

Business Result for Fiscal Year to March 31, 2012

(consolidated on the basis of Japanese accounting standards)

Released on April 27, 2012

Name of Company: **Ichiyoshi Securities Co., Ltd.**

Listed on: First Sections of Tokyo Stock Exchange and Osaka Securities Exchange

(Stock code number: 8624)

Corporate representative: Mr. Yasuaki Yamasaki, President & Representative Executive Officer

Date of annual shareholders' meeting: June 23, 2012 (scheduled)

Payment date for final dividends: May 28, 2012 (scheduled)

Filing date of annual securities report: June 26, 2012 (scheduled)

Supplemental information on business result: Provided.

Business result-reporting meeting: Planned for institutional investors and analysts.

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1. Consolidated Business Result for Fiscal Year Ended March 31, 2012

(1) **Highlights of consolidated business result** (in millions of yen with fractions less than a million yen discarded, except for per-share figures)

	--- Fiscal year ended --- March 31, 2012 (% year-to-year)	March 31, 2011
Operating revenue	14,407 (+ 10.0)	13,101 (- 16.8)
Net operating revenue	14,340 (+ 9.9)	13,043 (- 16.7)
Operating income	- 116 (--)	- 1,612 (--)
Current income	- 136 (--)	- 1,499 (--)
Net income	- 222 (--)	- 1,575 (--)
Earnings per share	- 5.08yen	- 36.12yen
Earnings per share on a diluted basis (adjusted for shares potentially issuable)	--	--
Net return on equity	- 0.9%	- 6.1%
Current income as % of total assets	- 0.4%	- 4.1%
Operating income as % of operating revenue	- 0.8%	- 12.3%

Notes: Comprehensive income for each fiscal year:

- 203 million yen for fiscal year ended March 31, 2012

- 1,550 million yen for fiscal year ended March 31, 2011

Investment gains or loss by an equity method for each fiscal year:

- 34 million yen for fiscal year ended March 31, 2012

158 million yen for fiscal year ended March 31, 2011

(2) Consolidated financial condition

	--- As of March 31 --- 2012	2011
Total assets (in millions of yen)	34,091	35,607
Net worth (in millions of yen)	23,486	24,672
Equity ratio	68.7%	69.1%
Net worth per share	533.78yen	560.19yen

Note: Shareholders' equity at the end of each fiscal year:
23,409 million yen at March 31, 2012
24,607 million yen at March 31, 2011

(3) Consolidated cash flow (in millions of yen)

	--- Fiscal year ended --- March 31, 2012	March 31, 2011
Cash flow from operating activities	- 1,563	5,358
Cash flow from investing activities	10	- 430
Cash flow from financing activities	- 1,536	- 1,152
Cash and cash equivalents at end of the term	10,046	13,146

2. Dividend

	--- Fiscal year ended --- March 31, 2011	March 31, 2012	March 31, 2013 (Forecast*)
Per-share dividend:			
Interim dividend	12.00yen	10.00 yen	--
Final dividend	12.00yen	10.00 yen	--
Annual total	24.00yen	20.00 yen	--
Total dividend payout	1,049 million yen	877million yen	--
Payout ratio (consolidated)	--	--	--
Total dividend payout as % of net worth	4.1%	3.7%	--

Notes: *= Forecast is not provided because it is not Ichiyoshi's practice to give earnings or dividend forecast.

3. Outlook for Consolidated Business Result for Fiscal Year ending March 31, 2013(from April 1, 2012 to March 31, 2013)

Since the forecast of earnings in financial-instruments trading, the main-line business of Ichiyoshi Securities Co., Ltd. (the "Company" or "Ichiyoshi") and its group companies, is hard to make due to volatile factors in the market, the Company does not provide such forecast prior to the end of each quarterly and annual business term. Instead, we intend to release preliminary earnings figures after the end of each business term as and when such figures become available.

Points of note:**(1) Changes in material subsidiaries (resulting in a change in scope of consolidation):**

None.

(2) Changes in accounting policies, estimates and re-presentations:

(i) Changes in accounting policies resulting from revisions to accounting standards: None.

(ii) Changes other than those in (i): None.

(iii) Changes in accounting estimates: None.

(iv) Re-presentations: None.

(3) Number of issued shares (common stock)

(a) Number of issued shares at the end of each fiscal year (including treasury shares):

44,431,386 shares at March 31, 2012

44,431,386 shares at March 31, 2011

(b) Number of treasury shares at the end of each fiscal year:

575,144 shares at March 31, 2012

503,881 shares at March 31, 2011

(c) Average number of shares outstanding during the term:

43,877,315 shares for fiscal year ended March 31, 2012

43,615,956 shares for fiscal year ended March 31, 2011

(Note: Please see “**Per-share data**” described elsewhere herein for the number of shares used for computation of per-share data.)

[Referential information]**1. Outline of Non-consolidated Business Result (parent company basis)**

(1) Business result for fiscal year ended March 31, 2012 (in millions of yen with fractions less than a million yen discarded, except for per-share figures)

	--- Fiscal year ended ---	
	March 31, 2012	March 31, 2011
	(% year-to-year)	

Operating revenue	13,294 (+ 9.0)	12,196 (- 18.4)
Net operating revenue	13,251 (+ 9.0)	12,151 (- 18.3)
Operating income	- 140 (--)	- 1,661 (--)
Current income	- 130 (--)	- 1,710 (--)

Net income	- 239 (--)	- 1,759 (--)
Earnings per share	- 5.46yen	- 40.34yen
Earnings per share on a diluted basis (adjusted for shares potentially issuable)	--	--
Net return on equity	- 1.0%	- 6.8%

(2) Financial condition

	--- As of March 31 ---	
	2012	2011
Total assets (in millions of yen)	33,184	34,645
Net worth (in millions of yen)	23,298	24,508
Equity ratio	70.1%	70.6 %
Net worth per share	530.10yen	557.00yen
Capital adequacy ratio	454.0%	472.5%

Shareholders' equity at the end of each fiscal year:

23,255 million yen as of March 31, 2012

24,474 million yen as of March 31, 2011

2. Outlook for non-consolidated business result for fiscal year ending March 31, 2013 (from April 1, 2012 to March 31, 2013)

Since the forecast of earnings in financial-instruments trading is hard to make due to volatile factors in the market, Ichiyoshi does not provide such forecast prior to the end of each quarterly and annual business term. Instead, Ichiyoshi intends to release preliminary earnings figures after the end of each business term as and when such figures become available.

Additional points of note:

1. This business report is not subject to auditing requirements under the Financial Instruments and Securities Exchange Law (the "Law"). The business result contained herein is being audited as required under the Law at the time of this release.
2. For the same reason that Ichiyoshi does not provide earnings forecast prior to the end of each quarterly and annual business term as stated in "3. Outlook for Consolidated Business Result for Fiscal 2013 (from April 1, 2012 to March 31, 2013)" on page 2, Ichiyoshi does not provide a dividend forecast.

