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Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Under Japanese GAAP)

April 30, 2024

Company name: Traders Holdings Co., Ltd.
 Listing: Tokyo Stock Exchange (Standard Market)
 Securities code: 8704
 URL: <https://www.tradershd.com/>
 Representative: Takayuki Kanamaru, Chairman and President
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Telephone: +81-3-6736-9850

Scheduled date of annual general meeting of shareholders: June 26, 2024

Scheduled date to commence dividend payments: June 27, 2024

Scheduled date to file annual securities report: June 26, 2024

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (For institutional investors and analysts, in Japanese)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the Fiscal Year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal Year ended	Operating Revenue		Net operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	10,103	9.9	9,912	11.3	4,412	17.9	4,389	17.7	3,334	3.6
March 31, 2023	9,194	29.8	8,905	30.7	3,742	57.8	3,730	58.1	3,217	47.0

Note: Comprehensive income For the Fiscal Year ended March 31, 2024: 3,360 Millions of yen [4.2%]
 For the Fiscal Year ended March 31, 2023: 3,225 Millions of yen [45.1%]

Fiscal Year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2024	117.39	-	25.6	4.3	43.7
March 31, 2023	111.12	-	30.3	4.6	40.7

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2024: - Millions of yen
 For the fiscal year ended March 31, 2023: (2) Millions of yen

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	118,193	14,121	11.9	504.36
March 31, 2023	88,317	11,975	13.6	416.91

Reference: Equity As of March 31, 2024: 14,070 Millions of yen
 As of March 31, 2023: 11,975 Millions of yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	5,168	(329)	(1,279)	8,820
March 31, 2023	1,322	(729)	(590)	5,235

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2023	-	0.00	-	17.00	17.00	488	15.3	4.6
Fiscal year ended March 31, 2024	-	8.00	-	16.00	24.00	673	20.4	5.2
Fiscal year ending March 31, 2025 (Forecast)		12.00	-	-	-		-	

Note: The year-end dividend forecast for the Fiscal year ending March 31, 2025 yet been determined at this point.

3. Financial Forecasts for the Fiscal year ending March 31, 2025 (from April 1,2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Operating Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	11,800	16.8	5,000	13.3	5,000	13.9	3,400	2.0	121.87

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2024	29,538,647 shares
As of March 31, 2023	29,538,647 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2024	1,641,124 shares
As of March 31, 2023	815,364 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2024	28,403,540 shares
Fiscal Year ended March 31, 2023	28,958,227 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

Forecasts and other forward-looking statements in this document are based on information currently available to the Company and certain assumptions deemed to be reasonable. Actual results may differ significantly from the forecasts due to various factors.

* This document is an English translation of a Japanese announcement made on the date above. Although the we intended to faithfully translate the Japanese document into English, the accuracy and this English translation is not guaranteed and thus you are encouraged to refer to the original Japanese document.

Consolidated Financial Statements

i. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	5,235	8,850
Work in process	6	1
Segregated deposits	72,646	99,572
Segregated deposits for customers	72,634	99,556
Other segregated deposits	12	16
Trading products	543	1,200
Short-term guarantee deposits	7,119	5,970
Margin deposits for foreign exchanges	6,762	5,569
Margin deposits for crypto assets	352	396
Margin deposits for other assets	5	5
Other	779	806
Allowance for doubtful accounts	(10)	(23)
Total current assets	86,320	116,378
Non-current assets		
Property, plant and equipment	285	257
Buildings	213	218
Accumulated depreciation	(6)	(50)
Buildings, net	207	168
Tools, furniture and fixtures	132	166
Accumulated depreciation	(54)	(78)
Tools, furniture and fixtures, net	78	88
Intangible assets	638	744
Software	609	702
Other	29	41
Investments and other assets	1,072	813
Investment securities	-	100
Long-term advance paid	173	20
Long-term deposits	172	-
Deferred tax assets	543	275
Other	356	435
Allowance for doubtful accounts	(173)	(19)
Total non-current assets	1,997	1,814
Total assets	88,317	118,193

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Trading products	208	298
Deposits received	20	26
Guarantee deposits received	73,083	100,113
Margin deposits received for foreign exchanges	72,949	99,977
Margin deposits received for crypto assets	134	136
Short-term borrowings	860	1,127
Current portion of long-term borrowings	72	393
Current portion of bonds payable	100	600
Income taxes payable	288	505
Provision for bonuses	181	273
Other	411	546
Total current liabilities	75,226	103,884
Non-current liabilities		
Bonds payable	600	-
Long-term borrowings	463	112
Provision for retirement benefits for directors (and other officers)	16	33
Retirement benefit liability	36	41
Other	0	0
Total non-current liabilities	1,115	187
Total liabilities	76,342	104,071
Net assets		
Shareholders' equity		
Share capital	1,564	1,564
Capital surplus	901	961
Retained earnings	9,768	12,386
Treasury shares	(310)	(921)
Total shareholders' equity	11,922	13,991
Accumulated other comprehensive income		
Foreign currency translation adjustment	52	78
Total accumulated other comprehensive income	52	78
Share acquisition rights	-	49
Non-controlling interests	-	0
Total net assets	11,975	14,121
Total liabilities and net assets	88,317	118,193

