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Materials on Consolidated Financial Statements for 3rd Quarter of year ending March 2023

January, 2023

Marusan Securities Co., Ltd.

Note :

This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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3rd Quarter of year ending March31,2023

status of consolidated financial statements

Summary of financial results

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(JPY mil)

	FY2021	FY2022	Change vs 21/3Q (%)	FY2021		FY2022			Change vs 22/2Q (%)
	3Q	3Q		3Q	4Q	1Q	2Q	3Q	
Operating revenue	14,601	11,269	▲22.8	5,065	4,068	3,896	3,582	3,789	5.8
Net operating revenue	14,551	11,223	▲22.9	5,049	4,050	3,877	3,569	3,776	5.8
Selling, general & administrative expenses	11,660	10,957	▲6.0	3,861	3,722	3,757	3,650	3,549	▲2.7
Operating profit	2,891	266	▲90.8	1,187	328	120	▲80	226	—
Ordinary profit	3,285	706	▲78.5	1,302	362	331	24	350	1,304.8
Profit attributable to owners of parent	2,508	530	▲78.9	1,140	319	310	11	207	1,742.5
Total assets	110,773	73,631	▲33.5	110,773	90,885	88,218	71,746	73,631	2.6
Net assets	47,118	45,513	▲3.4	47,118	47,133	45,372	45,443	45,513	0.2
EPS(YEN)	37.71	8.07	—	17.15	4.80	4.71	0.17	3.17	—
BPS(YEN)	705.08	691.38	—	705.08	705.27	689.26	690.31	691.38	—

Breakdown of Net Operating Revenue

(JPY mil)

	FY 2021	FY2022	Change vs 21/3Q (%)	FY2021		FY2022			Change vs 22/2Q (%)
	3Q	3Q		3Q	4Q	1Q	2Q	3Q	
Total	14,551	11,223	▲22.9	5,049	4,050	3,877	3,569	3,776	5.8
Commission received	14,180	11,040	▲22.1	4,924	3,935	3,763	3,514	3,762	7.1
Net trading income	55	47	▲14.3	15	14	25	21	0	▲99.6
Net financial income	315	135	▲57.0	110	100	89	32	14	▲57.0

Breakdown of Commission Revenue

(JPY mil)

	FY2021			FY2022			Change vs 21/3Q (%)	FY2022					Change vs 22/2Q (%)
	3Q	3Q	3Q	3Q	4Q	1Q		2Q	3Q				
Total	14,180	11,040	▲22.1	4,924	3,935	3,763	3,514	3,762	7.1				
Stocks	5,067	3,109	▲38.6	1,800	1,325	1,119	887	1,102	24.3				
Brokerage commission	5,002	3,091	▲38.2	1,764	1,311	1,111	883	1,097	24.2				
Underwriting・ distribution	44	9	▲79.5	29	6	3	0	5	522.5				
Investment trusts	9,021	7,844	▲13.0	3,093	2,586	2,618	2,592	2,633	1.6				
Distribution	3,924	3,308	▲15.7	1,374	1,063	1,122	1,055	1,130	7.1				
Agent commission	4,992	4,449	▲10.9	1,684	1,490	1,465	1,503	1,480	▲1.5				
Bonds	74	62	▲16.2	24	16	17	28	17	▲38.6				
Underwriting・ distribution	72	59	▲17.7	23	15	15	27	17	▲37.1				
(reference)													
Total trading value of stocks (Individuals) (JPY Tri)	254.9	262.1	2.8	89.7	93.1	82.8	82.2	97.1	18.1				
Our stock entrustment Trading value (JPY 100mil)	13,831	7,099	▲48.7	4,734	4,069	3,578	1,733	1,787	3.2				

Breakdown of Net trading income

(JPY mil)

