

Financial Results Presentation Materials

1Q of Fiscal Year Ending March 31, 2026

July 30, 2025 AIZAWA SECURITIES GROUP CO., LTD. Securities Code: 8708

AIZAWA SECURITIES GROUP CO., LTD.



Agenda

P3 **Summary P9 Progress on KPIs** P13 **Medium-Term Management Plan**

Disclaimer

This document is prepared for the purpose of providing information on the business and financial results and not meant for the solicitation of investment. The document represents financial results for the first quarter of fiscal year ending March 31, 2026, based upon the information as of June 30, 2025.

The information herein identifies our views, forecast, etc. at the time of creation of the material, and the company does not make any representation or warranty for its accuracy or completeness, therefore, such information may be changed without any notices. The company does not assume responsibility for any omissions or errors of any data and descriptions in the material.

New corporate philosophy

Purpose

Meaning of our existence

More Prosperity to More People

Vision

Our ideal state

Your Long-Term Partner in Building Generational Wealth

Values

Our key values

Relationship

Professionalism

Teamwork

PVV concept video

A concept video for the Company's PVV is available on the AIZAWA SECURITIES GROUP website.

https://www.aizawa-group.jp/company/pvv_en.html



AIZAWA Declarations

To clients

We provide financial services with a focus on our clients' futures

To shareholders

We strive to enhance our corporate value through achieving sustainable growth

To society

Challenge

We value connections with local communities and contribute to the development of society

To employees

We respect each employee and support their growth and challenges

This medium-term management plan positions the three years vision as "Your Long-Term Partner in Building Generational Wealth" to transform the business and revenue model capable of consistently achieving our ROE target.

Our definition of "Long-Term Partner"

We are striving to be **trusted lifelong partners**, listening to our clients and their families, offering valuable advice on asset management and wealth building, and fostering an ongoing dialogue to secure their financial success for generations to come.

Awareness of business environment

Increasing demand for continuous face-to-face communication and advisory

- "From Saving to Investing" : Growing Focus on Personal Wealth Management
- Growing demand for continuous inperson advisory towards to long-term objectives



Transformation of business and revenue model

- Providing value which "we stay by our clients continuously in the long-term" by strengthening goal-based sales approach and regional ties
- Aiming to maximize medium-term corporate value, without losing sight of annual profitability

The future we aspire to

Your long-term partner in building generational wealth

- Being a lifelong partner of clients and their families across every stage of life
- Achieving stable management structure and stable ROE that is not dependent on market fluctuations



Operating revenue

4,242 million yen

Change vs 1Q/FY25: (14.3)%

Profit (loss) attributable to owners of parent

127 million yen

Change vs 1Q/FY25: (84.4)%

ROE

(Annualized rate for the profit of 10/FY26)

