For the Fiscal Year Ended March 31, 2026

# TOYO SECURITIES CO., LTD.

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## Corporate Profile

***Connecting Times, Building Futures.***
*We grow with you across generations*
*as your trusted asset management partner,*
*helping shape a secure and promising tomorrow.*

Founded in 1916, we are proud to celebrate our 110th anniversary this year. For over a century, we have remained deeply committed to our three core management principles: *Trust*, *Value creation*, and *Expertise*. We want to express our gratitude to all our stakeholders whose continuous support has made this incredible journey possible.

Over the past 110 years of history, society and economics market have been changed dramatically. In today's rapid digitalized evolution, our clients' needs continue to change. To meet these new challenges, we constantly innovate and adapt, ensuring the delivery of high-quality services exceed expectations.

Rooted in the trust we have built over generations, we will continue our journey alongside the local community. We look forward to your continued support as we step into the future together.

# I. Summary of Selected Financial Data (Consolidated)

| | 100th term<br>Fiscal year ended<br>March 31, 2022 | 101th term<br>Fiscal year ended<br>March 31, 2023 | 102th term<br>Fiscal year ended<br>March 31, 2024 | 103th term<br>Fiscal year ended<br>March 31, 2025 | 104th term<br>Fiscal year ended<br>March 31, 2026 |
|---|---|---|---|---|---|
| Operating revenue (Millions of yen) | 10,864 | 8,341 | 12,023 | 11,289 | 13,576 |
| Net operating revenue (Millions of yen) | 10,773 | 8,146 | 11,793 | 10,995 | 13,213 |
| Ordinary profit (loss) (Millions of yen) | 579 | (1,660) | 1,437 | 1,036 | 3,259 |
| Profit (loss) attributable to owners of parent (Millions of yen) | 875 | (2,955) | 1,305 | 2,653 | 3,937 |
| Comprehensive income (Millions of yen) | 335 | (3,842) | 5,353 | (625) | 4,024 |
| Net assets (Millions of yen) | 38,437 | 34,200 | 39,404 | 30,122 | 30,639 |
| Total assets (Millions of yen) | 80,374 | 66,190 | 80,750 | 69,387 | 71,950 |
| Net assets per share (Yen) | 486.86 | 429.10 | 493.63 | 443.61 | 451.13 |
| Basic earnings (loss) per share (Yen) | 11.09 | (37.18) | 16.36 | 34.45 | 57.97 |
| Diluted earnings per share (Yen) | - | - | - | - | - |
| Equity ratio (%) | 47.8 | 51.6 | 48.7 | 43.4 | 42.5 |
| Return on equity (ROE) (%) | 2.2 | (8.1) | 3.5 | 7.6 | 12.9 |
| Price earnings ratio (PER) (Times) | 13.5 | - | 23.7 | 14.8 | 10.8 |
| Net cash provided by (used in) operating activities (Millions of yen) | (4,071) | (2,577) | 3,491 | 853 | (499) |
| Net cash provided by (used in) investing activities (Millions of yen) | 70 | 78 | 1,506 | 2,295 | 2,345 |
| Net cash provided by (used in) financing activities (Millions of yen) | (495) | (4,651) | (2,105) | (5,460) | (2,109) |
| Cash and cash equivalents at end of period (Millions of yen) | 28,286 | 21,346 | 24,566 | 22,181 | 22,217 |
| Number of employees (Persons) | 729 | 687 | 646 | 646 | 632 |

Note: Operating revenue and net operating revenue do not include consumption taxes.

## II. Message from the President

President Norihiro Ogawa

We sincerely thank you for your continued support of Toyo Securities.

Since our founding in 1916, we have served as a community-based, comprehensive securities company for more than a century, consistently supporting the securities industry through times of rapid change.

This enduring journey has been made possible only through the unwavering support of our customers, shareholders, local communities, and all our stakeholders, for which we are deeply grateful.

Guided by the spirit of valuing human connections—a principle handed down since our inception—we remain committed to exploring what it truly means to be "customer-centric" in a new era. We will continue striving to provide services that deliver the highest levels of customer satisfaction.

In April 2020, we launched our Sixth Medium-Term Management Plan, which we subsequently revised in October 2024 to reflect factors unforeseen at the time of its original formulation.