I. Business Result

1. Analysis on Consolidated Business Result

During the fiscal year ended March 31, 2012, there arose a slew of economic and financial problems, including fears of global economic slowdown, the deepening of the European debt crisis and Thai flood disasters, while restoration and recovery works from the Great East Japan Earthquake disasters progressed in Japan. In the foreign exchange market, the yen registered sharp gains against the dollar and the euro towards the middle of the fiscal year, adversely affecting the outlook for the Japanese economy and business earnings. As the Bank of Japan embarked on an additional round of easy money policy in February 2012, however, the economic conditions as a whole started to change for the better.

With regard to the Japanese stock market, the Nikkei Stock Average registered 10,207.91yen on July 8 2011, a year-high, on expectations for the domestic economic recovery through the restoration of industrial supply channels disrupted by the Earthquake. Thereafter, however, the Japanese stock market underwent a correctional period on concerns about the deepening European debt crisis, and the Nikkei Stock Average recorded 8,135.79yen on November 25, 2011, a fiscal year-low and lower than the post-earthquake low. As the European Central Bank pumped a large volume of three-year money into the European financial system through its Long-term Refinancing Operations towards the end of 2011, however, concerns about the European debt crisis began to ease, sending global and Japanese stock prices higher. On February 14, 2012, the Policy Board of the Bank of Japan decided on a further round of easy money policy and a virtual inflation target of 1%, substantially changing the current of the market towards a weaker yen and higher stock prices. As a result, the Nikkei Stock Average registered 10,255.15yen, a post-earthquake high on March 27, 2012. The Average ended the fiscal year at 10,083.56yen, the first time in 2 years it recorded above 10,000yen at the close of a fiscal year. In the Emerging-stock markets, in which Ichiyoshi has strength, the Nikkei JASDAQ Stock Average registered a post-earthquake high in July 2011, and thereafter went through a correctional period through November 2011. Since then, however, the Average came back on recovery, posting 1,395.89yen on March 21, 2012, the highest since 2011, and ended the fiscal year at 1,370.66yen.

The average daily turnover on the Tokyo Stock Exchange during the fiscal year was 1,304.9 billion yen, down 16.0% from the previous fiscal year. The average daily turnover on the OSE JASDAQ Market slid 5.8% to 19.7billion yen.

Against such background, the Company designated investment trust funds, such as “HSBC New Leaders Sovereign Open,” “Mellon World Emerging Sovereign Fund,” “DWS Global Public Utility Fond Fund – A Course” (which pays out income monthly), and “BAM

World Bond & Currency Fund” (which Ichiyoshi started to distribute from January 2012) as basic assets of customers and placed them in the center of its promotional activities.

In addition, the Company exerted its efforts on the promotion of equity brokerages, and launched a new equity fund “East Japan Restoration Assistance Fund” which primarily invest in companies involved in recovery works and projects related to the Great East Japan Earthquake disasters. With respect to small- and mid-cap companies in which Ichiyoshi specializes, the Company lead-managed the public offerings of shares by 2 listed companies.

Resultantly, net operating revenue for the fiscal year ended March 31, 2012, amounted to 14,340 million yen. Operating cost and expenses recorded 14,457 million yen. Hence, current income registered a loss of 136 million yen. Customers’ assets in the Company’s custody as at March 31, 2012 stood at 1,274.4 billion yen, down 5.4% from March 31, 2011.

Set forth below are details of revenue sources, cost and expenses, cash flow and financial condition.

(1) Commissions

Total commissions for the fiscal year ended March 31, 2012 amounted to 12,948 million yen, up 11.9% from the previous fiscal year ended March 31, 2011.

(i) Brokerage commissions

Total brokerage commissions on stocks declined 7.7% to 3,898 million yen. Of these commissions, those on small- and mid-cap stocks (consisting of stocks listed on Second Sections of the Tokyo Stock Exchange (TSE) and the Osaka Stock Exchange (OSE), OSE JASDAQ Market and TSE Mothers) accounted for 17.1%, up from 15.6% for the previous fiscal year.

(ii) Commissions from underwriting and solicitation to specified investors

In the primary market, Ichiyoshi participated in the management and underwriting of 11 initial public offerings (IPO’s), as against 4 IPO’s in the previous fiscal year. In the secondary market (for follow-on financing), Ichiyosshi participated in 10 deals on a management and underwriting basis (two of which were lead-managed by Ichiyoshi), as against 6 in the previous fiscal year. As a result, total commissions from underwriting of stocks and bonds and solicitation to specified investors recorded 414 million yen, up from 44 million yen for the previous fiscal year.

The cumulative number of companies whose offerings were lead- or co-managed by Ichiyoshi stood at 846 (of which 29 were lead-managed by Ichiyoshi) as of March 31, 2012.

(iii) Commissions from distribution and solicitation to specified investors

Commissions from distribution and solicitation to specified investors rose 64.3% to

4,372 million yen as commissions from distribution of investment funds, mostly funds which pay out income monthly, increased 64.2 % to 4,356 million yen.

(iv) Commissions from other sources

The trailer fees on investment funds decreased 8.6% to 3,831 million yen as the outstanding balances of investment funds as at the end of the fiscal year fell 7.7% to 614.7 billion yen. With the addition of fees from research unbundling, commissions from variable-annuity insurance policy sales, fees from IPO assistance and wrap-account management fees, total commissions from other sources amounted to 4,243 million yen, down 8.1%.

(2) Gains or Loss on Trading

Trading on stocks, etc. recorded gains of 226 million yen, down 17.5%, and trading on bonds, foreign exchange, etc. registered gains of 191 million yen, down 38.1%. Consequently, total gains on trading amounted to 417 million yen, down 28.4%.

(3) Interest and Dividend Income

Interest and dividend income declined 17.2% to 146 million yen, reflecting a decrease in average outstanding balances of advances for margin transactions during the fiscal year, and interest expenses increased 15.9% to 66 million yen. As a result, net interest and dividend income amounted to 79 million yen, down 33.2%.

(4) Operating Cost and Expenses

As a result of ongoing review of total cost structure, operating cost and expenses decreased 1.4% to 14,457 million yen.

Resultantly, current income for the fiscal year ended March 31, 2012 amounted to a loss of 136 million yen.

(5) Extraordinary Income and Loss

We recorded an extraordinary income of 42 million yen, including gains of 31 million yen on sales of investment securities and an 8 million yen reversal from reserve for financial instruments transaction liabilities, and an extraordinary loss of 87 million yen, including an impairment loss of 40 million yen, a loss of 25 million yen on a system cancellation and an out-of-court settlement payment of 12 million yen. As a result, we registered a net extraordinary loss of 45 million yen.

After allowing for net extraordinary loss, income before income taxes for the fiscal year ended March 31, 2012 recorded a loss of 181 million yen, and net income (after

deduction of corporate income taxes, resident's taxes and enterprise taxes, totaling 54 million yen, and after allowing for corporate tax adjustments of 14 million yen) registered a loss of 222 million yen.

2. Analysis on Consolidated Financial Condition

(1) Condition of Assets, Liabilities and Net Worth

(i) Current assets

Current assets amounted to 26,469 million yen as of March 31, 2012, a decline of 1,071 million yen (down 3.9%) from March 31, 2011, as cash and deposits decreased by 3,183 million yen while advance payments for subscription increased by 1,976 million yen.

(ii) Fixed assets

Fixed assets stood at 7,622 million yen as of March 31, 2012, a decline of 443 million yen (down 5.5%), as a result of depreciation of fixed assets.

