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1. Explanation of Business Results

(1) Summary of results of operations for the fiscal year ended March 31, 2025

In the investment trust market, which is highly relevant to our Group's business during the current consolidated fiscal year, while there was a tailwind of continued fund inflows as the "new NISA" system launched in January 2024 gained widespread recognition, the year was also marked by structural changes, including intensified competition among asset management companies and a downward trend in average trust fee rates.

Under these business conditions, the Asset Management business of our Group saw the assets under management of publicly offered investment trusts increase by 13.1% from 5.9 trillion yen at the end of the previous consolidated fiscal year to 6.7 trillion yen at the end of the current consolidated fiscal year. This was due to stable fund inflows into index funds that were compatible with the new NISA system and offered various asset classes centered on "growth" investments, as well as the result of pioneering the industry by introducing numerous funds with characteristics aimed at balancing both "growth" and "distribution," as represented by high-dividend types. These product groups are all offered at the lowest level of trust fees compared to similar funds of the same type, in line with our Group's philosophy of "customer-centricity," ensuring not only quality but also cost-effectiveness. For existing products, we have implemented proactive policies throughout the year based on "customer-centricity," such as reducing costs and restructuring our product lineup from the beneficiary's perspective, in accordance with our Product Governance Policy established in June 2023.

Additionally, the assets under management of privately placed investment trusts, which primarily support the advancement and diversification of securities investments by regional financial institutions, reached 2.4 trillion yen at the end of the current consolidated fiscal year. This represents an increase of approximately 25% compared to the end of March 2021, reflecting the success of our sales activities tailored to customer needs despite challenging conditions for privately placed investment trusts with high bond mandates amid rising interest rates in Europe and the United States after the post-COVID period and rising domestic interest rates last fiscal year.

As a result, sales in the Asset Management business for the current consolidated fiscal year increased by 18.8% year-on-year to 9,751 million yen.

In the Financial Services business, our subsidiary Wealth Advisor Inc. continued to approach the growing asset management needs in Japan from a "customer-centric" perspective, particularly in response to the new NISA system, based on relationships with major and regional financial institutions centered around the "Wealth Advisor" terminal. We actively held asset management seminars with major financial institutions and prominent regional banks, with the number of such seminars increasing 3.8 times compared to the previous consolidated fiscal year to 19 events. Additionally, in December 2024, we presented the second "New NISA Growth Investment Category WA Excellence Fund Award," continuing our contribution to investors through information provision.

As a result, sales in the Financial Services business for the current consolidated fiscal year were 1,817 million yen.

Consequently, the consolidated performance of the Company for the current consolidated fiscal year recorded sales of 11,568 million yen, an increase of 1,431 million yen (14.1%) from 10,137 million yen in the previous consolidated fiscal year, marking an all-time high.

Additionally, compared to the previous consolidated fiscal year, cost of sales increased by 953 million yen, and selling, general and administrative expenses increased by 319 million yen, resulting in operating profit of 2,269 million yen for the current consolidated fiscal year, an increase of 157 million yen (7.5%) from 2,111 million yen in the previous consolidated fiscal year, achieving profit growth for the second consecutive period and setting a new record high.

Regarding non-operating income and expenses, compared to the previous consolidated fiscal year, non-operating income decreased by 109 million yen and non-operating expenses decreased by 7 million yen, resulting in ordinary profit of 2,565 million yen for the current consolidated fiscal year, an increase of 55 million yen (2.2%) from 2,510 million yen in the previous consolidated fiscal year, marking the 16th consecutive year of profit growth and the 14th consecutive year of record highs.

As a result, profit attributable to owners of parent for the current consolidated fiscal year was 1,646 million yen, an increase of 57 million yen (3.6%) from 1,589 million yen in the previous consolidated fiscal year.

1) Summary of consolidated financial results

(Thousand yen)

	Fiscal Year From April 1, 2023 To March 31, 2024		Fiscal Year From April 1, 2024 To March 31, 2025		Increase/Decrease	
	Amount	Profit rate (%)	Amount	Profit rate (%)	Amount	Rate (%)
Net sales	10,137,596		11,568,990		1,431,394	14.1
Operating income	2,111,325	20.8	2,269,274	19.6	157,948	7.5
Ordinary income	2,510,110	24.8	2,565,494	22.2	55,383	2.2
Net income attributable to owners of parent	1,589,278	15.7	1,646,935	14.2	57,657	3.6

Consolidated sales increased for the 13th consecutive year and recorded the highest sales for the 6th consecutive year.