Change vs FY25: (5.1)pt

AUC generating recurring income

467.9 billion yen

Change vs 1Q/FY25: +18.4%

Assets under custody

2.0962 trillion yen

Change vs 1Q/FY25: +2.7%

Adjusted SG&A cover ratio against adjusted recurring revenue *1

25.1%

Change vs FY25: (3.6)pt

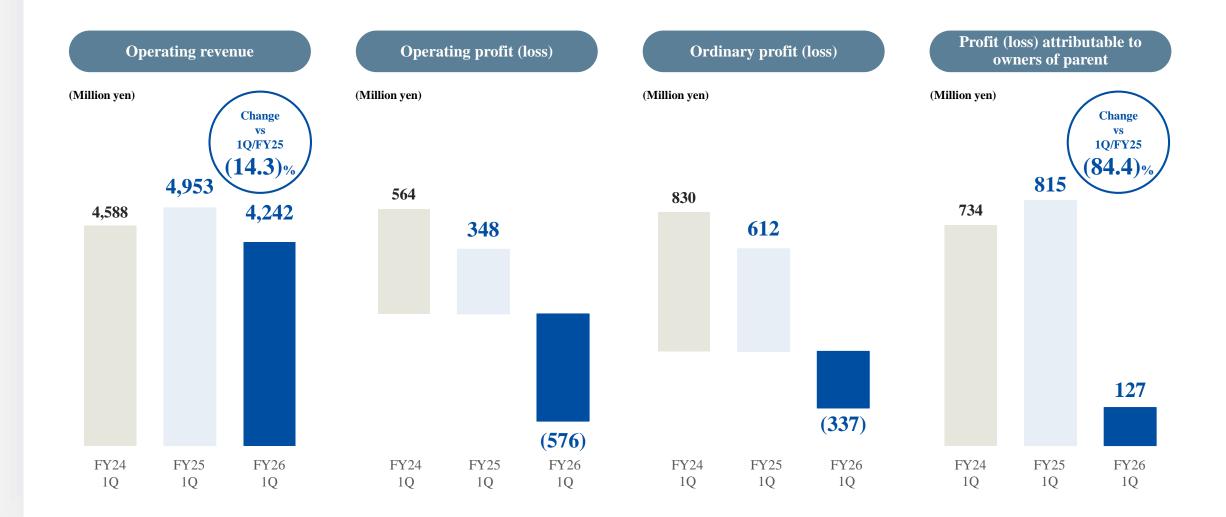
%1 Adjusted recurring revenue: Net earnings from mutual funds and wrap fees after deducting brokerage commissions paid to financial intermediaries.
Adjusted SG&A expenses: SG&A expenses of AIZAWA SECURITIES CO., LTD net of brokerage commissions paid to financial intermediaries.

Review and Message from the President

This was a quarter in which we embarked on a full-scale structural reform of our business. In particular, as a result of shifting to a goal-based approach and working to increase balances in mutual funds and wrap products, we achieved record highs in assets under custody (AUC) and AUC generating recurring revenue products, which serve as KPIs.

On the other hand, operating profit was negative (while net profit remained positive). We are prepared to accept short-term declines in earnings as we advance reforms. While monitoring current profit levels and stock price, we will continue to pursue initiatives aimed at enhancing corporate value over the medium to long term.

Operating revenue decreased due to heightened concerns over reciprocal tariffs in the U.S. causing significant unrest in stock markets. Selling, general and administrative expenses remained high due to rising prices, resulting in both operating profit and ordinary profit turning negative. On the other hand, we recorded extraordinary income of 726 million yen led by sales of securities in the investment business, resulting in profit attributable to owners of parent of 127 million yen.



Compared with 4Q FY25, in addition to the significant unrest in stock markets, impairment of investees incurred in the investment business resulted in a decrease in operating revenue of 21.0%. Although we recorded extraordinary income of 726 million yen led by sales of securities in the investment business, profit attributable to owners of parent fell below that of the previous quarter.

Financial summary (quarterly comparison) [consolidated]

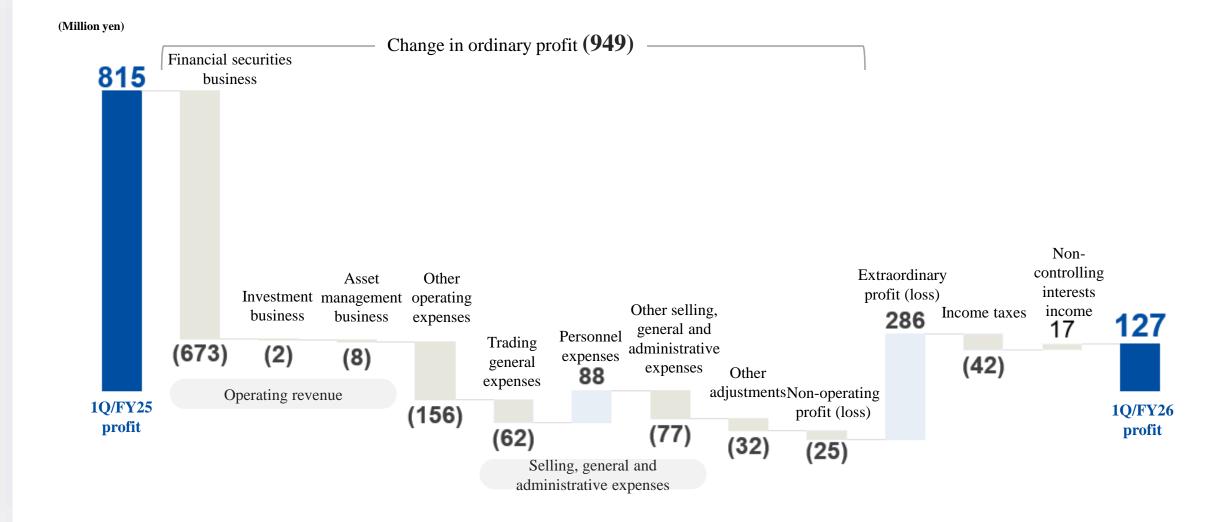
(Million yen)	1Q	FY2	3Q	4Q	FY26 1Q	Change vs 4Q/FY25
Operating revenue	4,953	4,580	5,681	5,372	4,242	(21.0)%
Selling, general and administrative expenses	4,524	4,396	4,618	4,597	4,575	(0.5)%
Operating profit (loss)	348	(42)	1,009	570	(576)	-
Ordinary profit (loss)	612	46	1,182	729	(337)	-
Profit (loss) before taxes	1,051	1,066	1,776	756	388	(48.6)%
Profit (loss) attributable to owners of parent	815	711	1,233	412	127	(69.2)%
Earnings per share (yen)	24.33	22.88	39.72	13.28	4.09	-

