



2013

Investors' Guide

For the Year Ended March 31, 2013

CREDO (Mission Statement)

Management Philosophy

Remain a firm of customers' trust and choice

Management Objective

To be a "Name-Brand Boutique House" in the financial industry

Action Guidelines

Gratitude, Integrity, Courage, Responsiveness, Continuity

Long-term Good Relation

For Our Employees

Respecting employees' individuality and striving for human resource cultivation

The Ichiyoshi Spirit

Fighting on with passion and sincerity

Job Satisfaction

Building a free and invigorated corporate climate that optimizes employees' abilities and creativity by prioritizing teamwork

For Our Shareholders

Striving for continuous improvement in performance and corporate value

Return to Shareholders

Raising business profitability and strengthening financial health, then returning profits to shareholders

Information Disclosure

Ensuring business management transparency through appropriate disclosure and investor relation activities

For Our Customers

Aiming to be every customer's first choice

Customer Prioritization

Always providing advice with sincerity from the customer's standpoint

Quality Services

Responding to social and market changes and providing high-quality products and services

For Society

Contributing to the development of society as a participant in the financial and securities markets

Social Responsibility

Complying with laws and regulations and behaving with high ethical standards

Social Contribution

Contributing to the development of regional communities and securities markets through corporate activities

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Forward-Looking Statements

This investors' guide contains forward-looking statements about the future plans, strategies, beliefs and performance of Ichiyoshi Securities and its consolidated subsidiaries. These forward-looking statements are not historical facts. They are expectations, estimates, forecasts and projections based on the assumptions derived from information currently available to the Company and are subject to a number of risks and uncertainties, which include market trends, economic trends, competition in the Japanese financial industry, laws and regulations, and the tax system. As such, actual results may differ materially from those projected.

Message from the President

To “remain a firm of customers' trust and choice”

Based on our determination to always be the first choice of every customer, we are dedicated to providing services designed to put the customer first.

Our advisory activities begin from direct meetings with our customers, and we are confident that no other securities company puts greater importance on customer sales activities. Through these sales activities, we aim to develop a relationship of trust by helping customers understand the character of our advisors, and by ourselves to better understand the intentions of our individual customers.

It is this relationship of trust that makes possible the next step – the proposal of carefully selected products. We do not recommend high-risk or complex financial products to individual customers, even if such products are selling well. We believe that proposing products that are focused most on confidence is our true mission as members of the securities business.

Our greatest happiness comes from maintaining long partnerships with our customers by proposing products that are focused on trust and confidence based on sales activities founded on long-term good relations.

I am certain that this approach has earned the support of many customers, and this in turn has been the source of our company's growth. In the same way, I believe that we can construct trust and confidence through the active distribution of profits, including payment of stable dividends to our shareholders.

With the support of our customers and shareholders, we aim to help expand capital markets and contribute to local communities through the securities business.

The company officers and employees of Ichiyoshi will work together and conduct fair and transparent business activities as we move forward in the future, so that our company continues to be trusted and chosen by the customers. We ask for your continued guidance and support.

June 2013
Yasuaki Yamasaki
President, Representative Executive Officer



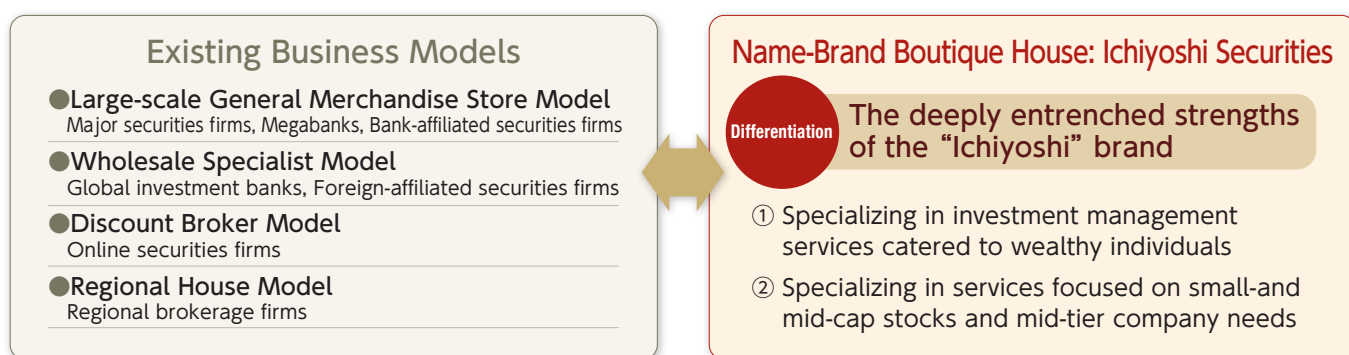
Ichiyoshi's Strategy and New Medium-term Management Plan