Consolidated operating profit increased for the second consecutive year, reaching a new record high.

Consolidated ordinary income increased for the 16th consecutive year and recorded the highest income for the 14th consecutive year.

Consolidated net profit increased.

2) Sales by Segment and Sales by Service are as follows

(Thousand yen)

Sales by Segment	Fiscal Year From April 1, 2023 To March 31, 2024		Fiscal Year From April 1, 2024 To March 31, 2025		Rate of change (%)
	Amount	Rate (%)	Amount	Rate (%)	
Asset Management Business	8,210,510	81.0	9,751,909	84.3	18.8
Financial Services Business	1,927,085	19.0	1,817,080	15.7	△5.7
Consolidated sales	10,137,596	100.0	11,568,990	100.0	14.1

(1) Asset Management Business

The total assets under management for investment trusts at the end of the consolidated fiscal year increased by 13.1% from 5,922.4 billion yen at the end of the previous consolidated fiscal year to 6,700.8 billion yen. The breakdown shows that domestic publicly offered investment trusts increased by 30.7% from 2,714.4 billion yen to 3,548.4 billion yen, domestic privately placed investment trusts remained almost unchanged at 2,420.4 billion yen, and overseas assets increased by 2.5% from 475.3 billion yen to 487.4 billion yen. With the increase in assets under management, net sales for the Asset Management business for the consolidated fiscal year increased by 1,541 million yen (18.8%) from 8,210 million yen in the previous consolidated fiscal year to 9,751 million yen. The proportion of this business in the Group's sales continues to rise, reaching 84.3% in the current consolidated fiscal year.

(2) Financial Services Business

The number of "Wealth Advisor" terminals used by financial institutions selling investment trusts remained stable (116,327 terminals at the end of the current consolidated fiscal year compared to 116,315 terminals in the previous consolidated fiscal year). The number of face-to-face seminars held in collaboration with major financial institutions steadily increased to 19 events, 3.8 times that of the previous consolidated fiscal year. Although the number of IR support activities for general business companies also increased, as a result of implementing ahead of schedule a review of the development and deployment of certain content, net sales for the Financial Services business for the consolidated fiscal year decreased by 110 million yen (-5.7%) from 1,927 million yen in the previous consolidated fiscal year to 1,817 million yen.

3) Overview of Non-consolidated Financial Results

The Company transitioned to a pure holding company following the organizational restructuring implemented on March 30, 2023. Regarding the non-consolidated performance, the Company's revenue consists mostly of management and guidance fees from subsidiaries and dividend income, while expenses primarily comprise listing-related costs and operating expenses for subsidiaries. From this fiscal year, with the commencement of receiving dividends from subsidiaries, the Company's non-consolidated net sales increased by 753 million yen (94.2%) from 800 million yen in the

previous fiscal year to 1,554 million yen. Selling, general and administrative expenses increased by 14 million yen (3.1%) from 474 million yen in the previous fiscal year to 489 million yen, resulting in operating profit increasing by 739 million yen (approximately 3.3 times) year-on-year to 1,064 million yen. Additionally, with non-operating income of 208 million yen and non-operating expenses of 84 million yen, ordinary profit increased by 677 million yen (approximately 2.3 times) year-on-year to 1,189 million yen. As a result, net profit increased by 697 million yen (approximately 3.3 times) year-on-year to 996 million yen.

(2) Overview of Financial Position for the Current Consolidated Fiscal Year

Total assets at the end of the consolidated fiscal year decreased by 367 million yen compared to the end of the previous consolidated fiscal year, to 18,258 million yen.

This was due to an increase in current assets of 640 million yen and a decrease in fixed assets of 1,005 million yen. The increase in current assets was mainly due to an increase in cash and deposits of 370 million yen and an increase in accounts receivable of 333 million yen. The main factors for the increase in cash and deposits were the recording of profit before income taxes of 2,564 million yen, dividend payments of 1,950 million yen, payment of income taxes of 676 million yen, and a net inflow of 359 million yen from investment activities including the acquisition and sale of investment securities. The decrease in fixed assets was mainly due to the sale of investment securities and the decline in their net asset value.

