

Consolidated Financial Summary (for the three months ended June 30, 2023)

July 31, 2023

Company Name: Tokai Tokyo Financial Holdings, Inc.
 Stock Listings: Tokyo Stock Exchange / Nagoya Stock Exchange
 Stock Code: 8616 URL: <https://www.tokaitokyo-fh.jp/>
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Expected date for submission of quarterly report: August 10, 2023
 Scheduled day of commencing dividend payment: —
 Supplementary explanation documents for quarterly earnings: Yes
 Quarterly results briefing planned: None

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2023**(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	%
Three months ended										
June 30,2023	21,205	14.9	20,615	17.0	3,494	393.0	4,004	233.6	1,998	—
June 30,2022	18,460	(7.6)	17,621	(9.4)	708	(71.4)	1,200	(60.8)	101	(98.6)

(Note) Comprehensive income Three-month period ended June 30, 2023: 3,239million yen [170.9%]
 Three-month period ended June 30, 2022: 1,195million yen [(83.3%)]

	Net income per share	Diluted net income per share
	yen	yen
Three months ended		
June 30,2023	8.03	8.01
June 30,2022	0.41	0.41

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of				
June 30,2023	1,180,623	182,462	14.4	682.38
March 31,2023	1,056,020	181,348	16.0	679.99

(Reference) Shareholders' equity June 30, 2023: 169,902 million yen March 31, 2023: 169,286 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, 2023	—	8.00	—	8.00	16.00
Ending March 31, 2024	—				
Ending March 31, 2024 (Forecast)		—	—	—	—

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

2) Dividend forecast for the fiscal year ending March 31, 2023 has not been determined.

3. Forecast of Consolidated Operating Results for Fiscal 2023 (from April 1, 2023 to March 31, 2024)

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) Important Changes in Subsidiaries during the Term (Changes Pursuant to the Subsidiaries that Lead to a Change in the Scope of Consolidation): None

New : None

Exclusion : None

(2) Application of Special Accounting Treatments in Preparing Quarterly Consolidated Financial Statements: None

(3) Changes in Accounting Policies or Estimates and Retrospective Restatements

1) Changes in accounting policies in accordance with revision of accounting standards: None

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) Number of shares issued at the end of the term including treasury shares

As of June 30, 2023:	260,582,115	As of March 31, 2023:	260,582,115
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2) Number of treasury shares at the end of the term

As of June 30, 2023:	11,597,180	As of March 31, 2023:	11,626,798
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3) Average number of shares outstanding (for the three months)

Three months ended June 30, 2023:	248,973,111	Three months ended June 30, 2022:	248,582,471
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* This consolidated financial summary is not subject to certified public accountant's or audit corporation's review.

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

Dividends for the fiscal year ending March 31, 2024 have not been determined because it is difficult to forecast operating results, as described similarly in "3.Forecast of Consolidated Operating Results for Fiscal 2023."

* How to view supplementary explanation documents for quarterly earnings

Supplementary explanation documents for quarterly earnings will be available on both Timely Disclosure network and our website on Monday, July 31, 2023.

Accompanying Materials – Contents

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1. Qualitative Information for the Three Months Ended June 30, 2023

(1) Review of Operating Results

Japanese Economy: During the period under review (April 1, 2023 to June 30, 2023), in the Japanese economy, personal consumption continued to expand, mainly in terms of service consumption, due to the revival of various events that had been postponed due to COVID-19. An economic recovery led by domestic demand (personal consumption and capital expenditures) was also seen, with capital expenditures by companies picking up as supply constraints eased.

Looking Abroad: In overseas markets, monetary tightening to control inflation continued, mainly in Europe and the United States, and low growth continued. Asian economies, on the other hand, maintained relatively high rates of economic growth, with the margin of interest rate hikes remaining moderate as inflationary pressures were somewhat restrained. The pace of economic recovery in China after the lifting of the “Zero-COVID Policy” has been slow, and monetary and fiscal stimulus measures are being implemented.