1 Strategy

① Strategy of Ichiyoshi Securities

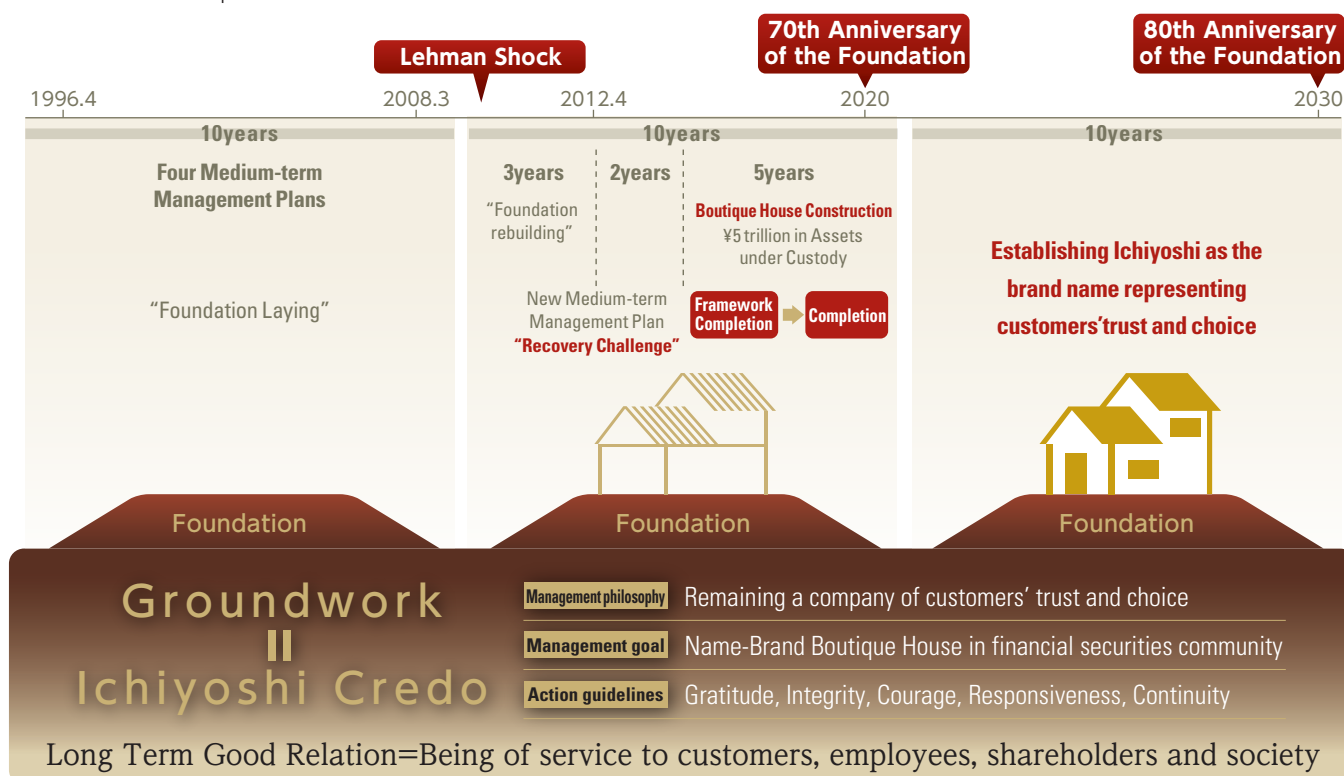
We aim to clearly distinguish Ichiyoshi Securities from conventional brokerage firms that compete using economies of scale and discount marketing methods and to establish ourselves as a "boutique securities house" providing financial asset management services catered to each individual customer.

Differentiation = The key to success in the age of highly competitive financial services



② Establishment of Name- Brand Boutique House

Just as the innovative boutique securities company, Edward Jones achieved dramatic growth in the United States beginning in the mid 1980s, Ichiyoshi has aimed to establish itself as a pioneering "Name-Brand Boutique House" in the last 10 years or so by specializing in investment management services to individual investors and in services to medium-sized corporate customers.



2 New Medium-term Management Plan

In order to reinforce our position as a “name-brand boutique house,” we formulated and enacted the “Recovery Challenge,” a new two-year medium-term management plan that began from April 2012.

During the first year of this plan (from April 2012 through the end of March 2013), the amount of assets under custody was 1.4777 trillion yen, we were lead manager at 29 companies, and our ROE was 13.4%, thus more than achieving our numerical target of approximately 10%.

Next year is the final year of this plan, and we will further push ahead with the two pillars of our name-brand boutique house strategy: “specializing in investment management services catering to wealthy individuals,” and “specializing in services focused on small-and-mid-cap stocks and mid-tier company needs.” The officers and employees of Ichiyoshi will also devote their combined efforts to keeping our ROE target which has been achieved, and to achieving our targets for assets under custody and the number of companies where we are lead manager.

Recovery Challenge

(Period of the plan: from April 2012 through the end of March 2014)



Eight Basic Strategies for New Medium-term Management Plan

- | | |
|--|--|
| 1. Thorough realization of our Credo | “To continue to be a firm loved and chosen by customers.” |
| 2. Expansion of business base | Assets under custody a barometer for customers' trust and Ichiyoshi's underlying strength |
| 3. Continuing improvement on revenue-cost structure | Revenue structure less susceptible to market volatilities |
| 4. Enhancing profitability in existing businesses | Enhanced profitability thanks to specialization in small and medium caps |
| 5. All-Ichiyoshi resource integration | Triangular Pyramid Management (Leveraging synergies across entire group) |
| 6. Practical observance of legal compliance | Compliance is a source of competitiveness |
| 7. Diversification of business channels | Growth opportunities in services tailored more closely to regions |
| 8. Nurturing and training of human resources | Respecting individuality of employees, and encouraging personal growth (Corporate culture is the key to human resource quality.) |

3 Business Platform Expansion

Ichiyoshi is working to increase the volume of assets under custody in order to expand our business base.

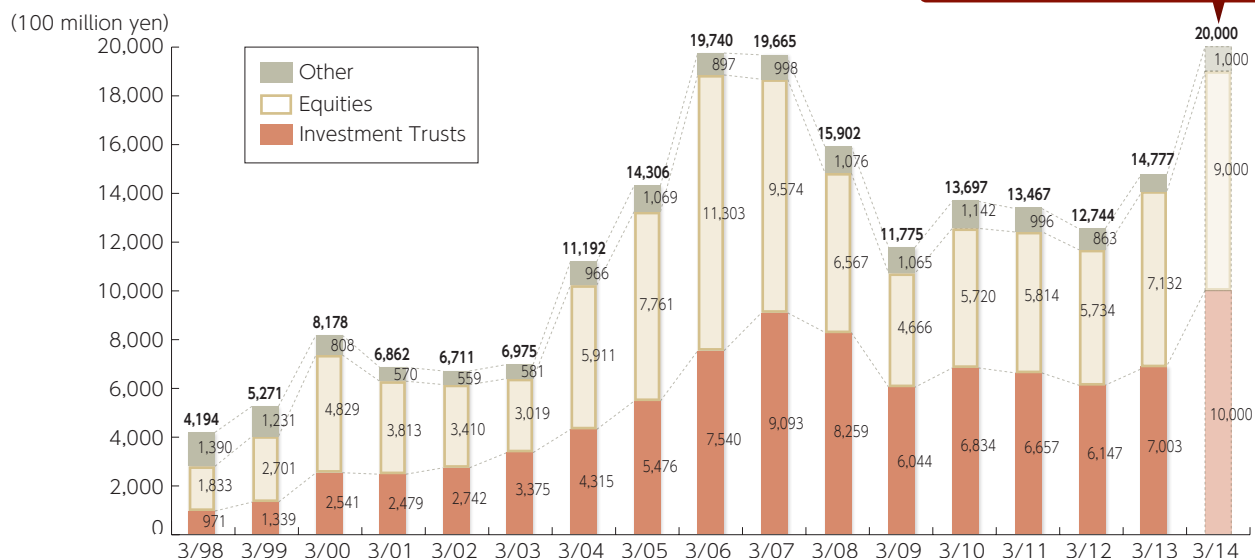
Specifically, we are proposing carefully selected financial products based on long-term relationships with retail customers, and are providing asset management services that are grounded in an accurate understanding of the market environment.