Total liabilities at the end of the consolidated fiscal year increased by 333 million yen compared to the end of the previous consolidated fiscal year, to 2,848 million yen. This was mainly due to an increase in accounts payable of 283 million yen, an increase in income taxes payable of 142 million yen, and a decrease in lease obligations of 40 million yen.

Net assets at the end of the consolidated fiscal year decreased by 700 million yen compared to the end of the previous consolidated fiscal year, to 15,410 million yen.

This was mainly due to a decrease in retained earnings of 303 million yen resulting from the recording of profit attributable to owners of the parent of 1,646 million yen and dividend payments of 1,950 million yen, as well as a net decrease in total accumulated other comprehensive income of 418 million yen due to the decline in the net asset value of investment securities (investment trusts) and changes in foreign exchange translation rates.

(3) Overview of Consolidated Cash Flows for the Current Consolidated Fiscal Year

Cash and cash equivalents at the end of the consolidated fiscal year increased by 370 million yen compared to the end of the previous consolidated fiscal year, to 4,008 million yen. The status of each cash flow is as follows:

(Cash Flows from Operating Activities)

Cash flows from operating activities resulted in an inflow of 2,007 million yen (compared to an inflow of 8,762 million yen in the previous fiscal year).

This was mainly due to the recording of profit before income taxes of 2,564 million yen and the payment of income taxes of 676 million yen. It should be noted that the inflow for the previous fiscal year included a one-time receipt of 9,296 million yen from the collection of accounts receivable related to the return of the "Morningstar" license.

(Cash Flows from Investing Activities)

Cash flows from investing activities resulted in an inflow of 359 million yen (compared to an outflow of 5,492 million yen in the previous consolidated fiscal year). This was mainly due to proceeds from the sale and redemption of investment securities of 1,361 million yen, expenditures for new acquisitions of 860 million yen, and the acquisition of intangible fixed assets of 143 million yen.

(Cash Flows from Financing Activities)

Cash flows from financing activities resulted in an outflow of 2,013 million yen (compared to an outflow of 2,148 million yen in the previous consolidated fiscal year). This was mainly due to dividend payments of 1,950 million yen and repayments of lease obligations of 63 million yen.

(4) Explanation about future forecast information such as consolidated earnings forecast

In the Asset Management business, we will continue to actively introduce new funds at appropriate times while monitoring the turbulent market environment. Specifically, we will further expand our index funds, which serve as materials for investors to build their own investment portfolios, as well as actively develop products that combine "growth" and "distribution," which continue to have strong demand, and products incorporating alternative assets (alternative assets to traditional investment assets such as stocks and bonds). In particular, regarding funds targeting crypto assets, we will consider their development while monitoring the outcome of discussions on legal regulations in Japan.

Additionally, we will continue to promote "customer-centrism" through appropriate control of products based on product governance. We are proud of our pioneering efforts in the industry to reduce various costs, including investment trust management fees, and we will maintain this policy in the future to contribute to investors and gain their support, thereby leading to the growth of our assets under management and ultimately the growth of our business performance. We also intend to thoroughly rationalize management through measures such as the introduction of efficient systems and the utilization of AI (artificial intelligence) in our operations.

For the Financial Services business, we will focus on business development utilizing relationships with domestic financial institutions through the "WealthAdvisor" brand. Under the government's "Asset Management Nation" initiative, domestic financial institutions are expected to continue their fiduciary duty (customer-oriented business operations), and we intend to develop and provide various services in collaboration with these domestic financial institutions. Additionally, as the shift "from savings to investment" is expected to accelerate with the penetration of the new NISA, we will actively hold asset management fairs and various seminars jointly with domestic financial institutions to meet the needs of investors and enhance our presence in Japan's individual investment environment. The Group will seek growth based on these two businesses, but regarding the performance forecast for the consolidated fiscal year (from April 1, 2025, to March 31, 2026), it is difficult to forecast overseas interest rates and economic trends, as well as stock market trends that are highly related to our business, for the full fiscal year. Therefore, the Group's performance forecast is undetermined at this time as it is difficult to make a reasonable calculation.