Japanese Stock Market: The Nikkei Stock Average, which opened at ¥28,200 in April, rose through mid-June, closing June transactions at ¥33,189. This was driven by the normalization of the Japanese economy, the continuation of the Bank of Japan’s large-scale monetary easing policy under the new Ueda administration, and expectations that Japanese companies would improve their capital efficiency. The average daily transaction volume of the Tokyo Stock Exchange Prime Market for the period under review was ¥3,836.4 billion (compared to ¥3,334.4 billion for the same period of the previous year).

US Stock Market: The Dow Jones Industrial Average, which opened at \$33,200 in April, continued to weaken toward the end of May against the backdrop of financial instability following bank failures in the United States and uncertainty surrounding the debt ceiling negotiations. However, it recovered following the conclusion of the debt ceiling negotiations and the Federal Reserve’s move to suspend interest rate hikes and closed June transactions at \$34,407.

Japanese Bond Market: Long-term interest rates in Japan (10-year government bond yield) started at 0.34% in April, the lowest level for the period. Amid growing expectations that the Bank of Japan would adjust its monetary easing policy under the new Governor of the Bank of Japan, Mr. Ueda, the 10-year government bond yield remained close to 0.5%, which was the upper limit of the allowable fluctuation range. However, at the first Monetary Policy Meeting under Governor Ueda held at the end of April, the decision to continue the easing was made. The yield subsequently moved within a range of 0.35% to 0.45%, and closed June transactions at 0.40%.

US Bond Market: Long-term interest rates in the United States started at 3.51% in April and reached 3.24% on April 6, the lowest for the period under review. After that, the yield continued to move in a narrow range around 3.5% until mid-May. However, with the emerging prediction of a resumption of interest rate hikes after a pause in the U.S., the yield followed a gradual upward trend and rose to 3.85% in the second half of May. In June, the range trading continued mainly between 3.7% and 3.8% and closed June transactions at 3.83%.

Foreign Exchange Market: The dollar-to-yen exchange rate opened at 1 USD to 133 JPY in April and fell to the period’s lowest level of 130 JPY on April 5. However, selling of the Japanese yen accelerated after Bank of Japan Governor Ueda hinted at the continuation of monetary easing at the Monetary Policy Meeting in April, and the yen rose sharply to 137 JPY at the beginning of May. It was then pushed down to 133 JPY, but in addition to the continued yen-selling, dollar repurchase intensified against the backdrop of the expectation of a prolonged monetary tightening policy in the U.S. After exceeding the milestone of 140 JPY, it rose sharply to 145 JPY at one point before June trade closed at 144 JPY.

Amid this market environment, for a further leap forward, the Group launched the medium-term management plan “Beyond Our Limits” in fiscal 2022, and this fiscal year under review is the second year of the plan.

<<Promotion of digital strategy>>

As topics for the Group in the first three months of the fiscal year under review, in May, the Company was selected as a “DX Stocks 2023” company for the third consecutive year jointly by the Ministry of Economy, the Tokyo Stock Exchange, and the Information-technology Promotion Agency. As the Group seeks to expand its operating base through DX, in July, the Company and its subsidiary, Tokai Tokyo Digital Platform Co., Ltd., which provides digital services such as the “Regional Revitalization Platform,” entered into a basic agreement for collaboration with Japan Post Bank Co., Ltd. Our aim is to revitalize regional economies and regions through an alliance with Powerful Partners, and the alliance is designed as a focused measure to go “Beyond Our Limits.” As the first step of this collaboration, we will jointly propose the operation of the “Premium Digital Gift Certificates” issuance to local governments. In the future, we plan to expand measures facilitating regional revitalization to local governments nationwide by utilizing the resources and know-how of both parties, including digital services such as the “Regional Revitalization Platform” and Japan Post Bank’s nationwide network.

<<Sustainability initiatives>>

As a Group measure based on “‘Social Value & Justice’ comes first”, the action guideline for our medium-term management plan “Beyond Our Limits” launched in fiscal 2022, the Group will contribute to solving social issues by engaging in sustainability initiatives more actively than ever before. The Group’s main activities since April 2023 are as follows.

(Underwritten ESG Bonds): Tokai Tokyo Securities has underwritten a total of six bonds, including the following ESG-related bonds, (total underwritten amount is ¥27,300 million (compared with ¥20,700 million in the same period of the previous year). Through our sales activities, we will contribute to the realization of a sustainable society and the resolution of social issues in cooperation with investors who are highly motivated to contribute to society.

