

Japan Exchange Group, Inc. and Consolidated Subsidiaries
Consolidated financial results for the fiscal year ended March 31, 2024
(Based on IFRS), unaudited

Company name: Japan Exchange Group, Inc. Stock Exchange Listings: Tokyo
Code number: 8697 URL: <https://www.jpx.co.jp/english/>
Representative: Yamaji Hiromi, Director & Representative Executive Officer, Group CEO
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Scheduled date of Annual General Shareholders Meeting: June 19, 2024
Scheduled date of start of dividend payment: May 29, 2024
Scheduled date of filing of annual securities report: June 12, 2024
Preparation of earnings presentation material: Yes
Holding of earnings announcement: Yes (for institutional investors and analysts)

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

(Figures less than a million yen are omitted)

(1) Consolidated operating results

(Percentages represent changes year on year)

	Operating revenue		Operating income		Income before income tax		Net income		Net income attributable to owners of the parent company		Comprehensive income	
	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%
Year ended March 31, 2024	152,871	14.1	87,444	28.1	87,404	28.1	61,953	31.2	60,822	31.2	55,203	15.8
Year ended March 31, 2023	133,991	(1.1)	68,253	(7.1)	68,207	(7.1)	47,219	(7.1)	46,342	(7.2)	47,681	(7.3)

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of the parent company	Ratio of income before income tax to total assets	Ratio of operating income to operating revenue
	yen	yen	%	%	%
Year ended March 31, 2024	116.89	—	19.0	0.1	57.2
Year ended March 31, 2023	88.03	—	14.7	0.1	50.9

(Reference)

Share of income of investments accounted for using the equity method:

Year ended March 31, 2024: ¥1,427 million

Year ended March 31, 2023: ¥1,319 million

(2) Consolidated financial position

	Total assets	Total equity	Total equity attributable to owners of the parent company	Ratio of total equity attributable to owners of the parent company to total assets	Total equity attributable to owners of the parent company per share
	Mil. yen	Mil. yen	Mil. yen	%	yen
As of March 31, 2024	80,682,627	338,566	328,359	0.4	631.08
As of March 31, 2023	82,187,392	321,809	312,734	0.4	599.47

Note: Sizable amounts of "clearing business financial assets and liabilities" and "deposits from clearing participants" pertaining to the clearing business conducted by consolidated subsidiary Japan Securities Clearing Corporation are included in assets and liabilities of JPX Group (meaning JPX and its subsidiaries). For JPX Group's financial position excluding "clearing business financial assets and liabilities" and "deposits from clearing participants," etc., see "1. QUALITATIVE INFORMATION ON OPERATING RESULTS AND FINANCIAL POSITION - (2) Explanation on Financial Position" on Page 4 of the Appendix.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
	Mil. yen	Mil. yen	Mil. yen	Mil. yen
Year ended March 31, 2024	79,566	(7,166)	(43,195)	128,019
Year ended March 31, 2023	66,878	(8,522)	(52,898)	98,812

2. Dividends

	Annual dividends per share					Total cash dividends	Dividend payout ratio	Ratio of dividends to total equity attributable to owners of the parent company
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	yen	yen	yen	yen	yen	Mil. yen	%	%
Year ended March 31, 2023	—	26.00	—	37.00	63.00	33,114	71.6	10.5
Year ended March 31, 2024	—	31.00	—	60.00	91.00	47,528	77.8	14.8
Year ending March 31, 2025 (Forecast)	—	31.00	—	31.00	62.00		60.3	

Note 1: Breakdown of year-end dividend for the fiscal year ended March 31, 2023: ordinary dividend ¥27; commemorative dividend ¥10.

Note 2: Breakdown of year-end dividend for the fiscal year ended March 31, 2024: ordinary dividend ¥40; special dividend ¥20.