We defined our social mission as safeguarding and growing our customers' valuable assets. We firmly believe that fulfilling this mission is the very essence of our existence, and we are dedicated to further deepening our commitment to customer-centricity.

As a professional asset management firm dedicated to pursuing our customers' best interests, we will continue striving to be a securities company trusted across generations.

We deeply appreciate your ongoing support and encouragement.

# III. Management Policy, Operating Environment and Issues to be Addressed

(1) Management Philosophy

The Toyo Securities Group's management philosophy is built on the principles of trust, value creation, and expertise. We strive to enhance customer satisfaction, maintain a stable revenue structure, and increase corporate value.

(2) Sixth Medium-Term Management Plan

**Built on Trust. Committed to You.**
April 2020 – March 2028
(Revised October 2024)

To achieve sustainable, long-term growth in corporate value, we have reaffirmed our management philosophy and are committed to further strengthening trust-based relationships with all stakeholders by sincerely responding to their expectations.

<Management Philosophy>

| | |
|---|---|
| **Trust** | Trust from customers, employees, shareholders and the local community |
| **Value creation** | Pursuing "Customer's Best Interests" Throughout the Company |
| **Expertise** | Always strive to be the "No. 1" securities company for our customers |

<Summary of the revised medium-term management plan targets>

**KGI: Achieve ROE of 8% or more by the fiscal year ending March 2028**

*KGI = Key Goal Indicator, the final indicator for achieving a goal

| | | Goals to be achieved by the end of March 2028 | Actual results as of the end of March 2026 |
|---|---|---|---|
| KGI | ROE | 8% or more | 12.9% |
| KPI | Assets under custody | Over 1.5 trillion yen | 1.574 trillion yen |
| | Equity investment trust assets under custody * | Over 500 billion yen | 401.8 billion yen |
| | Assets under custody in NISA accounts | Over 104 billion yen | 98.7 billion yen |
| | CX indicators (Purchase, retention , and advocacy) | Improve each fiscal year over the previous fiscal year | 6.38 |

* Equity investment trust assets under custody for the revised medium-term plan include those managed through IFA.

For more details of our medium-term management plan, please visit our website. (Japanese only)
https://www.toyo-sec.co.jp/ir/management-strategy/plan/

(3) Sustainability Management

< Sustainability Policy>

At TOYO Securities, our corporate philosophy is founded on three pillars: trust, value creation, and expertise. Guided by these principles, each of our employees is committed to revitalizing local communities and contributing to their sustainable development.

As a financial instruments business operator, we remain acutely aware of our social responsibilities. By providing high-quality services that support individual wealth creation, we contribute to society as a whole. In doing so, we aim to enhance our long-term corporate value while advancing the realization of a sustainable society.

< Materiality Initiatives >

TOYO Securities has identified material issues—key challenges we must address to contribute meaningfully to society. These issues were selected from among broader societal challenges, based on their significance to both our business and stakeholders.

We are committed to tackling these issues, monitoring our progress, and conducting regular reviews to ensure continuous improvement.

**Identified Material Issues:**

Customer-Centric Business Operations

Social Contribution through Respect for Human Rights and the Environment

Sustainable Enhancement of Corporate Value

Human Capital Management

<Environmental Policy>

We are committed to addressing environmental challenges through our business activities, guided by the following principles:

- Development and provision of products and services through our core business operations that contribute to solving environmental issues
- Continuous reduction of greenhouse gas emissions generated by the business activities of our corporate group
- Promotion of environmental education for our officers and employees, and awareness-raising activities for customers and other stakeholders
- Timely and appropriate disclosure of environmental information to meet the expectations of society and capital markets
- Establishment of a robust governance structure to ensure steady progress in addressing environmental issues, specifically with regard to climate change, including regular evaluation and review of our initiatives, reporting to the Board of Directors, and management of climate-related risks under its supervision
- Compliance with all relevant environmental laws and regulations, and implementation of our own environmental policies