ii. Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Operating revenue		
Commission received	86	80
Net trading income	8,757	9,787
Financial revenue	1	1
Other sales	343	234
Other	6	-
Total operating revenue	9,194	10,103
Financial expenses	53	53
Cost of sales	236	138
Net operating revenue	8,905	9,912
Selling, general and administrative expenses		
Trading related expenses	2,209	1,811
Personnel expenses	1,880	2,275
Real estate expenses	588	692
Office expenses	74	82
Depreciation	250	328
Taxes and dues	131	102
Other	28	205
Total selling, general and administrative expenses	5,162	5,499
Operating profit	3,742	4,412
Non-operating income		
Interest and dividend income	1	2
Subsidy income	7	3
Insurance claim income	-	2
Other	3	1
Total non-operating income	11	9
Non-operating expenses		
Interest expenses	13	14
Foreign exchange losses	5	14
Other	4	2
Total non-operating expenses	23	31
Ordinary profit	3,730	4,389
Extraordinary income		
Gain on sale of investment securities	27	-
Reversal of provision for bonuses	-	3
Total extraordinary income	27	3
Extraordinary losses		
Loss on retirement of non-current assets	13	7
Loss on liquidation of business	61	-
Head office relocation expenses	52	18
Impairment losses	-	6
Total extraordinary losses	127	32
Profit before income taxes	3,630	4,360
Income taxes - current	605	758
Income taxes - deferred	(193)	267
Total income taxes	412	1,026
Profit	3,217	3,334
Loss attributable to non-controlling interests	-	(0)
Profit attributable to owners of parent	3,217	3,334

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	3,217	3,334
Other comprehensive income		
Foreign currency translation adjustment	7	26
Total other comprehensive income	7	26
Comprehensive income	3,225	3,360
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,224	3,360
Comprehensive income attributable to non-controlling interests	0	(0)

iii. Consolidated statements of changes in equity

Fiscal year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,500	842	6,870	(7)	9,205
Changes during period					
Dividends of surplus			(320)		(320)
Profit attributable to owners of parent			3,217		3,217
Restricted Stock remuneration	64	58			123
Purchase of treasury shares				(302)	(302)
Disposal of treasury shares				0	0
Net changes in items other than shareholders' equity					
Total changes during period	64	58	2,897	(302)	2,717
Balance at end of period	1,564	901	9,768	(310)	11,922

	Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	45	45	-	9,250
Changes during period				
Dividends of surplus				(320)
Profit attributable to owners of parent				3,217
Restricted Stock remuneration				123
Purchase of treasury shares				(302)
Disposal of treasury shares				0
Net changes in items other than shareholders' equity	7	7	-	7
Total changes during period	7	7	-	2,724
Balance at end of period	52	52	-	11,975

Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,564	901	9,768	(310)	11,922
Changes during period					
Dividends of surplus			(715)		(715)
Profit attributable to owners of parent			3,334		3,334
Purchase of treasury shares				(705)	(705)
Disposal of treasury shares		60		94	155
Net changes in items other than shareholders' equity					
Total changes during period	-	60	2,618	(610)	2,068
Balance at end of period	1,564	961	12,386	(921)	13,991

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	52	52	-	-	11,975
Changes during period					
Dividends of surplus					(715)
Profit attributable to owners of parent					3,334
Purchase of treasury shares					(705)
Disposal of treasury shares					155
Net changes in items other than shareholders' equity	26	26	49	0	77
Total changes during period	26	26	49	0	2,146
Balance at end of period	78	78	49	0	14,121

iv. Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	3,630	4,360
Depreciation	250	328
Share-based payment expenses	2	62
Impairment losses	-	6
Loss on retirement of non-current assets	13	7
Interest and dividend income	(1)	(2)
Interest expenses	13	14
Other non-operating expenses (income)	2	-
Loss (gain) on sale of investment securities	(27)	-
Loss on liquidation of business	61	-
Relocation expenses	52	18
Decrease (increase) in trading products - assets (liabilities)	564	(567)
Decrease (increase) in inventories	(4)	5
Decrease (increase) in trade receivables	41	7
Decrease (increase) in cash segregated as deposits for customers	(11,293)	(26,922)
Decrease (increase) in advance paid	12	152
Decrease (increase) in short-term guarantee deposits	(2,561)	1,148
Decrease (increase) in other current assets	(50)	227
Increase (decrease) in allowance for doubtful accounts	(30)	(140)
Increase (decrease) in provision for bonuses	181	92
Increase (decrease) in retirement benefit liability	1	5
Increase (decrease) in provision for retirement benefits for directors (and other officers)	16	17
Increase (decrease) in deposits received	0	5
Increase (decrease) in guarantee deposits received	11,703	27,029
Increase (decrease) in accrued expenses	(160)	118
Increase (decrease) in other current liabilities	(310)	16
Other, net	(0)	6
Subtotal	2,110	5,999
Interest and dividends received	1	2
Interest paid	(13)	(15)
Income taxes paid	(722)	(799)
Payments of relocation expenses	(52)	(18)
Net cash provided by (used in) operating activities	1,322	5,168
Cash flows from investing activities		
Purchase of property, plant and equipment	(276)	(56)
Purchase of intangible assets	(354)	(339)
Purchase of investment securities	-	(100)
Proceeds from sale of investment securities	82	-
Payments of guarantee deposits	(157)	(0)
Proceeds from refund of guarantee deposits	-	44
Increase in long term deposits	(11)	(12)
Decrease in long term deposits	-	185
Other, net	(13)	(49)
Net cash provided by (used in) investing activities	(729)	(329)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	10	267
Redemption of bonds	-	(100)
Proceeds from long-term borrowings	100	50
Repayments of long-term borrowings	(77)	(79)
Dividends paid	(320)	(713)
Purchase of treasury shares	(302)	(705)
Proceeds from share issuance to non-controlling shareholders	-	1
Other, net	-	0
Net cash provided by (used in) financing activities	(590)	(1,279)
Effect of exchange rate change on cash and cash equivalents	6	25
Net increase (decrease) in cash and cash equivalents	8	3,584
Cash and cash equivalents at beginning of period	5,227	5,235
Cash and cash equivalents at end of period	5,235	8,820