2. Basic concept regarding the selection of accounting standards

The Group currently conducts most of its business in Japan with limited overseas activities. Considering the costs associated with adopting IFRS (International Financial Reporting Standards), we have adopted Japanese standards.

We will consider adopting IFRS when the need arises for our Group.

3. Consolidated Financial Statements and Major Notes

(Thousands of yen)

(1) Consolidated Balance Sheet	As of March 31, 2024	As of March 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	3,637,848	4,008,192
Accounts receivable	2,273,701	2,606,942
Inventories	3,698	1,868
Other accounts receivable	146,925	176,517
Other current assets	485,296	394,189
Total current assets	6,547,470	7,187,711
Non-current assets		
Tangible fixed assets		
Leasehold improvement	120,696	129,207
Accumulated depreciation	△46,776	△56,736
Leasehold improvement: net	73,919	72,470
Furniture, fixtures and equipment	185,458	190,956
Accumulated depreciation	△161,900	△170,829
Furniture, fixtures and equipment: net	23,557	20,127
Lease equipment under capital	216,568	175,866
Total tangible fixed assets	314,046	268,463
Intangible fixed assets		
Goodwill	1,633,229	1,625,593
Software	986,883	780,282
Other non-current assets	9,124	8,907
Total intangible fixed assets	2,629,237	2,414,784
Investments and other assets		
Investment securities	8,712,813	7,702,904
Deferred tax assets	294,214	559,984
Other non-current assets	126,228	124,545
Total investments and other assets	9,133,256	8,387,435
Total non-current assets	12,076,540	11,070,683
Deferred assets		
Stock issuance cost	1,632	247
Total deferred assets	1,632	247
TOTAL ASSETS	18,625,643	18,258,642

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
LIABILITIES		
Current liabilities		
Accounts payable–trade	18,765	20,467
Accounts payable–other	1,162,069	1,445,762
Lease payable	58,881	71,332
Income taxes payable	430,601	573,591
Consumption taxes payable	108,637	140,710
Other current liabilities	578,594	491,888
Total current liabilities	2,357,550	2,743,751
Non-current liabilities		
Lease payable	157,686	104,534
Total non-current liabilities	157,686	104,534
TOTAL LIABILITIES	2,515,237	2,848,285
NET ASSETS		
Shareholders' equity		
Common stock	3,363,635	3,363,635
Capital surplus	4,528,571	4,528,571
Retained earnings	8,019,263	7,715,801
Treasury stocks	△20	△23
Total shareholders' equity	15,911,449	15,607,984
Accumulated other comprehensive income		
Valuation difference on other securities	△330,513	△947,536
Foreign currency translation adjustments	383,462	582,100
Total accumulated other comprehensive income	52,948	△365,436
Non-controlling shareholders' equity	146,008	167,809
TOTAL NET ASSETS	16,110,406	15,410,356
TOTAL LIABILITIES AND NET ASSETS	18,625,643	18,258,642

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	10,137,596	11,568,990
Cost of sales	4,917,169	5,870,993
Gross profit	5,220,426	5,697,997
Selling, general and administrative expenses	3,109,101	3,428,722
Operating income	2,111,325	2,269,274
Non-operating income		
Interest income	78,006	121,136
Dividend income	181,462	123,188
Gain on sale of investment securities	131,942	49,100
Other non-operating income	16,391	4,462
Total non-operating income	407,803	297,888
Non-operating expenses		
Foreign exchange losses	642	-
Stock issuance cost	7,697	1,384
Other non-operating expenses	677	283
Total non-operating expenses	9,017	1,668
Ordinary income	2,510,110	2,565,494
Extraordinary profit		
Loss on valuation of investment securities	-	522
Total extraordinary losses	-	522
Income before income taxes	2,510,110	2,564,971
Income taxes-current	615,412	869,043
Income taxes-deferred	273,047	25,603
Total income taxes	888,459	894,646
Profit	1,621,651	1,670,325
Net income attributable to non-controlling interests	32,372	23,389
Net income attributable to owners of parent	1,589,278	1,646,935