3. Consolidated earnings forecast for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages represent changes year on year)

	Operating revenue		Operating income		Income before income tax		Net income		Net income attributable to owners of the parent company		Basic earnings per share
	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%	
Year ending March 31, 2025	152,000	(0.6)	79,000	(9.7)	79,000	(9.6)	54,500	(12.0)	53,500	(12.0)	102.82

Notes:

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

(2) Changes in accounting policies/changes in accounting estimates

1) Changes in accounting policies due to revisions in accounting standards under IFRS: None

2) Changes in accounting policies other than the above: None

3) Changes in accounting estimates: None

(3) Number of issued shares (common shares)

1) Number of issued shares at the end of the period (including treasury shares):

As of March 31, 2024: 522,289,183

As of March 31, 2023: 528,578,441

2) Number of treasury shares at the end of period:

As of March 31, 2024: 1,975,211

As of March 31, 2023: 6,891,928

3) Average number of shares:

Year ended March 31, 2024: 520,329,145

Year ended March 31, 2023: 526,414,670

(Reference) Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2024

(from April 1, 2023 to March 31, 2024)

(1) Operating results

(Percentages represent changes year on year)

	Operating revenue		Operating income		Ordinary income		Net income	
	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%
Year ended March 31, 2024	49,758	31.0	41,896	36.1	42,155	35.9	41,094	35.2
Year ended March 31, 2023	37,975	(28.0)	30,787	(33.6)	31,029	(33.2)	30,387	(29.9)

	Earnings per share	Diluted earnings per share
	yen	yen
Year ended March 31, 2024	78.98	—
Year ended March 31, 2023	57.73	—

(2) Financial position

	Total assets	Total net assets	Ratio of shareholders' equity to total assets	Net assets per share
	Mil. yen	Mil. yen	%	yen
As of March 31, 2024	215,084	105,125	48.9	202.04
As of March 31, 2023	211,678	102,440	48.4	196.36

(Reference)

Shareholders' equity:

As of March 31, 2024: ¥105,125 million

As of March 31, 2023: ¥102,440 million

· This release is outside the scope of audit procedures by certified public accountants and audit firms.

· Explanation on appropriate use of forecast and other special items

This material contains an earnings forecast and other forward-looking statements which are based on available information and certain assumptions that are considered reasonable at the time of preparation. Various factors may cause actual results, etc. to be materially different from those expressed in these forward-looking statements.

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(Appendix)

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1. QUALITATIVE INFORMATION ON OPERATING RESULTS AND FINANCIAL POSITION

(1) Explanation on Operating Results

In the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024), JPX Group recorded operating revenue of ¥152,871 million (increased 14.1% from the same period of the previous fiscal year (i.e., year on year)), and operating expenses were ¥71,554 million (increased 6.0% year on year). As a result, JPX Group recorded operating income of ¥87,444 million (increased 28.1% year on year) and income before income tax of ¥87,404 million (increased 28.1% year on year).

In addition, net income attributable to owners of the parent company after tax was ¥60,822 million (increased 31.2% year on year).

(Operating revenue)

1) Trading services revenue

Trading services revenue is comprised of "transaction fees" based on the value of cash equities traded or volume of financial and commodity derivatives traded, "basic fees" based on the types of the trading participant's trading qualification, "access fees" based on the number of orders, "trading system facilities usage fees" based on the types of trading system facilities used, and other similar fees.

For the fiscal year ended March 31, 2024, trading services revenue increased 16.0% year on year to ¥61,585 million due mainly to an increase in revenue from transaction fees resulting from year-on-year increases in trading value of cash equities and trading volume of derivatives.

Breakdown of trading services revenue

(Mil. yen)

	Year ended March 31, 2023	Year ended March 31, 2024	
			Change (%)
Trading services revenue	53,089	61,585	16.0
Transaction fees	43,143	51,477	19.3
Cash equities	31,414	39,163	24.7
Financial derivatives	10,361	10,838	4.6
TOPIX Futures	2,027	2,135	5.3
Nikkei 225 Futures*	4,306	4,316	0.2
Nikkei 225 Options**	2,291	2,395	4.6
10-year JGB Futures	1,498	1,934	29.1
Others	237	55	(76.7)
Commodity derivatives	1,366	1,476	8.0
Basic fees	986	978	(0.8)
Access fees	5,165	5,269	2.0
Trading system facilities usage fees	3,691	3,746	1.5
Others	103	113	10.4

*Figures include Nikkei 225 mini Futures.