Historical summaries

| Assets under custody | | | | | (Hundred millions of yen) |
|---|---|---|---|---|---|
| | As of March 31, 2022 | As of March 31, 2023 | As of March 31, 2024 | As of March 31, 2025 | As of March 31, 2026 |
| Shares | 6,716 | 6,793 | 8,650 | 8,239 | 10,154 |
| Bonds | 206 | 188 | 141 | 156 | 187 |
| Investment funds | 3,703 | 3,454 | 4,346 | 4,419 | 5,254 |
| Others | 157 | 118 | 141 | 138 | 144 |
| Total | 10,784 | 10,555 | 13,280 | 12,952 | 15,740 |

| Total number of accounts | | | | | |
|---|---|---|---|---|---|
| | As of March 31, 2022 | As of March 31, 2023 | As of March 31, 2024 | As of March 31, 2025 | As of March 31, 2026 |
| Total number of accounts | 167,610 | 172,861 | 164,647 | 160,902 | 157,160 |
| Active accounts | 116,038 | 113,653 | 110,564 | 108,688 | 105,647 |
| Internet accounts | 21,348 | 21,175 | 20,812 | 20,072 | 19,459 |

(Note) Active accounts refer to the accounts which remain balance of shares, bonds, investment funds, other products or deposits.

| Summary of shares transaction | | | | | (Millions of yen) |
|---|---|---|---|---|---|
| | FY ended March 31, 2022 | FY ended March 31, 2023 | FY ended March 31, 2024 | FY ended March 31, 2025 | FY ended March 31, 2026 |
| Brokerage | 796,424 | 733,676 | 970,648 | 924,464 | 1,112,482 |
| Dealing | 108,821 | 50,876 | 117,205 | 134,337 | 99,412 |
| Total | 905,245 | 784,552 | 1,087,854 | 1,058,802 | 1,211,894 |

# IV. Sales Channels

## Retail Business

**■ In-person service (Headquarters' Business Dept. and branch counters)**
From our 33 branches(including Customer Center) throughout Japan, we provide each client with asset management proposals or investment advice that suits his or her life plan.

**■ Customer Center**
An inquiry center for customers to check their account balance or stock quotes, and handles various procedures.

<TO YOU Call>
Individual customer (who has an account in our branches) can conduct Japanese stock transaction by utilizing our multi-call services, where an operator from the customer center will proceed the transactions.*

<TO YOU Net>
Individual customer (who has an account in our branches) can execute Japanese stock and Chinese stock (Hong Kong, Shanghai and Shenzhen) transactions on one's own by utilizing our Internet service.*

*There may be cases where transactions could not take place.

<Internet sales (Internet Trading Div.)>
By using our Internet trading service, clients can trade via their personal computers or cell phones whenever it is convenient for them.

**■ Telephone sales (Telephone Trading Div.)**
We offer sales and investment advice over the phone for our clients who do not have a branche in their neighborhoods. Regardless the sales channel, we provide personalized support to each client.

## Corporate Business

In addition to providing asset management services to our listed and unlisted corporate clients, we accommodate a wide range of business needs. These include providing consultancy on capital policy, providing support for IR and other activities.

## IFA Business

To align with customer's various needs and preferences, we have launched "financial products brokerage services" for IFAs since April 2021.

## V. The History of Toyo Securities

Toyo Securities has been a leader in the securities industry with regard to Chinese stock, and has been a pioneer in dealing in Chinese shares ever since the first Chinese company being listed on the Hong Kong Stock Exchange in 1993.

History of Toyo Securities Co., Ltd.

