,908	3,282	3,226	98.3%	108.9%

(Millions of yen)



(Millions of yen)

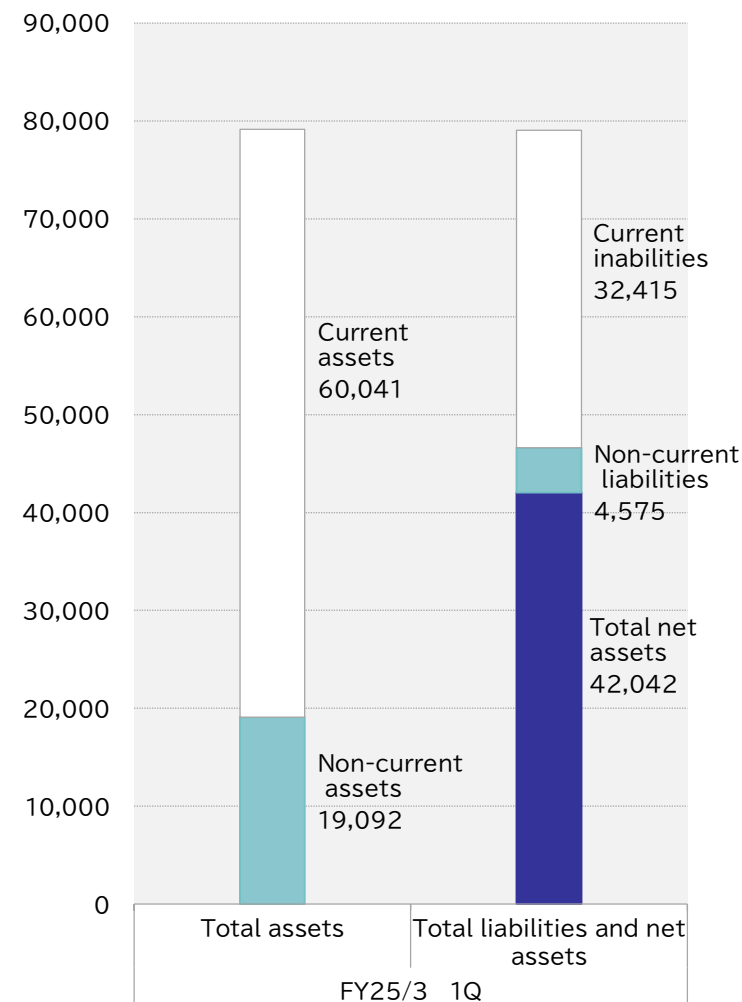


Balance Sheet Summary

(Millions of yen)

	As of March 31, 2023 (FY23/3)	As of March 31, 2024 (FY24/3)	As of June 30, 2024 (FY25/3 1Q)	Comparison to March 31, 2024 (FY24/3)
Assets				
Current assets	48,424	54,446	60,041	110.3%
Non-current assets	13,139	19,586	19,092	97.5%
Total assets	61,564	74,033	79,134	106.9%
Liabilities				
Current inabilities	18,710	25,861	32,415	125.3%
Non-current liabilities	3,727	5,249	4,575	87.2%
Total liabilities	22,540	31,205	37,091	118.9%
Net assets				
Total net assets	39,024	42,827	42,042	98.2%
Total liabilities and net assets	61,564	74,033	79,134	106.9%

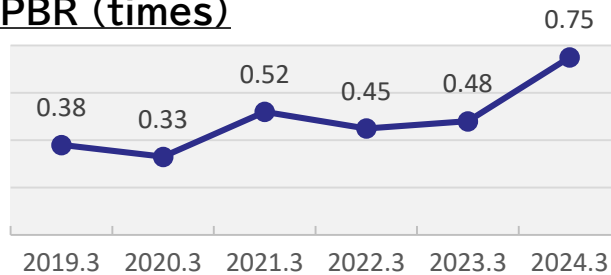
(Millions of yen)



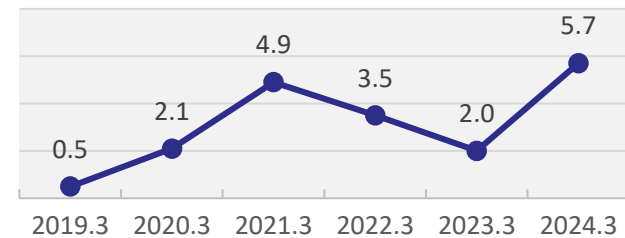
Actions to Achieve Management Conscious of Capital Costs and Stock Prices

- While our efforts under the Sixth Medium-term Management Plan are progressing well, we recognize that our ROE is still below our capital costs (6–9%) and that our PBR remains below 1.0x.
- To enhance our corporate value, we will focus on improving PBR and ROE through customer-centric business practices and by further strengthening our investment proposal capabilities, human capital investment, and organizational responsiveness.