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	1,621,651	1,670,325
Other comprehensive income		
Valuation difference on others	△346,673	△618,611
Foreign currency translation adjustment	129,188	198,638
Total other comprehensive income	△217,484	△419,973
Comprehensive income	1,404,167	1,250,351
(Breakdown)		
Comprehensive income attributable to owners of parent	1,373,154	1,228,550
Comprehensive income attributable to non-controlling interests	31,013	21,801

(3) Consolidated Statement of Changes in Shareholders' Equity

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
As of April 1, 2023	3,363,635	4,514,168	8,335,546	△20	16,213,329
Fluctuation amount for the period					
Dividends from retained earnings			△1,905,561		△1,905,561
Request for additional purchase of shares less than one unit					
Net income attributable to owners of parent			1,589,278		1,589,278
Increase/decrease in non-controlling interests due to merger between consolidated subsidiaries		5,086			5,086
Increase/decrease in equity due to additional acquisition of shares of consolidated subsidiary		9,316			9,316
Net income attributable to non-controlling interests					
Net changes of items other than shareholders' equity					
Total changes during the period	-	14,402	△316,283	-	△301,880
As of March 31, 2024	3,363,635	4,528,571	8,019,263	△20	15,911,449

	Accumulated other comprehensive income			Non-controlling shareholders' equity	Total net assets
	Valuation difference on other securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
As of April 1, 2023	13,440	254,273	267,713	318,858	16,799,901
Fluctuation amount for the period					
Dividends from retained earnings					△1,905,561
Request for additional purchase of shares less than one unit					-
Net income attributable to owners of parent					1,589,278
Increase/decrease in non-controlling interests due to merger between consolidated subsidiaries				△5,086	-
Increase/decrease in equity due to additional acquisition of shares of consolidated subsidiary				△198,776	△189,460
Net income attributable to non-controlling interests				32,372	32,372
Net changes of items other than shareholders' equity	△343,953	129,188	△214,764	△1,359	△216,124
Total changes during the period	△343,953	129,188	△214,764	△172,850	△689,495
As of March 31, 2024	△330,513	383,462	52,948	146,008	16,110,406

Fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
As of April 1, 2024	3,363,635	4,528,571	8,019,263	△20	15,911,449
Fluctuation amount for the period					
Dividends from retained earnings			△1,950,398		△1,950,398
Request for additional purchase of shares less than one unit				△2	△2
Net income attributable to owners of parent			1,646,935		1,646,935
Increase/decrease in non-controlling interests due to merger between consolidated subsidiaries					
Increase/decrease in equity due to additional acquisition of shares of consolidated subsidiary					
Net income attributable to non-controlling interests					
Net changes of items other than shareholders' equity					
Total changes during the period	-	-	△303,462	△2	△303,464
As of March 31, 2025	3,363,635	4,528,571	7,715,801	△23	15,607,984

	Accumulated other comprehensive income			Non-controlling shareholders' equity	Total net assets
	Valuation difference on other securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
As of April 1, 2024	△330,513	383,462	52,948	146,008	16,110,406
Fluctuation amount for the period					
Dividends from retained earnings					△1,950,398
Request for additional purchase of shares less than one unit					△2
Net income attributable to owners of parent					1,646,935
Increase/decrease in non-controlling interests due to merger between consolidated subsidiaries					-
Increase/decrease in equity due to additional acquisition of shares of consolidated subsidiary					-
Net income attributable to non-controlling interests				23,389	23,389
Net changes of items other than shareholders' equity	△617,023	198,638	△418,385	△1,588	△419,973
Total changes during the period	△617,023	198,638	△418,385	21,801	△700,049
As of March 31, 2025	△947,536	582,100	△365,436	167,809	15,410,356