| Month/Year | History |
|---|---|
| December 1916 | Founding of Saito Shoten in Kure-shi, Hiroshima with the main purpose of securities business |
| April 1934 | Hiroshima Securities Shoji Co., Ltd. was incorporated in Hiroshima with a capital of 125 thousand yen, following the spin-off of the spot trading division of Saito Masao Shoten, a member of the Hiroshima Stock Exchange. |
| July 1947 | Change of registered trade name to Hiroshima Securities Co., Ltd. |
| January 1964 | Absorption of Koryo Securities Co., Ltd. |
| March 1967 | Merger with Takai Securities Co., Ltd., change of registered trade name to Hiroshima Takai Securities Co., Ltd. and transfer head office from Hiroshima to Nihonbashi, Chuo-ku, Tokyo |
| December 1967 | Acquired business of Imabari Securities Co., Ltd. |
| April 1968 | Acquisition of securities broker license according to revised Securities and Exchange Law |
| December 1971 | Change of registered trade name to Toyo Securities Co., Ltd. |
| October 1979 | Merger with Maruju Securities Co., Ltd. |
| June 1986 | Increase in paid-in capital to ¥5,925 million, listing of shares on the Second Sections of Tokyo Stock Exchange and Osaka Securities Exchange and listing of shares on Hiroshima Stock Exchange |
| October 1986 | Founding of Toyo Securities Europe Ltd. in London |
| October 1987 | Founding of Toyo Securities Asia Ltd. in Hong Kong (currently a consolidated subsidiary) |
| March 1988 | Listing of shares on the First Sections of Tokyo Stock Exchange and Osaka Securities Exchange |
| June 1998 | Acquired all business operations of Fuji Securities Co., Ltd. |
| October 2004 | Liquidation of Toyo Securities Europe Ltd. |
| June 2005 | Increase in capital to 13,494 million yen by allocating new shares to a third party |
| August 2005 | Moving of head office from Nihonbashi, Chuo-ku to Hatchobori, Chuo-ku, Tokyo |
| May 2008 | Opening of Shanghai Representative Office in Shanghai |
| December 2016 | Holding the 100th anniversary ceremonies in Tokyo and Hiroshima |
| January 2018 | Registration as a member of Type II Financial Instrument Firms Association |
| July 2019 | Launching of customer center |
| April 2021 | Launching “financial products brokerage services” to IFAs |
| April 2022 | Listed on the Prime Market segment of the Tokyo Stock Exchange following the restructuring of its market segments. |
| January 2026 | Financial Intermediaries: Complete acquisition of Double Check Co., Ltd. as a wholly owned subsidiary |
| April 2026 | Renamed Double Check Co., Ltd. to TOYO Research Advice Co., Ltd. |

Overseas Business Activities

| Month/Year | History |
|---|---|
| October 1987 | Founding of Toyo Securities Asia Ltd. in Hong Kong (currently a consolidated subsidiary) |
| December 1993 | Commencement of handling Chinese stocks |
| March 1994 | Commencement of handling Shanghai B-Shares |
| April 1994 | Commencement of handling Shenzhen B-Shares |
| November 1997 | Offering and launch of Japan’s first unit-type China investment trust “Toyo China Fund” (unit type) |
| October 1999 | Commencement of handling Chinese stocks on the Internet |
| October 2001 | Offering and launch of “China Stock Yield Fund 2001-10” (unit type), evaluated as high performance and released as series thereafter |
| May 2005 | Toyo Securities Asia becoming HKEX Exchange & Clearing Participant |
| November 2007 | Offering and launch of Japan’s first unit-type Thailand investment trust “Kingdom of Thailand Yield Stock Fund 2007-11” (unit type), released as series thereafter |
| May 2008 | Opening of Shanghai Representative Office in Shanghai |
| June 2008 | Commencement of handling Thai stocks |
| November 2008 | Offering and launch of Japan’s first yuan-denominated publicly offered bond investment trust “China Yuan-Denominated/Hong Kong Stock Open” (nicknamed “Gen-chan”) |
| December 2014 | Toyo Securities Asia becoming China Connect Exchange & Clearing participant-Shanghai market |
| April 2015 | Co-hosting 1st Japanese equity seminar with KTZMICO in Thailand |
| December 2016 | Toyo Securities Asia becoming China Connect Exchange & Clearing participant-Shenzhen market |
| October 2017 | 30$^{th}$ Anniversary of the Founding of Toyo Securities Asia Limited ( Commencement of IR seminars for Shenzhen A shares) |
| June 2018 | Hosting 10th Anniversary Seminar of Toyo Securities Shanghai representative office |
| December 2024 | Closing of Shanghai Representative Office in Shanghai |