**Figures exclude Nikkei 225 Weekly Options.

2) Clearing services revenue

Clearing services revenue is comprised of clearing fees related to the assumption of obligations of financial instrument transactions carried out by Japan Securities Clearing Corporation and other similar fees.

For the fiscal year ended March 31, 2024, clearing services revenue increased 17.4% year on year to ¥32,885 million.

3) Listing services revenue

Listing services revenue is comprised of "initial/additional listing fees" that are received based on the issue amount when a company initially lists or when a listed company issues additional shares, "annual listing fees" received from listed companies based on their market capitalization, and other similar fees.

For the fiscal year ended March 31, 2024, listing services revenue increased 14.1% year on year to ¥15,590 million due mainly to an increase in revenue from initial/additional listing fees.

Breakdown of listing services revenue

(Mil. yen)

	Year ended March 31, 2023	Year ended March 31, 2024	Change (%)
Listing services revenue	13,666	15,590	14.1
Initial/additional listing fees	2,021	3,499	73.1
Annual listing fees	11,644	12,090	3.8

4) Information services revenue

Information services revenue is comprised mainly of market information fees, which consist of revenue related to the provision of market information to information vendors, etc., and revenue related to the index business.

For the fiscal year ended March 31, 2024, information services revenue increased 7.8% year on year to ¥29,763 million due mainly to increases in revenue from market information fees and the index business.

5) Other operating revenue

Other operating revenue includes mainly usage fees for arrownet, which connects trading, market information, and other systems to trading participants and other users, and usage fees related to co-location services that allow trading participants, information vendors, and other users to install devices in the system center for the purpose of improving trade execution efficiency by shortening order transmission time.

For the fiscal year ended March 31, 2024, other operating revenue increased 12.2% year on year to ¥13,047 million.

Breakdown of other operating revenue

(Mil. yen)

	Year ended March 31, 2023	Year ended March 31, 2024	Change (%)
Other operating revenue	11,630	13,047	12.2
arrownet usage fees	3,309	3,349	1.2
Co-location services usage fees	4,676	5,158	10.3
Other	3,644	4,539	24.6

(Operating expenses)

For the fiscal year ended March 31, 2024, personnel expenses increased 14.3% year on year to ¥22,396 million.

System maintenance and operation expenses include expenses related to maintenance and management/operations of various systems including the cash equities and derivatives trading systems. System maintenance and operation expenses increased 12.8% year on year to ¥19,099 million.

Depreciation and amortization decreased 3.5% year on year to ¥18,298 million.

Other operating expenses decreased 2.0% year on year to ¥11,759 million.

(2) Explanation on Financial Position

(Assets, liabilities, and equity)

For assets and liabilities of JPX Group, "clearing business financial assets and liabilities" assumed by Japan Securities Clearing Corporation as a clearing organization and "deposits from clearing participants" deposited by clearing participants as collateral are included under both assets and liabilities. "Clearing business financial assets and liabilities" and "deposits from clearing participants" have a large impact on the amount of assets and liabilities of JPX Group due to their sizable amounts and daily fluctuations subject to changes in clearing participants' positions. In addition, "legal guarantee funds," "trading participant security money," and "default compensation reserve funds" based on the rules for securing safety of financial instruments transactions and other transactions are included under both assets and either liabilities or equity.

Total assets as of March 31, 2024 decreased by ¥1,504,765 million from the end of the previous fiscal year to ¥80,682,627 million due mainly to a decrease in "clearing business financial assets." Excluding "clearing business financial assets," "deposits from clearing participants," "legal guarantee funds," and "default compensation reserve funds," assets increased by ¥26,759 million from the end of the previous fiscal year to ¥421,823 million.