	FY2021		Change vs 21/3Q (%)	FY2021		FY2022			Change vs 22/2Q (%)
	3Q	3Q		3Q	4Q	1Q	2Q	3Q	
Total	55	47	▲14.3	15	14	25	21	0	▲99.6
Stocks,etc	▲0	▲0	—	▲0	▲0	▲0	▲0	▲0	—
Bonds・Forex, etc	55	47	▲14.3	15	14	25	21	0	▲99.6
Bonds,etc	11	6	▲45.2	4	1	6	9	▲9	—
Forex,etc	43	40	▲5.9	10	12	19	12	9	▲27.2

Breakdown of Selling, general and administrative expenses

(JPY mil)

	FY2021	FY2022	Change vs 21/3Q (%)	FY2021		FY2022			Change vs 22/2Q (%)
	3Q	3Q		3Q	4Q	1Q	2Q	3Q	
Total	11,660	10,957	▲6.0	3,861	3,722	3,757	3,650	3,549	▲2.7
Trading related expenses	1,093	975	▲10.8	404	349	294	330	349	5.7
Personnel expenses	6,915	6,560	▲5.1	2,242	2,118	2,210	2,205	2,144	▲2.8
Real estate expenses	1,105	1,072	▲3.0	351	364	352	362	357	▲1.5
Office expenses	1,577	1,369	▲13.2	523	516	555	427	387	▲9.4
Depreciation	332	382	15.2	142	161	128	126	128	1.4
Taxes and dues	183	150	▲17.8	61	55	50	52	47	▲10.0
Other	453	447	▲1.3	136	156	166	144	136	▲5.7

Balance Sheet Summary

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(JPY mil)	March 31,2022	December 31,2022	Increase (Decrease)
Assets			
Current assets	74,671	58,416	▲16,254
Cash and deposits	25,873	37,950	12,076
Segregated as deposits	27,122	10,726	▲16,396
Trading products	667	690	23
Margin transaction assets	16,018	5,636	▲10,381
Deposits paid for underwritten offering, etc.	3,094	1,505	▲1,588
Other	1,895	1,907	12
Non-current assets	16,213	15,214	▲999
Property, plant and equipment	2,931	2,658	▲272
Intangible assets	149	214	65
Investments and other assets	13,132	12,340	▲792
Total assets	90,885	73,631	▲17,254

(JPY mil)	March 31,2022	December 31,2022	Increase (Decrease)
Liabilities			
Current liabilities	39,725	24,162	▲15,562
Margin transaction liabilities	2,905	176	▲2,729
Deposits received	22,584	18,792	▲3,791
Guarantee deposits received	9,512	984	▲8,528
Short-term borrowings	2,750	2,750	—
Other	1,972	1,458	▲513
Non-current liabilities	3,861	3,790	▲71
Deferred tax liabilities	2,846	2,803	▲43
Retirement Benefit Liability	888	873	▲15
Other	125	113	▲12
Reserve for financial instruments transaction liabilities	165	164	▲0
Total liabilities	43,751	28,117	▲15,634
Net assets			
Shareholders' equity	40,388	39,357	▲1,031
Share capital	10,000	10,000	—
Capital surplus	331	331	▲0
Retained earnings	30,526	29,996	▲529
Treasury shares	▲469	▲970	▲500
Accumulated other comprehensive income	6,524	5,944	▲580
Share acquisition rights	220	212	▲8
Total net assets	47,133	45,513	▲1,619
Total liabilities & net assets	90,885	73,631	▲17,254

Part2 : Data collection

Trends in financial result(Year)

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(JPY mil)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Operating revenue	15,697	18,985	15,648	16,493	19,188	18,670
Net operating revenue	15,571	18,853	15,548	16,371	19,078	18,602
Selling, general and administrative expenses	14,913	15,813	15,480	15,355	15,417	15,382
Operating profit	657	3,039	68	1,015	3,661	3,219
Ordinary profit	1,012	3,411	570	1,518	4,085	3,647
Profit attributable to owners of parent	797	2,365	526	792	4,156	2,827
EPS(YEN)	12.01	35.61	7.91	11.92	62.50	42.51
BPS(YEN)	725.49	707.04	640.06	631.70	694.33	705.27
ROE(%)	1.6	5.0	1.2	1.9	9.4	6.1