We consider the volume of assets under custody to be a barometer of customer trust and the basic fitness of Ichiyoshi, and have positioned it as a key indicator.

We will continue to steadily build up customers' trust, as we make every effort to achieve the medium-term management plan target of 2 trillion yen in assets under custody.

Assets under Custody (Total)

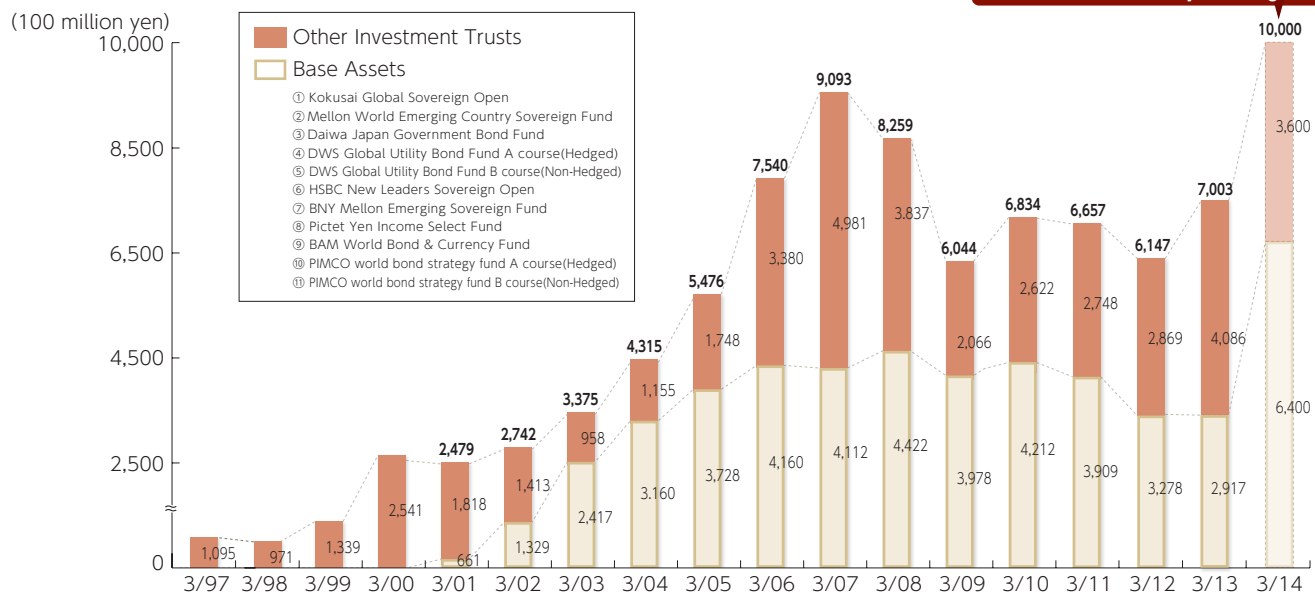
Targets in the New Medium-term Business Plan Recovery Challenge



Assets under Custody (Investment Trusts)

Rebuilding the foundation of investment trust business⇒To broaden the platform

Targets in the New Medium-term Business Plan Recovery Challenge



4 Product Strategy

Our objective is to achieve continual growth in customers' financial assets, and to realize this goal, we have designated low-risk, monthly-dividend-paying investment trusts that invest in sovereign bonds as “base assets.” With these stable base assets at the core, we endeavor to formulate investment proposals encompassing a complete range of financial assets and designed to match each customer's individual investment goals and risk tolerance.

In addition, for 10 years or so, we have steadfastly implemented our basic principle regarding products for individual customers, which we believe, is essential to building a relationship of trust with our customers.

■ Diversified investment built on platform of base assets(stability-oriented managed investment trusts)

Portfolios designed to meet the needs of each customer

■ Basic principle regarding products for individual customers

“We will not sell products merely because they are popular”
The Seven “Ichiyoshi Standards” in effect for 10 years or so

- We do not handle publicly offered structured bonds
- We handle only highly rated bonds; we do not handle non-investment-grade bonds
- We do not handle a private placement fund
- We do not solicit individual foreign equities.
We recommend foreign equities be held in investment trusts
- Asset management companies are chosen for their trustworthiness and consistency
- We do not solicit futures or options
- We do not handle foreign exchange margin trades

