26-D-0668
September 8, 2026

Japan Credit Rating Agency, Ltd. (JCR) announces the following credit rating.

OKASAN SECURITIES GROUP INC. (security code: 8609)

<Affirmation>

Long-term Issuer Rating:	BBB+
Outlook:	Stable

OKASAN SECURITIES CO., LTD. (security code: -)

<Affirmation>

Long-term Issuer Rating:	BBB+
Outlook:	Stable

Rationale

(1) The OKASAN SECURITIES Group (the "Group") is a second-tier securities group with strengths in the retail segment centered on face-to-face advisory sales. Under OKASAN SECURITIES GROUP INC., its holding company, the Group has OKASAN SECURITIES CO., LTD. ("OKASAN SECURITIES"), the core company, along with other subsidiaries including regional securities firms and independent financial advisors ("IFAs"). JCR deems the Group's creditworthiness to be equivalent to "BBB+," evaluating the business foundation built around the retail segment, a sufficient capital level against the risk exposure, among others. The key rating factor is whether the Group can sustain the trend of improving profits and secure the profit level that is reasonably higher than before.

(2) The Group has established a certain business foundation in the retail sector. The Group's overall assets under custody ("AUC") stood at 11 trillion yen at the end of June 2026 and have shown a medium- to long-term upward trend. Regarding Okasan Online, the online brokerage service, most of its business is scheduled to be transferred in the future. However, given the proportion of its AUC in the Group's total assets is small, the impact on the business foundation will likely be limited. The Group is strengthening its product supply to capture diversifying customer needs and its consulting services for inheritance and business succession, thereby steadily attracting its target high-net-worth individuals. OKASAN BANK, which provides banking services, is yielding results as an asset acquisition tool, and the introduction of digital tools is contributing to creating time for sales activities. In addition, the Group is striving to expand its business by providing its securities business functions to both inside and outside the Group through alliances and other means. As a result, it aims to establish its position as a securities platform by supporting the conversion of regional securities companies to IFAs and through partnerships with regional banks. JCR will pay attention to whether the Group can further expand its AUC through these measures.

(3) Regarding earning capacity, JCR sees that the challenge is to increase the profit level while suppressing earnings volatility. Although the Group is diversifying its revenue sources including recurring revenue, the proportion of stock brokerage commissions and trading earnings, which are susceptible to market fluctuations, in net operating revenue remains high. Looking at ordinary profit, stock brokerage commissions increased significantly in the fiscal year ended March 2026 (FY2025), resulting in an increase in ordinary profit in the upper 40% range from the previous fiscal year. Ordinary profit for the first quarter of FY2026 reached a level equivalent to 50% of the full-year FY2025 amount, partly thanks to increased stock brokerage commissions and trading earnings, particularly from foreign equities. However, the current expansion in profit is largely supported by the active stock market, and JCR will monitor market trends and their impact on earnings.

(4) There are no issues with capital adequacy. As of the end of June 2026, the Group's consolidated shareholders' equity was sufficient against the risk exposure, in the 190-billion-yen range, and the capital adequacy ratio on a standalone basis of OKASAN SECURITIES was in the lower 300% range at a decent level. The Group's risk exposure is small because it primarily focuses on retail operations, and trading is, in principle, also based on customer flow. In terms of fund procurement, bank borrowings, call money and repurchase transactions serve as primary means. Because it has abundant highly liquid assets such as JGBs, and secured sufficient credit facilities including commitment lines, JCR finds little concerns over liquidity.

Issuer: OKASAN SECURITIES GROUP INC.

OKASAN SECURITIES GROUP INC. is the Group’s holding company. The long-term issuer rating is deemed to be at the same level as with the Group’s creditworthiness. The double leverage ratio remains below a certain level, and JCR considers the likelihood of significant future problems with the cash flow balance to be low, taking into account the financial management policy and other factors. Therefore, structural subordination of the holding company is not reflected in the rating.

Issuer: OKASAN SECURITIES CO., LTD.

OKASAN SECURITIES is the Group’s core securities company, and all of its voting rights are held by the holding company. It has branch offices nationwide mainly in the Tokai region, Tokyo and Osaka. It accounts for a majority of the Group’s total assets and revenue. The long-term issuer rating is deemed to be at the same level as with the Group’s creditworthiness, taking into account its core position in the Group and other factors.