1Q, FY26

Factors for changes in profit (cumulative) [consolidated]

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As a result of prioritizing the transformation of the earnings structure, operating revenue in the financial securities business decreased by 673 million yen compared to 1Q of FY25. In addition, there was impairment of securities, etc. in the investment business, and other operating expenses increased by 156 million yen compared to the same period. On the other hand, profit was 127 million yen led by an increase in extraordinary income from sales of securities in the investment business.



LIFE DESIGN PARTNERS CO., LTD.

rising costs caused by inflation



AIZAWA SECURITIES GROUP CO., LTD.



Financial securities business

Offering asset management consulting, etc. to support asset **building for clients**



Investment business

Proprietary investment in financial securities, real estate and growth companies



Asset management business

Providing alternative asset management services mainly to institutional investors

Operating revenue

4,074

million yen

Change vs 1Q/FY25

(14.2)%

Profit (loss) before taxes

million yen

Change vs 1Q/FY25 -%

Operating revenue

168

million yen

Change vs 1Q/FY25

(1.4)%

Profit (loss) before taxes

746

million yen

Change vs 1Q/FY25

+5.7%

Operating revenue

million yen

Change vs 1Q/FY25

(17.1)%

Profit (loss) before taxes

(138)

million yen

Change vs 1Q/FY25 -%

Costs associated with managing funds are

- Decrease in revenue from investee funds
- Recorded gain from sales of investment securities by rebalancing the portfolio

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• While progress was made on the transformation

due to deterioration of market conditions and

of the earnings structure, profit turned negative







accounted under asset management business

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Assets (million yen)	FY25	FY26 1Q	Change vs FY25
Current assets	70,047	76,014	+8.5%
Cash and deposit	14,405	21,053	+46.2%
Cash segregated as deposits	24,783	26,547	+7.1%
Operational investment securities	11,230	11,258	+0.2%
Margin transaction assets	15,478	12,375	(20.0)%
Loans on margin transactions	15,190	12,049	(20.7)%
Other current assets	4,149	4,778	+15.2%
Non-current assets	39,481	40,769	+3.3%
Property, plant and equipment	11,211	11,325	+1.0%
Investments and other assets	28,237	29,413	+4.2%
Total assets	109,529	116,784	+6.6%

Major factors for changes

Cash	and	deposit
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Balance sheet [consolidated]