Japan Railway Construction, Transport and Technology Agency bonds (Sustainability Bonds):

100% green bonds for railway construction and joint shipbuilding.

Acquired CBI program certification, which sets strict standards for environmental improvement effects.

(ESG Index): Maintained the status of a constituent of the “FTSE Blossom Japan Sector Relative Index” and selected for the first-time as a constituent of the “FTSE Blossom Japan Index” (*).

The Company was selected as a constituent of the “FTSE Blossom Japan Sector Relative Index” in 2022 and the “FTSE Blossom Japan Index,” which requires higher standards, in June this year, in continuous recognition of its advanced corporate governance system, expansion of various initiatives in line with the SDGs, and enhancement of information disclosure.

*Both indices were established by FTSE Russell, a global index provider, assessing Japanese companies that have demonstrated outstanding ESG (Environmental, Social and Governance) performance. Both indices have been adopted as passive investment benchmarks for ESG investment by the Government Pension Investment Fund (GPIF), one of the world’s largest public pension funds, and are used as representative indices for ESG investment.

In addition, the Company has decided to raise the salary level (base salary increase) for regular employees and continuous contract employees for the second consecutive year. We will continue to consider undertaking a variety of human resources initiatives to attract employees of high competitive strength and engagement consciousness. We believe that such efforts will make it easier to work and more rewarding for our employees.

As for structured bonds sales in the Group, we will continue adequately customer-oriented sales, based on the revised guidelines of the Japan Securities Dealers Association, after re-examining the contents of our products, and conducting a thorough internal check with respect to compliance with the standards at the time of sales and other matters within the company, including management.

The Group's consolidated operating results for the period were as follows. All percentages shown below indicate year-on-year comparisons in this section (1).

(Commission received)

During the period under review, total commissions received increased by 26.1%, to ¥9,815 million.

(i) Commission to consignees

Commission to consignees on stocks rose 65.1%, to ¥4,147 million. Total commission to consignees increased by 59.3% to ¥4,283 million.

(ii) Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors

Commission earned from handling bonds recorded ¥230 million, an increase of 37.6%, while the same from handling stocks decreased. Total commission for underwriting, secondary distribution, and solicitation for selling and others for professional investors decreased by 55.7% to ¥231 million.

(iii) Fees for offering, secondary distribution and solicitation for selling and others for professional investors

Fees earned from beneficiary certificates recorded ¥2,007 million, up 33.9%. Total fees for offering, secondary distribution and solicitation for selling and others for professional investors increased 33.9% to ¥2,009 million.

(iv) Other fees received

Agency commissions from investment trusts increased 0.5% to ¥1,380 million, and insurance commissions increased 17.6% to ¥1,160 million. Total other fees increased 7.1% to ¥3,291 million.

(Net trading income)

Stock trading income increased 159.8% to ¥7,790 million, while trading income from bonds and foreign exchanges mainly from foreign currency-denominated bonds and structure bonds decreased 53.1% to ¥2,607 million. As a result, net trading income increased by 21.5% to ¥10,398 million.

(Net financial revenue)

Financial revenue decreased by 53.1% to ¥990 million, and financial expenses decreased 29.8% to ¥589 million. Therefore, net financial revenue decreased 68.5% to ¥401 million.

(Selling, general and administrative expenses)

Trading-related expenses decreased 11.3% to ¥3,043 million. Personnel expenses increased 5.8% to ¥8,032 million, real estate expenses decreased 6.7% to ¥1,898 million, and office expenses increased 4.9% to ¥2,284 million. As a result, total selling, general and administrative expenses increased 1.2% to ¥17,121 million.

(Non-operating income and expenses)

Total non-operating income increased by 20.2% to ¥740 million. Primary attributes were 1) ¥419 million gain on the valuation of investment securities and 2) ¥207 million dividend income. On the other hand, total non-operating expenses increased by 85.0% to ¥230 million, of which the major factor was the loss on investments in investment partnerships amounting to ¥183 million.

(Extraordinary income and losses)

In the period under review, ¥244 million of extraordinary income was recorded, and an extraordinary loss of ¥369 million was recorded.