Trends in financial result(Quarter)

(JPY mil)

	FY2020				FY2021				FY2022		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Operating revenue	4,291	4,524	5,065	5,307	4,855	4,679	5,065	4,068	3,896	3,582	3,789
Net operating revenue	4,264	4,494	5,038	5,281	4,838	4,663	5,049	4,050	3,877	3,569	3,776
Selling, general and administrative expenses	3,723	3,928	3,845	3,920	3,959	3,839	3,861	3,722	3,757	3,650	3,549
Operating profit (loss)	541	566	1,192	1,360	879	823	1,187	328	120	▲80	226
Ordinary profit (loss)	738	630	1,324	1,391	1,065	917	1,302	362	331	24	350
Profit (loss) attributable to owners of parent	789	1,061	1,329	976	736	631	1,140	319	310	11	207
EPS(YEN)	11.87	15.96	19.99	14.68	11.07	9.49	17.15	4.80	4.71	0.17	3.17
BPS(YEN)	656.31	676.21	675.59	694.33	687.74	705.33	705.08	705.27	689.26	690.31	691.38

Breakdown of Commission Revenue (Year)

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(JPY mil)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Commissions	15,035	18,335	14,879	15,925	18,646	18,115
Stocks	4,792	7,508	5,878	6,384	8,133	6,392
Brokerage	4,713	7,430	5,794	6,345	8,080	6,313
Underwriting・Distribution	46	45	52	13	28	50
Investment trusts	10,108	10,636	8,877	9,396	10,394	11,607
Distribution	5,535	5,239	3,345	3,968	4,694	4,988
Agent commissions	4,465	5,308	5,444	5,316	5,577	6,483
Bonds	108	116	100	120	96	91
Underwriting・Distribution	104	110	94	114	91	88

Breakdown of Commission Revenue (Quarter)

(JPY mil)

	FY2020				FY2021				FY2022		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Commissions	4,179	4,385	4,909	5,171	4,712	4,543	4,924	3,935	3,763	3,514	3,762
Stocks	1,906	1,887	2,167	2,171	1,656	1,610	1,800	1,325	1,119	887	1,102
Brokerage	1,901	1,867	2,153	2,157	1,640	1,597	1,764	1,311	1,111	883	1,097
Underwriting・ Distribution	0	13	8	7	9	4	29	6	3	0	5
Investment trusts	2,246	2,467	2,710	2,971	3,022	2,904	3,093	2,586	2,618	2,592	2,633
Distribution	1,004	1,073	1,218	1,398	1,360	1,190	1,374	1,063	1,122	1,055	1,130
Agent commissions	1,200	1,366	1,464	1,546	1,631	1,677	1,684	1,490	1,465	1,503	1,480
Bonds	22	25	24	22	24	25	24	16	17	28	17
Underwriting・ Distribution	20	25	23	21	23	25	23	15	15	27	17

Breakdown of Net trading income (Year)

(JPY mil)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Total	202	132	256	140	137	70
Stocks, etc	0	0	▲5	7	6	▲0
Bonds・Forex, etc	202	132	262	133	130	70
Bonds, etc	144	41	29	15	19	13
Forex, etc	57	90	232	117	111	56

Breakdown of Net trading income (Quarter)