(4) Consolidated Cash Flow Statement

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	2,510,110	2,564,971
Depreciation	399,544	432,823
Amortization of goodwill	105,743	110,509
Amortization of share issuance costs	7,697	1,384
Loss (gain) on sale of investment securities	△131,942	△49,100
Loss (gain) on valuation of investment securities	-	522
Loss (gain) on sale of crypto assets	△13,717	-
Interest and dividend income	△259,469	△244,325
Foreign exchange losses (gains)	△642	△568
Decrease (increase) in trade receivables	△445,915	△281,580
Decrease (increase) in inventories	△2,311	1,829
Increase (decrease) in trade payables	△43,987	1,701
Decrease (increase) in accounts receivable - other	9,314,854	△12,134
Increase (decrease) in accounts payable - other	5,313	253,317
Decrease (increase) in other current assets	△173,393	66,179
Increase (decrease) in other current liabilities	165,649	△71,435
Subtotal	11,437,534	2,641,737
Interest and dividends received	14,089	22,639
Income taxes paid	△2,710,625	△676,343
Income taxes refund	21,222	19,115
Net cash provided by (used in) operating activities	8,762,220	2,007,148
Cash flows from investing activities		
Purchase of Tangible fixed assets	△11,561	△3,016
Purchase of intangible assets	△409,229	△143,226
Purchase of investment securities	△6,253,027	△860,301
Proceeds from sale of investment securities	1,186,244	1,361,123
Proceeds from refund of guarantee deposits	61,725	5,000
Payments of guarantee deposits	△66,918	-
Net cash provided by (used in) investing activities	△5,492,766	359,579
Cash flows from financing activities		
Dividends paid	△1,905,561	△1,950,398
Purchase of treasury shares	-	△2
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	△189,460	-
Repayments of lease liabilities	△53,947	△63,214
Net cash provided by (used in) financing activities	△2,148,969	△2,013,615
Effect of exchange rate change on cash and cash equivalents	32,108	17,232
Net increase (decrease) in cash and cash equivalents	1,152,593	370,344
Cash and cash equivalents at beginning of period	2,485,551	3,638,145
Cash and cash equivalents at end of period	3,638,145	4,008,489

(5) Notes on Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes on the changes in accounting policies)

(Application of "Accounting Standard for Income Taxes" and related standards)

The "Accounting Standard for Income Taxes" (ASBJ Statement No. 27, October 28, 2022, hereinafter "2022 Revised Accounting Standard") and related standards have been applied from the beginning of the current consolidated fiscal year.

Regarding the revision related to the classification of income taxes (taxation on other comprehensive income), we have followed the transitional treatment prescribed in the proviso of Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment prescribed in the proviso of Paragraph 65-2(2) of the "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022, hereinafter "2022 Revised Implementation Guidance"). This change in accounting policy has no impact on the consolidated financial statements.

In addition, regarding the revision related to the treatment in consolidated financial statements when gains or losses from the sale of subsidiary shares between consolidated companies are deferred for tax purposes, the 2022 Revised Implementation Guidance has been applied from the beginning of the current consolidated fiscal year. This change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous consolidated fiscal year reflect this retrospective application. This change in accounting policy has no impact on the consolidated financial statements for the previous consolidated fiscal year.

(Notes such as segment information)

[Segment Information]

1. Overview of Reportable Segments

The Group's reportable segments are components of the Group for which separate financial information is available and which are subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating business performance.

The main business activities by reportable segment (as of March 31, 2025) are as follows:

(Asset Management Business)

Business activities conducted under the Financial Instruments and Exchange Act, including the establishment, offering, and management of investment trusts, as well as investment management and advisory services

Category: Asset Management

Main Business Activities: Investment management including establishment, offering, and management of publicly offered additional-type equity investment trusts and privately placed bond-type investment trusts, investment advisory services for "Fund of Funds," etc., defined contribution pension plan-related consulting, and others

(Financial Services Business)

A business that collects and accumulates financial and website information, then compares, analyzes, evaluates, and processes this information to provide to customers, as well as offering consulting services.

Category: Financial Services

Main Business Activities: "Kabushiki Shimibun" web version, stock price and corporate information distribution, fund analysis reports, domestic equity reports, U.S. equity reports, provision of custom fund data to financial institutions and media, fund award selection and announcement, provision of investment trust comparison and analysis tools, corporate defined contribution pension-related advice, operation and planning of websites related to individual defined contribution pensions (iDeCo) and small-amount tax-exempt investment system (NISA) as well as creation and provision of content, sales of tablet applications and data to financial institutions, cryptocurrency evaluation information.

Advertising on the Group's websites (Wealth Advisor website, Chinese information site "Searchina"), consulting

income related to financial product sales agency advertising in various media, marketing consulting, advertising agency services, newspaper advertising, implementation of seminars on IR, life planning, asset management, etc., provision of simulation tools and other life planning support services.