PBR (times)



ROE (%)



Increase in corporate value	Important item	Specific initiatives
Improvement of ROE	Expansion of customer base and sales base	Offer financial services with value-added features for customers
		Build competitive advantage as a community-based face-to-face securities firm
		Expand customer base by solving local issues and increasing presence
	Increase in cash flow	Strengthen organizational responsiveness to improve customer lifetime value
		Increase productivity through human capital investment, digitalization, etc.
		Improve cost coverage ratio through SG&A stock income
Efficient use of capital	Implement capital control with consideration of shareholder value	
Reduction in cost of shareholders' equity	Growth strategy	Achieve sustainable growth and consider non-continuous growth strategies
Increase in expected growth rate	Corporate Governance	Implement capital cost management
	IR	Enhance market-oriented information disclosure and dialogue

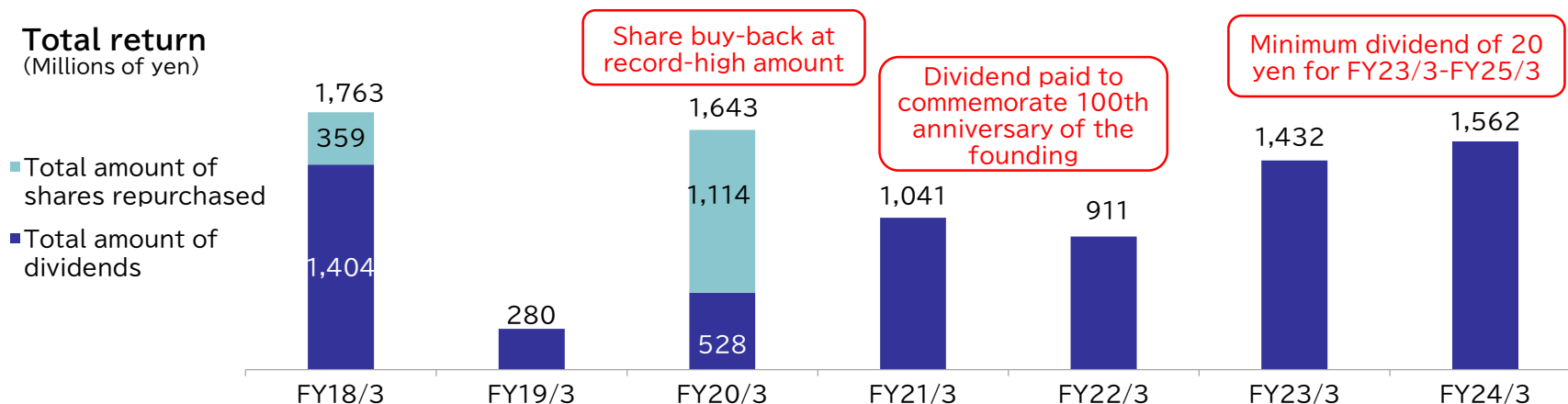


II. Reference Information

Shareholder Return

- The Company has set the minimum annual dividend for the Sixth Medium-Term Management Plan, from the fiscal year ended March 2023 to the fiscal year ending March 2025, at ¥20.00 (announced on January 20, 2023).
- Dividend policy: To be implemented based on a dividend payout ratio of approximately 50%, taking into account continuity, status of net assets, and other management decisions.
- Acquired 897,600 treasury shares (477,042,700 yen) and cancelled 5 million treasury shares during 1Q FY25/3

Total return (Millions of yen)



Dividend per share (yen)	FY18/3		FY19/3		FY20/3		FY21/3		FY22/3		FY23/3		FY24/3	
	2Q-end	Fiscal year end	2Q-end	Fiscal year end	2Q-end	Fiscal year end	2Q-end	Fiscal year end	2Q-end	Fiscal year end	2Q-end	Fiscal year end	2Q-end	Fiscal year end
Half-year	5	15	2	2	4	4	6	10 Regular: 8 Commemorative: 2	8 Regular: 6 Commemorative: 2	6	2	20	10	14
Full-year	20		4		8		16		14		22		24	
Dividend payout ratio	54.2%		150.4%		67.4%		55.1%		64.4%		183.2%		66.4%	
Total return ratio	68.3%		150.4%		207.6%		55.1%		64.4%		183.2%		66.4%	

Fourth Medium-Term Management Plan

Fifth Medium-Term Management Plan

Sixth Medium-Term Management Plan

Assets under custody (Market value balance)

MITO SECURITIES CO., LTD.

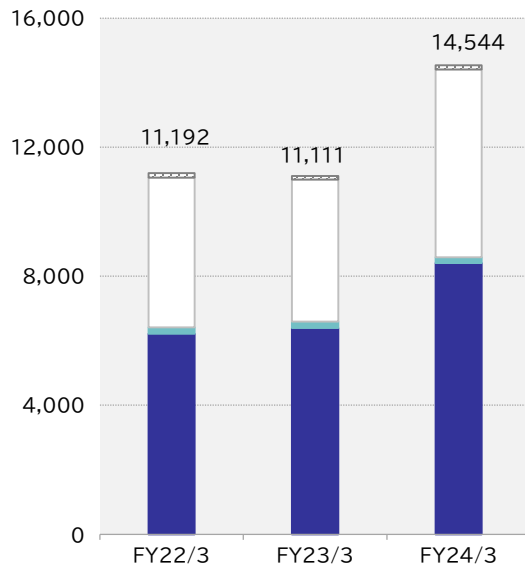
(100 millions of yen)

	FY22/3	FY23/3	FY24/3	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
					1Q	2Q	3Q	4Q	1Q		
Shares	6,213	6,392	8,409	131.6%	7,134	7,370	7,373	8,409	8,665	103.0%	121.5%
Bonds	203	197	177	90.2%	191	171	170	177	189	106.4%	98.8%
Beneficiary certificates *	4,642	4,412	5,822	132.0%	4,947	4,958	5,223	5,822	6,207	106.6%	125.5%
Other	135	111	135	121.9%	139	122	135	135	145	106.9%	104.1%
Assets under custody	11,192	11,111	14,544	130.9%	12,410	12,621	12,901	14,544	15,206	104.6%	122.5%