Total liabilities as of March 31, 2024 decreased by ¥1,521,522 million from the end of the previous fiscal year to ¥80,344,060 million due mainly to the same decrease in "clearing business financial liabilities." Excluding "clearing business financial liabilities," "deposits from clearing participants," "legal guarantee funds," and "trading participant security money," liabilities increased by ¥9,874 million from the end of the previous fiscal year to ¥102,319 million.

Total equity as of March 31, 2024 increased by ¥16,756 million from the end of the previous fiscal year to ¥338,566 million, due to a capital increase from net income attributable to owners of the parent company despite a capital reduction mainly as a result of dividend payment. In addition, after excluding "default compensation reserve funds," total equity as of the same date was ¥310,618 million.

Reference

	Total assets	Total equity	Total equity attributable to owners of the parent company	Ratio of total equity attributable to owners of the parent company to total assets
	Mil. yen	Mil. yen	Mil. yen	%
As of March 31, 2024	80,682,627	338,566	328,359	0.4
	*421,823	*310,618	*300,411	*71.2
As of March 31, 2023	82,187,392	321,809	312,734	0.4
	*395,064	*293,861	*284,786	*72.1

	Return on equity attributable to owners of the parent company	Ratio of income before income tax to total assets	Total equity attributable to owners of the parent company per share
	%	%	yen
As of March 31, 2024	19.0	0.1	631.08
	*20.8	*21.4	*577.37
As of March 31, 2023	14.7	0.1	599.47
	*16.2	*17.4	*545.90

Note: Figures marked * under total assets exclude "clearing business financial assets," "deposits from clearing participants," "legal guarantee funds," and "default compensation reserve funds," and those marked * under total equity and total equity attributable to owners of the parent company exclude "default compensation reserve funds."

(Cash flows)

Cash and cash equivalents as of March 31, 2024 increased by ¥29,207 million from the end of the previous fiscal year to ¥128,019 million.

1) Cash flows from operating activities

There was cash inflow of ¥79,566 million from operating activities mainly as a result of adding ¥18,298 million in depreciation and amortization to and deducting ¥22,516 million in income taxes paid from ¥87,404 million in income before income tax.

2) Cash flows from investing activities

There was cash outflow of ¥7,166 million from investment activities mainly as a result of cash outflow of ¥9,043 million from purchase of intangible assets.

3) Cash flows from financing activities

There was cash outflow of ¥43,195 million from financing activities mainly as a result of cash outflow of ¥35,562 million from dividend payment.

Reference: Cash flow-related indicators

	Year ended March 31, 2023	Year ended March 31, 2024
Ratio of total equity attributable to owners of the parent company to total assets	0.4%	0.4%
	*72.1%	*71.2%
Ratio of interest-bearing debt to cash flow	81.9%	71.1%
Interest coverage ratio	743.1	782.1

Ratio of total equity attributable to owners of the parent company to total assets: Total equity attributable to owners of the parent company / Total assets

Ratio of interest-bearing debt to cash flow: Interest-bearing debt / Cash flows from operating activities

Interest coverage ratio: Cash flows from operating activities / Interest payment

Note: Figures marked * are calculated excluding "clearing business financial assets," "deposits from clearing participants," "legal guarantee funds," and "default compensation reserve funds" from total assets, and excluding "default compensation reserve funds" from total equity attributable to owners of the parent company.

(3) Explanation on Forecast Information such as Consolidated Earnings Forecast

1) Consolidated Earnings Forecast

The consolidated earnings forecast for the fiscal year ending March 31, 2025 is based on the assumptions that the average daily trading values and volumes are ¥5 trillion for cash equities*, 45,000 contracts for 10-year JGB Futures, 108,000 contracts for TOPIX Futures, 189,000 contracts for Nikkei 225 Futures**, and ¥24.5 billion for Nikkei 225 Options. Based on these assumptions, ¥152.0 billion in operating revenue, ¥79.0 billion in operating income, ¥79.0 billion in net income before income tax, ¥54.5 billion in net income, and ¥53.5 billion in net income attributable to owners of the parent company are expected.