# VI. Consolidated Financial Statements

## (1) Consolidated Balance Sheets

(Millions of yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 22,460 | 22,304 |
| Segregated deposits | 19,712 | 16,363 |
| Segregated deposits for customers | 19,709 | 16,359 |
| Other segregated deposits | 3 | 3 |
| Trading products | 330 | 501 |
| Trading securities and other | 330 | 501 |
| Derivatives | 0 | - |
| Trade date accrual | 623 | 661 |
| Margin transaction assets | 9,480 | 14,630 |
| Margin loans | 9,272 | 14,464 |
| Cash collateral provided for securities borrowed in margin transactions | 207 | 166 |
| Advances paid | 65 | 178 |
| Short-term guarantee deposits | 29 | 522 |
| Short-term loans receivable | 30 | 78 |
| Accrued revenue | 501 | 774 |
| Other current assets | 242 | 236 |
| Allowance for doubtful accounts | (2) | (6) |
| Total current assets | 53,473 | 56,246 |
| Non-current assets | | |
| Property, plant and equipment | 2,749 | 2,752 |
| Buildings, net | 1,004 | 1,048 |
| Equipment, net | 321 | 345 |
| Land | 1,416 | 1,348 |
| Leased assets, net | 6 | 11 |
| Intangible assets | 56 | 126 |
| Software | 49 | 120 |
| Other | 6 | 6 |
| Investments and other assets | 13,107 | 12,824 |
| Investment securities | 7,050 | 5,397 |
| Shares of subsidiaries and associates | - | 1 |
| Long-term guarantee deposits | 1,714 | 1,712 |
| Long-term prepaid expenses | 30 | 0 |
| Retirement benefit asset | 4,172 | 5,459 |
| Deferred tax assets | 18 | 18 |
| Other | 252 | 365 |
| Allowance for doubtful accounts | (131) | (131) |
| Total non-current assets | 15,913 | 15,703 |
| Total assets | 69,387 | 71,950 |

(Millions of yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Trading products | - | 2 |
| Derivatives | - | 2 |
| Margin transaction liabilities | 554 | 1,716 |
| Margin borrowings | 209 | 1,307 |
| Cash received for securities sold in margin transactions | 344 | 408 |
| Borrowings secured by securities | 869 | 595 |
| Cash collateral received for securities lent | 869 | 595 |
| Deposits received | 20,891 | 18,799 |
| Deposits from customers | 17,525 | 13,364 |
| Other deposits received | 3,365 | 5,435 |
| Guarantee deposits received | 1,422 | 2,288 |
| Short-term borrowings | 6,550 | 7,150 |
| Current portion of long-term borrowings | - | 4,160 |
| Lease liabilities | 2 | 3 |
| Income taxes payable | 199 | 594 |
| Provision for bonuses | 373 | 555 |
| Other current liabilities | 580 | 830 |
| Total current liabilities | 31,443 | 36,695 |
| Non-current liabilities | | |
| Long-term borrowings | 4,800 | 1,440 |
| Lease liabilities | 5 | 8 |
| Deferred tax liabilities | 2,479 | 2,597 |
| Provision for share awards for directors (and other officers) | 48 | 63 |
| Asset retirement obligations | 296 | 302 |
| Other noncurrent liabilities | 104 | 106 |
| Total non-current liabilities | 7,734 | 4,519 |
| Reserves under special laws | | |
| Reserve for financial instruments transaction liabilities | 86 | 96 |
| Total reserves under special laws | 86 | 96 |
| Total liabilities | 39,264 | 41,311 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 13,494 | 13,494 |
| Capital surplus | 9,650 | 9,650 |
| Retained earnings | 5,610 | 6,038 |
| Treasury shares | (2,348) | (2,346) |
| Total shareholders' equity | 26,407 | 26,836 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 3,146 | 2,663 |
| Foreign currency translation adjustment | (75) | (6) |
| Remeasurements of defined benefit plans | 645 | 1,145 |
| Total accumulated other comprehensive income | 3,715 | 3,802 |
| Total net assets | 30,122 | 30,639 |
| Total liabilities and net assets | 69,387 | 71,950 |

