

FPL Securities Inc.

Corporate Profile



FPL Securities Inc.

Head Office

Nishi 10-2-7, Kita 2-jo, Chuo-ku, Sapporo, Hokkaido
060-0002

Tokyo Office Preparation Office

5-2-33 Akasaka, Minato-ku, Tokyo 107-0052



FPL証券株式会社
FPL SECURITIES INC.



Greeting

Hiroshi NAKAGAWA **Representative Chairman**

In October 2016, we were established as the second securities company originating from Hokkaido in 57 years. The company's predecessor was a life insurance agency named "FPL Insurance Co., Ltd".

Life insurance is a lifelong relationship that lasts until the insurance claim is paid to the customer. The securities business that we aim for has the same fundamentals. We distinguish ourselves from investment methods that aim for large profits by repeatedly buying and selling from a short-term perspective, minimizing risk and supporting safe and secure asset formation over the long term.

Furthermore, to make securities companies more familiar to the public, FPL Securities Inc. advocates a policy of **"More than deposits, less than stocks"**, and strives to provide rigorous and accurate product selection.

All of our executives and employees are committed to working hard every day to make a great contribution to improving the financial literacy of the Japanese people from the land of Hokkaido.

Yoshihiro KUDO **Representative CEO**

What do you imagine when you hear the word "investment"?
Many people probably think of stocks, foreign exchange, and cryptocurrencies.

In order to distinguish ourselves from such "investments that take big risks in order to achieve large returns in a short period of time," FPL Securities Inc. decided not to handle stocks at the time of our founding.

Our mission at FPL Securities Inc. is to shine a spotlight on selected products where our clients' valuable assets can be carefully nurtured while protecting them over mid to long term. This way clients can maintain a peace of mind throughout the course of their investment without being swayed by market fluctuations.

"I have a large amount of money, but I am afraid of investing and I don't know what to do."
"I want to save money for the future, but how can I save efficiently?"

We will provide appropriate product selection and services tailored to each customer's asset size and life stage.

FPL Securities Inc. will promise to continue working hard and refine our skills every day to change the image of investment among Japanese people from Hokkaido.



Your choice of “More than deposit but less than stocks”

FPL Securities Inc. does not deal in stocks – We focus on foreign currency denominated bonds from developed countries to support your choice of “More than deposit but less than stocks”.

Japan has finally begun to emerge from years of low interest rates. However, in an environment of inflation caused by the depreciation of the yen, etc., it is conceivable that “Yen Deposits” will be substantially reduced.

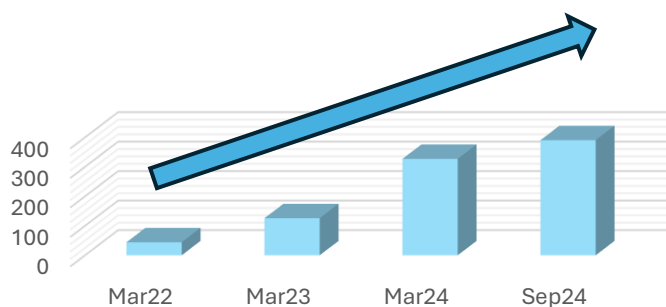
On the other hand, did you know that interest rates in the United States are around 4%?

“Stocks and mutual funds” are still the main products which are considered as “more than deposits” for individual investors. Bonds for stable asset portfolio, especially foreign currency-denominated bonds, are the exclusive domain of major institutional investors. Roughly 50% of the investments made by Japanese GPIF are in bonds as well.

Our company has the desire to “breakthrough” this monopoly, with the mission of “providing easy access to foreign currency-denominated bonds from developed countries to our clients”. We will continue to strive and contribute to the improvement of financial literacy in Japan.