*The trading value of stocks listed on the TSE Prime, Standard, and Growth Markets and TOKYO PRO Market, and that of ETFs, ETNs, and REITs, etc. (includes auction and off-auction trading)

**Includes Nikkei 225 mini contract volumes converted into large-sized contracts

2) Dividend Forecast

JPX adopts a dividend policy with a target payout ratio of approximately 60% tied to business performance while giving due consideration to the importance of internal reserves for the following purposes:

- Maintaining sound financial health as a financial instruments exchange group,
- Preparing for risks as a clearing organization, and
- Enabling JPX Group to pursue investment opportunities to raise the competitiveness of its markets as they arise.

In line with the abovementioned policy, the dividend for the fiscal year ending March 31, 2025 is planned to be ¥62 per share (¥31 per share as of the end of the second quarter).

2. BASIC RATIONALE FOR THE SELECTION OF ACCOUNTING STANDARDS

From the perspective of facilitating comparability of financial results with those of overseas exchanges and increasing investor convenience, JPX has voluntarily applied IFRS to its disclosure material.

3. CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

(1) Consolidated Statement of Financial Position

	As of March 31, 2023	As of March 31, 2024
	Mil. yen	Mil. yen
Assets		
Current assets		
Cash and cash equivalents	98,812	128,019
Trade and other receivables	16,023	19,550
Clearing business financial assets	72,108,539	70,741,262
Specified assets for deposits from clearing participants	9,655,223	9,490,971
Specified assets for legal guarantee funds	616	620
Income tax receivables	5,359	7,374
Other financial assets	112,400	110,810
Other current assets	3,582	2,619
Total current assets	<u>82,000,557</u>	<u>80,501,228</u>
Non-current assets		
Property and equipment	11,041	13,199
Goodwill	72,043	71,184
Intangible assets	36,109	32,768
Retirement benefit assets	10,025	791
Investments accounted for using the equity method	18,593	19,619
Specified assets for default compensation reserve funds	27,948	27,948
Other financial assets	3,068	3,449
Other non-current assets	6,253	5,897
Deferred tax assets	1,751	6,539
Total non-current assets	<u>186,834</u>	<u>181,398</u>
Total assets	<u><u>82,187,392</u></u>	<u><u>80,682,627</u></u>

	As of March 31, 2023	As of March 31, 2024
	Mil. yen	Mil. yen
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	8,883	4,233
Bonds and loans payable	33,000	32,500
Clearing business financial liabilities	72,108,539	70,741,262
Deposits from clearing participants	9,655,223	9,490,971
Legal guarantee funds	616	620
Trading participant security money	8,757	8,885
Income tax payables	9,963	17,143
Other current liabilities	8,274	14,165
Total current liabilities	<u>81,833,258</u>	<u>80,309,783</u>
Non-current liabilities		
Bonds and loans payable	19,973	19,980
Retirement benefit liabilities	8,485	8,462
Other non-current liabilities	3,795	5,834
Deferred tax liabilities	69	—
Total non-current liabilities	<u>32,324</u>	<u>34,277</u>
Total liabilities	<u>81,865,583</u>	<u>80,344,060</u>
Equity		
Share capital	11,500	11,500
Capital surplus	38,841	38,840
Treasury shares	(13,575)	(3,839)
Other components of equity	445	522
Retained earnings	275,523	281,336
Total equity attributable to owners of the parent company	<u>312,734</u>	<u>328,359</u>
Non-controlling interests	9,075	10,206
Total equity	<u>321,809</u>	<u>338,566</u>
Total liabilities and equity	<u><u>82,187,392</u></u>	<u><u>80,682,627</u></u>

(2) Consolidated Statement of Income

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
	Mil. yen	Mil. yen
Revenue		
Operating revenue	133,991	152,871
Other revenue	504	4,932
Total revenue	<u>134,496</u>	<u>157,804</u>
Expenses		
Operating expenses	67,502	71,554
Other expenses	59	233
Total expenses	<u>67,562</u>	<u>71,787</u>
Share of income of investments accounted for using the equity method	1,319	1,427
Operating income	<u>68,253</u>	<u>87,444</u>
Financial income	49	69
Financial expenses	96	108
Income before income tax	<u>68,207</u>	<u>87,404</u>
Income tax expense	<u>20,987</u>	<u>25,451</u>
Net income	<u>47,219</u>	<u>61,953</u>
Net income attributable to		
Owners of the parent company	46,342	60,822
Non-controlling interests	876	1,131
Net income	<u>47,219</u>	<u>61,953</u>
Earnings per share		
Basic (Yen)	88.03	116.89
Diluted (Yen)	—	—

