Stock Code:8624

# IR Presentation

## for First quarter, year ending March 2011

August 2010

Ichiyoshi Securities Co., Ltd.

# Ⅰ. Business Results (Consolidated)

# 1. Profit & Loss

ICHIYOSHI SECURITIES

（¥ million）

| | 2010／3 | | | | 2011/3 | Quarter-on-Quarter | Year-on-Year |
|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | | |
| Operating revenue | 4,150 | 4,005 | 3,760 | 3,827 | 3,510 | △8.3 % | △15.4 % |
| Operating costs & expenses | 4,036 | 3,902 | 3,793 | 3,695 | 3,758 | 1.7 % | △6.9 % |
| Current income | 127 | 12 | △42 | 43 | △246 | — | — |
| Extraordinary income | 31 | 51 | 21 | 4 | 62 | — | 97.2 % |
| Extraordinary loss | 50 | 27 | 75 | 6 | 3 | △54.2 % | △94.0 % |
| Corporate tax | 10 | 16 | 10 | 18 | 10 | △41.5 % | 1.0 % |
| Tax adjustment | 0 | △3 | 1 | △3 | 13 | — | — |
| Net income | 98 | 23 | △108 | 27 | △209 | — | — |

# 2. Financial Results

ICHIYOSHI SECURITIES

| | 2010／3 | | | | 2011/3 | Quarter-on-Quarter | Year-on-Year |
|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | | |
| Total assets (¥mil.) | 39,287 | 47,083 | 37,183 | 37,254 | 34,593 | △7.1 % | △11.9 % |
| Total net worth (¥mil.) | 27,911 | 27,819 | 27,143 | 26,917 | 26,238 | △2.5 % | △6.0 % |
| Equity ratio (%) | 70.8 | 59.0 | 72.9 | 72.1 | 75.7 | — | — |
| Net worth per share ( ¥ ) | 634.73 | 633.42 | 618.17 | 619.13 | 601.85 | △2.8 % | △5.2 % |
| Capital adequacy ratio (%) | 404.6 | 429.3 | 426.7 | 494.1 | 493.7 | — | — |
| EPS ( ¥ ) | 2.24 | 2.78 | 0.30 | 0.93 | △4.82 | — | — |
| ROE (%) | 0.4 | 0.4 | 0.0 | 0.1 | △0.8 | — | — |

# 3. Balance Sheets

ICHIYOSHI SECURITIES

(¥ million)

| | 2010／3 | | | | 2011/3 | Quarter-on-Quarter | Year-on-Year |
|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | | |
| **Assets** | | | | | | | |
| Current assets | 30,203 | 38,281 | 28,633 | 29,234 | 26,710 | △8.6 % | △11.6 % |
| Fixed assets | 9,084 | 8,802 | 8,550 | 8,020 | 7,882 | △1.7 % | △13.2 % |
| Total assets | 39,287 | 47,083 | 37,183 | 37,254 | 34,593 | △7.1 % | △11.9 % |
| **Liabilities** | | | | | | | |
| Current liabilities | 10,879 | 18,327 | 9,118 | 9,402 | 7,542 | △19.8 % | △30.7 % |
| Fixed liabilities | 358 | 798 | 782 | 796 | 713 | △10.4 % | 99.3 % |
| Total liabilities | 11,376 | 19,264 | 10,039 | 10,337 | 8,354 | △19.2 % | △26.6 % |
| **Net worth** | | | | | | | |
| Net worth | 27,911 | 27,819 | 27,143 | 26,917 | 26,238 | △2.5 % | △6.0 % |
| Total liabilities & net worth | 39,287 | 47,083 | 37,183 | 37,254 | 34,593 | △7.1 % | △11.9 % |

# 4. Breakdown of Net Operating Revenue

ICHIYOSHI SECURITIES

(¥ million)

| | 2010／3 | | | | 2011/3 | Quarter-on-Quarter | Year-on-Year |
|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | | |
| Commission revenue | 3,671 | 3,572 | 3,303 | 3,363 | 3,042 | △9.6 % | △17.2 % |
| Gains on trading | 258 | 214 | 235 | 226 | 217 | △4.0 % | △16.0 % |
| Interest and dividend income | 61 | 68 | 64 | 57 | 62 | 9.6 % | 1.8 % |
| Other operating revenue | 158 | 149 | 157 | 180 | 188 | 4.7 % | 19.3 % |
| Interest expenses | 24 | 21 | 20 | 17 | 20 | 20.5 % | △14.5 % |
| Total | 4,126 | 3,984 | 3,740 | 3,810 | 3,490 | △8.4 % | △15.4 % |