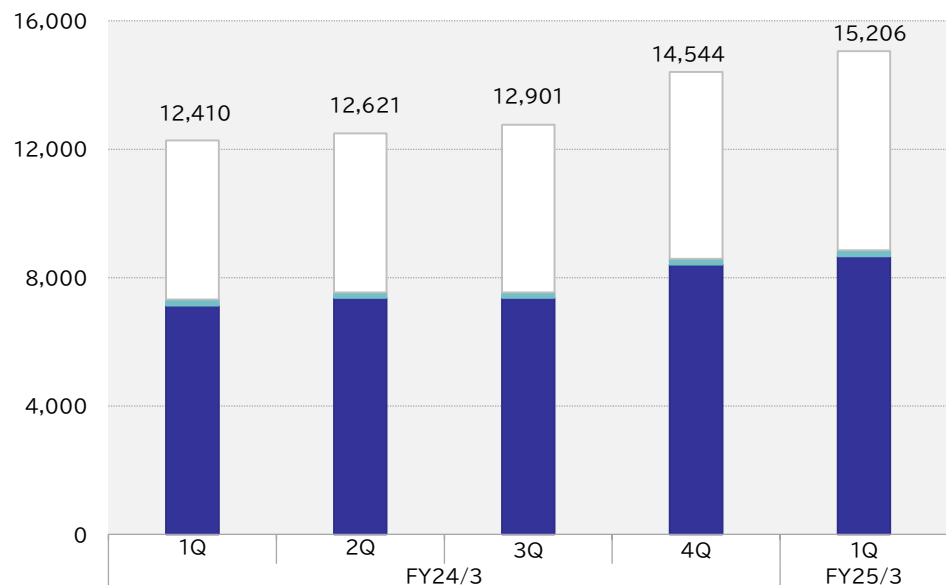
※ Including fund wraps and cumulative investment

■ Shares ■ Bonds □ Beneficiary certificates * ▨ Other

(100 millions of yen)



(100 millions of yen)



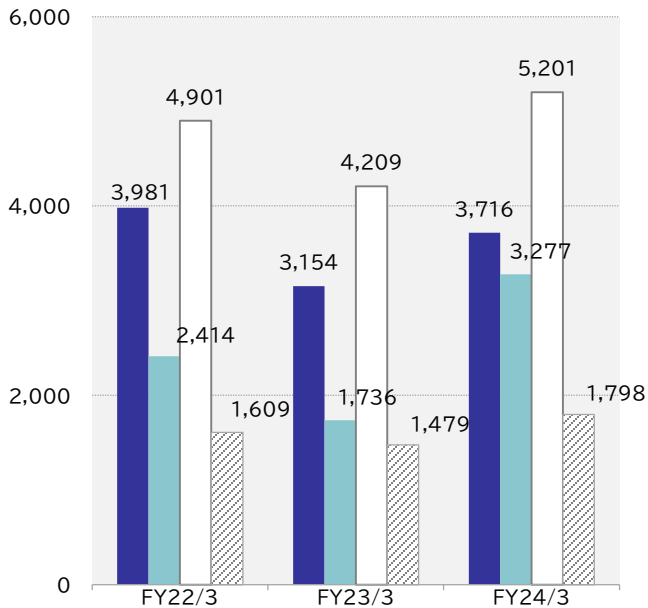
Major Revenues

(Millions of yen)

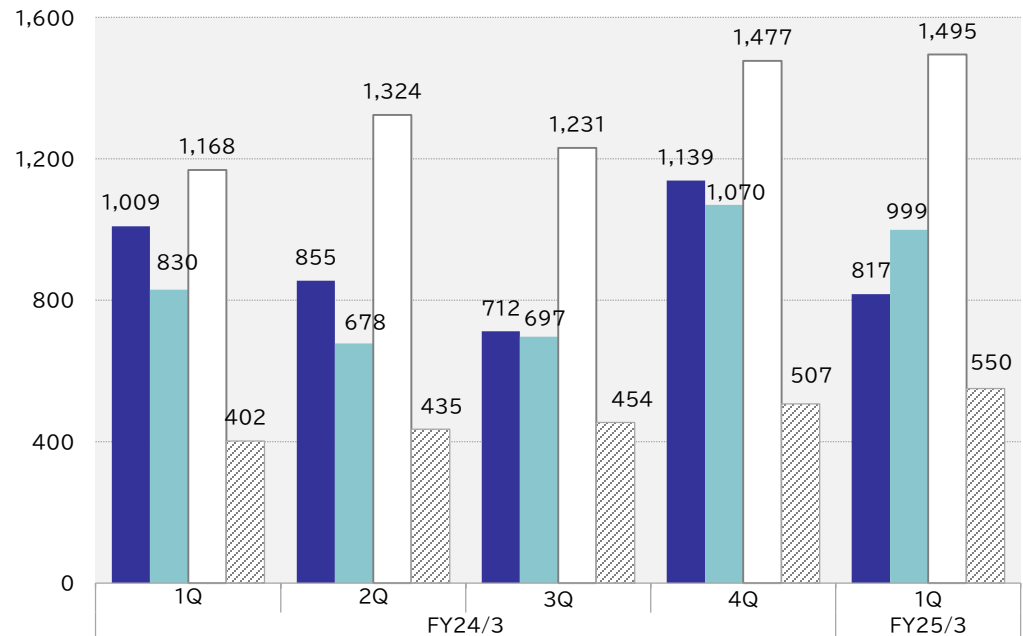
	FY22/3	FY23/3	FY24/3	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
					1Q	2Q	3Q	4Q	1Q		
Japanese stocks	3,981	3,154	3,716	117.8%	1,009	855	712	1,139	817	71.7%	81.0%
Foreign stocks (Brokerage transaction / over-the-counter transactions)	2,414	1,736	3,277	188.8%	830	678	697	1,070	999	93.3%	120.3%
Investment trust (including agency fee)	4,901	4,209	5,201	123.6%	1,168	1,324	1,231	1,477	1,495	101.3%	128.0%
Fund wrap reward	1,609	1,479	1,798	121.6%	402	435	454	507	550	108.5%	136.7%