As a result, total assets stood at 34,091 million yen as of March 31, 2012, a decrease of 1,515 million yen (down 4.3%) from March 31, 2011.

(iii) Liabilities

Current liabilities stood at 9,731 million yen as of March 31, 2012, a decrease of 300 million yen (down 3.0%) from March 31, 2011. The decrease resulted from a reduction of 522 million yen in customers' deposits for agency business.

(iv) Long-term liabilities

Long-term liabilities recorded 770 million yen as of March 31, 2012, a decline of 29 million yen (down 3.7%) from March 31, 2011.

(v) Statutory reserves

Statutory reserves registered 103 million yen as of March 31, 2012, a rise of 1 million yen (up 1.1%) from March 31, 2011.

(vi) Net worth

Net worth amounted to 23,486 million yen as of March 31, 2012, a decrease of 1,186 million yen (down 4.8%) from March 31, 2011. The decrease resulted from a decline in retained earnings, which was caused by dividend payments in the amount of 965 million yen and a net loss of 222 million yen for the fiscal year.

As a result, equity ratio as of March 31, 2012 recorded 68.7%, and capital adequacy ratio as of the same date, as defined by the securities regulator, registered 454.0%.

(2) Cash Flow

Cash flow from operating activities for the fiscal year ended March 31, 2012 recorded a negative figure of 1,563 million yen, a decrease of 6,921 million yen from the previous fiscal year, as subscription payments for investment trust funds increased. Cash flow

from investing activities registered a positive figure of 10 million yen, an increase of 441 million yen. It increased as the Company acquired shares of a subsidiary in connection with a change in scope of consolidation but decreased the Company acquired tangible fixed assets. Cash flow from financing activities recorded a negative figure of 1,536 million yen, a decline of 383 million yen, as a result of dividend payments and short-term loan repayment.

Consequently, the amount of cash and cash equivalents as of March 31, 2012, stood at 10,046 million yen, a decline of 3,100 million yen from the end of the previous fiscal year (March 31, 2011).

3 Basic Policy on Earnings Distribution and Dividends for Fiscal Year Ended March 31, 2012

One of the Company's core management policies is to make an appropriate earnings distribution to its shareholders.

With respect to dividends, the Company places its stress on a continuous stream of dividend payments. Thus, under the Company's current dividend policy, an annual total of dividend per share will be equal to either approximately 40% of annual earnings per share (namely, payout ratio of approximately 40%) or approximately 4% of equity per share (namely, DOE of approximately 4%), whichever is larger. The DOE of approximately 4% is subject to review every six months at the time of dividend declaration.

Under this policy, an interim dividend per share of 10.00yen was paid to the shareholders of record as of September 30, 2011, and a final dividend per share of 10.00yen is to be paid to the shareholders of record as of March 31, 2012. The total annual dividend per share of 20.00yen is equal to approximately 4% of equity per share.

4. Risks relating to business

We consider that the following risks exist with respect to the business result and financial condition of Ichiyoshi and its group companies (the "Ichiyoshi group" or the "group") that may affect investors' judgment materially.

Being aware of these risks, the Ichiyoshi group is determined to prevent them from occurring and to be prepared against the occurrence of any such risks.

Any statement about future herein is being made on the basis of the Company's judgment as of the end of the fiscal year (March 31, 2012).

(1) Revenue volatility risk of financial-instruments trading business

There is a possibility that Ichiyoshi's brokerage commissions will decrease as transactions shrink when prices of stocks and bonds decline in the domestic or

foreign markets. Ichiyoshi's activities in the primary market may also be similarly affected in such conditions.

(2) Market risk

There is a possibility that Ichiyoshi will incur a loss due to price fluctuations of securities owned caused by changes in stock prices, interest rates and forward exchange rates as Ichiyoshi is engaged in trading for its own account.

(3) Credit risk (counterparty risk)

There is a possibility that the group will incur a loss when default (or decline in creditworthiness) occurs on its counterparty.

(4) Liquidity risk

There is a possibility that the group will incur a loss when it faces a liquidity problem due to a change in the financial condition or when it is forced to borrow funds at rates much higher than normal under such circumstances.

(5) Clerical risk

There is a possibility that the group will incur a loss due to a mistake in clerical work or as a result of a human error, accident or wrongful behavior although the group is exerting its efforts to put in place extensive working manuals and improve on its compliance system.

(6) System risk

There is a possibility that the group will incur a loss as a result of breakdown or malfunction of, or a fire breakout or electric power failure on, or an improper access to, its computer system.

(7) Legal risk

There is a possibility that the group will incur a loss or face a liquidation or administrative disciplinary action as a result of its violation of rules, regulations or laws.

(8) Information-related risk

There is a possibility that the group will incur a loss or face a deterioration of its reputation in connection with insider trading, leakage of internal information or improper information disclosure.

(9) Competition risk

The securities industry is faced with serious competition which is expected to heighten further hereafter. Hence, there is a possibility that the group's business result and financial condition will be affected when the group cannot get an upper hand in such competition.

(10) Risk from amendments to legal system

There is a possibility that the group's business result and financial condition will be affected by potential amendments to the legal current system surrounding the

securities industry.

(11) Risk from disasters

There is a possibility that the group's business result and its financial condition may suffer when disasters, such as an earthquake and fire, break out, obstructing the group's business activities or doing damages to the group's officers and employees.

II. State of Ichiyoshi Group

The Ichiyoshi group, consisting of Ichiyoshi Securities Co., Ltd. ("Ichiyoshi" or the "Company"), its three consolidated subsidiaries and one associated company, is principally engaged in investment and financial services chiefly associated with financial-instruments.

Ichiyoshi is directly engaged in buying and selling of, and dealing in, securities (such buying and selling of, and dealing in, securities are called hereinafter as "securities transactions"), acting as agent or broker for securities transactions, underwriting and distributing publicly-offered or privately-placed securities and carrying out other securities-related businesses. Thus, Ichiyoshi provides wide-ranging services matching varying needs of its customers relating to securities and investments.

In conjunction with the above-mentioned activities by Ichiyoshi, the three consolidated subsidiaries perform their respective functions: Ichiyoshi Research Institute Inc. undertakes research and data/information collection relating to small- and mid-cap growth companies; Ichiyoshi Investment Management Co., Ltd. provides asset-management services through investment administration and advisories; and Ichiyoshi Business Service Co., Ltd. undertakes peripheral services for the Ichiyoshi group, provides real estate renting/broking/management services, deals in office supplies and goods and acts as agent for financial-instruments trading.

On February 6, 2012, Ichiyoshi merged with Ise Securities Co., Ltd. ("Ise"), which had been a wholly-owned subsidiary since it was acquired by Ichiyoshi through exchange of shares on September 1, 2011. Thus, Ise does not exist as a consolidated subsidiary any more.

List of 5 Companies in the Ichiyoshi Group

Parent company: **Ichiyoshi Securities Co., Ltd.** - financial-instruments trading business

Consolidated subsidiaries:

Ichiyoshi Research Institute Inc. – information services
(85.0% owned, of which 12.5% is indirectly owned)

Ichiyoshi Investment Management Co., Ltd. – investment management and advisories

(97.0% owned, of which 2.0% is indirectly owned)

Ichiyoshi Business Service Co., Ltd. – property renting/broking/management, sales of office supplies and financial-instruments trading agency.