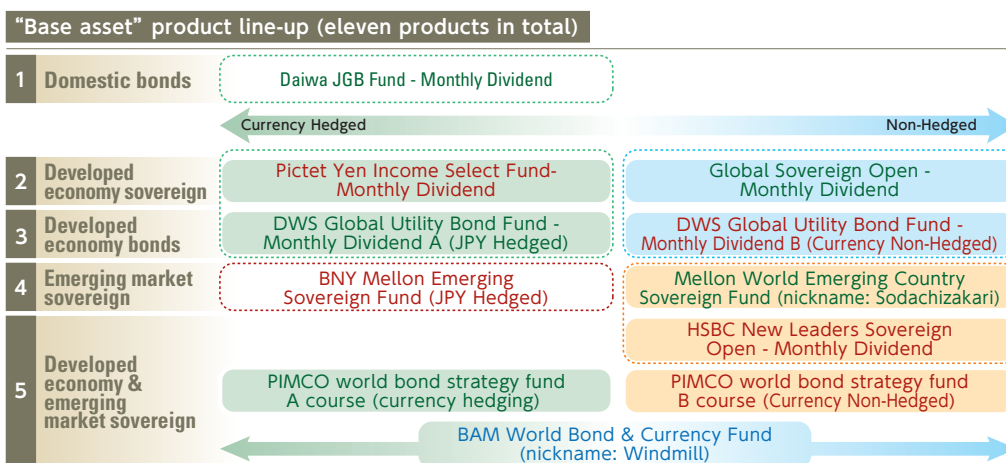


■ Our view on investment trust funds

We expect a transition from savings to investments.

This could cause a shift from low interest bearing deposits at commercial banks and Japan Post.

We propose “base assets” as a receptacle for these funds.



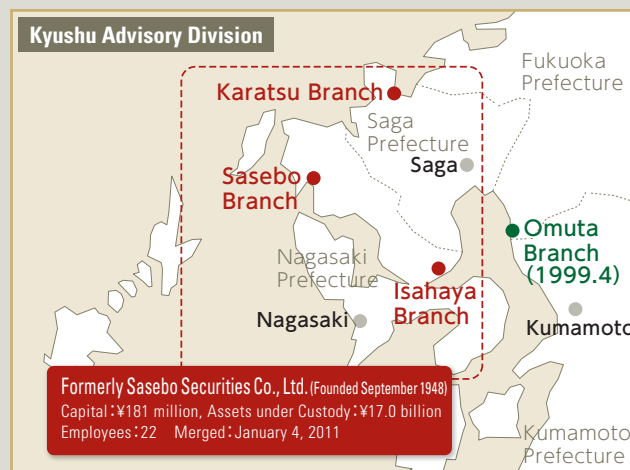
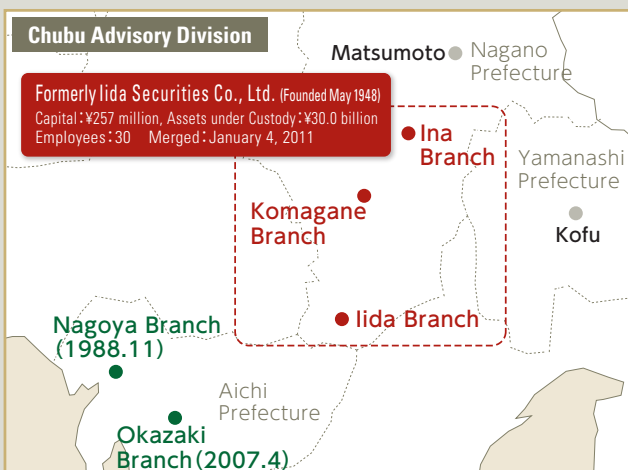
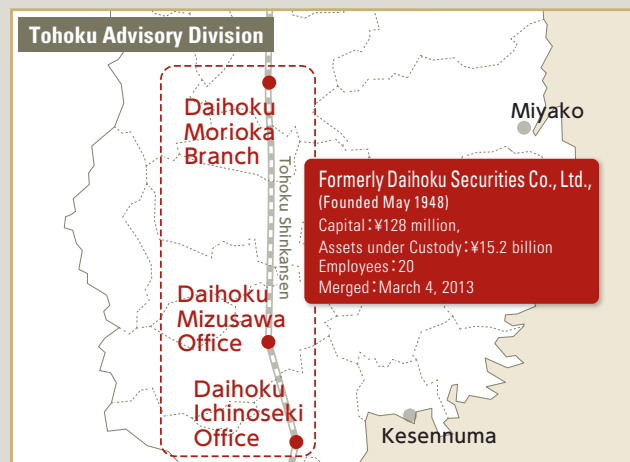
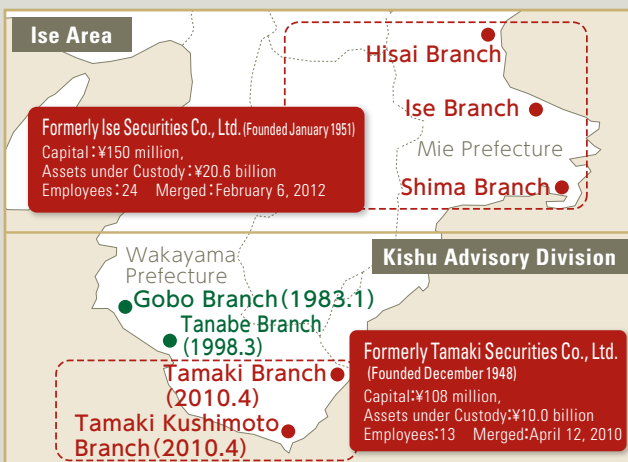
5 Growth Strategy

Ichiyoshi aims to be a name-brand boutique house in the world of finance and securities. Our boutique business is centered on two areas: "specializing in investment management services catering to wealthy individuals," and "specializing in services focused on small- and mid-cap stocks and mid-tier company needs." We have worked to specialize in these areas as we provide products and services to our customers. With these two specialization strategies as an unshakable foundation, we will conduct locally based securities services that are deeply rooted in the communities as we expand our branches primarily in local areas in addition to our existing branch network.

We are also making further improvements to provide services that can be depended on by senior citizens, a group with particularly high security investment needs. Based on our two specialization strategies, we intend to carry out our company's unique growth strategy focused on local areas and senior citizens.