■ Japanese stocks ■ Foreign stocks □ Investment trust ▨ Fund wrap reward

(Millions of yen)

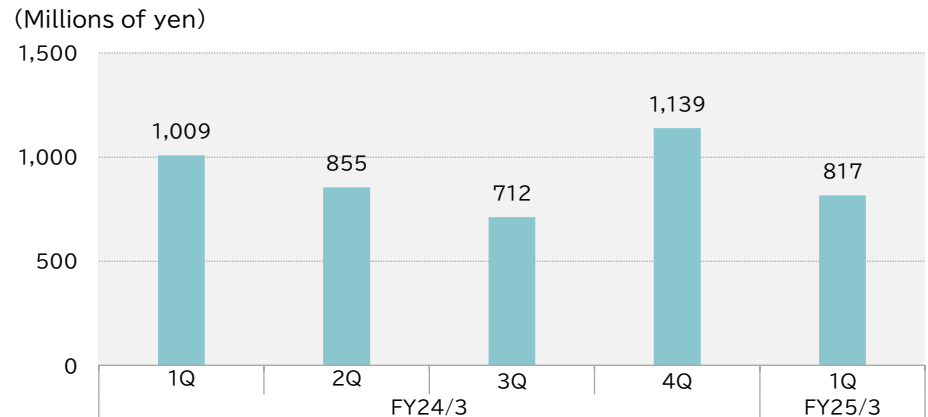
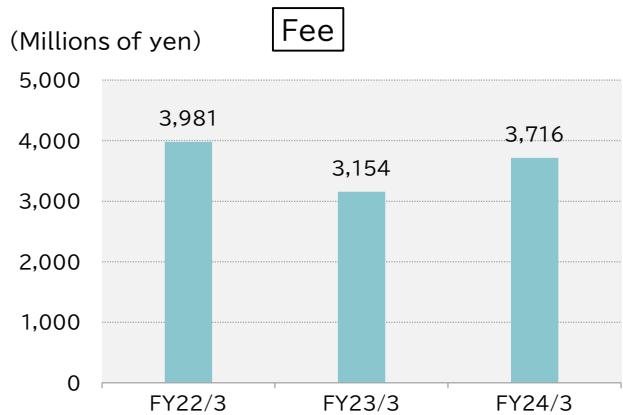
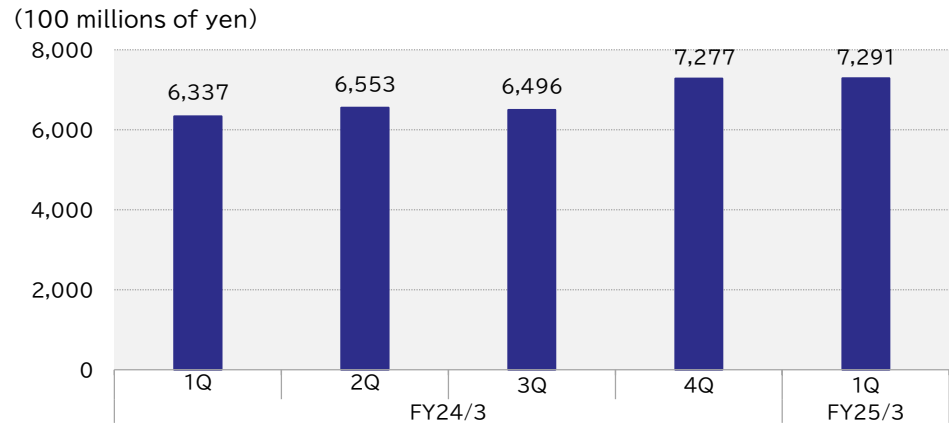
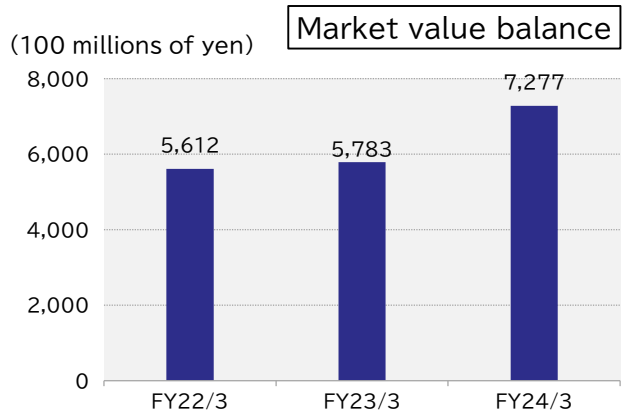


(Millions of yen)