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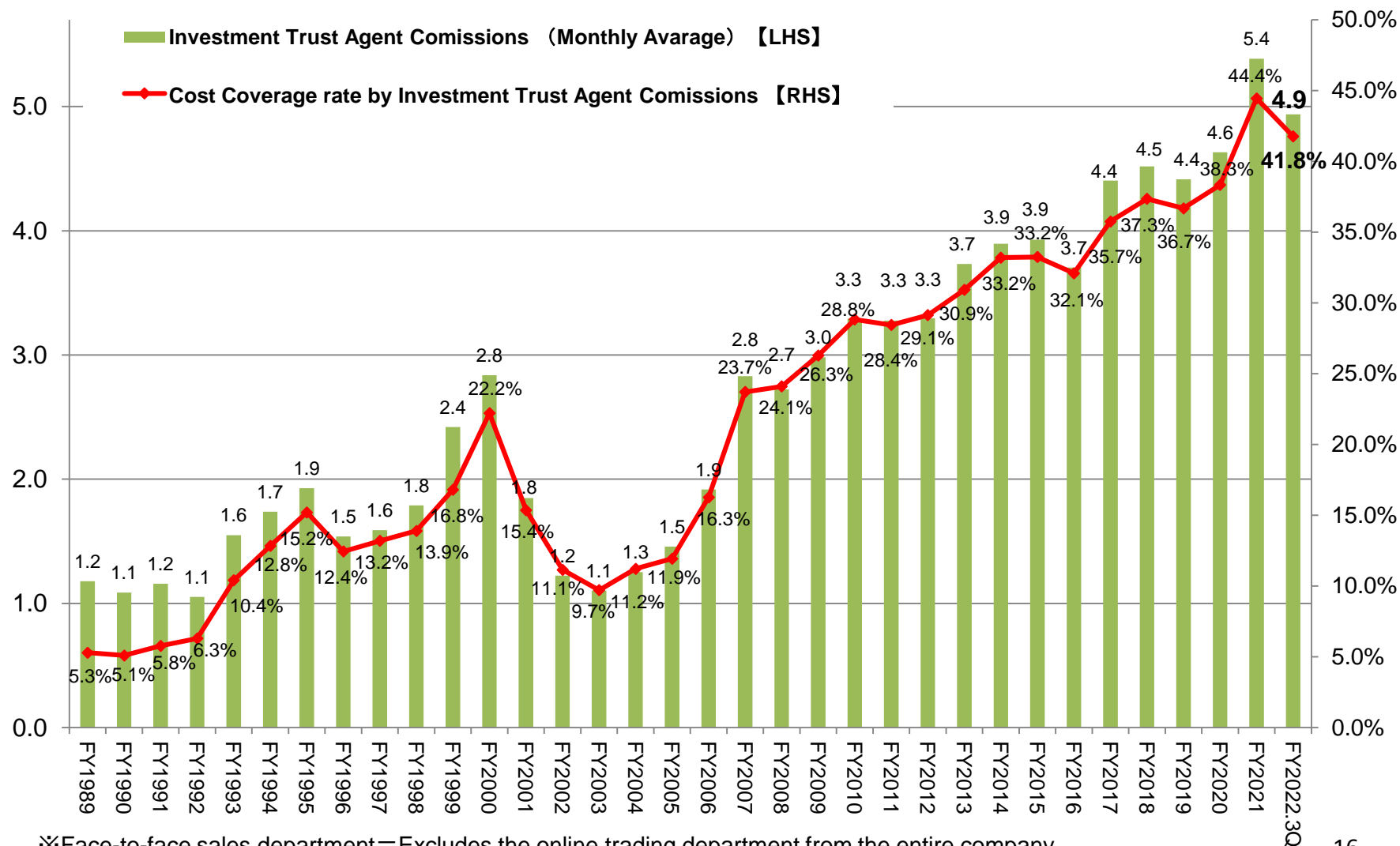
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(JPY mil)

	FY2020				FY2021				FY2022		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Total	22	38	53	23	28	12	15	14	25	21	0
Stocks, etc	5	▲1	▲0	2	▲0	▲0	▲0	▲0	▲0	▲0	▲0
Bonds・Forex, etc	16	39	53	20	28	12	15	14	25	21	0
Bonds, etc	4	6	3	4	4	3	4	1	6	9	▲9
Forex, etc	12	32	50	16	24	9	10	12	19	12	9

Trend of Investment Trust Agent Commissions and Its Cost Coverage (Face-to-face sales department)

(JPY 100mil)



※Face-to-face sales department=Excludes the online trading department from the entire company
The online trading department had been transferred on July,2022

Capital adequacy ratio

(%)

year	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Capital adequacy ratio	682.6	603.2	604.2	624.2	627.8	631.7

(%)

quarter	FY2020				FY2021				FY2022		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Capital adequacy ratio	628.3	619.5	644.6	627.8	632.5	613.6	638.0	631.7	650.5	667.6	684.0

※Capital adequacy ratio is calculated based on the figures for the non-consolidated financial statements.