## (2) Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

| | For the Fiscal year ended March 31, 2025 | For the Fiscal year ended March 31, 2026 |
|---|---|---|
| Operating revenue | | |
| Commission received | 8,575 | 11,391 |
| Brokerage commission | 3,612 | 5,104 |
| Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors | 23 | 33 |
| Fees for offering, secondary distribution and solicitation for selling and others for professional investors | 2,195 | 2,963 |
| Other commission received | 2,743 | 3,290 |
| Net trading income | 1,967 | 1,309 |
| Financial revenue | 646 | 763 |
| Other operating revenue | 100 | 111 |
| Total operating revenue | 11,289 | 13,576 |
| Financial expenses | 179 | 239 |
| Other orerating expenses | 114 | 124 |
| Net operating revenue | 10,995 | 13,213 |
| Selling, general and administrative expenses | | |
| Trading related expenses | 1,362 | 1,259 |
| Personnel expenses | 4,953 | 5,182 |
| Real estate expenses | 1,326 | 1,292 |
| Office expenses | 2,115 | 2,028 |
| Depreciation | 156 | 240 |
| Taxes and dues | 237 | 255 |
| Provision of allowance for doubtful accounts | (0) | 3 |
| Other | 149 | 129 |
| Total selling, general and administrative expenses | 10,301 | 10,392 |
| Operating profit | 694 | 2,820 |
| Non-operating income | | |
| Dividends income on investment securities | 272 | 211 |
| Gain on investments in investment partnerships | 46 | 183 |
| Other | 57 | 78 |
| Total non-operating income | 376 | 473 |
| Non-operating expenses | | |
| Loss on retirement of non-current assets | 0 | 0 |
| Loss on investments in investment partnerships | 28 | 31 |
| Loss on securities transaction | 0 | 0 |
| Foreign exchange losses | 2 | - |
| Other | 1 | 1 |
| Total non-operating expenses | 34 | 34 |
| Ordinary profit | 1,036 | 3,259 |

(Millions of yen)

| | For the Fiscal year ended March 31, 2025 | For the Fiscal year ended March 31, 2026 |
|---|---|---|
| Extraordinary income | | |
| Gain on sale of investment securities | 2,247 | 1,411 |
| Gain on sale of golf club membership | 3 | - |
| Gain on sale of non-current assets | - | 18 |
| Total extraordinary income | 2,251 | 1,429 |
| Extraordinary losses | | |
| Impairment losses | 28 | - |
| Loss on closing of offces | 9 | - |
| Advisory fee | 300 | - |
| Provision of reserve for financial instruments transaction liabilities | - | 9 |
| Total extraordinary losses | 338 | 9 |
| Profit before income taxes | 2,949 | 4,679 |
| Income taxes - current | 274 | 632 |
| Income taxes - deferred | 21 | 110 |
| Total income taxes | 295 | 742 |
| Profit | 2,653 | 3,937 |
| Profit attributable to | | |
| Profit attributable to owners of parent | 2,653 | 3,937 |
| Profit attributable to non-controlling interests | - | - |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (2,838) | (482) |
| Foreign currency translation adjustment | (6) | 69 |
| Remeasurements of defined benefit plans, net of tax | (433) | 500 |
| Total other comprehensive income | (3,278) | 86 |
| Comprehensive income | (625) | 4,024 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | (625) | 4,024 |
| Comprehensive income attributable to non-controlling interests | - | - |

## (3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

| | Shareholders' equity | | | | |
|---|---|---|---|---|---|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 13,494 | 9,650 | 11,187 | (1,922) | 32,410 |
| Changes during period | | | | | |
| Dividends of surplus | | | (833) | | (833) |
| Profit attributable to owners of parent | | | 2,653 | | 2,653 |
| Disposal of treasury shares | | | | 176 | 176 |
| Cancellation of treasury shares | | | (7,397) | 7,397 | - |
| Purchase of treasury shares | | | | (8,000) | (8,000) |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | ― | ― | (5,577) | (426) | (6,003) |
| Balance at end of period | 13,494 | 9,650 | 5,610 | (2,348) | 26,407 |

| | Accumulated other comprehensive income | | | | Total net assets |
|---|---|---|---|---|---|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | |
| Balance at beginning of period | 5,984 | (68) | 1,078 | 6,994 | 39,404 |
| Changes during period | | | | | |
| Dividends of surplus | | | | | (833) |
| Profit attributable to owners of parent | | | | | 2,653 |
| Disposal of treasury shares | | | | | 176 |
| Cancellation of treasury shares | | | | | - |
| Purchase of treasury shares | | | | | (8,000) |
| Net changes in items other than shareholders' equity | (2,838) | (6) | (433) | (3,278) | (3,278) |
| Total changes during period | (2,838) | (6) | (433) | (3,278) | (9,282) |
| Balance at end of period | 3,146 | (75) | 645 | 3,715 | 30,122 |