(100.0% owned)

Associated company:

Daihoku Securities Co., Ltd. financial-instruments trading business

(20.0% owned)

(For reference, Ichiyoshi Investment Management Co., Ltd. held its extraordinary shareholders' meeting on April 3, 2012, to change its corporate name to "Ichiyoshi Asset Management Co., Ltd." The new name becomes effective May 1, 2012.)

III. Management Policy

1. Basic Policy

The Company's motto is to "Be a Securities Company Like No Other in Japan." To realize this motto, the Company makes it a management objective to build a "Name-brand boutique house" in the finance and securities industry. In its efforts for realization, the Company intends to heighten the fairness and transparency of management along its credo (corporate philosophy) and to promote flexible and relevant decision-making, thereby maximizing earnings and corporate value while bolstering its corporate governance. Taking advantage of its committees-based company system and its executive officer system, the Company aims to raise the promptitude and effectiveness of business executions and toughen its surveillance over business executions.

The Company's credo (corporate philosophy):

Management philosophy: To remain a company of customers' trust and choice

Management objective: Name-brand boutique house in finance and securities industry

Action guidelines: Gratitude, Integrity, Courage, Responsiveness, Continuity and Long-Term Good Relation.

2. Triangular Pyramid Management

The Company is promoting “Triangular Pyramid Management” --- with the research division forming the base of the pyramid, and the retail, wholesale and support/products divisions forming their respective facets of the pyramid, and the pyramid itself is firmly supported by the back-office division. This management style is intended to maximize the capability of each division/subsidiary and enhance the co-working synergy of all the divisions/subsidiaries. This synergistic process will also raise the quality of the Company’s products, information and customer services, thereby further satisfying the Company’s retail and corporate customers’ needs for asset-building and fund-raising.

3. Medium-term Management Plan

The Company formulated its medium-term management plan covering the period through March 31, 2012 (the “Preceding Plan”) to reinforce the foundation for the building of a “Name-brand Boutique House” in the finance and securities industry. The Preceding Plan, however, did not attain its intended targets fully due to a slew of adverse economic and financial factors, including concerns over global economic slowdown, the European debt crisis, Great East Japan Earthquake disasters and delayed recovery efforts from them.

Against such background, the Company formed a new management staff effective as from April 1, 2012, and simultaneously drew up a New Medium-Term Management Plan, subtitled “Challenge for Recovery,” covering the period from April 1, 2012 to March 31, 2014. All of the Company’s officers and employees are totally committed towards the consummation of the New Medium-Term Management Plan.

To achieve the targets of the New Medium-Term Management Plan, the Company intends to execute the below-mentioned 8 basic strategies keyed to its Credo:

Item	Targets	Figures as of March 31, 2012
<hr/>		
Target date	March 31, 2014	--
Customers’ assets in custody	2 trillion	1.2744 trillion yen
No. of companies whose equity offerings lead-managed by		
Ichiyoshi	35 companies	29 companies
Return on equity	Approx 10%	- 1.0%
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The following are 8 basic strategies to achieve the targets (as adjusted in the light of business conditions as of April 2012):

- (i) Thorough execution of “Ichiyoshi’s Credo”--- Corporate philosophy as a base for everlasting growth.
- (ii) Expansion of business base --- Increase in customers’ assets in custody.
- (iii) Continuous improvement on revenue-cost structure --- Promotion of revenue structure not susceptible to stock market fluctuations.
- (iv) Boosting of earnings on existing business lines ---Boosting of earnings on specialized small- and mid-cap stock business.
- (v) Integrated power of the Ichiyoshi group --- Strengthening of the “Triangular Pyramid Management.”
- (vi) Practical observance of legal compliance --- Legal compliance is a source of competitiveness.
- (vii) Diversification of business channels --- Tie-up with local securities firms.
- (viii) Nurturing and training of human talent --- Source of growth.

4. Challenges to Be Tackled

The Company’s officers and employees share the importance of “Credo” as the “criteria of value” for the everlasting growth of the Company as well as for the promotion of compliance spirits, thereby enhancing the brand value of Ichiyoshi.

Regarding its long-term relationship with retail customers as a cornerstone of its business policy, the Company will strive to expand customers’ assets in its custody by introducing carefully-selected financial products and providing asset-management services accurately tied to market changes. Specifically, we will present customers with comprehensive portfolios mainly consisting of relatively-stable assets with growth potential and matching customers’ investment purposes and risk tolerance. During the course of our management of customers’ assets, we will keep customers provided with follow-up services on a regular and periodical basis.

As regards its wholesale customers, the Company will exert its efforts for the furtherance of investment banking activities, such as management of initial public offerings, securities underwriting and provision of M & A advisories.

With respect to overseas institutional investors, the Company will expand its English report distribution services by taking advantage of its strength in research on Japanese small and medium growth companies.

As part of its growth strategies, the Company merged with Ise Securities Co., Ltd. on February 6, 2012. Following the merger, the Company opened 4 branches in Mie Prefecture: Ise Branch in Ise City; Obata Branch in Ise City; Shima Branch in Shima City;

and Hisai Branch in Tsu City. It is the Company's policy to diversify channels of relationship with customers by splitting its existing branches, opening new branches, networking with local securities firms, reinforcing its call center function and boosting financial-instruments transaction agency and customer-referrals.

With respect to nurturing and training of human talent, the Company regards it essential to enhance the quality and capability of each individual adviser and raise the expertise and skill of headquarters staff. Specifically, the Company will provide every young adviser with a veteran adviser as instructor to beef up a young adviser's on-the-job capability, and raise a young adviser's compliance-awareness by means of compliance sessions and e-learning training courses at each branch level.

. Consolidated Financial Statements

1. Consolidated Balance Sheets

(in millions of yen)

	As of March 31 2012	As of March 31 2011
Current assets		
Cash and bank deposits	10,060	13,199
Segregated cash and statutory deposits	3,344	2,845
Trading assets	377	373
Securities	376	373
Derivatives	1	-
Contracted trades	12	8
Margin transaction assets	7,749	8,254
Advances for margin purchases	7,163	8,125
Cash deposits as collateral for securities borrowed	586	129
Advance payments for customers on trades	8	24
Advance payments for subscription	4,027	2,051
Short-term loans	8	11
Accrued income	727	613
Deferred tax assets	19	5
Other current assets	136	165
Allowances for doubtful accounts	-3	-11
	26,469	27,541
Fixed assets		
Tangible fixed assets	4,224	4,401
Buildings	1,543	1,675
Fixtures and equipment	728	824
Land	1,941	1,895
Lease assets, net	11	5
Intangible fixed assets	409	580
Goodwill	112	139
Computer software	295	439
Telephone subscription rights, etc.	1	2
Investments, etc.	2,987	3,084
Investment securities	1,653	1,733
Long-term loans	54	66
Cash deposits as guarantee for long-term credits	1,266	1,277
Deferred tax assets	6	6
Other investments	12	15
Allowances for doubtful accounts	-6	-16
	7,622	8,066
Total assets	34,091	35,607