Customer Assets in Custody

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(JPY 100mil)

	FY2020				FY2021				FY2022		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Total	18,669	19,393	20,716	22,014	22,291	22,423	22,221	21,692	20,494	17,778	17,692
Stocks	9,309	9,553	10,112	10,946	10,877	11,295	11,126	11,083	10,671	8,403	8,504
Investment trusts	8,675	9,117	9,877	10,377	10,768	10,484	10,499	9,995	9,238	8,919	8,739
Stock Investment Trusts	7,320	7,814	8,426	8,930	9,348	9,053	9,096	8,645	7,952	7,974	7,758
Bond	474	471	456	429	381	389	366	366	353	382	360
Foreign bonds	57	55	54	35	3	3	3	3	10	17	13
Other	211	250	269	262	264	254	228	248	230	73	88

※Term-end price

※Investment trusts exclude no-load

※Customer assets in the online trading department was 259.3 billion yen as of the end of June 30,2022.

The online trading department had been transferred on July,2022.

Investment trusts/Foreign bonds sales

Investment trust

	FY2020				FY2021				FY2022		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Sales amount (JPY 100mil)	355	384	431	493	489	420	505	382	396	373	398
commissions (JPY mil)	1,004	1,073	1,218	1,398	1,360	1,190	1,374	1,063	1,122	1,055	1,130
Stock investment trust balance (JPY 100mil)	7,320	7,814	8,426	8,930	9,348	9,053	9,096	8,645	7,952	7,974	7,758
Agent commissions (JPY mil)	1,200	1,366	1,464	1,546	1,631	1,677	1,684	1,490	1,465	1,503	1,480

※Sales amount and balance is for investment trusts (exclude no-load)

Foreign bonds sales

	FY2020				FY2021				FY2022		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Sales amount (JPY 100mil)	—	0	—	—	0	0	0	—	6	6	0
Balance (JPY 100mil)	57	55	54	35	3	3	3	3	10	17	13

Dividend

(YEN/Share)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Ordinary dividend	7.5	5.0	5.0	5.0	13.5	55.0	45.0	30.0	10.0	35.0	5.0	6.0	33.5	22.0	TBD
Interim	5.0	2.5	2.5	2.5	2.5	30.0	15.0	15.0	3.0	5.0	3.0	3.0	13.5	11.0	5.0
Term end	2.5	2.5	2.5	2.5	11.0	25.0	30.0	15.0	7.0	30.0	2.0	3.0	20.0	11.0	TBD
Special or anniversary dividend	—	5.0 100th anniversary Dividend	—	—	—	—	40.0	40.0	40.0	30.0	20.0	10.0	—	—	—
Interim	—	—	—	—	—	—	—	—	—	15.0	10.0	5.0	—	—	—
Term end	—	5.0	—	—	—	—	40.0	40.0	40.0	15.0	10.0	5.0	—	—	—
Total	7.5	10.0	5.0	5.0	13.5	55.0	85.0	70.0	50.0	65.0	25.0	16.0	33.5	22.0	TBD