# 5. Breakdown of Gains on Trading

ICHIYOSHI SECURITIES

（¥ million）

| | 2010／3 | | | | 2011/3 | Quarter-on-Quarter | Year-on-Year |
|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | | |
| Stocks | 171 | 61 | 88 | 133 | 120 | △10.1 % | △29.9 % |
| Bonds･Forex | 86 | 152 | 146 | 92 | 96 | 4.9 % | 11.6 % |
| （Bonds） | （92） | （171） | （147） | （94） | （78） | （△17.4%） | （△15.4%） |
| （Forex） | （△5） | （△18） | （△0） | （△2） | （18） | （－） | （－） |
| Total | 258 | 214 | 235 | 226 | 217 | △4.0 % | △16.0% |

# 6. Breakdown of Commission Revenue

ICHIYOSHI SECURITIES

(¥ million)

| | 2010／3 | | | | 2011/3 | Quarter-on-Quarter | Year-on-Year |
|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | | |
| **Brokerage** | | | | | | | |
| Stocks | 1,623 | 1,337 | 937 | 1,169 | 1,169 | 0.0 % | △28.0 % |
| **Distribution** | | | | | | | |
| Investment trust | 754 | 978 | 1,044 | 954 | 681 | △28.6 % | △9.6 % |
| **Underwriting** | | | | | | | |
| IPO | 0 | 7 | 0 | 17 | 0 | △94.2 % | — |
| PO | — | 14 | 100 | 2 | 1 | △48.4 % | — |
| Total | 0 | 22 | 101 | 20 | 2 | △87.5 % | — |
| **Others** | | | | | | | |
| Beneficiary certificates | 1,015 | 1,070 | 1,099 | 1,065 | 1,078 | 1.2 % | 6.2 % |
| Others | 261 | 153 | 94 | 143 | 100 | △29.8 % | △61.6 % |
| Total | 1,277 | 1,223 | 1,193 | 1,208 | 1,178 | △2.4 % | △7.7 % |

# 7. Operating Cost and Expenses

ICHIYOSHI SECURITIES

（¥ million）

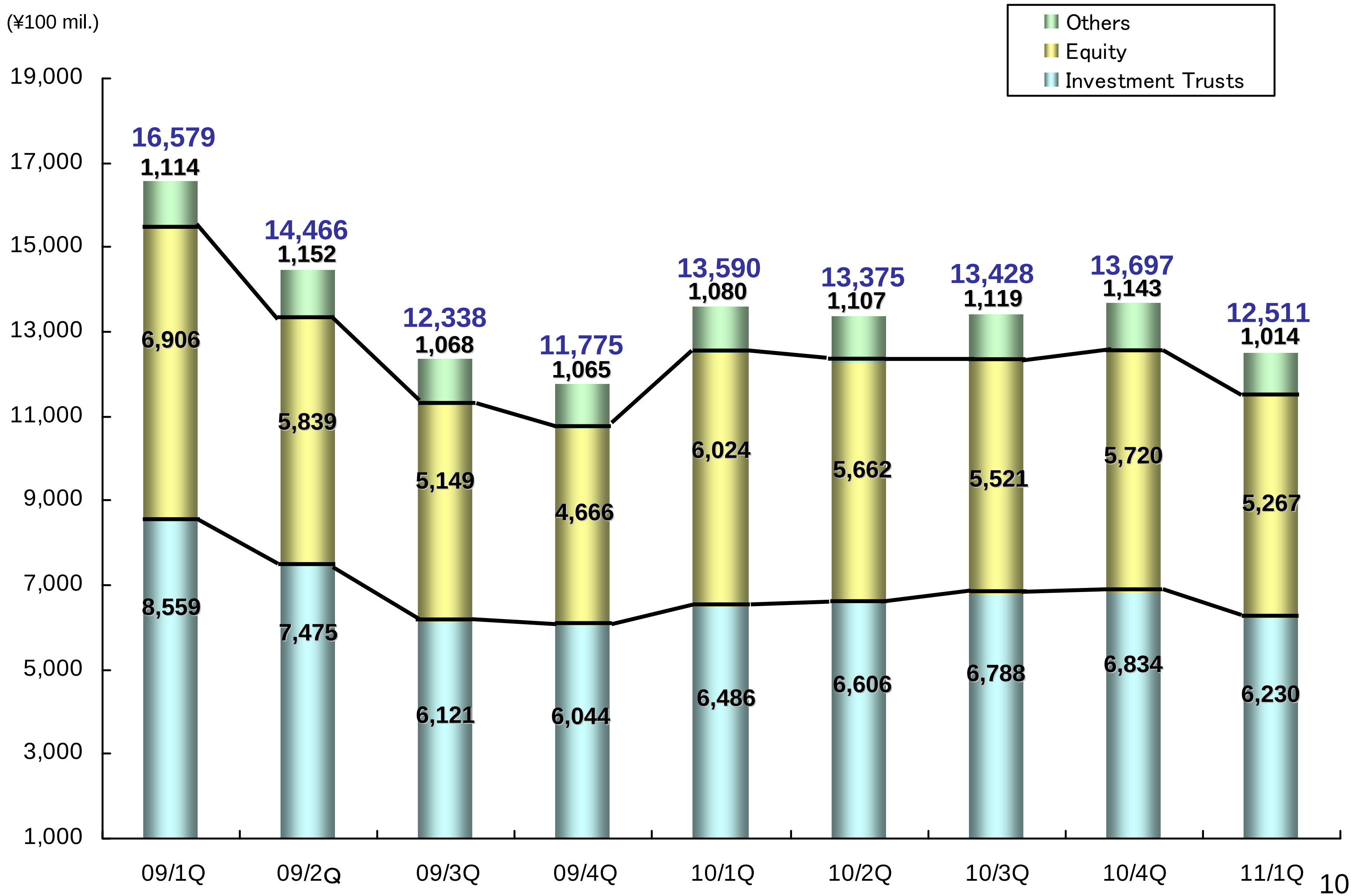
| | 2010／3 | | | | 2011/3 | Quarter-on-Quarter | Year-on-Year |
|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | | |
| Transaction related expenses | 408 | 401 | 378 | 275 | 354 | 28.5 % | △13.2 % |
| Personnel expenses | 2,248 | 2,174 | 2,083 | 2,073 | 2,066 | △0.4 % | △8.1 % |
| Property related expenses | 444 | 446 | 429 | 437 | 432 | △1.1 % | △2.6 % |
| Clerical expenses | 551 | 516 | 529 | 545 | 563 | 3.2 % | 2.2 % |
| Depreciation | 176 | 177 | 175 | 182 | 158 | △13.1 % | △10.0 % |
| Public charges | 41 | 44 | 43 | 42 | 36 | △14.2 % | △11.6 % |
| Allowances for doubtful accounts | 1 | △0 | △1 | △0 | ― | ― | ― |
| Others | 164 | 141 | 155 | 137 | 146 | 6.4 % | △10.9 % |
| Total | 4,036 | 3,902 | 3,793 | 3,695 | 3,758 | 1.7 % | △6.9 % |