Diversification of Business Channels

As one part of the new medium-term management plan, Ichiyoshi has set the diversification of its business channels as a key part of its growth strategy. For this purpose, we are working to construct a network with local securities brokerages that share our management philosophy and sales strategy. We will continue to shift business resources to local areas as we expand our sales network and improve the power of our brand in local areas.



Director/Executive Officer/Operating Officer

(As of June 22, 2013)



Board of Directors

From left to right in the back row: Takashi Ishikawa, Akira Gokita, Kenro Kakeya and Kota Sakurai

From left to right in the front row: Yasuaki Yamasaki, Masashi Takehi and Nobutaka Tanaami

Directors

Masashi Takehi	Chairman of the Board Member of the Nominating Committee (Committee Chairman) the Remuneration Committee (Committee Chairman)
Yasuaki Yamasaki	
Nobutaka Tanaami	
Akira Gokita*	Member of the Nominating Committee the Remuneration Committee the Audit Committee
Kenro Kakeya*	Member of the Nominating Committee the Remuneration Committee
Takashi Ishikawa*	Member of the Audit Committee (Committee Chairman)
Kota Sakurai*	Member of the Audit Committee

Executive Officers

Executive Chairman	Masashi Takehi
President, Representative Executive Officer	Yasuaki Yamasaki
Executive Vice President, Representative Executive Officer	Nobutaka Tanaami
Managing Executive Officer	Toshihiko Takaishi
Managing Executive Officer	Hisato Hatanaka
Managing Executive Officer	Shiro Tateishi
Executive Officer	Shigeru Akiba

Operating Officers

Senior Operating Officer	Masaki Yano
Senior Operating Officer	Toshiyuki Mizunoue
Operating Officer	Tsutomu Nakao
Operating Officer	Mikio Nio
Operating Officer	Hiroshi Ryugen
Operating Officer	Kiyotaka Mochida
Operating Officer	Koichi Tanaka
Operating Officer	Masao Sugiura
Operating Officer	Hirofumi Tamada
Operating Officer	Kazuaki Sato
Operating Officer	Toru Koyama
Operating Officer	Kiyohiko Ohtsubo
Operating Officer	Masayoshi Takahashi

*Outside director

Management Squarely Focused on Shareholder Value

Corporate Governance

We have made corporate governance a top priority in our business management in order to ensure flexibility and transparency in all business decision-making, improve the speed and effectiveness of business execution, and reinforce supervision over management and business matters.

In its 11th corporate governance survey of all companies listed on the First Section of the Tokyo Stock Exchange (the 2012 Japan Corporate Governance Index (JCG Index)), the Japan Corporate Governance Research Institute (JCGR, chairman: Takaaki Wakasugi) ranked Ichiyoshi No.12 out of 131 companies that replied to the survey, making this the third consecutive year in which we have ranked in the top 20.

The 11th Corporate Governance Survey

Top 20 companies in "JCG Index of Corporate Governance 2012"

Rank	Previous Rank	JCGIndex	Company Name
1	6	80	Sumida Corporation
1	2	80	Nissen Holdings Co., Ltd.
3	—	78	* (1 Company)
4	7	77	UBE INDUSTRIES, LTD.
4	12	77	Eisai Co., Ltd.
6	16	76	Shiseido Co., Ltd.
6	2	76	TOSHIBA CORPORATION
6	—	76	omron corporation
9	1	75	SONY CORPORATION
9	12	75	RICOH COMPANY, LTD.
9	41	75	MEITEC CORPORATION.
12	9	74	Ichiyoshi Securities Co., Ltd.
13	2	72	Daiwa Securities Group Inc.
14	—	71	Ajinomoto Co., Inc.
14	14	71	Konica Minolta Holdings, Inc.
14	10	71	Mitsubishi Electric Corporation
17	26	70	LAWSON, INC.
17	20	70	TERUMO CORPORATION, JAPAN
17	20	70	Hitachi, Ltd.
17	—	70	MITSUI & CO., LTD.
21	57	69	Yokogawa Electric Corporation
21	—	69	PARCO CO., LTD.
21	26	69	Resona Holdings, Inc.

Source: Japan Corporate Governance Research Institute, Inc. (JCGR)
(Ranking data as of January 22, 2013)

*Company name omitted at the company's request

The Japan Corporate Governance Research Institute

Japan Corporate Governance Research Institute, Inc. (JCGR) is a non-profit organization(NPO) established on April 1,2003, with the mission of promoting deeper common understanding of corporate governance practices in a global economy. The institute publishes the annual "JCGIndex,"which provides an outline of corporate governance in Japan through surveys tracking the status of corporate governance at individual Japanese companies.

The JCGIndex

Since 2002, JCGR has conducted an annual corporate governance survey consisting of approximately 50 questions which are delivered to all the listed companies on the First Section of the Tokyo Stock Exchange. The survey responses provide quantifiable data on the status of corporate governance in Japan.

Criteria in assessment of governance – based on "JCGR Corporate Governance Principles"

- 1 Governance from the perspective of shareholders' benefit
- 2 Clear goals for corporate performance
- 3 A structure to ensure the fulfillment of the CEO's responsibility
- 4 Existence and governability of the board of directors in which the independent directors take initiatives
- 5 Management that enables the CEO to achieve corporate goals
- 6 Effective compliance-observance system and internal audit system and CSR awareness
- 7 Accountability to shareholders
- 8 Appropriate disclosure to shareholders through IR activities
- 9 Transparency through disclosure to the other stakeholders

The research center then groups and summarizes the data in four categories:

- I Corporate objectives and CEO responsibility,
- II Structure and function of board of directors,
- III Management system and
- IV Transparency and communication with shareholders.

The sum of the point totals in the four categories are then added to create the JCGIndex, with 100 as the highest possible number of points.