	As of March 31 2012	As of March 31 2011
Current liabilities		
Trading liabilities	-	2
Derivatives	-	2
Margin transaction liabilities	4,384	3,992
Borrowings for margin transactions	3,420	3,602
Cash received for loaned securities	963	390
Cash payable to customers	3,432	3,955
Deposits from customers (for committed trades)	503	676
Short-term borrowings	210	210
Lease obligations	3	1
Income taxes payable	81	93
Accrued bonuses to employees	332	399
Reserve for Point-Service Campaign	172	203
Other current liabilities	611	496
	9,731	10,031
Long-term liabilities		
Long-term borrowings	459	498
Lease obligations	8	3
Deferred tax liabilities	1	8
Revaluation-related deferred tax liabilities	35	40
Accrued retirement benefits for employees	232	198
Accrued retirement benefits for officers	-	39
Other long-term liabilities	33	10
	770	799
Statutory reserves		
Reserve for financial instruments transaction liabilities	103	102
	103	102
Total liabilities	10,605	10,934
Net worth		
Shareholders' equity	25,250	26,467
Common stock	14,577	14,577
Capital surplus	8,319	8,322
Retained earnings	2,634	3,822
Treasury stock	-280	-256
Accumulated other comprehensive income	-1,841	-1,859
Other securities valuation difference	14	1
Land revaluation difference	-1,855	-1,860
Subscription rights to shares	43	33
Minority interests	32	31
Total net worth	23,486	24,672
Total of liabilities and net worth	34,091	35,607

2. Consolidated Income Statements and Consolidated Comprehensive Income Statements

Consolidated Income Statements

(in millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2011
Operating revenue	14,407	13,101
Commissions	12,948	11,567
Commission to consignees	3,917	4,245
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	414	44
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	4,372	2,660
Other fees received	4,243	4,616
Gains or loss on trading	417	583
Interest and dividend income	146	177
Other operating income	895	773
Interest expenses	66	57
Net operating revenue	14,340	13,043
Operating cost and expenses	14,457	14,656
Transaction-related expenses	1,399	1,412
Personnel expenses	7,780	7,936
Property-related expenses	1,672	1,750
Clerical expenses	2,252	2,183
Depreciation	594	656
Public charges	149	147
Transfer to allowances for doubtful accounts	0	-
Others	606	569
Operating income	-116	-1,612
Non-operating income	81	215
Gain on investments in partnership	11	4
Dividends from investment securities	30	17
Insurance and dividends income	10	14
Equity in earnings of affiliates	-	158
Reversal of expired dividends	4	6
Reversal of allowances for doubtful accounts	8	-
Others	16	12
Non-operating expenses	101	101
Loss on investments in partnership	50	88
Equity in losses of affiliates	34	-
Others	16	13
Current income	-136	-1,499

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2011
Extraordinary income	42	106
Gains on sales of investment securities	31	21
Gain on revision of retirement benefit plan	-	6
Gain on reversal of subscription rights to shares	0	-
Gains on sales of golf membership	0	-
Reversal of allowances for doubtful accounts	1	5
Reversal of reserve for financial instruments transaction liabilities	8	48
Gain on step acquisitions	-	5
Gain on prior period adjustment	-	19
Extraordinary expenses	87	99
Loss on write-off of fixed assets	5	1
Loss on sales of investment securities	1	4
Valuation loss on investment securities	1	1
Loss on liquidation of golf memberships	-	7
Loss on cancellation of system contracts	25	-
Settlement expenses	12	-
Impairment loss	40	64
Loss on prior period adjustment	-	21
Income before income taxes	-181	-1,492
Income, inhabitant and enterprise taxes	54	75
Income taxes adjustments	-14	6
Income before minority interests	-222	-1,574
Minority interests	0	1
Net income	-222	-1,575

Consolidated Comprehensive Income Statements

(in millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2011
Income before minority interests	-222	-1,574
Other comprehensive income		
Other securities valuation difference	8	26
Land revaluation difference	4	-
Share of other comprehensive income of associates accounted for using equity method	4	-3
Total other comprehensive income	18	23
Comprehensive income	-203	-1,550
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	-204	-1,552
Comprehensive income attributable to minority interests	0	1

3 . Consolidated Statements of Shareholders' Equity

Consolidated Statement of Shareholders' Equity

for the fiscal year ended March 31, 2012
(in millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at 4/1/2011	14,577	8,322	3,822	-256	26,467
Changes in the fiscal year:					
Cash dividends			-965		-965
Net income			-222		-222
Purchase of treasury stock				-62	-62
Disposal of treasury stock		-3		38	35
Changes in items other than those in shareholders' equity (net)					
Total changes in the fiscal year	-	-3	-1,188	-24	-1,216
Balance at 3/31/2012	14,577	8,319	2,634	-280	25,250

	Accumulated other comprehensive income			Stock acquisition rights	Minority interests	Total net worth
	Other securities valuation difference	Land revaluation difference	Total of accumulated other comprehensive income			
Balance at 4/1/2011	1	-1,860	-1,859	33	31	24,672
Changes in the fiscal year:						
Cash dividends						-965
Net income						-222
Purchase of treasury stock						-62
Disposal of treasury stock						35
Changes in items other than those in shareholders' equity (net)	13	4	18	10	0	29
Total changes in the fiscal year	13	4	18	10	0	-1,186
Balance at 3/31/2012	14	-1,855	-1,841	43	32	23,486

Consolidated Statements of Shareholders' Equity

for the fiscal year ended March 31, 2011
(in millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at 4/1/2010	14,577	8,255	6,441	-517	28,758
Changes in the fiscal year:					
Cash dividends			-1,043		-1,043
Net income			-1,575		-1,575
Purchase of treasury stock				-8	-8
Disposal of treasury stock		66		268	335
Changes in items other than those in shareholders' equity (net)					
Total changes in the fiscal year	-	66	-2,618	260	-2,291
Balance at 3/31/2011	14,577	8,322	3,822	-256	26,467

	Accumulated other comprehensive income			Stock acquisition rights	Minority interests	Total net worth
	Other securities valuation difference	Land revaluation difference	Total of accumulated other comprehensive income			
Balance at 4/1/2010	-22	-1,860	-1,882	11	30	26,917
Changes in the fiscal year:						
Cash dividends						-1,043
Net income						-1,575
Purchase of treasury stock						-8
Disposal of treasury stock						335
Changes in items other than those in shareholders' equity (net)	23	-	23	21	1	46
Total changes in the fiscal year	23	-	23	21	1	-2,244
Balance at 3/31/2011	1	-1,860	-1,859	33	31	24,672