Short-term bonds payable

Net assets

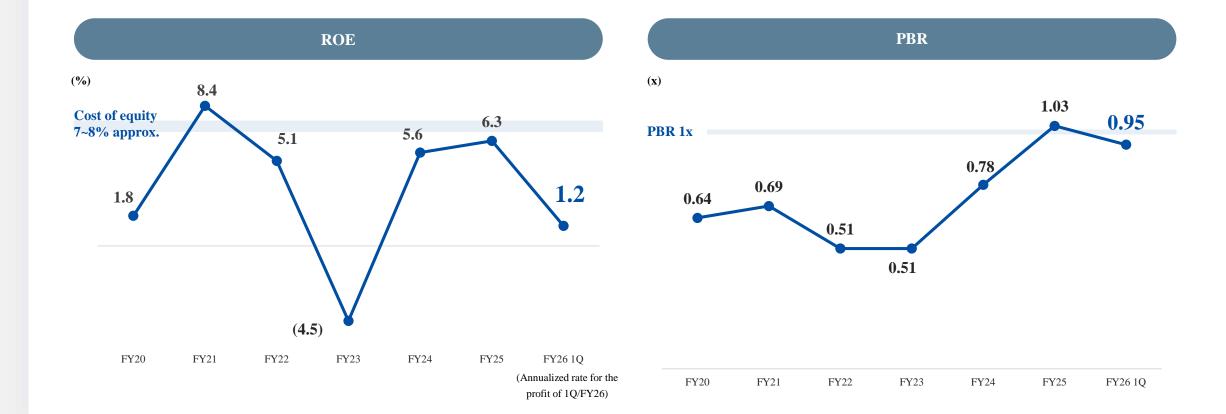
Cash and deposit increased due to an increase in deposits received

Unsecured bonds were issued with the objective of creating a framework that facilitates the flexible procurement of funds essential for future growth Promoted optimization of net assets and building of an efficient balance sheet through special dividends

Liabilities and net assets (million yen)	FY25	FY26 1Q	Change vs FY25
Current liabilities	51,150	60,146	+17.6%
Margin transaction liabilities	4,722	1,710	(63.8)%
Deposits received	23,291	33,608	+44.3%
Deposits received from customers	18,927	24,137	+27.5%
Other deposits	4,363	9,470	+117.0%
Short-term loans payable	9,675	9,273	(4.2)%
Short-term bonds payable	6,000	8,600	+43.3%
Non-current liabilities	10,618	10,596	(0.2)%
Long-term borrowings	5,156	5,071	(1.6)%
Total liabilities	61,929	70,902	+14.5%
Net assets			
Total shareholders' equity	35,557	34,158	(3.9)%
Treasury shares	(8,508)	(8,502)	-
Accumulated other comprehensive income	9,007	8,828	(2.0)%
Valuation difference on available- for-sale securities	7,968	7,983	+0.2%
Total net assets	47,599	45,881	(3.6)%
Total liabilities and net assets	109,529	116,784	+6.6%

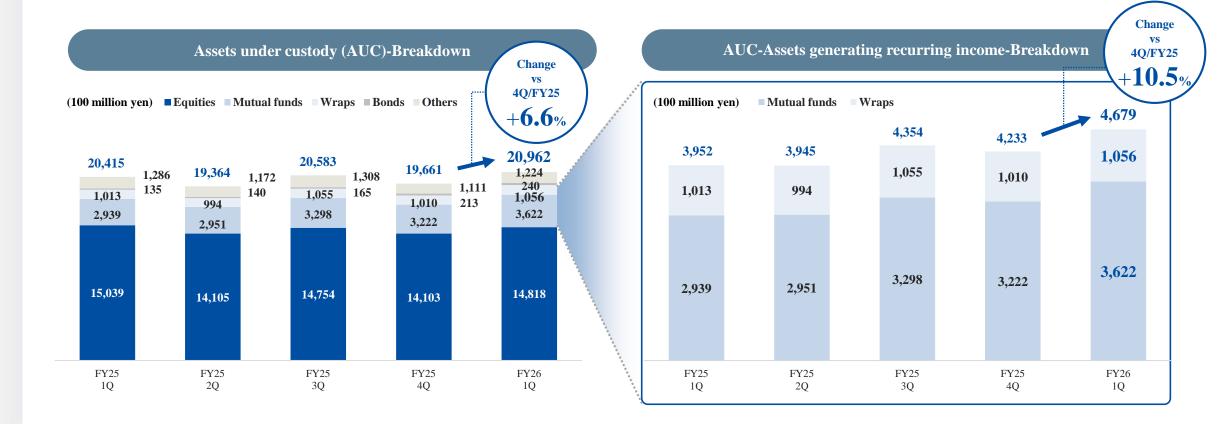
Highlights

ROE and PBR as of 1Q of FY26 came in at 1.2%(annualized rate for the profit of 1Q/FY26) and 0.95x. In aiming to enhance corporate value over the medium term, we will endeavor to implement Management that is Conscious of Cost of Capital and Stock Prices through the transformation of the business structure and earnings structure for ensuring that we are able to consistently achieve a stable ROE of 8% or more.