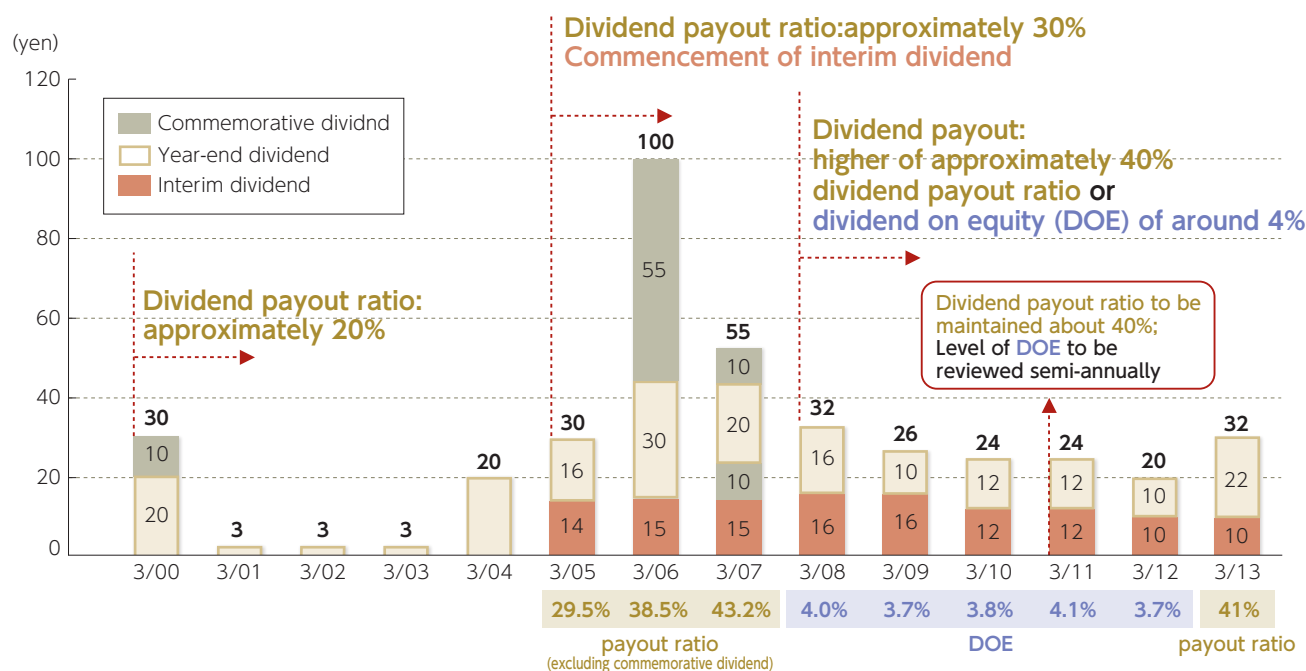
Shareholder Return Policy

Since the beginning, Ichiyoshi has considered the appropriate distribution of profits to shareholders and corporate governance to be key elements of its business.

Aiming to continually increase dividends, we have set a dividend standard based on a payout ratio (approximately 40%) and on dividend on equity (approximately 4%), with the amount of dividend decided using the higher of these two values. The dividend on equity level is also reviewed every half-year.

Based on the above dividend policy, this fiscal year we have adopted the dividend on equity (approximately 4%) as the calculation standard for the interim dividend, and the payout ratio (approximately 40%) for the annual dividend. As a result, we paid an interim dividend of 10 yen per share and a year-end dividend of 22 yen, for a total of 32 yen.

Dividend Conditions



Retirement of shares

	Bought-back and retired shares	Acquisition price	Retirement ratio
September 1998 to January 2004	11,841,000shares	264.55yen	20.2%
January to March 2008	1,699,200shares	1,032.31yen	3.5%
November 2008 to January 2009	1,957,500shares	673.03 yen	4.2%
			TOTAL 27.9%

Reference Total number of shares issued as of March 31, 2013; 44,431,386 shares (of which, 756,676 shares of treasury stock)

Information on Consolidated Subsidiaries

Ichiyoshi Research Institute Inc.

Ichiyoshi Research Institute (IRI) conducts the research and information gathering related to small-and mid-cap growth companies that is one of the competitive strengths of the Ichiyoshi Securities Group.

IRI has 16 analysts (as of May 2013), all of whom have extensive experience and knowledge – on average they have spent 15 years working as analysts. IRI aims to lead the industry in terms of both the quality and quantity of its research related to small-and mid-cap growth companies and emerging markets.

Its research capabilities are highly recognized both in Japan and overseas. In the fiscal 2012 Best Research House Ranking, Ichiyoshi ranked number one for the ninth consecutive year in the access ranking for the emerging market segment for all the brokers/markets.

Best Research House Rankings by J-MONEY Emerging Market Access Ranking

Rank	Company	Index
1	ICHIYOSHI RESEARCH INSTITUTE INC.	25.80%
2	Nomura Securities Co.,Ltd.	11.70%
3	UBS Securities Japan Co., Ltd.	8.89%
4	Daiwa Securities Group Inc.	6.73%
5	Tokai Tokyo Research Center CO., LTD.	5.64%
6	SMBC Nikko Securities Inc.	5.27%
7	Mizuho Securities Co., Ltd.	4.54%
8	Morgan Stanley MUFG Securities.	4.02%
9	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	3.76%
10	Citigroup Global Markets Japan Inc.	3.23%

Source: J-MONEY, Spring 2013

<http://www.ichiyoshi-research.co.jp/>

Ichiyoshi Asset Management Co., Ltd.

Ichiyoshi Asset Management Co., Ltd. (IAM) develops asset management business incorporating the Ichiyoshi Group's expertise, identifying growth companies and managing investment portfolios. IAM focuses on long-term investment centered on emerging growth companies poised for dramatic growth. IAM provides investment advice to "the Ichiyoshi Public Venture Fund", "Ichiyoshi Growth I" and "Invesco Small/Mid Cap Growth Fund Open", and also plays an active role in the management of "the East Japan Restoration Assistance Stock Fund (nickname: Nippon no Kizuna)" and "the Ichiyoshi Small/Mid Cap Recovery Fund (nickname: Little Heroes)".

<http://www.ichiyoshiam.jp/>

Ichiyoshi Business Service Co., Ltd.