In summary, operating revenue increased 14.9% to ¥21,205 million, net operating revenue increased 17.0% to ¥20,615 million, operating profit increased 393.0% to ¥3,494 million, ordinary profit increased 233.6% to ¥4,004 million, and finally, profit attributable to owners of parent after deducting income taxes was ¥1,998 million.

(2) Review of the Financial Statements

All comparisons shown below are made with respective corresponding figures at the end of the previous consolidated fiscal year in this section (2).

(Assets)

Total assets at the end of the period under review increased by ¥124,603 million to ¥1,180,623 million. Under this category, current assets increased by ¥124,135 million to ¥1,104,016 million. This was mainly due to increases in trading products of ¥107,780 million to ¥380,698 million and in loans secured by securities of ¥19,202 million to ¥323,311 million while margin transaction assets decreased ¥28,615 million to ¥50,882 million and short-term guarantee deposits decreased ¥3,388 million to ¥43,917 million. Non-current assets, on the other hand, increased ¥467 million to ¥76,607 million, mainly due to an increase in investment securities of ¥830 million to ¥46,754 million.

(Liabilities)

Total liabilities at the end of the period under review increased by ¥123,488 million to ¥998,161 million. Under this category, current liabilities increased by ¥128,069 million to ¥882,578 million. This was mainly due to increases in borrowings secured by securities of ¥101,005 million to ¥247,130 million and increases in trading products of ¥39,359 million to ¥275,286 million, while short-term borrowings decreased ¥35,299 million to ¥173,302 million and trade date accrual decreased by ¥8,405 million. Non-current liabilities, on the other hand, decreased by ¥4,513 million to ¥114,960 million, mainly due to a decrease in bonds payable of ¥5,983 million to ¥15,996 million.

(Net assets)

Net assets at the end of the period under review increased ¥1,114 million to ¥182,462 million. This was mainly due to an increase in retained earnings of ¥6 million to ¥111,071 million, an increase in valuation difference on available-for-sale securities of ¥633 million to ¥1,567 million, and an increase in non-controlling interests of ¥481 million to ¥11,994 million.

(3) Forecasts of Consolidated Financial Performance

The Group's main business is the financial instruments business, and its performance is affected by fluctuations in the market environment. Given the nature of this business, it is difficult to make a forecast of operating results. Therefore, the Company does not disclose the forecast of operating results.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: million yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	131,606	139,911
Cash segregated as deposits	74,058	86,857
Cash segregated as deposits for customers	69,336	82,536
Cash segregated as deposits for others	4,722	4,321
Trading products	272,917	380,698
Trading securities and other	260,859	373,549
Derivatives	12,058	7,148
Trade date accrual	—	2,355
Margin transaction assets	79,497	50,882
Loans on margin transactions	40,789	38,409
Cash collateral pledged for securities borrowing on margin transactions	38,708	12,472
Loans secured by securities	304,108	323,311
Cash collateral pledged for securities borrowed	81,054	59,202
Loans on Gensaki transactions	223,054	264,109
Advances paid	213	676
Short-term guarantee deposits	47,306	43,917
Short-term loans receivable	52,162	58,438
Accrued income	3,443	3,493
Other	14,647	13,558
Allowance for doubtful accounts	(81)	(86)
Total current assets	979,880	1,104,016
Non-current assets		
Property, plant and equipment	9,683	9,424
Intangible assets	7,883	7,819
Investments and other assets	58,572	59,363
Investment securities	45,923	46,754
Long-term guarantee deposits	4,768	4,728
Deferred tax assets	51	26
Retirement benefit asset	6,886	6,918
Other	1,274	1,261
Allowance for doubtful accounts	(332)	(325)
Total non-current assets	76,139	76,607
Total assets	1,056,020	1,180,623