Akira Minamisawa, Naoki Shimura

Rating

Issuer: OKASAN SECURITIES Group INC.

<Affirmation>
Long-term Issuer Rating: BBB+ Outlook: Stable

Issuer: OKASAN SECURITIES CO., LTD.

<Affirmation>
Long-term Issuer Rating: BBB+ Outlook: Stable

Rating Assignment Date: September 3, 2026

The assumptions for the credit ratings and the definitions of the rating symbols are published as "Types of Credit Ratings and Definitions of Rating Symbols" (January 6, 2014) in Information about JCR Ratings on JCR's website (https://www.jcr.co.jp/en/).

Outline of the rating methodology is shown as "JCR's Rating Methodology" (October 1, 2024), "Securities" (April 2, 2025) and "Rating Methodology for Financial Groups' Holding Companies and Group Companies" (September 1, 2022) in Information about JCR Ratings on JCR's website (https://www.jcr.co.jp/en/).

The rating stakeholder participated in the rating process of the aforementioned credit ratings.

Japan Credit Rating Agency, Ltd.
Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026

Disclosure Required by Paragraph (a)(1)(ii) of Rule 17g-7

Issuer:	OKASAN SECURITIES GROUP INC.
Issuer:	OKASAN SECURITIES CO.,LTD.
Rating Publication Date:	September 8, 2026

1 The Symbol, Number, or Score in the Rating Scale used to Denote Credit Rating Categories and Notches and, the Identity of the Obligor or the Identity and a Description of the Security or Money Market Instrument as Required by Paragraph (a)(1)(ii)(A) of Rule 17g-7

- Please see the news release. If the credit rating is a private rating, please see the report for private rating.

2 The version of the procedure or methodology used to determine the credit rating; as Required by Paragraph (a)(1)(ii)(B) of Rule 17g-7

- Please see the news release. If the credit rating is a private rating, please see the report for private rating.

3 The Main Assumptions and Principles used in Constructing the Procedures and Methodologies used to Determine the Credit Rating as Required by Paragraph (a)(1)(ii)(C) of Rule 17g-7

- The credit rating methodology assumes, in principle, to be applied to assess the likelihood of a given debt payment in light of its issuer's condition and business environment, etc. in the relevant future. There is certain limitation, however, in the time horizon that the rating foresees.
- The credit rating methodology assumes, in principle, that the factors posted in the below are particularly important for such likelihood to be determined, and that the rating determination is made by evaluating each of them not only quantitatively but also employing qualitative analyses.

A) Business Bases
The likelihood of a given debt payment is highly conditional to its issuer's business bases - how they can be maintained/ expanded into the future and thereby secure earnings and cash flows in adequacy and in a sustainable way.

B) Financial Grounds and Asset Quality
The likelihood of debt payment is highly dependent on the degree of the issuer's indebtedness and loss absorption capacity in terms of equity capital. Also notable is that a financial institution might see a significant loss of financial grounds as a result of changes in value of the assets under its possession.

C) Liquidity Positions

The likelihood of debt payment is highly dependent on the adequacy of the issuer's cash and other sources of repayment (liquidity positions).

D) Related Parties' Status and Stance of Support/ Assistance for the Issuer

The likelihood of debt payment is affected one way or the other by the issuer's related parties such as parent company, subsidiary, guarantor, and the government of the issuer's business domicile, etc. - by their own conditions and/ or position of support/ assistance for the issuer.

E) Order of Seniority in Debt Payment

The likelihood of debt payment can be different between given debts of the same issuer. The likelihood of debt payment for an individual debt is dependent on the issuer's discretion, and/ or its rank relative to other debts of the same issuer in the order of seniority in principal/ interest payment which is determined by design as financial product or by laws, etc.

4 The Potential Limitations of the Credit Rating as Required by Paragraph (a)(1)(ii)(D) of Rule 17g-7

- The credit rating herewith presented by JCR is its summary opinion with regard to the likelihood of given debt payment and hence not necessarily a perfect representation of such likelihood. The credit rating is not intended to estimate the probability of default or the loss on given default, either.
- The objective of the credit rating herewith presented does not include any concerns other than the likelihood of debt payment, such as risks of price changes, market liquidity, etc.
- The credit rating herewith presented is necessary to be reviewed along with possible changes of the issuer of rated objects in its business performance and/ or circumstances which include regulatory environment, and hence subject to possible alteration.