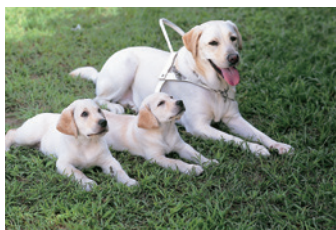
In order to promote operational efficiency and cost cutting in all aspects of the Ichiyoshi Securities group, the business service subsidiary is engaged in the outsourced operations (back-office and real-estate management). It also provides integrated agency services based on financial product brokerage, real-estate brokerage, insurance and back-office management.

<http://www.ichiyoshi-bs.co.jp/>

Ichiyoshi CSR (Corporate Social Responsibility)

We consider contributing to society our social responsibility and donate a portion of the Company's revenue to charitable organizations in Japan and overseas.

Supporting the training of guide dogs



公益財団法人
日本盲導犬協会

Medical support for those suffering in miserable conditions



MÉDECINS DU MONDE
世界の医療団
メドゥサン・デュ・モンド

Creating a vibrant world, with towns of abundant verdure



公益財団法人
森林文化協会

Protecting lifestyles and the global environment



FoE Japan

Offering children in developing countries a more promising future



Plan Japan

Encouraging a sense of caring



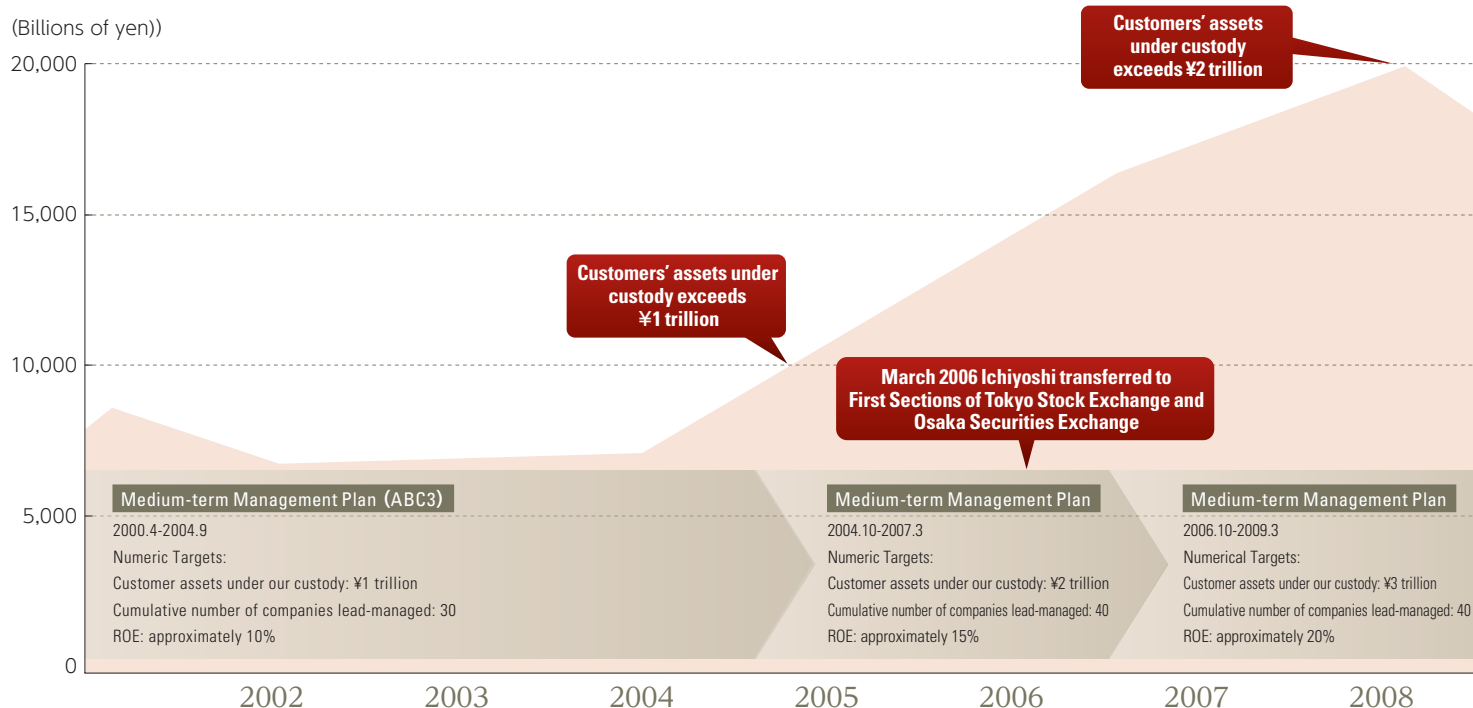
あしなが育英会

Region and Society		Environment		Education for Next Generation	
Japan Guide Dog Association	Medical NGO Médecins Du Monde Japan (Doctors of the World)	Shinrin Bunka Kyokai	FoE Japan	Plan Japan	NPO Ashinaga
<p>[Outline of assistance] To promote the participation in society of people with visual impairment based on the training of guide dogs and the visual impairment rehabilitation program. Provide support via activities that contribute to the welfare of people with visual impairment.</p> <p>[Ichiyoshi projects] ◆ Support activities started in fiscal 2005. Training of "Ichiyoshi guide dogs" began in 2009. ◆ First Ichiyoshi guide dog "Ortega" debuted in March 2010. ◆ Second Ichiyoshi guide dog "Qualite" debuted in March 2012. ◆ Third Ichiyoshi guide dog candidate "Gaudi" is in training as of April 2013.</p>	<p>[Outline of assistance] Support via activities that contribute to provision of very basic medical care such as polio vaccine and drugs to treat malaria, the reconstruction of healthcare facilities and the training of local staff.