(Unit: million yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Trading products	235,926	275,286
Trading securities and other	212,558	252,918
Derivatives	23,368	22,367
Trade date accrual	8,405	—
Margin transaction liabilities	29,856	29,982
Borrowings on margin transactions	13,323	16,037
Cash received for securities lending on margin transactions	16,532	13,945
Borrowings secured by securities	146,125	247,130
Cash received on debt credit transaction of securities	48,999	59,549
Borrowings on Gensaki transactions	97,125	187,581
Deposits received	63,050	89,366
Guarantee deposits received	14,394	14,872
Short-term borrowings	208,602	173,302
Short-term bonds payable	11,500	19,500
Current portion of bonds payable	26,778	24,817
Income taxes payable	1,273	1,345
Provision for bonuses	1,797	1,072
Provision for bonuses for directors (and other officers)	—	11
Other	6,797	5,888
Total current liabilities	754,508	882,578
Non-current liabilities		
Bonds payable	21,979	15,996
Long-term borrowings	93,500	94,500
Deferred tax liabilities	1,804	2,423
Provision for retirement benefits for directors (and other officers)	127	84
Retirement benefit liability	169	161
Other	1,893	1,794
Total non-current liabilities	119,474	114,960
Reserves under special laws		
Reserve for financial instruments transaction liabilities	689	622
Total reserves under special laws	689	622
Total liabilities	874,672	998,161
Net assets		
Shareholders' equity		
Share capital	36,000	36,000
Capital surplus	24,533	24,530
Retained earnings	111,064	111,071
Treasury shares	(5,036)	(5,023)
Total shareholders' equity	166,562	166,579
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	934	1,567
Foreign currency translation adjustment	413	458
Remeasurements of defined benefit plans	1,376	1,296
Total accumulated other comprehensive income	2,724	3,322
Share acquisition rights	547	565
Non-controlling interests	11,513	11,994
Total net assets	181,348	182,462
Total liabilities and net assets	1,056,020	1,180,623

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income
(Three months ended June 30)

(Unit: million yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Operating revenue		
Commission received	7,786	9,815
Brokerage commission	2,689	4,283
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	522	231
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	1,501	2,009
Other fees received	3,073	3,291
Net trading income	8,561	10,398
Financial revenue	2,113	990
Total operating revenue	18,460	21,205
Financial expenses	839	589
Net operating revenue	17,621	20,615
Selling, general and administrative expenses		
Trading related expenses	3,429	3,043
Personnel expenses	7,590	8,032
Real estate expenses	2,033	1,898
Office expenses	2,177	2,284
Depreciation	712	839
Taxes and dues	398	397
Provision of allowance for doubtful accounts	11	4
Other	559	621
Total selling, general and administrative expenses	16,912	17,121
Operating profit	708	3,494
Non-operating income		
Dividend income	246	207
Share of profit of entities accounted for using equity method	—	66
Gain on investments in investment partnerships	148	0
Gain on valuation of investment securities	147	419
Other	73	46
Total non-operating income	616	740
Non-operating expenses		
Share of loss of entities accounted for using equity method	83	—
Loss on investments in investment partnerships	8	183
Foreign exchange losses	3	33
Other	29	14
Total non-operating expenses	124	230
Ordinary profit	1,200	4,004

(Unit: million yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Extraordinary income		
Gain on sale of investment securities	19	20
Gain on change in equity	—	157
Gain on extinguishment of tie-in shares	21	—
Reversal of reserve for financial instruments transaction liabilities	14	66
Total extraordinary income	54	244
Extraordinary losses		
Loss on valuation of investment securities	—	359
Loss on change in equity	—	9
Total extraordinary losses	—	369
Profit before income taxes	1,255	3,879
Income taxes-current	49	833
Income taxes-deferred	400	423
Total income taxes	450	1,256
Profit	804	2,623
Profit attributable to non-controlling interests	703	624
Profit attributable to owners of parent	101	1,998

Consolidated Statements of Comprehensive Income
(Three months ended June 30)

(Unit: million yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	804	2,623
Other comprehensive income		
Valuation difference on available-for-sale securities	(31)	651
Foreign currency translation adjustment	526	42
Remeasurements of defined benefit plans, net of tax	(106)	(80)
Share of other comprehensive income of entities accounted for using equity method	2	2
Total other comprehensive income	<u>391</u>	<u>616</u>
Comprehensive income	<u>1,195</u>	<u>3,239</u>
(Comprehensive income attributable to)		
Owners of parent	485	2,596
Non-controlling interests	710	642

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable

(Notes for Material Changes in Shareholders' Equity)