Employees and average age

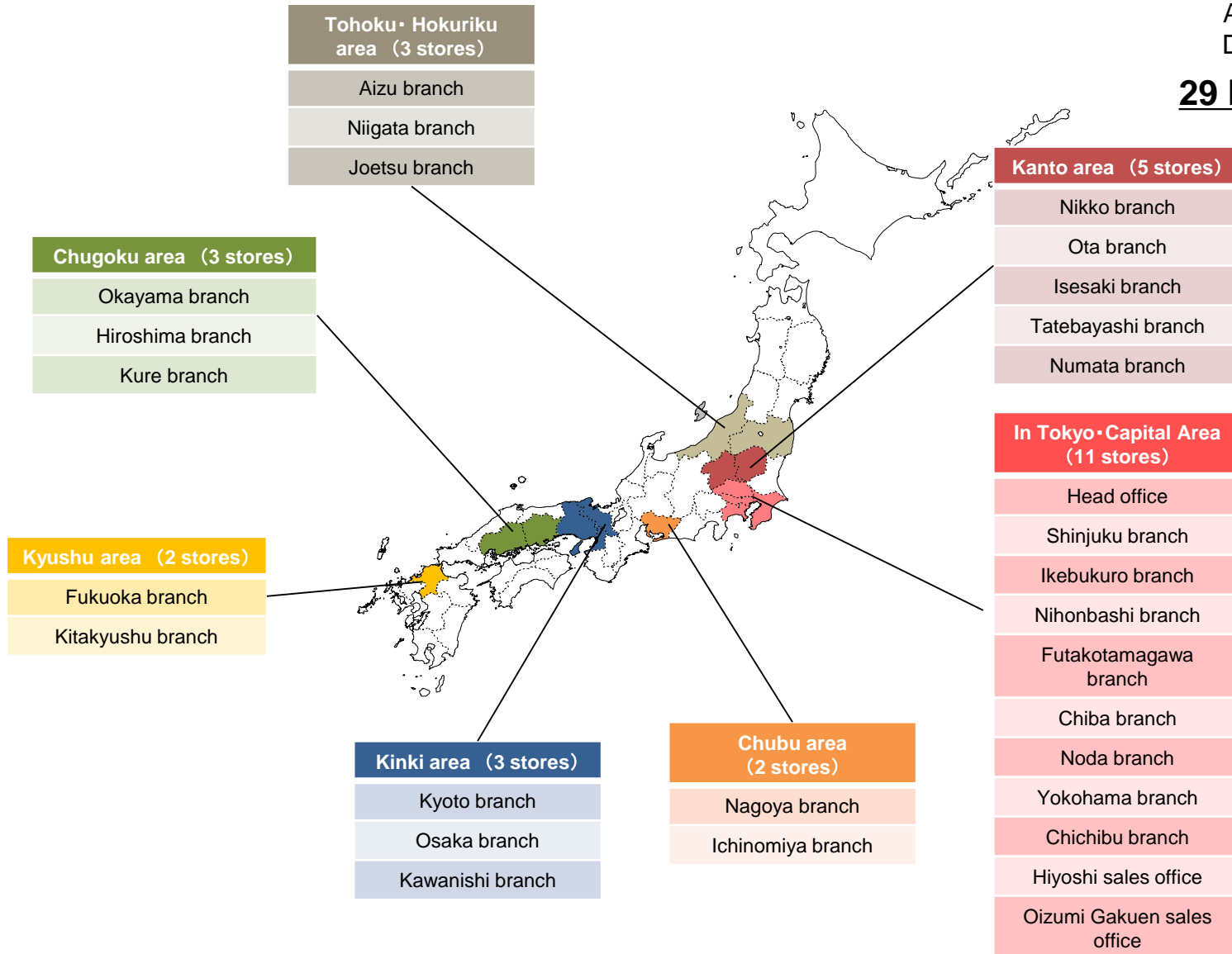
	FY2020				FY2021				FY2022		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Employees (person)	1,205	1,172	1,137	1,115	1,216	1,186	1,140	1,103	1,200	1,166	1,134
average age (age/months)	35.0	35.5	35.9	36.2	35.0	35.4	35.10	36.3	35.1	35.5	35.9

- (Annotation)
1. Number of employees excludes commission sales representatives
 2. Average age is calculated excluding contract employees

Store network ~Community-based sales hub~

As of the end of
December 2022

29 bases in total



◇Disclaimer

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This material was created based on the data as of the end of December 2022.

Please note that we are not responsible for any omissions or errors in the data and expressions used in this material.

The opinions and future forecasts contained in this material are based on our judgments at the time of writing, and do not guarantee the accuracy or completeness of the information.

In the future, it may be changed without notice.

Marusan Securities Co., Ltd.

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