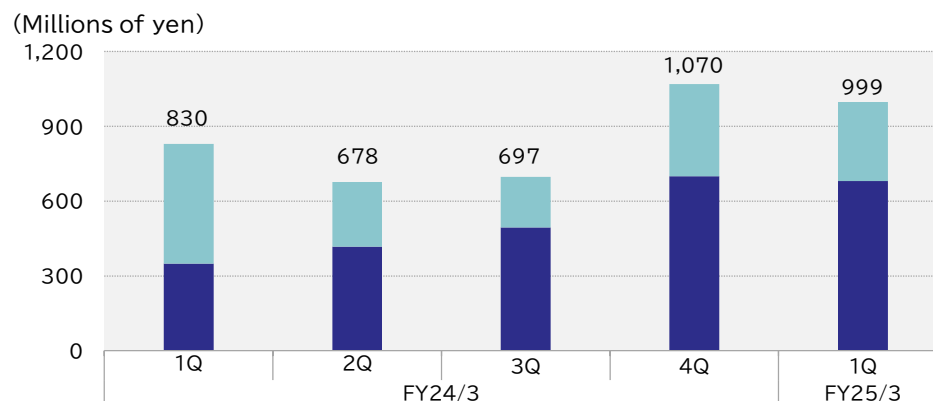
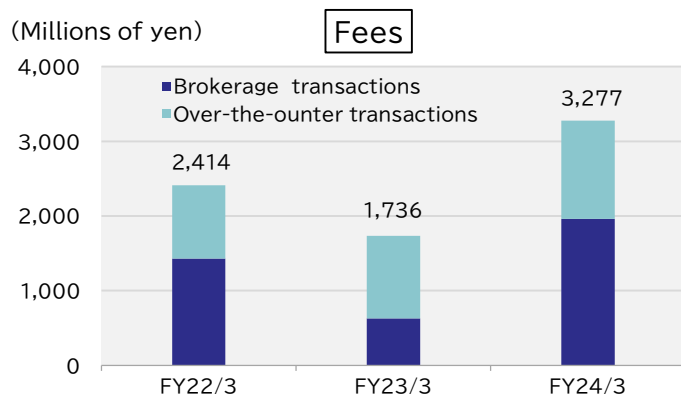
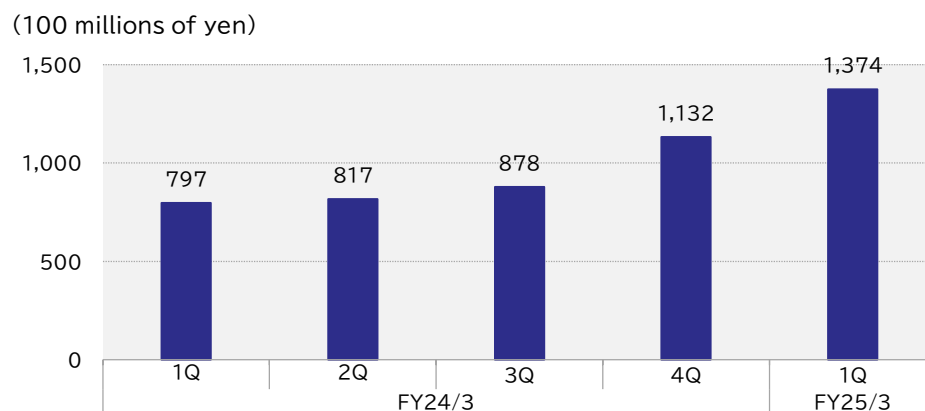
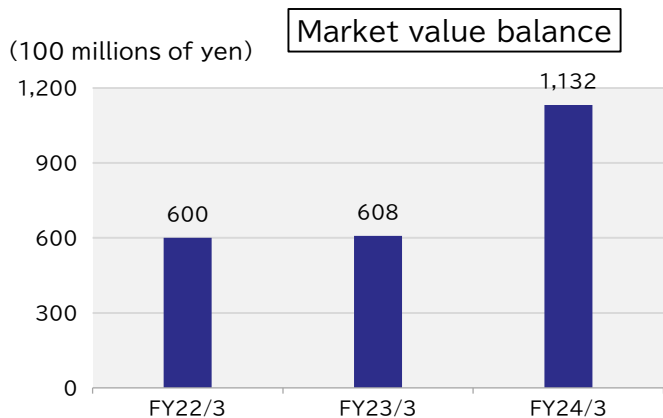
Domestic Stocks

	FY22/3	FY23/3	FY24/3	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
					1Q	2Q	3Q	4Q	1Q		
Market value balance (100 millions of yen)	5,612	5,783	7,277	125.8%	6,337	6,553	6,496	7,277	7,291	100.2%	115.1%
Fee (Millions of yen)	3,981	3,154	3,716	117.8%	1,009	855	712	1,139	817	71.7%	81.0%



Foreign Stocks (U.S. Stocks)