4. Consolidated Cash Flow Statements

(in millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2011
I. Cash flow from operating activities		
Income before income taxes	-181	-1,492
Depreciation	594	656
Amotization of Goodwill	30	10
Increase or decrease in accrued bonuses for employees	-66	-56
Increase or decrease in accrued retirement benefits for employees	-21	-22
Increase or decrease in allowances for doubtful accounts	-17	-82
Increase or decrease in reserve for Point-Service Campaign	-31	-69
Increase or decrease in accrued retirement benefits for officers	-39	-15
Interest and dividend income	-52	-44
Interest expenses	22	15
Equity in earnings or losses of affiliates	34	-158
Impairment loss	40	64
Gains or loss on sales of investment securities	-30	-17
Valuation loss on investment securities	1	1
Loss on write-off of fixed assets	5	1
Loss on liquidation of golf memberships	-	7
Loss on cancellation of system contracts	25	-
Settlement expenses	12	-
Gains on reversal of subscription rights to shares	-0	-
Increase or decrease in reserve for financial instruments transaction liabilities	-8	-48
Increase or decrease in segregated cash in trust for customers	-20	1,533
Increase or decrease in deposits and guarantee deposits received	-1,062	-74
Increase or decrease in short-term loans	2	-2
Increase or decrease in trading assets	-6	58
Net increase or decrease in margin transaction assets and liabilities	1,026	1,489
Increase or decrease in subscription moneys	-1,971	3,382
Others	205	249
Sub-total	-1,507	5,388
Interest and dividend income	53	44
Interest expenses	-22	-16
Taxes paid	-87	-57
Cash flow from operating activities	-1,563	5,358
II. Cash flow from investing activities		
Payments into time deposits	-6	-
Proceeds from withdrawal of time deposits	30	-
Acquisition of tangible fixed assets	-165	-357
Acquisition of intangible fixed assets	-91	-112
Acquisition of investment securities	-53	-
Sales of investment securities	106	93
Purchase of stocks of subsidiaries and affiliates	-	-55
Long-term loans	-8	-21
Collection of long-term loans	24	20
Proceeds from purchase of investments in subsidiaries	165	-
Others	8	1
Cash flow from investing activities	10	-430
III. Cash flow from financing activities		
Increase or decrease in short-term borrowings	-400	-172
Increase or decrease in Long-term borrowings	-	90
Repayment of long-term loans payable	-109	-30
Repayments of lease obligations	-2	-1
Sales of Company's Common shares held in treasury	0	-
Acquisition of Company's Common shares	-62	-0
Payment of dividends	-962	-1,039
Cash flow from financing activities	-1,536	-1,152
IV. Conversion differences related to cash and cash equivalents	-10	-12
V. Increase or decrease in cash and cash equivalents	-3,100	3,762
VI. Balance of cash and cash equivalents at beginning of the term	13,146	9,156
. Increase in cash and cash equivalents resulting from merger	-	227
. Balance of cash and cash equivalents at end of the term	10,046	13,146

5. Notes to Premises for Continuing Business

None applicable.

6. Notes to Consolidated Financial Statements

The consolidated financial statements for the fiscal year ended March 31, 2012 have been prepared in accordance with the provisions set forth in the “Rules Concerning Terminology, Forms and Preparation Methods of Consolidated Financial Statements,” issued in 1976 by the Ministry of Finance (hereinafter referred to as the “Rules on Consolidated Financial Statements”), the “Cabinet Office Order Concerning Financial Instruments Trading Business,” issued in 2007 by the Cabinet Office and the “Uniform Accounting Rules Concerning Securities Business,” (self-imposed rules set in 1974 by the Securities Dealers Association of Japan).

7. Material Matters Essential for Preparation of Consolidated Financial Statements

1. Matters concerning scope of consolidation

(1) Consolidated subsidiaries: 3 companies

Namely:

(i) Ichiyoshi Research Institute Inc.

(ii) Ichiyoshi Investment Management Co., Ltd.

(iii) Ichiyoshi Business Service Co., Ltd.

(On February 6, 2012, the Company merged with Ise Securities Co., Ltd. (“Ise”) which had been a wholly-owned subsidiary since it was acquired by way of share exchange on September 1, 2011. Thus, Ise does not exist as a consolidated subsidiary any longer.)

(2) Non-consolidated subsidiaries: None.

2. Matters concerning application of an equity method

Company to which an equity-method accounting is applied: 1 company (Daihoku Securities Co., Ltd.)

3. Matters concerning fiscal-year account-settlement days of consolidated subsidiaries

The fiscal-year account-settlement days of all consolidated subsidiaries coincide with the consolidated fiscal-year account-settlement day (March 31).

4. Matters concerning accounting treatment standards

(1) Purpose and scope of trading

Our trading activities on the floors of securities exchanges are carried out to contribute to the healthy functioning of the market and to the smooth execution of brokerage orders, and our trading activities off the floors are meant to facilitate the formation of fair market prices and to increase liquidity in the market.

Through these activities, we aim to earn profits and contain losses by taking advantage of price fluctuations and inter-market differences.

Our trading instruments on the floors of securities exchanges are listed stocks, bonds with stock warrants (for new shares), stock index futures and options, individual stock options, government bond futures and options, and those off the floors are stocks, bonds, warrants, bond options and forward foreign exchanges.

(2) Recording of trading instruments

Securities and derivatives classified as trading instruments are recorded at market prices.

(3) Recording of non-trading instruments

Securities not classified as trading instruments are recorded in the following manner:

(i) Securities with prices quoted

Market prices adopted on the consolidated balance sheets are based on closing quotations as of the end of the fiscal year, and differences between acquisition costs and valuations at market prices are directly reflected in the net worth account. For securities sold, their costs are computed by the moving average method.

(ii) Securities with no prices quoted

They are recorded at cost determined by the moving average method.

With respect to investments in limited-liability investment partnerships or similar partnerships which can be classified as securities under Article 2-2 of the Financial Instruments and Securities Exchange Law, Ichiyoshi's share of investments in such partnerships is calculated on a net basis, based on the latest financial statements of such investment partnerships readily available under relevant partnership contracts.

(4) Depreciation of material assets

(i) Tangible fixed assets

Buildings (excluding structures attached to buildings):

- (a) Buildings acquired on and before March 31, 1998: Old declining-balance method.
- (b) Buildings acquired on and after April 1, 1998 and before April 1, 2007: Old straight-line method.
- (c) Buildings acquired on and after April 1, 2007: Current straight-line method.

Fixed assets other than buildings:

- (a) Fixed assets acquired on and before March 31, 2007: Old declining-balance method.

- (b) Fixed assets acquired on and after April 1, 2007: Current declining-balance method.

Useful lives of some major fixed assets are as follows:

Buildings: 3 to 50 years.

Equipment and fixtures: 3 to 20 years.

- (ii) Intangible fixed assets, investments and other assets

Depreciation of intangible fixed assets, investments and other assets is principally calculated by the straight-line method based on the estimated useful lives of the respective assets. Expenditures relating to costs of computer software for internal use are capitalized as assets and amortized by the straight-line method over a period of five years.

- (iii) Leases

Finance leases whose ownership is transferred to the lessee: Not applicable.

Finance leases whose ownership is not transferred to the lessee:

Depreciation is made by a straight-line method over the useful lives equal to lease periods with residual values set at zero.

Finance leases whose ownership is not transferred to the lessee and whose contract date precedes the fiscal year ended March 31, 2009, continue to be accounted for as ordinary operating leases.

- (5) Treatment of material deferred assets

New share issue expenses---Fully expensed at the time of payment.

- (6) Recording of material reserves and allowances

- (i) Allowance for doubtful accounts

To provide against default by debtors, we record an amount estimated to be uncollectible on ordinary credits based on the Company's default-experience rate and an amount estimated to be uncollectible on credits with potential default risk and credits in bankruptcy proceedings based on the Company's analysis of collectibility on a case-by-case basis.