**<Reference>** Fixed cost and Variable cost are inscribed on a parent basis.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Fixed cost | 2,747 | 2,685 | 2,696 | 2,785 | 2,675 | △3.9 % | △2.6 % |
| Variable cost | 1,057 | 1,004 | 892 | 682 | 869 | 27.5 % | △17.7 % |

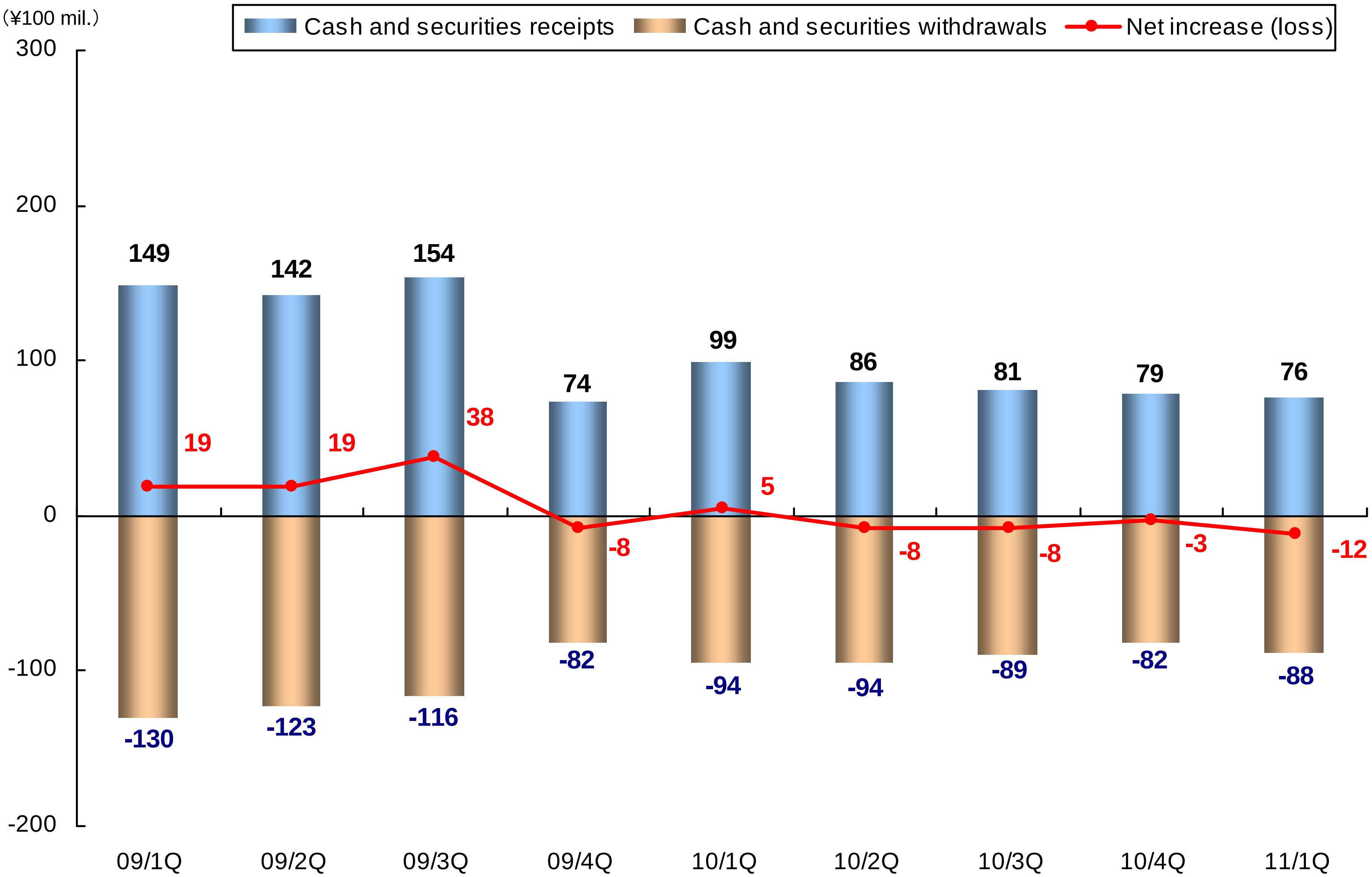
# Ⅱ. Business Circumstances

# 1. Customer Assets under Custody

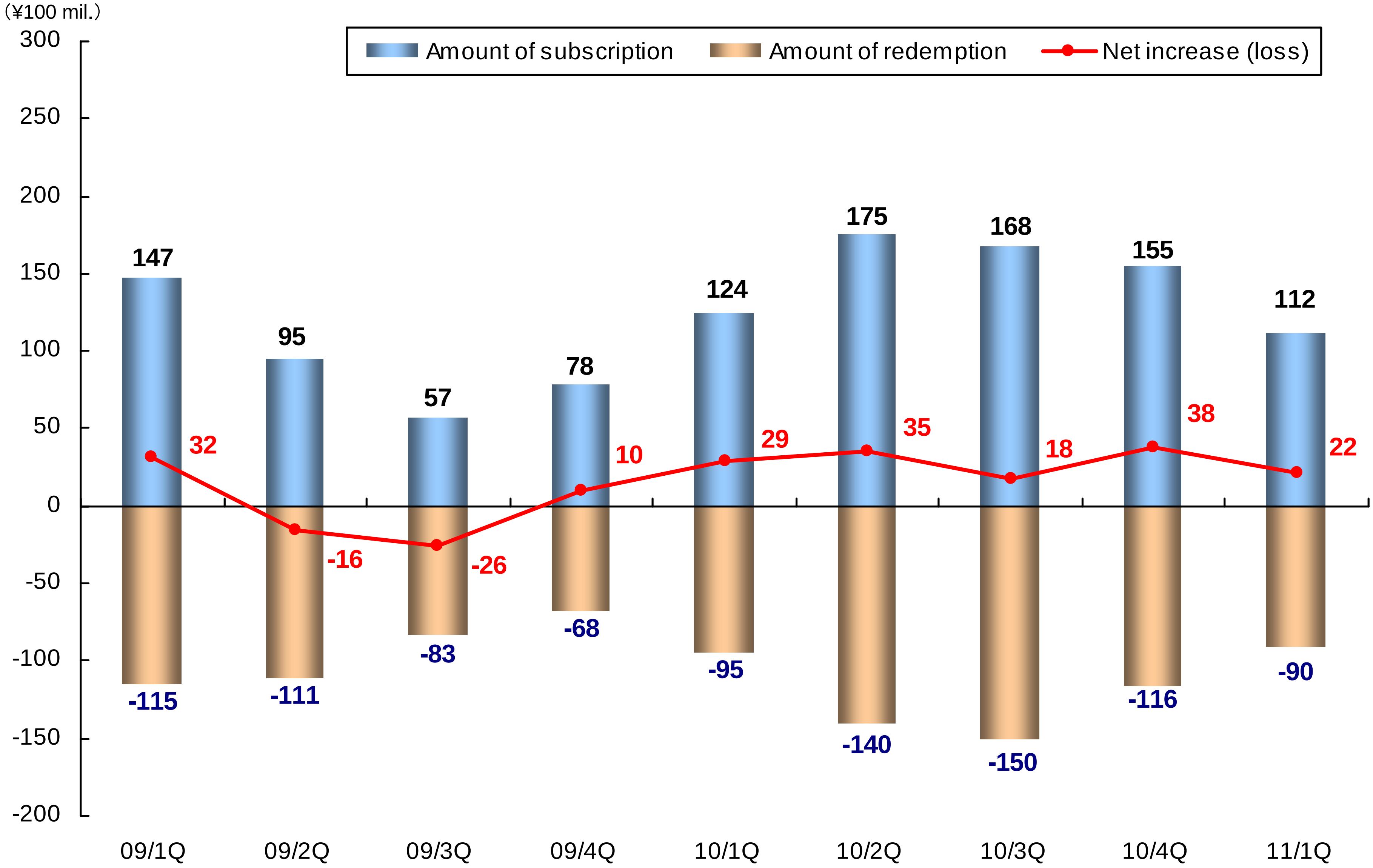