Highlights

Assets under custody and AUC generating recurring income each reached record highs led by initiatives toward the transformation of the financial securities business, including the promotion of a goal-based sales approach and the rapid development of the platform business. We will continue to aim to build a stable earnings structure that is not dependent on market fluctuations.



Highlights

The adjusted SG&A cover ratio against adjusted recurring revenue for 1Q of FY26 was 25.1%, a decrease of 3.6pt in comparison to the end of FY25. Although the adjusted SG&A decreased by 104 million yen in comparison to 1Q of FY25, this was mainly due to a 142 million yen decrease in adjusted recurring revenue in line with a decrease in wrap-related fees.

Adjusted SG&A cover ratio against adjusted recurring revenue (FY cumulative)

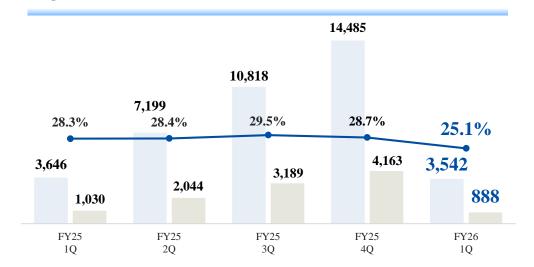
(Million yen)

Adjusted selling, general and administrative expenses

Adjusted recurring revenue

Adjusted SG&A cover ratio against adjusted recurring revenue

Target of 50% or more

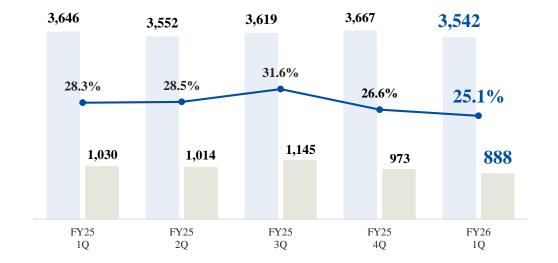


Adjusted SG&A cover ratio against adjusted recurring revenue (by quarter)

Adjusted selling, general and administrative expenses

Adjusted recurring revenue

Adjusted SG&A cover ratio against adjusted recurring revenue



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Basic policy on profit return

Shareholder return policy

Return a total of at least 20 billion yen to shareholders between FY25 and FY28 through dividends and share buybacks