(3) Consolidated Statement of Comprehensive Income

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
	Mil. yen	Mil. yen
Net income	47,219	61,953
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	(0)	(503)
Remeasurements of defined benefit plan	462	(6,246)
Other comprehensive income, net of tax	462	(6,749)
Comprehensive income	<u>47,681</u>	<u>55,203</u>
Comprehensive income attributable to		
Owners of the parent company	46,805	54,072
Non-controlling interests	876	1,131
Comprehensive income	<u>47,681</u>	<u>55,203</u>

(4) Consolidated Statement of Changes in Equity

	Equity attributable to owners of the parent company				
	Share capital	Capital surplus	Treasury shares	Other components of equity	
				Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plan
	Mil. yen	Mil. yen	Mil. yen	Mil. yen	Mil. yen
Balance as of April 1, 2022	11,500	38,844	(1,912)	445	—
Net income	—	—	—	—	—
Other comprehensive income, net of tax	—	—	—	(0)	462
Total comprehensive income	—	—	—	(0)	462
Acquisitions of treasury shares	—	—	(12,003)	—	—
Dividends paid	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	(462)
Other	—	(3)	340	—	—
Total transactions with the owners	—	(3)	(11,663)	—	(462)
Balance as of March 31, 2023	11,500	38,841	(13,575)	445	—

	Equity attributable to owners of the parent company				
	Other components of equity	Retained earnings	Total	Non-controlling interests	Total equity
	Total	Mil. yen	Mil. yen	Mil. yen	Mil. yen
Balance as of April 1, 2022	445	266,776	315,653	8,198	323,852
Net income	—	46,342	46,342	876	47,219
Other comprehensive income, net of tax	462	—	462	—	462
Total comprehensive income	462	46,342	46,805	876	47,681
Acquisitions of treasury shares	—	—	(12,003)	—	(12,003)
Dividends paid	—	(38,057)	(38,057)	—	(38,057)
Transfer from other components of equity to retained earnings	(462)	462	—	—	—
Other	—	—	337	—	337
Total transactions with the owners	(462)	(37,594)	(49,724)	—	(49,724)
Balance as of March 31, 2023	445	275,523	312,734	9,075	321,809

	Equity attributable to owners of the parent company				
	Share capital	Capital surplus	Treasury shares	Other components of equity	
				Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plan
	Mil. yen	Mil. yen	Mil. yen	Mil. yen	Mil. yen
Balance as of April 1, 2023	11,500	38,841	(13,575)	445	—
Net income	—	—	—	—	—
Other comprehensive income, net of tax	—	—	—	(503)	(6,246)
Total comprehensive income	—	—	—	(503)	(6,246)
Acquisitions of treasury shares	—	—	(3,367)	—	—
Retirement of treasury shares	—	(12,620)	12,620	—	—
Dividends paid	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	12,620	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	581	6,246
Other	—	(0)	482	—	—
Total transactions with the owners	—	(0)	9,736	581	6,246
Balance as of March 31, 2024	11,500	38,840	(3,839)	522	—