## 2. Cash and Securities Receipts/ Cash and Securities Withdrawals/ Net Increase (Monthly Average)

ICHIYOSHI SECURITIES



## 3. Subscription/ Redemption/ Net Increase of Investment Trusts (Monthly Average)



## 4. Top 5 Best Selling Investment Trusts (Total Amounts of 3 Months)

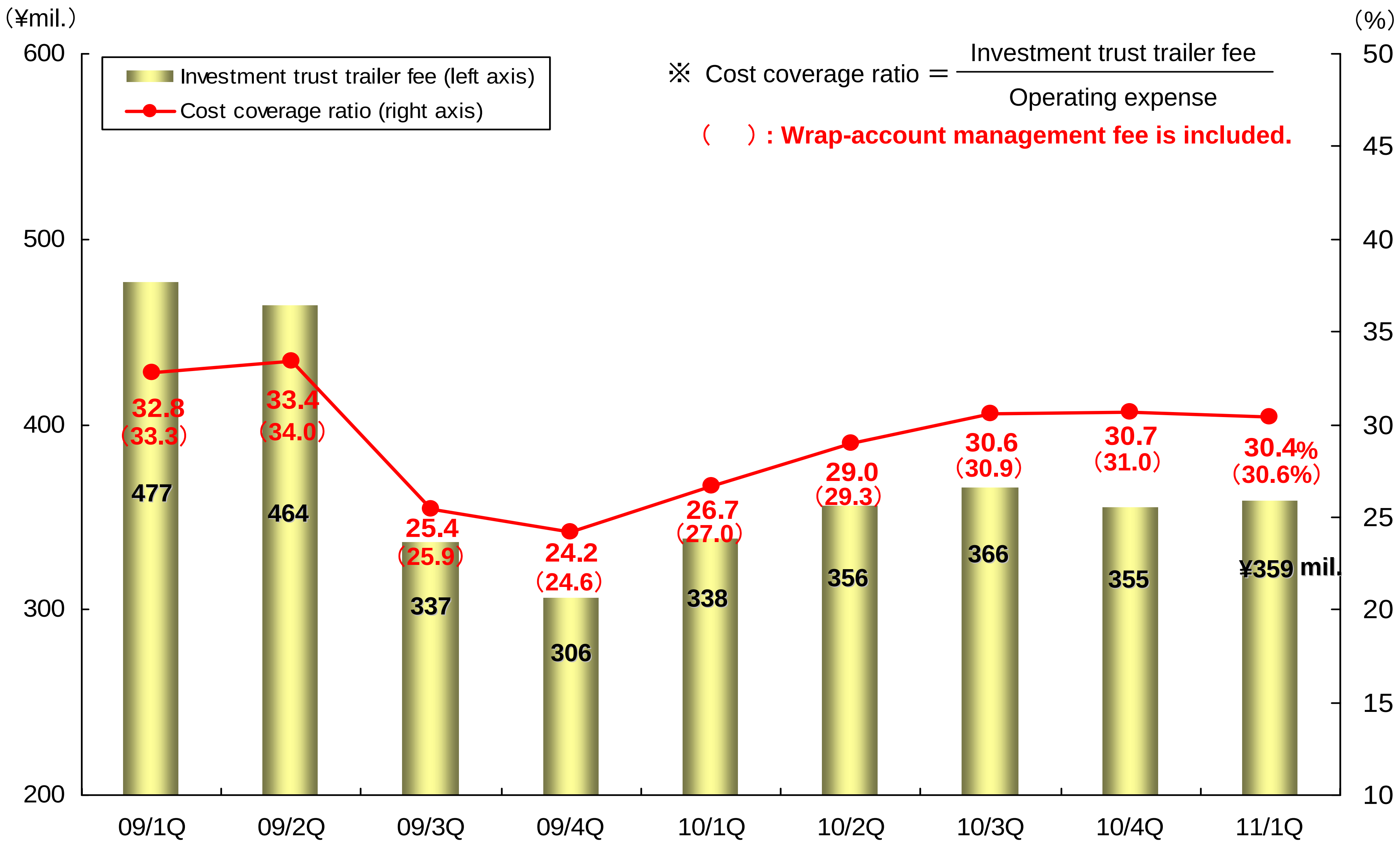
ICHIYOSHI SECURITIES

(¥ 100 mil.)

| | 2009/3 1Q | 2Q | 3Q | 4Q | 2010/3 1Q | 2Q | 3Q | 4Q | 2011/3 1Q |
|---|---|---|---|---|---|---|---|---|---|