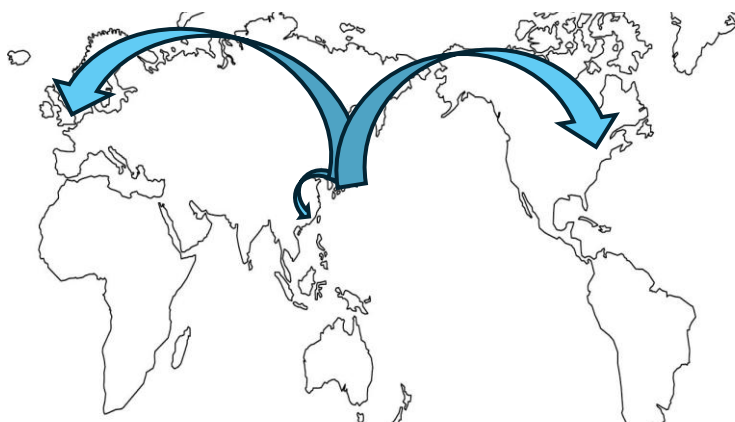
Changes in the assets under custody (bonds)

As of the end of Sep 2024, the assets under custody was 40 billion yen around. (Approx. 9 times to the end of Mar 2022)



For the delivery of more substantial bond lineup

- In Oct 2024, we established Tokyo Office Preparation Office.
- It provides flexible access to foreign bond markets such as the United States, London, and Hong Kong.



Company Overview (As of Oct 2024)

Company Name	FPL SECURITIES INC.
Registration	Director of Hokkaido Local Finance Bureau (Financial instruments firms) No.45
Establishment	17 December, 2014
Capital, etc.	JPY 190,000,000 (Incl. Legal Capital Surplus)
Directors	Hiroshi NAKAGAWA Representative Chairman Yoshihiro KUDO Representative CEO Tadashi NISHISAKA Managing Director Ei HAGIHARA Managing Director Yoshihiro YOSHIDA Corporate Auditor
Head Office	Wall 205, Nishi 10-2-7, Kita 2-jo, Chuo-ku, Sapporo, Hokkaido, 060-0002, Japan Tel: +81-11-206-6481
Tokyo Office Preparation Office	5-2-33 Akasaka, Minato-ku, Tokyo 107-0052
Membership in Associations	Japan Securities Dealers Association Japan Investment Advisers Association
Membership in Investor Protection Funds	Japan Investor Protection Fund