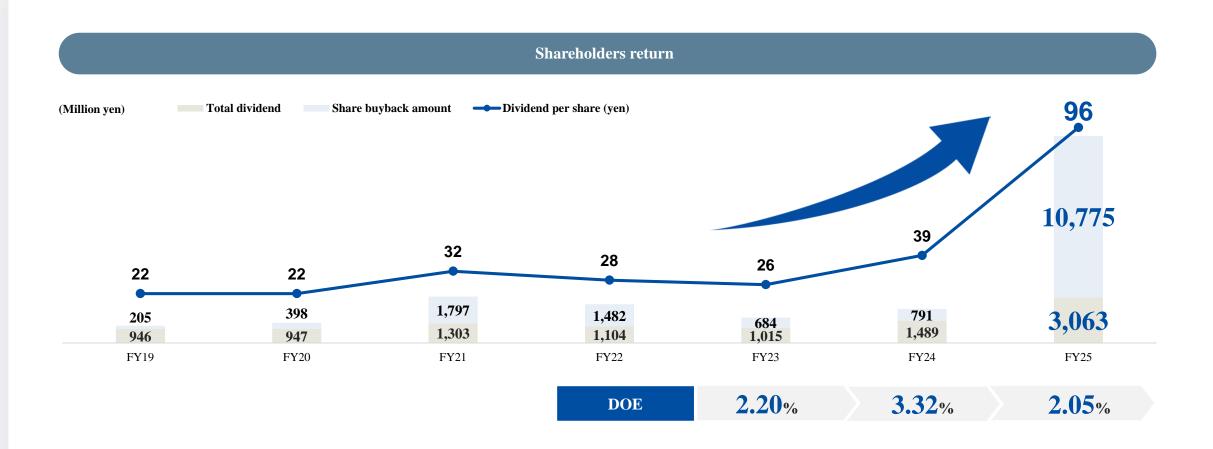
Total shareholder returns

50% or more

DOE

Over 2%

^{*} Total shareholder returns: (share buyback amount + total ordinary dividend) ÷ profit * DOE: Ordinary dividend amount ÷ shareholders' equity



Medium-Term

with

• Relationships revolving around consultations relating to investment



our customers' life plans

Overview of promoting goal-based sales approach (GBA)

The Company's goal-based sales approach refers to our commitment to aligning closely with our customers' life plans to provide plans designed to help achieve their individual financial goals, offering long-term support for asset management and asset building through a comprehensive support system that goes far beyond individual transactions. In the Medium-Term Management Plan announced in April 2025, we set forth our goal to become a "long-term partner in asset management and asset building for customers and their families by strengthening our goal-based sales approach and regional ties" as we aim to transform our financial securities business.

Overview of goal-based sales approach

Main focus of future activities (GBA)

Investment objective

Our

provided

value

• Mainly expectations for price increase/yield

increase in price, etc.

• Providing solution services

fluctuations

Main focus of conventional activities

• Proposing products that are expected to

Providing information on products and

• Prompt follow-up and responses to market



- Achieving financial goals (target amounts for investments) toward realizing future plans and lifestyles
- Providing plans toward achieving financial goals
- Total support that aligns with life plans
- Support toward achieving financial goals

Providing solution services

• Relationships that align closely with

Trial branch initiative

Initiative for promoting goal-based sales

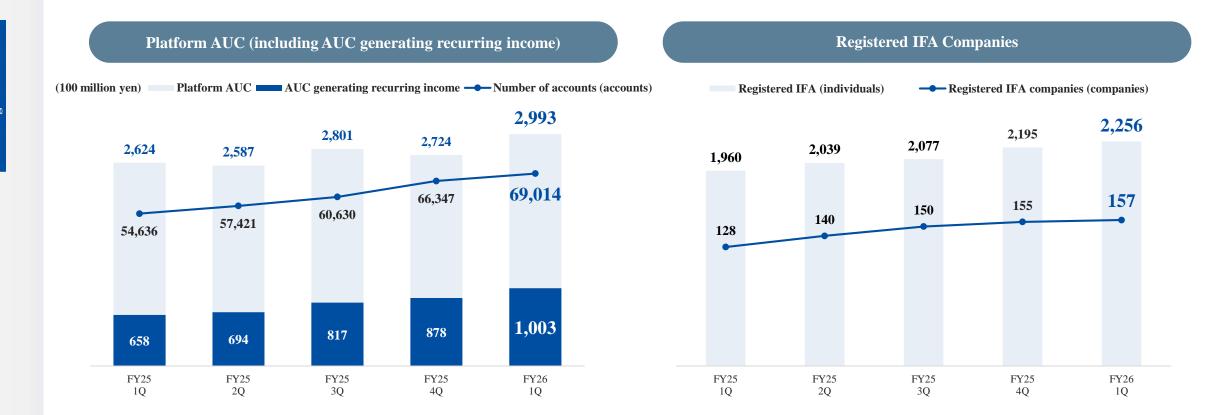
approach

The goal-based sales approach requires a transformation in our fundamental sales style. Through systematic trials at model stores, this initiative is designed to identify the type of "goal-based sales approach" that works with our format and the necessary support structures.