| Global Sovereign Open | 131 | 160 | 89 | 78 | 78 | 244 | 153 | 115 | 89 |
| Mellon World Emerging Country Sovereign Fund | 172 | 32 | 10 | | | | 76 | 91 | 66 |
| HSBC Asia Quality Stock Open | | | | | | | | | 45 |
| Pictet Global Income | 33 | 30 | 7 | 9 | | | | | 45 |
| Global REIT Open | | 23 | 27 | 48 | 83 | 81 | 73 | 60 | 39 |
| Fidelity US Blue Chip Fund | | | | | | | | 33 | |
| HSBC China Quality Stock Open | | | | | 60 | 17 | | | |
| HSBC Brazil Open | | | | | | | 59 | | |
| HSBC India Infrastructure Stock Open | 15 | | 5 | | | 81 | 45 | | |
| Ichiyoshi Mid/Small Recovery Fund | | | | | 61 | 5 | | | |
| HSBC China Open | | | | 34 | 26 | | | | |
| Pictet Japan Number One Fund | | | | 33 | | | | | |
| HSBC Russia Open | 33 | 7 | 5 | | | | | | |

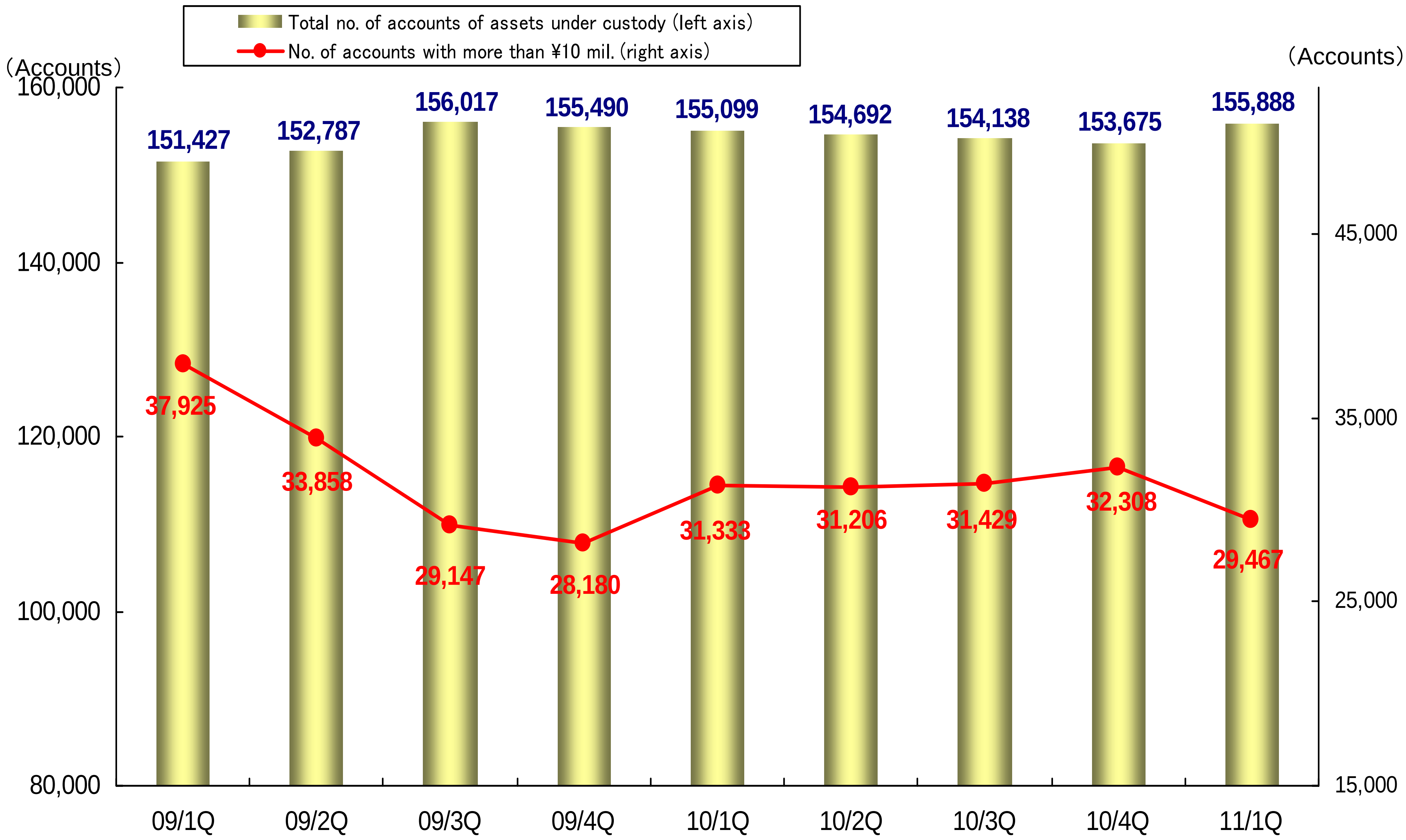
# 5. Trend of Investment Trust Trailer Fee and its Cost Coverage (Monthly Average/Parent Company Basis)