2. Method of calculating sales, profit or loss, assets, liabilities, and other items for reportable segments

The accounting methods used for the reported business segments are consistent with the accounting principles and procedures adopted for preparing the consolidated financial statements.

Segment profit is based on operating income.

The amounts of sales, profit, and other items, as well as assets, liabilities, and other items for the "Asset Management Business" are calculated by aggregating the corresponding figures from the following subsidiaries:

SBI Asset Management Co., Ltd., Carret Holdings, Inc., Carret Asset Management LLC, SBI Alternative Investment Management Co., Ltd.

Among the consolidated subsidiaries, the fiscal year-end for Carret Holdings, Inc. and Carret Asset Management LLC is December 31. In preparing segment information, the assets, liabilities, and other items of Carret Holdings, Inc. and Carret Asset Management LLC as of December 31, 2024, and their sales, profit, and other items for the period from January 1, 2024, to December 31, 2024, are used. Any significant transactions that occurred between the consolidated closing date and these dates have been adjusted as necessary for consolidation purposes.

The amounts of sales, profit, and other items, as well as assets, liabilities, and other items for the "Financial Services Business" are calculated by aggregating the corresponding figures from SBI Global Asset Management Co., Ltd. and Wealth Advisor Co., Ltd.

Inter-segment sales or transfers are determined through negotiation with consideration of market prices.

3. Information on sales, profit or loss by reportable segment

Previous consolidated fiscal year (April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Reportable segments			Reconciling items	Amount recorded on consolidated financial statements
	Asset management	Financial Service	Reportable segments		
Sales					
Revenues from external customers	8,210,510	1,927,085	10,137,596	-	10,137,596
Internal transactions with other segments	702	4,596	5,298	△5,298	-
Net sales	8,211,213	1,931,681	10,142,894	△5,298	10,137,596
Operating profit (loss)	1,766,411	344,913	2,111,325	-	2,111,325
Assets	11,790,806	11,673,957	23,464,763	△4,839,119	18,625,643
Liabilities	2,367,456	4,986,900	7,354,357	△4,839,119	2,515,237
Other items					
Depreciation	98,908	300,636	399,544	-	399,544
Amortization of goodwill	105,743	-	105,743	-	105,743
Increase in Tangible fixed assets and intangible assets	233,549	254,749	488,299	-	488,299

Fiscal year ending March 31, 2025 (From April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Reportable segments			Reconciling items	Amount recorded on consolidated financial statements
	Asset management	Financial Service	Reportable segments		
Sales					
Revenues from external customers	9,751,909	1,817,080	11,568,990	-	11,568,990
Internal transactions with other segments	701	4,596	5,297	△5,297	-
Net sales	9,752,611	1,821,676	11,574,288	△5,297	11,568,990
Operating profit (loss)	2,125,692	143,582	2,269,274	-	2,269,274
Assets	13,504,104	9,786,491	23,290,596	△5,031,953	18,258,642
Liabilities	2,852,081	5,028,157	7,880,239	△5,031,953	2,848,285
Other items					
Depreciation	122,256	310,567	432,823	-	432,823
Amortization of goodwill	110,509	-	110,509	-	110,509
Increase in Tangible fixed assets and intangible assets	13,820	141,047	154,867	-	154,867

4. Differences between the total amount of reportable segments and the amount recorded in consolidated financial statements, and main details of such differences (matters concerning reconciliation)

(Thousands of yen)

Net Sales	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Total of reportable segments	10,142,894	11,574,288
Elimination of intersegment transactions	△5,298	△5,297
Net sales in consolidated financial statements	10,137,596	11,568,990

(Thousands of yen)

Profit	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Total of reportable segments	2,111,325	2,269,274
Elimination of intersegment transactions	-	-
Operating income in consolidated financial statements	2,111,325	2,269,274

(Thousands of yen)

Assets	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Total of reportable segments	23,464,763	23,290,596
Elimination of intersegment transactions	△4,839,119	△5,031,953
Assets in the consolidated balance sheet	18,625,643	18,258,642

(Thousands of yen)

Liabilities	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Total of reportable segments	7,354,357	7,880,239
Elimination of intersegment transactions	△4,839,119	△5,031,953
Liabilities in the consolidated balance sheet	2,515,237	2,848,285

(Thousands of yen)