Not applicable

3. Supplementary Information

(1) Breakdown of Commission Received and Net Trading Income

① Commission received

(i) By item

(Unit: million yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023	Yr/Yr	
			Increase (Decrease)	% change
Brokerage commission	2,689	4,283	1,593	59.3 %
Stocks	2,512	4,147	1,635	65.1
Bonds	2	2	0	18.2
Beneficiary certificates	174	132	(41)	(23.8)
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	522	231	(290)	(55.7)
Stocks	354	0	(353)	(99.9)
Bonds	167	230	63	37.6
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	1,501	2,009	508	33.9
Beneficiary certificates	1,499	2,007	508	33.9
Other fees received	3,073	3,291	218	7.1
Beneficiary certificates	1,373	1,380	6	0.5
Total	7,786	9,815	2,029	26.1

(ii) By product

(Unit: million yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023	Yr/Yr	
			Increase (Decrease)	% change
Stocks	2,923	4,294	1,370	46.9 %
Bonds	175	238	63	36.3
Beneficiary certificates	3,047	3,521	473	15.5
Others	1,640	1,761	121	7.4
Total	7,786	9,815	2,029	26.1

② Net trading income

(Unit: million yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023	Yr/Yr	
			Increase (Decrease)	% change
Stocks	2,998	7,790	4,792	159.8 %
Bonds and Forex	5,562	2,607	(2,954)	(53.1)
Total	8,561	10,398	1,837	21.5

(2) Comparative Quarterly Consolidated Statements of Income

(Unit: million yen)

	Fiscal 2022				Fiscal 2023
	1st quarter Apr. 1, 2022 - Jun. 30, 2022	2nd quarter Jul. 1, 2022 - Sep. 30, 2022	3rd quarter Oct. 1, 2022 - Dec. 31, 2022	4th quarter Jan. 1, 2023 - Mar. 31, 2023	1st quarter Apr. 1, 2023 - Jun. 30, 2023
Operating revenues					
Commission received	7,786	7,892	8,461	8,789	9,815
Brokerage commission	2,689	2,857	3,132	3,079	4,283
(Stocks)	2,512	2,661	2,921	2,922	4,147
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	522	159	223	208	231
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	1,501	1,591	1,751	2,055	2,009
(Beneficiary certificates)	1,499	1,591	1,747	2,034	2,007
Other fees received	3,073	3,284	3,354	3,445	3,291
(Beneficiary certificates)	1,373	1,366	1,305	1,285	1,380
Net trading income	8,561	7,540	8,275	6,910	10,398
(Stocks)	2,998	1,387	4,138	5,105	7,790
(Bonds and Forex)	5,562	6,153	4,136	1,804	2,607
Financial revenue	2,113	4,742	1,009	1,300	990
Total operating revenue	18,460	20,175	17,746	16,999	21,205
Financial expenses	839	1,196	771	977	589
Net operating revenue	17,621	18,979	16,975	16,022	20,615
Selling, general and administrative expenses					
Trading related expenses	3,429	3,076	2,995	2,926	3,043
Personnel expenses	7,590	8,061	7,576	7,607	8,032
Real estate expenses	2,033	1,891	1,853	1,806	1,898
Office expenses	2,177	2,030	2,086	2,341	2,284
Depreciation	712	821	862	884	839
Taxes and dues	398	520	367	390	397
Provision of allowance for doubtful accounts	11	6	5	11	4
Other	559	498	467	437	621
Total selling, general and administrative expenses	16,912	16,906	16,214	16,405	17,121
Operating profit	708	2,072	761	(382)	3,494
Non-operating income	616	606	154	2,842	740
Share of profit of entities accounted for using equity method	—	—	—	—	66
Other	616	606	154	2,842	673
Non-operating expenses	124	238	315	354	230
Share of loss of entities accounted for using equity method	83	149	288	228	—
Other	41	88	26	126	230
Ordinary profit	1,200	2,441	600	2,104	4,004
Extraordinary income	54	(0)	(0)	123	244
Extraordinary losses	—	377	(37)	83	369
Profit before income taxes	1,255	2,062	637	2,144	3,879
Income taxes-current	49	111	677	1,985	833
Income taxes-deferred	400	795	(59)	(570)	423
Profit	804	1,155	19	729	2,623
Profit attributable to non-controlling interests	703	442	(502)	113	624
Profit attributable to owners of parent	101	713	521	616	1,998