ICHIYOSHI SECURITIES



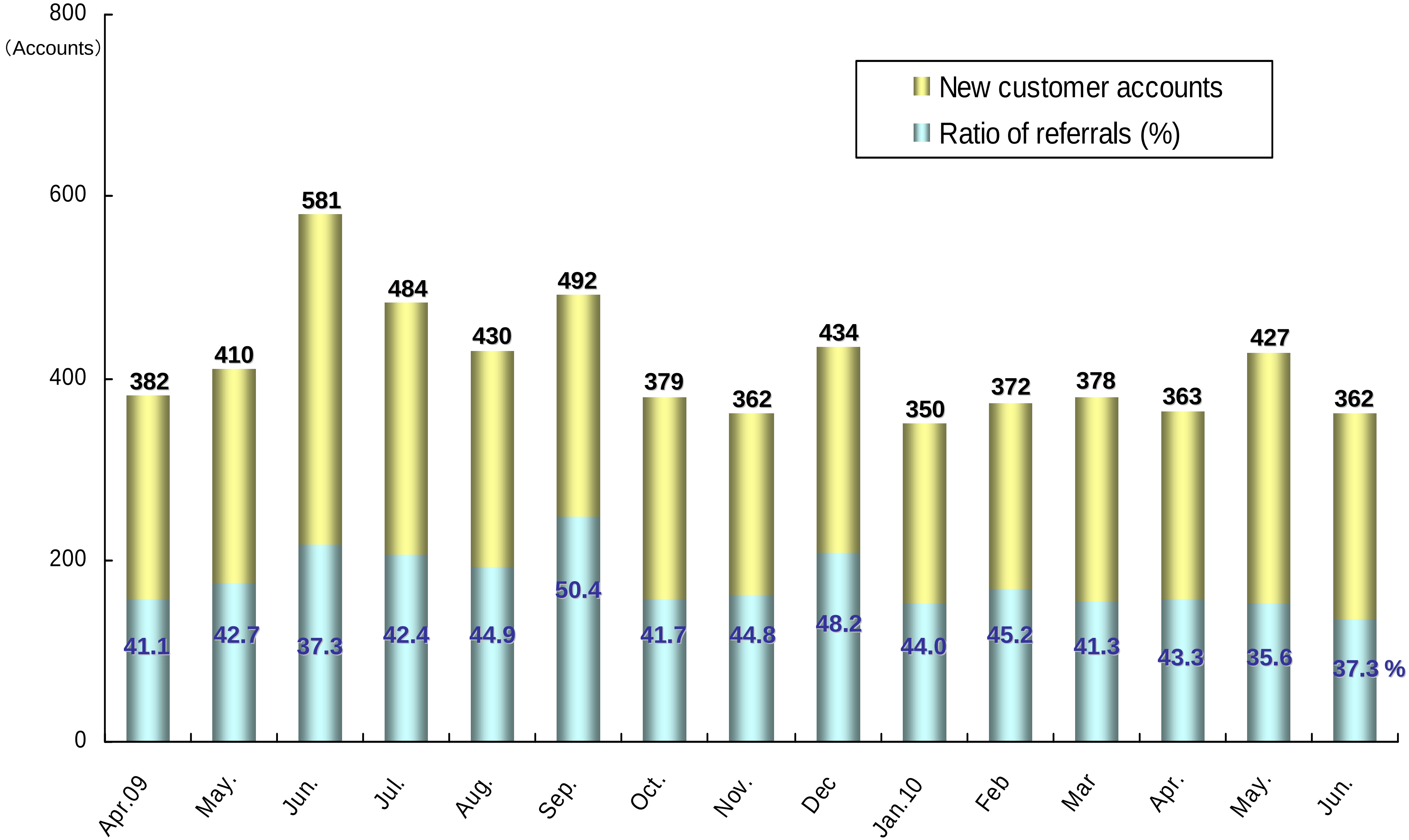
# 6. Number of Customer Accounts (Retail)