5 Information on the Uncertainty of the Credit Rating as Required by Paragraph (a)(1)(ii)(E) of Rule 17g-7

- The information used for the determination of credit rating as herewith presented is obtained by JCR from the issuer of rated objects and other sources that JCR trusts in terms of accuracy and reliability but possibly contains errors due to human, non-human or other causes. Consequently, the credit rating determined on the grounds of such information does not constitute, explicitly or implicitly, any representation or warrant of JCR on the information itself or any consequences of its use in terms of accuracy, relevance, timeliness, wholeness, market value, or usefulness for any specific purposes.

6 Use of Due Diligence Services of a Third Party in Taking the Rating Action as Required by Paragraph (a)(1)(ii)(F) of Rule 17g-7

- There is no use of any third-party due diligence service in the determination of the credit rating herewith presented.

7 Use of Servicer or Remittance Reports to Conduct Surveillance of the Credit Rating Required by Paragraph (a)(1)(ii)(G) of Rule 17g-7

- There is no use of any servicer or remittance report to conduct surveillance of the credit rating herewith presented.

8 The Types of Data Relied Upon for the Purpose of Determining the Credit Rating as Required by Paragraph (a)(1)(ii)(H) of Rule17g-7

・ The information posted in the below, which includes data, is used for the determination of the credit rating herewith presented.

A) Audited financial statements presented by the rating stakeholders

B) Explanations of business performance, management plans, etc. presented by the rating stakeholders

9 Overall assessment of the Quality of Information Available and Considered in Determining the Credit Rating as Required by Paragraph (a)(1)(ii)(I) of Rule 17g-7

・ JCR holds its basic policies for securing the quality of information as a base of due diligence for the determination of credit ratings. The information used as a base for the determination of credit rating herewith presented satisfies such policies, which include the audit by an independent auditor, the warranty made by the issuer, the publication by the issuer, some independent media or, otherwise, JCR analyst's scrutiny, etc.

・ JCR sees no particular weakness in the quality of information used for the determination of the credit rating herewith presented as compared to the information used in other cases of the credit rating for comparable issuers or ratable objects.

・ If the credit rating is an Indication, please see the report for Indication.

10 Information Relating to Conflicts of Interest as Required by Paragraph (a)(1)(ii)(J) of Rule 17g-7

・ JCR receives payment of compensation for the determination of the credit rating herewith presented from either one of those parties who are issuer, underwriter, depositor or sponsor.

・ JCR did not receive in the last fiscal year in the past payment of compensation from the same party for any kind of JCR's service other than the determination of public or private credit rating, such as one in the ancillary business.

11 Explanation or Measure of the Potential Volatility of the Credit Rating as Required by Paragraph (a)(1)(ii)(K) of Rule 17g-7

A) Business Bases

The credit rating is subject to alteration if there is improvement or deterioration of the issuer's business bases, since its revenue, etc. may improve or deteriorate by the change in its business management policies, clients' preferences, competitive situation, or a technological innovation. The resultant alteration of the credit rating is usually by a notch, with possibility of a few notches if and when the change in the business bases is large.

B) Financial Grounds and Asset Quality

The credit rating is subject to alteration if the issuer increases/ decreases its debt/ capital or vice versa and thereby makes its individual debt payment liability less or more bearable and its loss absorption capacity into the future decreased or increased. Also, the changes in the quality of asset under the issuer's holding may affect the credit rating, since such changes could raise or lower the likelihood of future loss of the issuer's financial grounds. The resultant alteration of the credit rating is usually by a notch, with possibility of a few notches if and when the change in the financial grounds and/ or asset quality is large.

C) Liquidity Positions

The credit rating is subject to alteration if there is a change in the issuer's financial management policy or in the relations with fund procurement sources and the change thereby makes its liquidity positions improve or deteriorate. The resultant alteration of the credit rating is usually by a notch, with possibility of a few notches if and when the change is large.

D) Related Parties' Status and Stance of Support/ Assistance for the Issuer

The credit rating is subject to alteration if there is a change in the issuer's parent company or subsidiary, guarantor or other provider of credit enhancement, or the government of the issuer's business domicile, or other related parties' own conditions and/ or position of support/ assistance for the issuer, and the change thereby makes its business bases, financial grounds and/ or liquidity positions improve or deteriorate, and/ or making the effectiveness of guarantee and other credit enhancement improve or deteriorate. The resultant alteration of the credit rating is usually a notch, with possibility of a few notches if and when the change is large.