- Establishes a new representative in charge of promoting a goal-based approach to promote, manage, and evaluate business operations
- Introduces evaluation system that focuses not only on quantitative evaluation but also on qualitative evaluation

Overview of enhancing platform business

The Company works with intermediary service providers and IFAs whose primary business does not revolve around the sales of financial instruments for customers looking to realize their life plans. We provide access to valuable information and intuitive systems, that is only available through face-to-face interactions, we will work together with these partners to expand our customer base.



Business strategy of Medium-Term Management Plan

Investment business, asset management business [AIZAWA Investments Co., Ltd., AIZAWA ASSET MANAGEMENT Co., Ltd.]

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In the investment business, in addition to recording extraordinary income from sales of investment securities for the purpose of portfolio rebalancing, assets under management increased by over 1 billion yen. In the asset management business, AUM decreased in line with liquidation proceedings for funds.

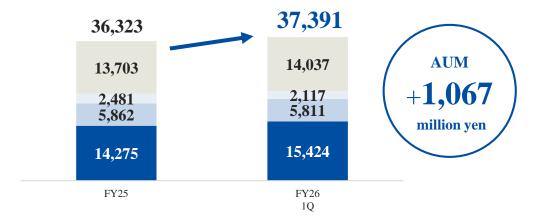
Upgrade investment business

Maximize returns in the medium-term

Our strategic focus will be on maximizing medium-term returns, aligning our portfolio, risk management practices and performance evaluations with this objective.

In addition to recording extraordinary income from the sales of assets, the valuation of asset holdings has also improved.

(Million yen) ■ Listed companies (domestic & global) ■ Unlisted companies (domestic & global) ■ Bonds (domestic & global) ■ Other (hedge funds, real estate, etc.)

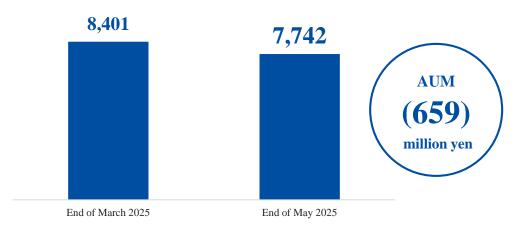


Restructure asset management business

Focus on growing assets under management in the unlisted asset space

The unlisted asset class is expected to provide attractive risk-adjusted returns, and as such, the asset management business will focus on growing assets under management in the unlisted asset space.

(Million yen) ■ AUM in unlisted assets



Topic: Enhance management functions [consolidated, AIZAWA SECURITIES CO., LTD. (non-consolidated)]

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On behalf of strengthening compliance, we have formulated a compliance program and updated our policy on customer-oriented business operations.

Formulation of compliance program

AIZAWA SECURITIES GROUP CO., LTD. formulated a compliance program for FY2025 with the objective of cultivating ethical standards for our executives and employees.

FY2025 compliance target and issue

Target

"Acting in accordance with high ethical standards based on model norms and fulfilling our social responsibilities"

Issue

"Active engagement by management"

Program for target achievement

Strengthening internal control structure for each Group company

Raising compliance awareness for all executives and employees

Program to prevent violations of laws and regulations Priority initiatives for the current fiscal year

[Key initiative for FY26]

As the executives and employees of AIZAWA SECURITIES GROUP, we not only comply with laws and regulations, but also ensure that a principle-based foundation is established through the active engagement of management. We conduct our business operations with high ethical standards from the perspective of social demands.

Update of policy on customer-oriented business conduct

AIZAWA SECURITIES CO., Ltd. regularly announces our policy on customer-oriented business conduct with consideration for environmental changes in each fiscal year in order to provide better services to our customers.

Environmental changes in FY2025

- Formulation of "Purpose, Vision, Values" and "AIZAWA Declarations"
- Formulation of Medium-Term Management Plan
- Amendment of "Principles for Customer-Oriented Business Conduct" by Financial Services Agency

Policy on customer-oriented business conduct

- 1. Your long-term partner in building generational wealth
- 2. Appropriate management of conflicts of interest with clients
- 3. Clear representation of commissions and fees
- 4. Appropriate provision of information to clients
- 5. Provision of financial services with a focus on our clients' futures
- 6. Corporate culture and human resource development based on our code of conduct
- 7. Enhanced product governance



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