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Consolidated Financial Results for the Six Months Ended September 30, 2023 (Under Japanese GAAP)

October 30, 2023

Company name: Marusan Securities Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 8613 URL: <https://www.marusan-sec.co.jp/>
 Representative: Minoru Kikuchi, President & Representative Director
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 Scheduled date to file quarterly securities report: November 13, 2023
 Scheduled date to commence dividend payment: December 1, 2023
 Preparation of supplementary material on quarterly financial results : Yes
 Holding of quarterly financial results briefing : Yes (For institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

(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, 2023	9,058	21.1	9,030	21.3	1,605	—	1,902	433.7	1,335	314.8
September 30, 2022	7,479	△21.6	7,446	△21.6	39	△97.7	356	△82.0	322	△76.5

Note: Comprehensive income For the six months ended September 30, 2023: 3,179 million yen (— %)
 For the six months ended September 30, 2022: △ 447 million yen (— %)

	Net income per share	Diluted net income per share
Six months ended	Yen	Yen
September 30, 2023	20.38	20.38
September 30, 2022	4.90	4.90

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2023	80,399	48,890	60.6	741.31
March 31, 2023	67,601	46,086	67.9	700.13

Reference: Equity As of September 30, 2023 : 48,705 million yen As of March 31, 2023 : 45,874 million yen

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	—	5.00	—	7.00	12.00
Fiscal year ending March 31, 2024	—	25.00			

* Notes

- (1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries resulting in the change in scope of consolidation) : None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements : None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations : None
 - (ii) Changes in accounting policies due to other reasons : None
 - (iii) Changes in accounting estimates : None
 - (iv) Restatement : None

(4) Number of issued shares (common shares)

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

As of September 30, 2023	67,398,262 shares
As of March 31, 2023	67,398,262 shares

- (ii) Number of treasury shares at the end of the period

As of September 30, 2023	1,695,825 shares
As of March 31, 2023	1,875,325 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2023	65,537,488 shares
Six months ended September 30, 2022	65,768,645 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31,2023	As of September 30,2023
Assets		
Current assets		
Cash and deposits	30,978	38,616
Segregated deposits	10,602	11,746
Segregated deposits for customers	10,582	11,726
Other segregated deposits	20	20
Trading products	627	579
Trading securities and other	627	579
Derivatives	0	0
Trade date accrual	-	27
Margin transaction assets	5,507	6,147
Margin loans	5,265	6,074
Cash collateral provided for securities borrowed in margin transactions	242	73
Advances paid	4	5
Deposits paid for underwritten offering, etc.	2,316	2,984
Accrued revenue	1,352	1,576
Other securities	49	49
Other current assets	442	235
Total current assets	51,880	61,969
Non-current assets		
Property, plant and equipment	2,660	2,662
Buildings, net	870	883
Equipment	488	441
Land	1,299	1,288
Construction in progress	1	49
Intangible assets	304	312
Software	297	305
Telephone subscription right	7	7
Investments and other assets	12,756	15,455
Investment securities	10,935	13,623
Long-term loans receivable	1	0
Long-term guarantee deposits	720	716
Long-term prepaid expenses	24	18
Retirement benefit asset	966	978
Other	108	117
Total non-current assets	15,721	18,429
Total assets	67,601	80,399

(Millions of yen)

	As of March 31,2023	As of September 30,2023
Liabilities		
Current liabilities		
Trade date accrual	4	-
Margin transaction liabilities	596	745
Margin borrowings	209	569
Cash received for securities sold in margin transactions	387	175
Borrowings secured by securities	49	70
Cash collateral received for securities lent	49	70
Deposits received	11,099	19,457
Guarantee deposits received	1,371	1,230
Short-term borrowings	2,750	2,750
Income taxes payable	42	715
Provision for bonuses	824	942
Other current liabilities	853	971
Total current liabilities	17,591	26,884
Non-current liabilities		
Deferred tax liabilities	2,790	3,532
Retirement benefit liability	854	841
Long-term accounts payable - other	14	-
Other noncurrent liabilities	99	96
Total non-current liabilities	3,757	4,470
Reserves under special laws		
Reserve for financial instruments transaction liabilities	165	154
Total reserves under special laws	165	154
Total liabilities	21,515	31,508
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	331	348
Retained earnings	30,245	31,122
Treasury shares	△970	△877
Total shareholders' equity	39,605	40,592
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,040	7,908
Remeasurements of defined benefit plans	228	204
Total accumulated other comprehensive income	6,269	8,113
Share acquisition rights	211	184
Total net assets	46,086	48,890
Total liabilities and net assets	67,601	80,399

Quarterly Consolidated Statements of Income

	(Millions of yen)	
	For the six months ended September 30,2022	For the six months ended September 30,2023
Operating revenue		
Commission received	7,277	8,963
Brokerage commission	2,057	3,397
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	46	59
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	2,178	2,275
Other commission received	2,995	3,230
Net trading income	47	21
Financial revenue	154	72
Total operating revenue	7,479	9,058
Financial expenses	32	27
Net operating revenue	7,446	9,030
Selling, general and administrative expenses		
Trading related expenses	625	591
Personnel expenses	4,416	4,636
Real estate expenses	715	729
Office expenses	982	795
Depreciation	254	225
Taxes and dues	103	119
Other	310	325
Total selling, general and administrative expenses	7,407	7,424
Operating profit	39	1,605
Non-operating income	323	297
Non-operating expenses	6	0
Ordinary profit	356	1,902
Extraordinary income		
Gain on repayment of subscription right to shares	15	14
Reversal of reserve for financial instruments transaction liabilities	0	11
Compensation income	37	-
Gain on sale of non-current assets	27	-
Gain on sale of investment securities	1	-
Total extraordinary income	81	25
Extraordinary losses		
Impairment losses	0	9
Loss on sale and retirement of non-current assets	1	1
Total extraordinary losses	1	10
Profit before income taxes	436	1,917
Income taxes – current	82	650
Income taxes – deferred	31	△68
Total income taxes	114	581
Profit	322	1,335
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	322	1,335

Quarterly Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	For the six months ended September 30,2022	For the six months ended September 30,2023
Profit	322	1,335
Other comprehensive income		
Valuation difference on available-for-sale securities	△747	1,868
Remeasurements of defined benefit plans, net of tax	△22	△24
Total other comprehensive income	△769	1,843
Comprehensive income	△447	3,179
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△447	3,179
Comprehensive income attributable to non-controlling interests	-	-