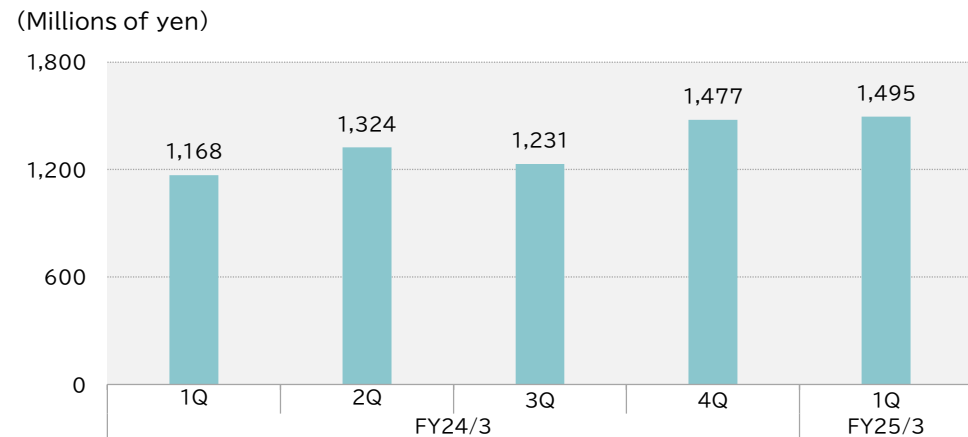
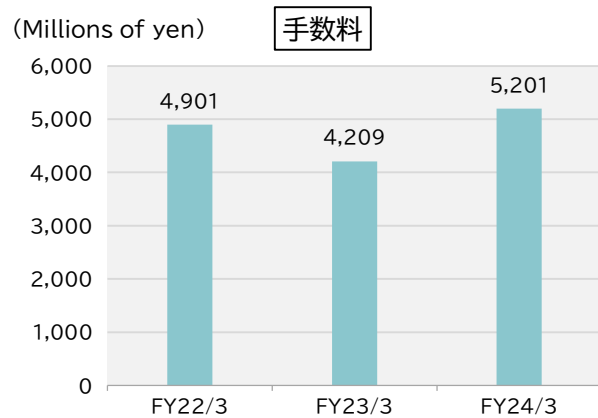
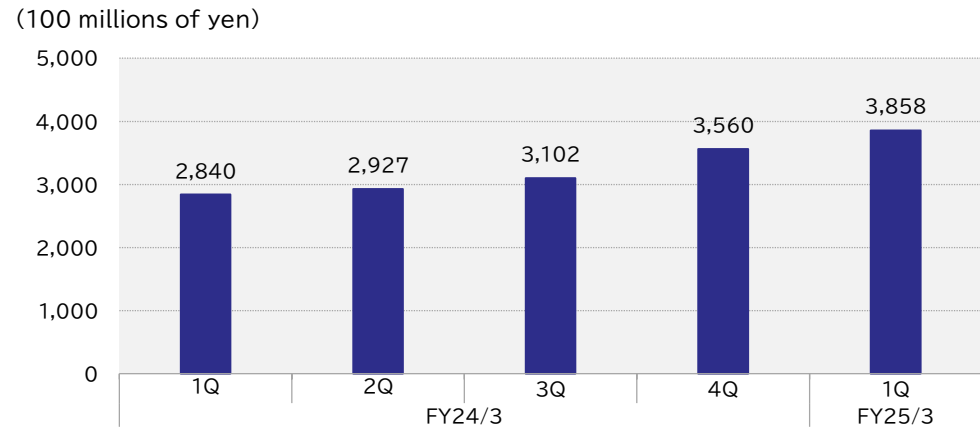
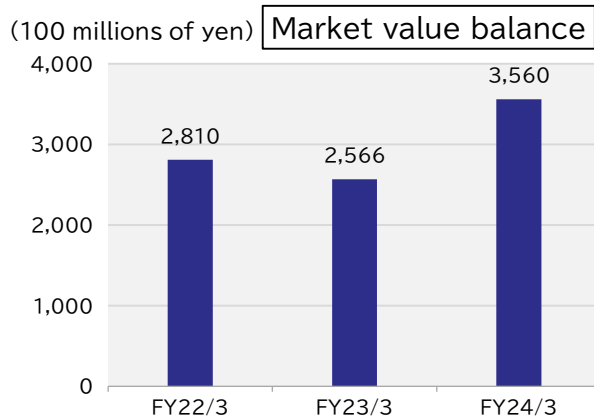
	FY22/3	FY23/3	FY24/3	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
					1Q	2Q	3Q	4Q	1Q		
Market value balance (100 millions of yen)	600	608	1,132	186.0%	797	817	878	1,132	1,374	121.4%	172.4%
Fees (Millions of yen)	2,414	1,736	3,277	188.8%	830	678	697	1,070	999	93.3%	120.3%
Of which: Brokerage transactions	1,431	630	1,963	311.5%	349	417	495	700	681	97.3%	194.8%
Of which: Over-the-counter transactions	982	1,105	1,314	118.8%	480	260	202	370	317	85.8%	66.1%



Investment trusts

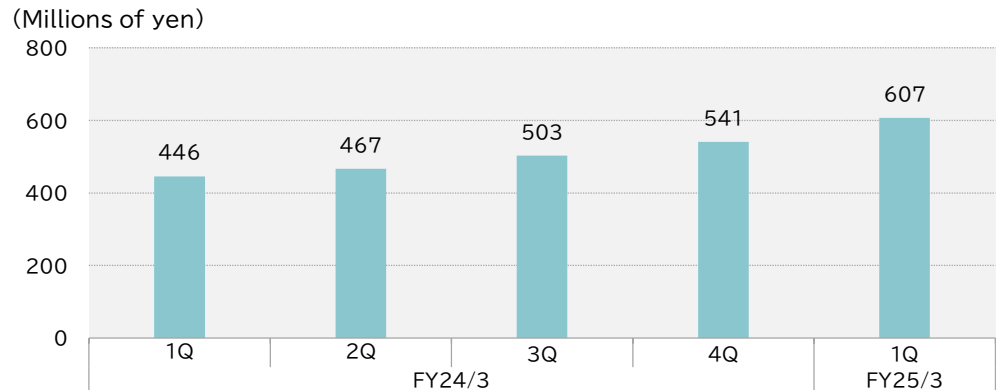
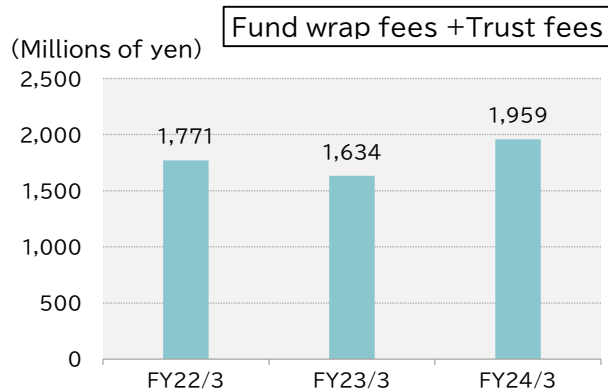
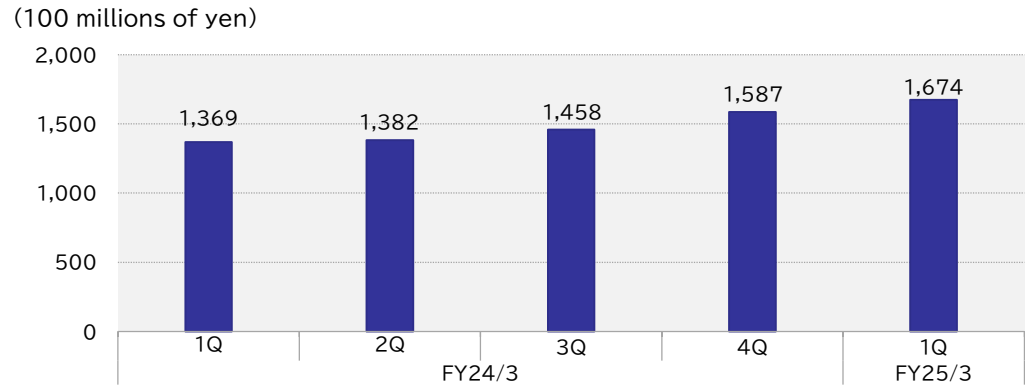
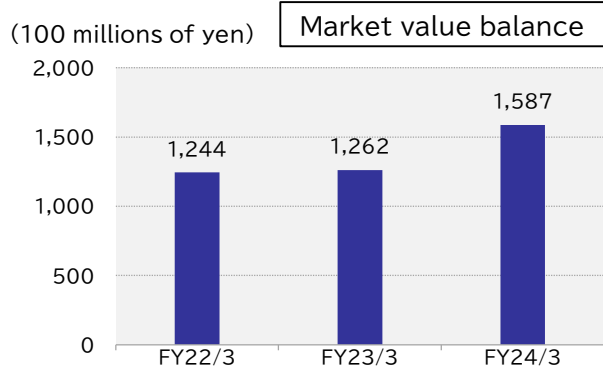
Market value balance of equity investment trusts
(excluding fund wraps, MRFs and foreign currency MMFs)