For the fiscal year ended March 31, 2026

(Millions of yen)

| | Shareholders' equity | | | | |
|---|---|---|---|---|---|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 13,494 | 9,650 | 5,610 | (2,348) | 26,407 |
| Changes during period | | | | | |
| Dividends of surplus | | | (3,509) | | (3,509) |
| Profit attributable to owners of parent | | | 3,937 | | 3,937 |
| Disposal of treasury shares | | | | 2 | 2 |
| Purchase of treasury shares | | | | (0) | (0) |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | - | - | 428 | 1 | 429 |
| Balance at end of period | 13,494 | 9,650 | 6,038 | (2,346) | 26,836 |

| | Accumulated other comprehensive income | | | | Total net assets |
|---|---|---|---|---|---|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | |
| Balance at beginning of period | 3,146 | (75) | 645 | 3,715 | 30,122 |
| Changes during period | | | | | |
| Dividends of surplus | | | | | (3,509) |
| Profit attributable to owners of parent | | | | | 3,937 |
| Disposal of treasury shares | | | | | 2 |
| Purchase of treasury shares | | | | | (0) |
| Net changes in items other than shareholders' equity | (482) | 69 | 500 | 86 | 86 |
| Total changes during period | (482) | 69 | 500 | 86 | 516 |
| Balance at end of period | 2,663 | (6) | 1,145 | 3,802 | 30,639 |

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

| | For the Fiscal year endedMarch 31, 2025 | For the Fiscal year ended March 31, 2026 |
|---|---|---|
| Cash flows from operating activities | | |
| Profit before income taxes | 2,949 | 4,679 |
| Depreciation | 215 | 307 |
| Impairment losses | 28 | - |
| Increase (decrease) in allowance for doubtful accounts | (0) | 3 |
| Increase (decrease) in provision for bonuses | (147) | 181 |
| Decrease (increase) in retirement benefit asset | (544) | (555) |
| Increase (decrease) in provision for share awards for directors (and other officers) | (160) | 15 |
| Increase (decrease) in reserve for financial instruments transaction liabilities | - | 9 |
| Loss (gain) on sale of property, plant and equipment | - | (18) |
| Loss on retirement of non-current assets | 0 | 0 |
| Loss (gain) on sale of investment securities | (2,247) | (1,411) |
| Interest and dividend income | (664) | (666) |
| Interest expenses | 157 | 189 |
| Foreign exchange losses (gains) | 77 | (234) |
| Decrease (increase) in cash segregated as deposits for customers | 2,154 | 3,438 |
| Decrease (increase) in trading products - assets (liabilities) | 137 | (168) |
| Decrease (increase) in margin transaction assets | 1,582 | (5,150) |
| Increase (decrease) in margin transaction liabilities | (1,371) | 1,162 |
| Decrease (increase) in trade date accrual | 716 | (38) |
| Increase (decrease) in borrowings secured by securities | (266) | (274) |
| Decrease/increase in advance paid/deposits received | (1,065) | (2,300) |
| Decrease (increase) in operating loans receivable | 8 | 1 |
| Increase (decrease) in guarantee deposits received | (549) | 866 |
| Other, net | (345) | (660) |
| Subtotal | 664 | (623) |
| Interest and dividends received | 674 | 657 |
| Interest paid | (155) | (179) |
| Income taxes paid | (329) | (354) |
| Net cash provided by (used in) operating activities | 853 | (499) |
| Cash flows from investing activities | | |
| Payments into time deposits | (405) | (187) |
| Proceeds from withdrawal of time deposits | 709 | 390 |
| Purchase of investment securities | (30) | (37) |
| Proceeds from sale of investment securities | 2,282 | 2,262 |
| Purchase of shares of subsidiaries and associates | - | (1) |
| Purchase of property, plant and equipment and intangible assets | (335) | (407) |
| Proceeds from sale of property, plant and equipment and intangible assets | - | 94 |
| Purchase of long-term prepaid expenses | (5) | (0) |
| Loan advances to subsidiaries and associates | - | (50) |
| Other proceeds | 81 | 284 |
| Net cash provided by (used in) investing activities | 2,295 | 2,345 |