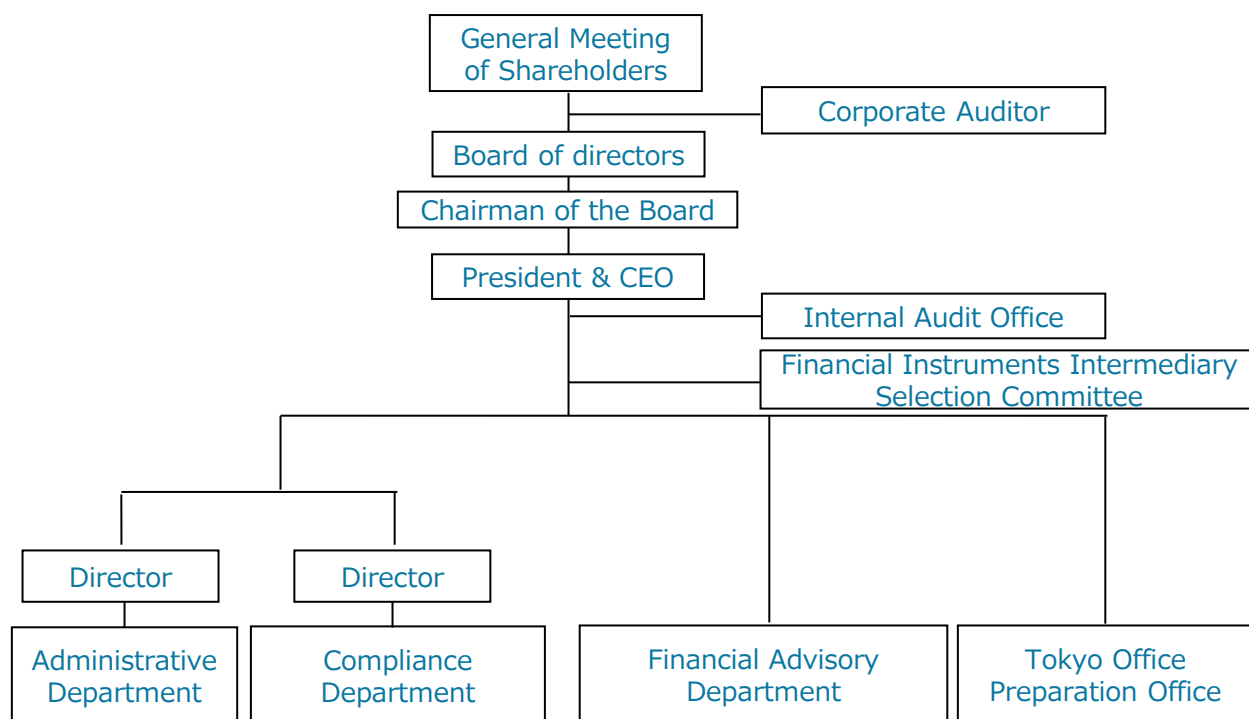


Company History and Organization Chart

1) Company History

Month Year	History
Dec, 2014	Founded as insurance agency "FPL Insurance Co., Ltd."
Feb, 2016	Increased capital to JPY75,000,000 (incl. Legal Capital Surplus)
Mar, 2016	Increased capital to JPY190,000,000 (incl. Legal Capital Surplus)
Oct, 2016	Registered as a Type 1 Financial Instruments Business Operator Changed the company name to FPL Securities Inc.
Dec, 2016	Start of business of financial instruments business
Nov, 2018	Registration as Investment Advisory and Agency
Oct, 2024	Establishment of the Tokyo Office Preparation Office

2) Organization Chart



Balance sheet

(Unit: Millions of yen)

Assets			Liability		
Accounts	Amount		Accounts	Amount	
	Mar 2023	Mar 2024		Mar 2023	Mar 2024
Current Assets	963	1,209	Current Liabilities	668	747
Cash / Deposits	570	579	Trade date accrual	165	174
Trade date accrual	172	179	Deposits received	419	491
Deposits required to be segregated under regulations	210	420	Deposits from customers	216	304
Trading Instruments	0	0	Deposits for subscription	176	109
Reimbursement	–	0	Other Deposits	26	77
Advance payment	4	4	Accounts payable	19	25
Accounts receivable	–	–	Income taxes payable	59	51
Accrued Revenue	0	1	Provision for bonuses	3	4
Advances	–	–	Long term liabilities	0	–
Other Current Assets	6	25	Long-term borrowings	–	–
Fixed Assets	11	24	Long-term accounts payables Suspense receipt	0	–
Property, plant and equipment	0	2	Total Liabilities	669	747
Vehicle transport equipment	0	–	Net Assets		
Buildings	0	0			
Facilities attached to buildings	0	0			
Tools, Equipment, and Fixtures	0	0			
Intangible Assets	0	2	Shareholders' Equity	305	486
Software	0	2	Capital	95	95
Investments and Other Assets	10	20	Capital surplus	94	94
Guarantee deposits	0	1	Legal capital surplus	94	94
Long-term prepaid expenses	7	16	Retained earnings	115	296
Deposits required to be segregated under regulations	0	–	Retained earnings brought forward	115	296
Deferred Tax Assets	1	1	-	-	-
Total Assets	974	1,233	Total Net Assets		486
			Total Liabilities and Net Assets	974	1,233

Statement of Income

(Unit: Millions of yen)

Accounts		Mar 2023	Mar 2024	
Ordinary Revenue and Loss	Operating Revenue and Loss	Operating Revenue	494	688
		Commissions	126	25
		Trading Profit & Loss	359	645
		Financial Revenue	8	17
		Financial Expenses	8	13
		Net Operating Profit	486	675
		Selling, general and administrative expenses	281	408
		Trading Related Expenses	173	247
		Salary Expenses	90	127
		Rent Expenses	4	8
		Administrative Expenses	9	15
		Depreciation	0	3
		Taxes and dues	0	0
		Others	2	4
		Operating Profit (Loss)	204	267
	Non-Operating Profit and Loss	Non-operating revenue	0	15
		Non-operating expenses	0	0
Ordinary profit (Loss)		204	282	
Extraordinary Profit and Loss		Extraordinary Revenue	–	0
		Extraordinary Loss	–	–
Profit (loss) before income taxes		204	283	
Income taxes – current		59	81	
Net Profit (Loss)		146	202	

FPL Securities Inc. “Explanation of the status of Business and Property [Fiscal year ending March 2024]”