	FY22/3	FY23/3	FY24/3	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
					1Q	2Q	3Q	4Q	1Q		
Market value balance (100 millions of yen)	2,810	2,566	3,560	138.8%	2,840	2,927	3,102	3,560	3,858	108.4%	135.8%
Fees (including agency fees, millions of yen)	4,901	4,209	5,201	123.6%	1,168	1,324	1,231	1,477	1,495	101.3%	128.0%



Mito Fund Wrap

	FY22/3	FY23/3	FY24/3	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
					1Q	2Q	3Q	4Q	1Q		
Market value balance (100 millions of yen)	1,244	1,262	1,587	125.7%	1,369	1,382	1,458	1,587	1,674	105.5%	122.3%
Fund wrap fees + Trust fees (Millions of yen)	1,771	1,634	1,959	119.9%	446	467	503	541	607	112.2%	136.1%
Cumulative number of contracts (cases)	9,607	10,888	12,261	112.6%	11,172	11,517	11,887	12,261	12,731	103.8%	114.0%

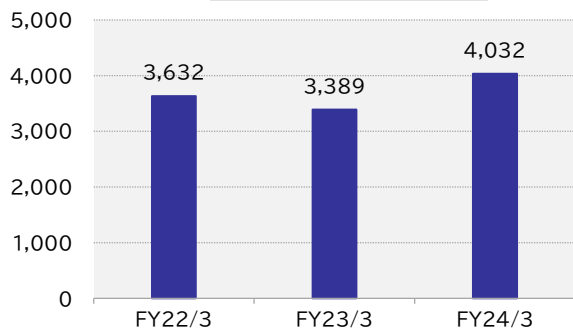


Recurring Revenue and SG&A Expense Coverage Ratio MITO SECURITIES CO., LTD.

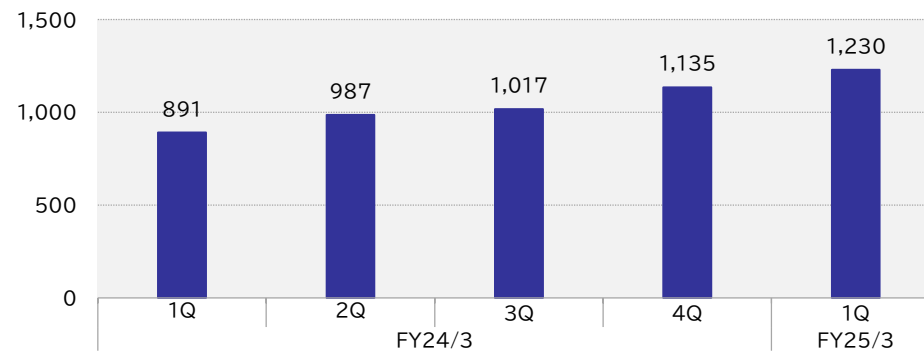
(Millions of yen)

one year	FY22/3	FY23/3	FY24/3	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
					1Q	2Q	3Q	4Q	1Q		
Recurring revenue	3,632	3,389	4,032	119.0%	891	987	1,017	1,135	1,230	108.4%	138.0%
Of which: Investment trust agency commissions	2,022	1,909	2,233	117.0%	489	552	562	628	680	108.3%	139.1%
Of which: Fund wrap fees	1,609	1,479	1,798	121.6%	402	435	454	507	550	108.5%	136.7%
Recurring revenue's SG&A coverage ratio	30.0%	29.7%	33.3%	—	30.1%	33.4%	35.0%	34.6%	38.2%	—	—