(Millions of yen)

| | For the Fiscal year ended March 31, 2025 | For the Fiscal year ended March 31, 2026 |
|---|---|---|
| Cash flows from financing activities | | |
| Proceeds from long-term borrowings | 300 | 800 |
| Net increase (decrease) in short-term borrowings | 2,900 | 600 |
| Dividends paid | (833) | (3,509) |
| Purchase of treasury shares | (8,000) | (0) |
| Proceeds from disposal of treasury shares | 176 | 2 |
| Other, net | (3) | (2) |
| Net cash provided by (used in) financing activities | (5,460) | (2,109) |
| Effect of exchange rate change on cash and cash equivalents | (74) | 299 |
| Net increase (decrease) in cash and cash equivalents | (2,385) | 36 |
| Cash and cash equivalents at beginning of period | 24,566 | 22,181 |
| Cash and cash equivalents at end of period | 22,181 | 22,217 |

# VII. Corporate Data

**Basic Information (as of March 31, 2026)**

| | |
|---|---|
| Trade name: | Toyo Securities Co., Ltd. |
| Established: | April 1934 |
| Listed market: | Tokyo Stock Exchange Prime Market (Securities Code: 8614) |
| Listed: | March 1988 |
| Business year: | From April 1 to March 31 of the following year |
| Capital stock: | ¥13,494 million |
| Number of employees: | 632 persons (Consolidated) |
| Head office: | 4-7-1 Hatchobori, Chuo-ku, Tokyo |
| Telephone: | +81-3-5117-1040 |
| Consolidated subsidiaries: | Toyo Securities Asia Limited |
| Non-consolidated subsidiaries: | Toyo Research Advice Company Limited |

**Directors and Corporate Auditors (as of July 1, 2026)**

| | |
|---|---|
| Representative Director, President, and Executive Officer | Norihiro Ogawa |
| Director and Senior Managing Executive Officer | Mitsugu Enjoji |
| Director and Senior Executive Officer | Makoto Matsumoto |
| Director and Senior Executive Officer | Satoshi Hirata |
| Director* | Yoshio Sato |
| Director* | Emi Ishida |
| Director* | Kazuhito Yoshihara |
| Director* | Makoto Shirai |
| Corporate Auditor (full-time) | Toshiyasu Murayama |
| Corporate Auditor (full-time)** | Masafumi Ishizaki |
| Corporate Auditor** | Yuso Araki |

* Outside Director ** Outside Corporate Auditor

**Overseas Bases**

- Hong Kong
  Toyo Securities Asia Limited
  Suites 2301-02 & 16, 23/F., 1111 King's Road, Taikoo Shing, Hong Kong
  +852-2235-5567
  Managing Director: Takatoshi Matsuduka
  Chairman & Executive Director: Masatoshi Nakao

**Stock Status (as of March 31, 2026)**

| | |
|---|---|
| Total number of shares authorized: | 316,000,000 shares |
| Total number of shares issued: | 73,877,569 shares |
| Number of shareholders: | 32,417 |

Major shareholders (Top 10)

| Shareholder name | Number of shares held (Thousands) | Voting rights ratio (%) |
|---|---|---|
| Nomura Research Institute, Ltd. | 6,860 | 9.7 |
| SUMITOMO LIFE INSURANCE COMPANY (Standing proxy: Custody Bank of Japan, Ltd.) | 5,449 | 7.7 |
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 4,649 | 6.6 |
| The Hiroshima Bank, Ltd. (Standing proxy: Custody Bank of Japan, Ltd.) | 3,120 | 4.4 |
| The Master Trust Bank of Japan, Ltd. (Officer Compensation BIP Trust Account 76402) | 2,266 | 3.2 |
| Asahi Mutual Life Insurance Company (Standing proxy: Custody Bank of Japan, Ltd.) | 1,616 | 2.3 |
| FinTech Global Incorporated | 847 | 1.2 |
| Tokio Marine & Nichido Fire Insurance Co., Ltd. | 650 | 0.9 |
| THE SAIKYO BANK, LTD. | 647 | 0.9 |
| Mitsubishi UFJ Trust and Banking Corporation (Standing Proxy: The Master Trust Bank of Japan, Ltd.) | 545 | 0.7 |

Notes:

1. The Company holds 3,694,571 shares as treasury stock, which are excluded from the above list of the top 10 shareholders. The 2,266,725 shares held in the Executive Compensation BIP Trust Account are not counted as treasury shares.
2. The Shareholding ratio is calculated after deducting treasury shares.