	Equity attributable to owners of the parent company			Non-controlling interests	Total equity
	Other components of equity	Retained earnings	Total		
	Total	Mil. yen	Mil. yen		
Balance as of April 1, 2023	445	275,523	312,734	9,075	321,809
Net income	—	60,822	60,822	1,131	61,953
Other comprehensive income, net of tax	(6,749)	—	(6,749)	—	(6,749)
Total comprehensive income	(6,749)	60,822	54,072	1,131	55,203
Acquisitions of treasury shares	—	—	(3,367)	—	(3,367)
Retirement of treasury shares	—	—	—	—	—
Dividends paid	—	(35,562)	(35,562)	—	(35,562)
Transfer from retained earnings to capital surplus	—	(12,620)	—	—	—
Transfer from other components of equity to retained earnings	6,827	(6,827)	—	—	—
Other	—	—	482	—	482
Total transactions with the owners	6,827	(55,010)	(38,446)	—	(38,446)
Balance as of March 31, 2024	522	281,336	328,359	10,206	338,566

(5) Consolidated Statement of Cash Flows

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
	Mil. yen	Mil. yen
Cash flows from operating activities		
Income before income tax	68,207	87,404
Depreciation and amortization	18,971	18,298
Financial income	(49)	(69)
Financial expenses	90	101
Share of income of investments accounted for using the equity method	(1,319)	(1,427)
(Increase) decrease in trade and other receivables	(653)	(3,526)
Increase (decrease) in trade and other payables	171	(2,185)
(Increase) decrease in retirement benefit assets	(989)	9,234
Increase (decrease) in retirement benefit liabilities	(499)	(23)
Other	467	(6,109)
Subtotal	<u>84,395</u>	<u>101,698</u>
Interest and dividends received	428	486
Interest paid	(90)	(101)
Income taxes paid	(17,855)	(22,516)
Cash flows generated from operating activities	<u>66,878</u>	<u>79,566</u>
Cash flows from investing activities		
Payments into time deposits	(113,400)	(110,810)
Proceeds from withdrawal of time deposits	117,000	112,400
Purchase of property and equipment	(565)	(6,551)
Purchase of intangible assets	(10,736)	(9,043)
Proceeds from sales of property and equipment	—	7,704
Proceeds from redemption of investment securities	2,000	—
Payments for acquisition of subsidiaries	(1,904)	—
Other	(916)	(866)
Cash flows generated from (used in) investing activities	<u>(8,522)</u>	<u>(7,166)</u>
Cash flows from financing activities		
Repayments of lease liabilities	(3,334)	(3,765)
Dividends paid	(38,057)	(35,562)
Acquisition of treasury shares	(12,006)	(3,367)
Other	500	(500)
Cash flows used in financing activities	<u>(52,898)</u>	<u>(43,195)</u>
Net increase (decrease) in cash and cash equivalents	<u>5,457</u>	<u>29,205</u>
Cash and cash equivalents at the beginning of the year	<u>93,354</u>	<u>98,812</u>
Effect of changes in exchange rate on cash and cash equivalents	0	2
Cash and cash equivalents at the end of the year	<u><u>98,812</u></u>	<u><u>128,019</u></u>

(6) Notes on Consolidated Financial Statements

(Note on Going Concern Assumption)

Not applicable

(Operating Revenue)

The breakdown of "operating revenue" is as follows:

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
	Mil. yen	Mil. yen
Trading services revenue	53,089	61,585
Clearing services revenue	28,008	32,885
Listing services revenue	13,666	15,590
Information services revenue	27,597	29,763
Other	11,630	13,047
Total	133,991	152,871

(Operating Expenses)

The breakdown of "operating expenses" is as follows:

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
	Mil. yen	Mil. yen
Personnel expenses	19,599	22,396
System maintenance and operation expenses	16,931	19,099
Depreciation and amortization	18,971	18,298
Other	12,000	11,759
Total	67,502	71,554

(Segment Information, etc.)

This information is omitted because JPX Group only has a single segment of financial instruments exchange business.

(Earnings per Share)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net income attributable to owners of the parent company	Mil. yen 46,342	Mil. yen 60,822
Weighted average number of ordinary shares outstanding	Thousand shares 526,414	Thousand shares 520,329
Basic earnings per share	yen 88.03	yen 116.89

Note 1: Basic earnings per share was calculated based on the net income attributable to owners of the parent company and the weighted average number of ordinary shares outstanding.

Note 2: Diluted earnings per share is omitted as there were no potential shares.

(Significant Subsequent Events)

Not applicable