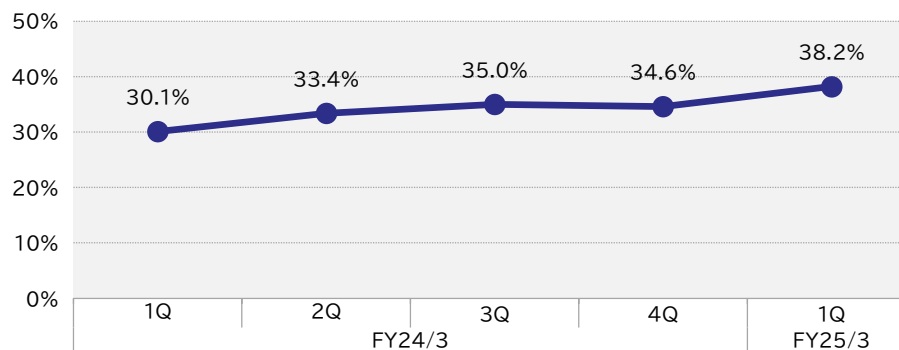
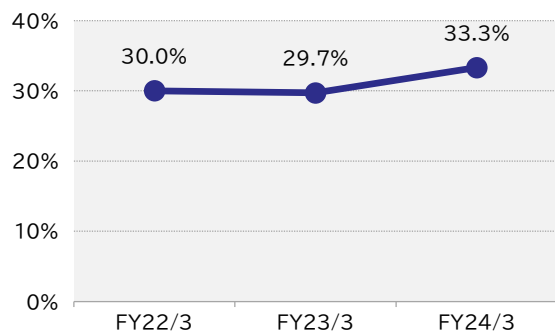
(Millions of yen) **Recurring revenue**



(Millions of yen)



Recurring revenue's SG&A coverage ratio

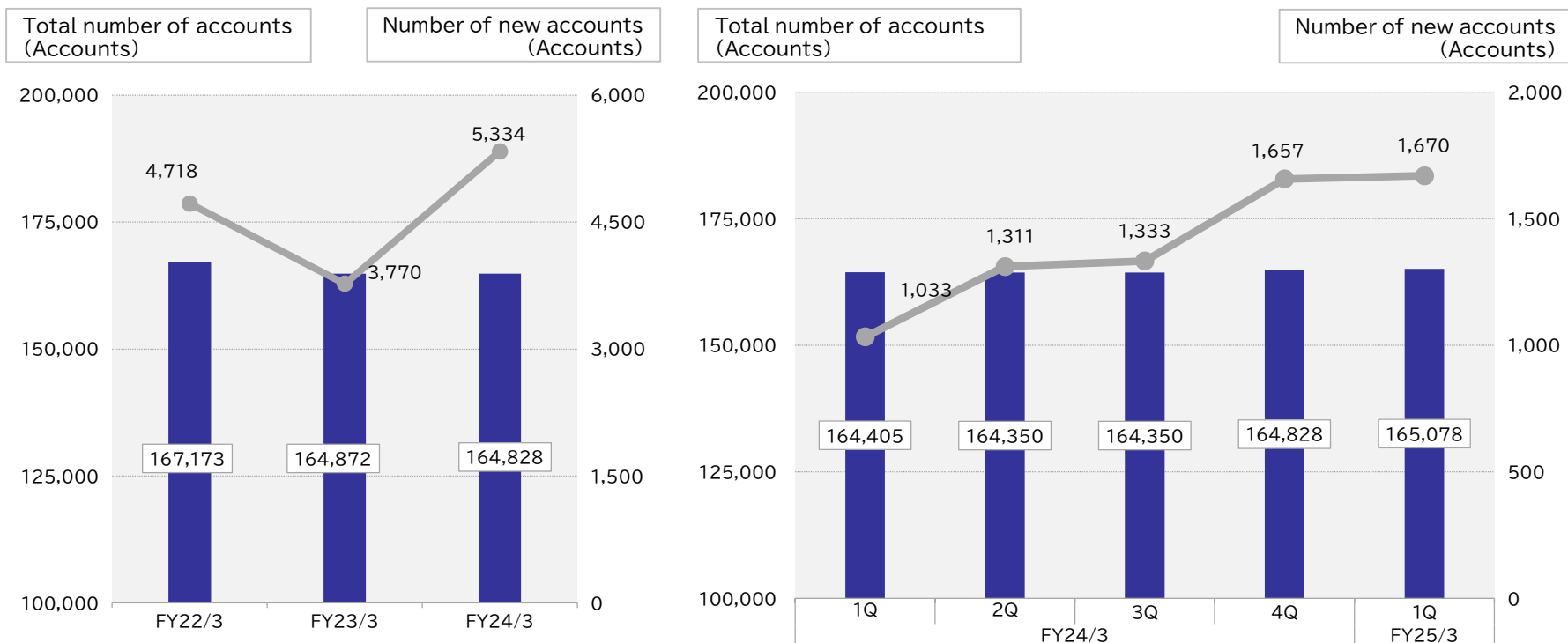


Number of Customer Accounts

(Accounts)

	FY22/3	FY23/3	FY24/3	Year-on-Year change	FY24/3				FY25/3	Quarter-on-quarter change	Year-on-year change
					1Q	2Q	3Q	4Q	1Q		
Total number of accounts	167,173	164,872	164,828	100.0%	164,405	164,350	164,350	164,828	165,078	100.2%	100.4%
Of which: retail	157,162	154,719	154,617	99.9%	154,237	154,184	154,145	154,617	154,873	100.2%	100.4%
Number of new accounts opened	4,718	3,770	5,334	141.5%	1,033	1,311	1,333	1,657	1,670	100.8%	161.7%

■ Total number of accounts ● Number of new accounts opened





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Note :

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Mito Securities Co., Ltd.

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