E) Order of Seniority in Debt Payment and Non-Payment Forgiven by Contract

The credit rating is subject to alteration if there is a change in the rated debt's status in the order of seniority relative to other debts caused by the improvement/ deterioration of the issuer's financial condition. The resultant alteration of the credit rating is usually a notch, with possibility of a few notches if and when the change is large. Also, in case of the financial products for which non-payment of interest/ principal is contractually permissible, the credit rating is subject to alteration if and when the likelihood of such non-payment is projected to increase or decrease. The resultant alteration of the credit rating could be by a notch but often as much as a few notches.

F) Rise and Fall in General Economy and Markets

The credit rating is subject to alteration if there is a rise/ fall in the general economy and/ or the markets inducing the issuer's revenues/ expenses to increase/ decrease and vice versa, etc. The resultant alteration of the credit rating is usually by a notch, with possibility of a few notches if and when the change is exceptionally large.

G) Various Events

The credit rating is subject to alteration on occurrence of various events, such as change in the issuer's major shareholders, M&A and other organizational change, accident, violation of the law, litigation, legal/ regulatory change, natural disaster, etc., which are unforeseeable at the time when the credit rating is determined, causing a significant change on the issuer's business bases, financial grounds, etc. The resultant alteration of the credit rating could be by a notch but more often than not as much as a few notches.

12 Information on the Content of the Credit Rating, Including the Historical Performance of the Credit Rating and the Expected Probability of Default and the Expected Loss in the Event of Default as Required by Paragraph (a)(1)(ii)(L) of Rule 17g-7

- Historical records of the credit rating herewith presented are posted in the end of this paper.
- The credit rating herewith presented by JCR is its summary opinion with regard to the likelihood of given debt payment and hence not necessarily a perfect representation of such likelihood. The credit rating is not intended to estimate the probability of default or the loss on given default, either.
- Facts of the probability of default are posted as Form NRSRO Exhibit 1 on the JCR website under the URL:

https://www.jcr.co.jp/en/service/company/regu/nrsro/

13 Information on the Sensitivity of the Credit Rating to Assumptions Made as Required by Paragraph (a)(1)(ii)(M) of Rule 17g-7

A) Business Bases

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the issuer's business bases and powers of earning or cash flow generation, etc. The resultant change of the credit rating is most likely by a notch, as JCR speculates, but possibly as much as a few notches if the development is rapid in improvement or deterioration of the issuer's business bases on some drastic change in the operational environments, etc.

B) Financial Grounds and Asset Quality

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the issuer's financial grounds and asset quality. The resultant change of the credit rating is most likely by a notch, as JCR speculates, but possibly as much as a few notches if the development is rapid in improvement or deterioration of the issuer's financial grounds and/ or asset quality on some drastic change in its business bases.

C) Liquidity Risks

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the issuer's liquidity positions. The resultant change of the credit rating is most likely by a notch, as JCR speculates, but possibly as much as a few notches if the development is rapid in improvement or deterioration of the issuer's liquidity positions on some drastic change in its financial management policy or relations with fund procurement sources, etc.

D) Related Parties' Status and Stance of Support/ Assistance for the Issuer

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the issuer's parent company or subsidiaries, guarantor or other providers of credit enhancement, the government of the issuer's business domicile or other related parties' status and stance of support/ assistance for the issuer. The resultant change of the credit rating is most likely by a notch, as JCR speculates, but possibly as much as a few notches if there is a major change on the part of related parties, such as replacement, disappearance, some drastic improvement/ deterioration of financial grounds/ balances, etc.

E) Rise and Fall in General Economy and Markets

The credit rating herewith presented could be changed if and when the assumptions made at the time of its determination turn out to be inaccurate with regard to the prospects of general economy and markets. JCR expects the change should be most likely by a notch but could be as much as a few notches, should the economy or the markets change so greatly.

14 Information on the Representations, Warranties, and Enforcement Mechanisms of an Asset-backed Security as Required by Paragraph (a)(1)(ii)(N) of rule 17g-7

・ The credit rating herewith presented is not for an ABS product, and hence no relevant issue.