- (ii) Accrued bonuses to employees

To provide for bonus payments to employees, we record an amount estimated to have accrued as of the balance sheet date (calculated by a certain method).

- (iii) Accrued retirement benefits to employees

To provide for payment of retirement benefits to employees, we record an amount estimated to have accrued based on the amount of the projected benefit obligation reduced by the pension plan assets at fair value at the balance sheet date.

Prior service liability is amortized by the straight-line method over 5 years, which is within the estimated average remaining years of service of the employees.

Actuarial gain or loss is amortized in the year following the year in which the gain or loss is recognized, principally by the straight-line method over 8 years, which is within the estimated average remaining years of service of the employees.

(iv) Reserve for Ichiyoshi Point-Service Campaign

To provide for payment for the “Ichiyoshi Point-Service Campaign,” we record an amount estimated to have accrued as of the balance sheet date on the basis of customers’ rate of use in the past.

(7) Recording of hedging transactions

We in principle treat gains or loss resulting from market-price valuation of hedging instruments as assets or liabilities on the balance sheet until gains or loss on transactions for which hedging instruments are utilized are recognized. Interest-rate swaps are subject to a special-rule treatment when they satisfy requirements for the special-rule treatment.

(8) Amortization of goodwill

Goodwill items are amortized by the straight-line method over a period of 5 years, except for small-amount items which are written off in the fiscal year in which they arise.

(9) Scope of funds in Consolidated Cash Flow Statement

Cash and cash equivalents in the Consolidated Cash Flow Statement consist of cash on hand, current-account deposits, ordinary-account deposits, readily-cashable securities and minimum-price risk short-term investments which mature within 3 months of their purchase.

(10) Other material matters for preparation of consolidated financial statements

Treatment of consumption taxes:

Tax-excluded treatment is employed both for national and local consumption taxes.

8. Additional Information

To reflect accounting changes and corrections of prior errors taking place on and after April 1, 2011, “Accounting Standards Concerning Accounting Changes and Corrections Prior Errors” (Corporate Accounting Standard No. 24 dated December 4, 2009) and “Application Guideline on Accounting Standards Concerning Accounting Changes and Corrections of Prior Errors” (Corporate Accounting Standard Application Guideline No. 24, dated December 4, 2009) is adopted.

9. Notes to Consolidated Financial Statements

[Notes to Consolidated Balance Sheets]

- (1) Cumulative amount of depreciation of tangible fixed assets: (in millions of yen)

	--- As of March 31 ---	
	2012	2011
	-----	-----
Cumulative amount of depreciation	4,990	4,870

- (2) Reserve under a special law:

Reserve for financial instruments transaction liabilities is based on Article 46-5 of the Financial Instruments and Securities Exchange Law.

- (3) Land revaluation:

Effective on March 31, 2000, the Company revalued its land held for business purposes in accordance with the "Land Revaluation Law" and the "Amended Land Revaluation Law." As of March 31, 2012, an amount of 1,855 million yen (negative) was recorded under net worth as "Difference on land revaluation." The method followed for this land revaluation was determined in accordance with the "Land Valuation Tax Law" as stipulated in the "Enforcement Law Concerning Land Revaluation" and other regulations.

The difference between the book value and its market value at March 31, 2012 amounted to 298million yen (negative).

- (4) Associated subsidiary:

Investment securities (common shares): 55 million yen.

[Notes to Consolidated Income Statement]

Impairment loss:

In the fiscal year ended March 31, 2012, the Company and its group companies recorded impairment loss in the following asset groups: (in millions of yen)

Location	Use of asset	Building	Equipment & Fixture	Total
Kishiwada City, Osaka Pref.	Business branch	26	2	29
Meguro-ku, Tokyo	Business branch	8	2	11
Total		35	5	40

[Notes to Consolidated Statement of Shareholders' Equity]

For the fiscal year ended March 31, 2012:

1. Issued shares:

Kind of shares	No. of issued shares as at March 31, 2012	No. of shares newly issued	No. of shares retired	No. of issued shares as at April 1, 2011
Common shares	44,431,386	--	--	44,431,386

2. Treasury shares:

Kind of shares	No. of treasury shares as at March 31, 2012	No. of shares increased	No. of shares reduced	No. of treasury shares as at April 1, 2011
Common shares	575,144	151,363*	80,100**	503,881

*= (a) Buyback of shares according to Article 165-2 of the Company Law: 150,000 shares.

(b) Buyback of odd-lot shares (shares less than a voting unit of 100 shares): 463 shares.

(c) Result of merger with a consolidated subsidiary through exchange of shares: 900 shares.

**= (a) Result of allocation of treasury shares in connection with exchange of shares: 79,200 shares.

(b) Result of a consolidated subsidiary disposing of shares acquired through exchange of shares: 900 shares.

3. Issuance of warrants for new shares:

Purpose of warrants	Kind of shares	--- No. of shares issuable for warrants ---				Value outstand-
	Issuable for warrants	As at March 31, 2011	Increase	Decrease	Outstand- ing as at Mar. 31, 2012	standing as at Mar. 31, 2012
For stock options	--	--	--	--	--	43 million yen
Total	--	--	--	--	--	43 million yen

4. Dividends:

(1) Amount of dividends paid:

Date of Board of Directors' resolution	Kind of shares	Total amount of dividends	Dividend per share	Record date	Payment date
May 17, 2011	Common shares	527 million yen	12.00 yen	March 31, 2011	May 30, 2011
Oct. 28, 2011	Common shares	438 million yen	10.00 yen	Sept. 30, 2011	Nov. 25, 2011

(2) Dividends whose record date is March 31, 2012 and whose payment date comes after March 31, 2012:

Date of Board of Directors' resolution	Kind of shares	Fund source of dividends	Total amount of dividends	Dividend per share	Record date	Payment date
May 15, 2012 (Scheduled)	Common shares	Retained earnings	438 million yen	10.00 yen	March 31, 2012	May 28, 2012

[Notes to Consolidated Cash Flow Statement]

The balance of cash and cash equivalents in the Consolidate Cash Flow Statement as of March 31, 2012 and as of March 31, 2011 as reflected on corresponding items in the Consolidated Balance Sheets as of March 31, 2012 and as of March 31, 2011: (in millions of yen)

	--- As of March 31 ---	
	2012	2011
Cash and deposits	10,060	13,199
Time deposits with maturity over three months	- 122	- 160
MMF	108	108
Cash and cash equivalents (balance)	10,046	13,146

[Segment Information]

1. Segment information

(For the fiscal year ended March 31, 2012)

Since Ichiyoshi and its group companies are engaged in one single segment of business defined as “investment and financial services”, the description of segment information is omitted.

2. Related information

(For the fiscal year ended March 31, 2012)

(1) Information by product and service:

Since investment and financial services defined as one single segment accounted for more than 90% of operating revenue on the consolidated income statement, the description of information by product and service is omitted.

(2) Information by area:

(a) Operating revenue:

Since operating revenue derived from domestic customers accounted for more than 90% of operating revenue on the consolidated income statement, the description of operating revenue by area is omitted.

(b) Tangible fixed assets:

Since there is no tangible fixed asset outside Japan, the description of tangible fixed assets by area is omitted.