Other items	Total of reportable segments		Elimination of intersegment transactions		Amount recorded on consolidated financial statements	
	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Depreciation	399,544	432,823	—	—	399,544	432,823
Amortization of goodwill	105,743	110,509	—	—	105,743	110,509
Increase in Tangible fixed assets and intangible fixed assets	488,299	154,867	—	—	488,299	154,867

[Related Information]

1. Information on Products and Services

Previous Consolidated Fiscal Year (From April 1, 2023 to March 31, 2024) (Thousands of yen)

	Asset Management	Financial Services
Sales to external customers	8,210,510	1,927,085

Current Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025) (Thousands of yen)

	Asset Management	Financial Services
Sales to external customers	9,751,909	1,817,080

2. Information by Geographic Area

(1) Net Sales

(Note) Net sales are classified by country or region based on customer location.

Previous Consolidated Fiscal Year (From April 1, 2023 to March 31, 2024) (Thousands of yen)

Japan	United States	Total
8,589,680	1,547,916	10,137,596

Current Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025) (Thousands of yen)

Japan	United States	Other areas	Total
9,670,860	1,898,129	71,282	11,568,990

(2) Tangible fixed assets

Previous Consolidated Fiscal Year (From April 1, 2023 to March 31, 2024) (Thousands of yen)

Japan	United States	Total
93,535	220,510	314,046

Current Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025) (Thousands of yen)

Japan	United States	Total
89,111	179,352	268,463

3. Information about Major Customers

Previous Consolidated Fiscal Year (From April 1, 2023 to March 31, 2024)

Not applicable.

Current Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025)

Not applicable.

4. Information on Impairment Loss of Fixed Assets or Goodwill, etc. of each Reportable Segment

[Information on Impairment Loss on Fixed Assets of each Reportable Segment]

Previous consolidated fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

Current consolidated fiscal year (From April 1, 2024 to March 31, 2025)

Not applicable.

(Significant Changes in Goodwill Amount)

Previous consolidated fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

Current consolidated fiscal year (From April 1, 2024 to March 31, 2025)

Not applicable.

[Information on Amortization of Goodwill and Unamortized Balance by Reportable Segment]

Previous consolidated fiscal year (From April 1, 2023 to March 31, 2024) (Thousands of yen)

	Asset management	Financial Service	Unallocated amounts and elimination	Amount recorded on consolidated balance sheet
Amortization of goodwill	105,743	-	-	105,743
Amount of Goodwill	1,633,229	-	-	1,633,229

Current Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025) (Thousands of yen)

	Asset management	Financial Service	Unallocated amounts and elimination	Amount recorded on consolidated balance sheet
Amortization of goodwill	110,509	-	-	110,509
Goodwill	1,625,593	-	-	1,625,593

[Information on Gain on Negative Goodwill by Reportable Segment]

Not applicable.

(Information on a per share amount)

	Fiscal Year ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Fiscal Year ended March 31, 2024 (April 1, 2024 - March 31, 2025)
Net asset per share (yen)	178.03	169.98
Net income per share (yen)	17.72	18.37
Diluted net income per share (yen)	-	-

Diluted net income per share is not stated as there are no dilutive shares.

(Notes) 1 The amount of net income per share and the basis for calculation of diluted net income per share are as follows.

	Fiscal Year ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Fiscal Year ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Net income per share		
Net income attributable to owners of parent (Thousand yen)	1,589,278	1,646,935
Amount not attributable to common shareholders (Thousand yen)	-	-
Net income attributable to owners of parent related to common stock (Thousand yen)	1,589,278	1,646,935
Average number of shares of common stock during the period (Share)	89,673,480	89,673,477

*Diluted net income per share is not stated as there are no dilutive shares.

(Notes) 2 The amount of net asset per share and the basis for calculation are as follows.

	Fiscal Year ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Fiscal Year ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Total amount of net assets (thousand yen)	16,110,406	15,410,356
Amount to be deducted from the total amount of net assets (thousand yen)	146,008	167,809
(Non-controlling interests of above (thousand yen))	(146,008)	(167,809)
Net asset value related to common stock of fiscal year end (thousand yen)	15,964,398	15,242,547
Number of year-end common shares used to calculate net assets per share (shares)	89,673,480	89,673,475

(Significant Subsequent Events)

Not applicable.