Japan Credit Rating Agency, Ltd.
Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026

The Historical Performance of the Credit Rating

Issuer Name	Issue Name	Publication Date	Rating	Outlook/Direction
OKASAN SECURITIES GROUP	Issuer(Long-term)	July 2, 1999	BBB-	
OKASAN SECURITIES GROUP	Issuer(Long-term)	June 21, 2000	BBB	
OKASAN SECURITIES GROUP	Issuer(Long-term)	July 2, 2001	BBB	
OKASAN SECURITIES GROUP	Issuer(Long-term)	July 1, 2002	BBB	
OKASAN SECURITIES GROUP	Issuer(Long-term)	September 24, 2003	BBB	
OKASAN SECURITIES GROUP	Issuer(Long-term)	June 30, 2004	BBB	
OKASAN SECURITIES GROUP	Issuer(Long-term)	August 8, 2005	BBB	
OKASAN SECURITIES GROUP	Issuer(Long-term)	July 6, 2006	BBB	Positive
OKASAN SECURITIES GROUP	Issuer(Long-term)	November 22, 2007	BBB	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	December 5, 2008	BBB	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	February 12, 2009	BBB	Negative
OKASAN SECURITIES GROUP	Issuer(Long-term)	February 3, 2010	BBB	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	January 24, 2011	BBB	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	March 23, 2012	BBB	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	April 19, 2013	BBB	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	April 15, 2014	BBB+	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	April 15, 2015	BBB+	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	April 11, 2016	BBB+	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	April 12, 2017	BBB+	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	April 18, 2018	BBB+	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	April 16, 2019	BBB+	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	June 1, 2020	BBB+	Negative
OKASAN SECURITIES GROUP	Issuer(Long-term)	July 9, 2021	BBB+	Negative
OKASAN SECURITIES GROUP	Issuer(Long-term)	August 1, 2022	BBB+	Negative
OKASAN SECURITIES GROUP	Issuer(Long-term)	October 11, 2023	BBB+	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	September 4, 2024	BBB+	Stable
OKASAN SECURITIES GROUP	Issuer(Long-term)	September 9, 2025	BBB+	Stable

The Historical Performance of the Credit Rating

Issuer Name	Issue Name	Publication Date	Rating	Outlook/Direction
OKASAN SECURITIES CO.,	Issuer(Long-term)	September 24, 2003	BBB	
OKASAN SECURITIES CO.,	Issuer(Long-term)	June 30, 2004	BBB	
OKASAN SECURITIES CO.,	Issuer(Long-term)	August 8, 2005	BBB	
OKASAN SECURITIES CO.,	Issuer(Long-term)	July 6, 2006	BBB	Positive
OKASAN SECURITIES CO.,	Issuer(Long-term)	November 22, 2007	BBB	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	December 5, 2008	BBB	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	February 12, 2009	BBB	Negative
OKASAN SECURITIES CO.,	Issuer(Long-term)	February 3, 2010	BBB	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	January 24, 2011	BBB	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	March 23, 2012	BBB	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	April 19, 2013	BBB	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	April 15, 2014	BBB+	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	April 15, 2015	BBB+	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	April 11, 2016	BBB+	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	April 12, 2017	BBB+	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	April 18, 2018	BBB+	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	April 16, 2019	BBB+	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	June 1, 2020	BBB+	Negative
OKASAN SECURITIES CO.,	Issuer(Long-term)	July 9, 2021	BBB+	Negative
OKASAN SECURITIES CO.,	Issuer(Long-term)	August 1, 2022	BBB+	Negative
OKASAN SECURITIES CO.,	Issuer(Long-term)	October 11, 2023	BBB+	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	September 4, 2024	BBB+	Stable
OKASAN SECURITIES CO.,	Issuer(Long-term)	September 9, 2025	BBB+	Stable

Attestation Required by Paragraph (a)(1)(iii) of Rule 17g-7

I, Tomohiro Miyao, have responsibility to this Rating Action and to the best of my knowledge:

A) No part of the credit rating was influenced by any other business activities.

B) The credit rating was based solely upon the merits of the obligor, security, or money market instrument being rated.

C) The credit rating was an independent evaluation of the credit risk of the obligor, security, or money market instrument.

宮尾 知浩

Tomohiro Miyao
General Manager of Financial Institution Rating Department

Japan Credit Rating Agency, Ltd.
Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026