(3) Information by major customer:

Since there is no one customer accounting for more than 10% of operating revenue on the consolidated income statement, the description of information by major customer is omitted.

3. Impairment loss information on fixed assets by described segment

(For the fiscal year ended March 31, 2012)

Since Ichiyoshi and its group companies are engaged in one single segment of business defined as “investment and financial services”, the description of impairment loss information on fixed assets by described segment is omitted.

4. Information on depreciated amount and non-depreciated balance of goodwill by described segment

(For the fiscal year ended March 31, 2012)

Since Ichiyoshi and its group companies are engaged in one single segment of business defined as “investment and financial services”, the description information on depreciated amount and non-depreciated balance of goodwill by described segment is omitted.

5. Information on negative goodwill by described segment

(For the fiscal year ended March 31, 2012)

Not applicable.

[Per-share Data]

	--- Fiscal year ended ---	
	March 31, 2012	March 31, 2011
Per-share net worth	533.78yen	560.19yen
Per-share net income	- 5.08yen	- 36.12yen
Per-share net income on a diluted basis (adjusted for shares potentially issuable)	--	--

Note: Per-share net income on a diluted basis is not calculated since net income was negative and there were no potentially-issuable shares having any diluting effect on the per-share net income.

Basis for computation of per-share data:

(1) Per-share net worth:

	--- As of ---	
	March 31, 2012	March 31, 2011
Net worth (on Consolidated Balance Sheet)	23,486 million yen	24,672 million yen
Net worth attributable to common stock	23,409 million yen	24,607 million yen
Difference:		
Related to stock options	43 million yen	33 million yen
Related to minority interests	32 million yen	31million yen
Number of issued shares of common stock	44,431 thousand	44,431 thousand
Number of treasury shares	575 thousand	503 thousand
Number of shares used for computation of per-share net worth	43,856 thousand	43,927 thousand

(2) Per-share net income before/after adjustment for shares potentially issuable:

--- Fiscal year ended ---

	March 31, 2012	March 31, 2011
Net income (on Consolidated Income Statement)	- 222 million yen	- 1,575 million yen
Net income attributable to common stock	- 222 million yen	- 1,575 million yen
Net income not attributable to common stock	--	--
Average number of outstanding common shares		
during the fiscal year	43,877 thousand	43,615 thousand
Amount of adjustment for net income	--	--
Potentially issuable shares:		
New shares issuable upon exercise of		
stock warrants	--	--
Number of common shares increased	--	--
Potentially-issuable shares not included		
for computation of diluted per-share net income		
due to their non-effect on per-share net income	New shares issuable	New shares issuable
	upon exercise of stock	upon exercise of stock
	options:278,200	options:281,400
	shares issuable	shares issuable
	upon exercise of 2,782	upon exercise of 2,814
	stock options, which	stock options, which
	were authorized at	were authorized at
	the shareholders'	the shareholders'
	meeting on June	meeting on June
	20, 2009.	20, 2009.

[Subsequent Events after March 31, 2012]

None applicable.

V. Supplemental Information

Supplemental information on consolidated business result for the fiscal year ended March 31, 2012:

1. Commissions

(1) Commissions by sources (in millions of yen)

	--- Fiscal year ended ---		(A) over (B)
	March 31, 2012	March 31, 2011	
	(A)	(B)	(%)
<hr/>			
Brokerage commissions	3,917	4,245	- 7.7
(Stocks)	(3,898)	(4,225)	(- 7.7)
(Bonds)	(0)	(2)	(- 68.6)
Commissions from underwriting			
and solicitation to specified investors	414	44	(+ 825.6)
(Stocks)	(414)	(44)	(+ 825.6)
(Bonds)	(--)	(--)	(--)
Commissions from distribution			
and solicitation to specified investors	4,372	2,660	+ 64.3
(Beneficiary certificates)	(4,356)	(2,654)	(+ 64.2)
Commissions from other sources	4,243	4,616	- 8.1
(Beneficiary certificates)	(3,831)	(4,192)	(- 8.6)
<hr/>			
Total	12,948	11,567	+ 11.9
<hr/>			

(2) Commissions by products (in millions of yen)

	--- Fiscal year ended ---		(A) over (B)
	March 31, 2012	March 31, 2011	
	(A)	(B)	(%)

Stocks	4,341	4,292	+ 1.1
Bonds	20	12	+ 67.0
Beneficiary certificates	8,206	6,863	+ 19.6
Others	379	398	- 4.8

Total	12,948	11,567	+ 11.9

2. Gains or loss on trading (in millions of yen)

	--- Fiscal year ended ---		(A) over (B)
	March 31, 2012	March 31, 2011	
	(A)	(B)	(%)

Stocks, etc.	226	274	- 17.5
Bonds, foreign exchange, etc.	191	308	- 38.1
(Bonds, etc.)	(205)	(232)	(- 11.8)
(Foreign exchange, etc.)	(- 14)	(76)	(- -)

Total	417	583	- 28.4

3 . Quarterly Consolidated Income Statements for Recent Eight Quarters (in millions of yen)

	1st Q (4-6/'10)	2nd Q (7-9/'10)	3 r d Q (10-12/'10)	4th Q (1-3/'11)	1st Q (4-6/'11)	2nd Q (7-9/'11)	3rd Q (10-12/'11)	4th Q (1-3/'12)
Operating revenue	3,510	2,590	3,098	3,901	3,575	3,680	3,059	4,092
Commissions	3,042	2,281	2,696	3,547	3,233	3,374	2,740	3,600
Gains or loss on trading	217	80	183	102	73	70	75	197
Interest and dividend income	62	46	32	35	39	39	32	34
Other operating revenue	188	181	186	216	229	196	210	259
Interest expenses	20	11	11	14	14	18	17	16
Net operating revenue	3,490	2,579	3,087	3,887	3,560	3,662	3,042	4,075
Operating cost and expenses	3,758	3,490	3,569	3,838	3,693	3,511	3,544	3,708
Transaction-related expenses	354	356	341	360	364	298	342	394
Personnel expenses	2,066	1,869	1,943	2,057	1,966	1,936	1,909	1,967
Property-related expenses	432	424	420	471	431	409	421	410
Clerical expenses	563	508	523	588	572	535	543	601
Depreciation	158	162	166	169	147	149	151	147
Public charges	36	33	35	41	35	39	36	37
Reversal of allowances for doubtful accounts	-	0	-0	-	0	-0	0	0
Others	146	133	138	150	175	142	140	148
Operating income	-267	-910	-482	48	-132	150	-502	367
Non-operating income	23	9	183	-1	24	14	17	23
Non-operating expenses	2	63	6	28	6	38	20	36
Current income	-246	-964	-305	18	-113	126	-504	354
Extraordinary income	62	1	8	34	1	31	-	9
Extraordinary expenses	3	9	0	86	6	11	3	66
Income before income taxes	-187	-973	-297	-33	-118	146	-507	298
Income, inhabitant and enterprise taxes	10	16	14	33	9	11	14	18
Income taxes adjustments	13	-1	0	-4	3	-1	1	-17
Income before minority interests	-211	-988	-312	-62	-131	136	-524	296
Minority interests	- 1	1	1	0	0	0	-0	-0
Net income	-209	-989	-313	-62	-131	135	-523	297

(END)