ICHIYOSHI SECURITIES

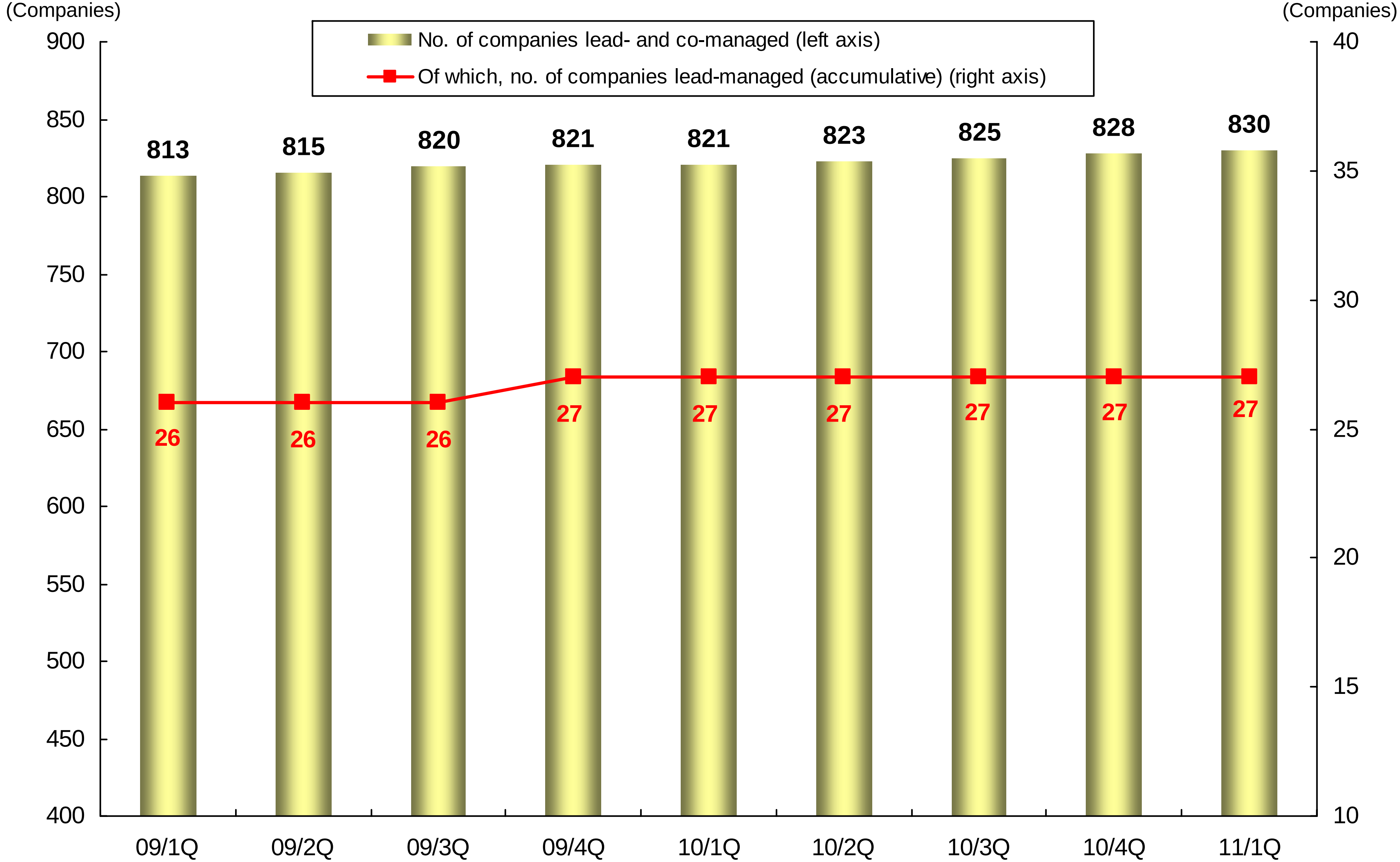


## 7. Number of New Customer Accounts and Ratio of Referrals

ICHIYOSHI SECURITIES



# 8. Accumulated Number of Companies Lead- and Co-managed



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