</p> <p>[Ichiyoshi projects] ◆ Improvement of the healthcare service of obstetrics provider and of treatment and prevention of HIV/AIDS in Huila, Angola (October 2009 to January 2010) ◆ Project aimed at improving access to basic medical care for expectant mothers and children aged under five (January 2010 to present) ◆ Contributing funding for treatment of around 1,040 cases of malaria (about ¥2,000 per treatment) in each of 2011 and 2012</p>	<p>[Outline of assistance] Assistance via comprehensive research into forestry resources and forest environment, and dissemination of the results of that research, through symposiums in cities nationwide and field seminars around the country, the training of forest volunteers, re-afforestation programs, forestry research activities, and the publication of the green in formation magazine Green Power and the Shinrin Kankyo Nenpo (Forest Environment Yearbook).</p>	<p>[Outline of assistance] Assistance via planting and protection activities for mangroves, which serve as a natural protective barrier to damage resulting from global warming in developing countries.</p> <p>[Ichiyoshi projects] ◆ "Ichiyoshi Mangrove Afforestation Project" • Project started in June 2009 in Java, Indonesia • Cumulative total of 75,000 mangrove trees planted using funds contributed by Ichiyoshi (as of end-2011) • Coastline protection work extending 300m in 2011</p>	<p>[Outline of assistance] Assistance via funding school building construction projects to provide better studying environment for children in developing countries.</p> <p>[Ichiyoshi projects] ◆ Neang Teut Elementary School in Cambodia (December 2005) ◆ Beatrice Jimenez Vaquero Elementary School northern Ecuador (July 2007) ◆ Panubigan Elementary School in Philippines (February 2008) ◆ Altavista Elementary School in Philippines (November 2008) ◆ A Hermosa Memorial Elementary School in Philippines (August 2010) ◆ A new school building under construction at BT / Kurinchamunai Primary School in Sri Lanka, scheduled for completion in autumn 2013</p>	<p>[Outline of assistance] Assistance via donations for lending of scholarship funding to promote education of orphans, Tsudoi education via scholarships and psychological care, and psychological care activities for orphans mainly of middle school age or lower.</p>

Consolidated Financial Highlights: A Decade of Growth

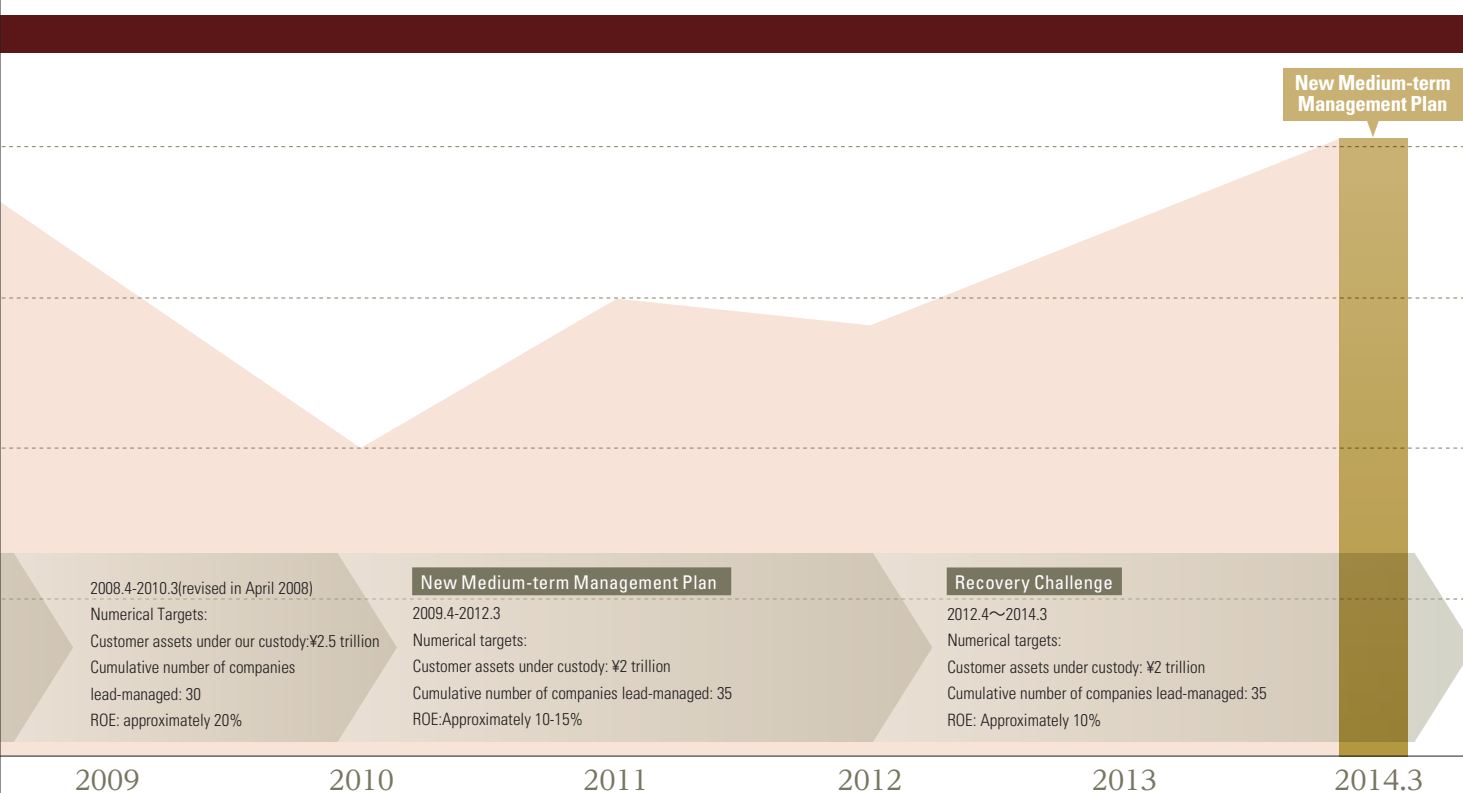
For the years ended March 31 or as of March 31	2003	2004	2005	2006	
For the Year					
Operating revenue	9,565	19,561	21,734	27,569	
Current income (loss)	-3,476	4,671	5,477	9,855	
Net income (loss)	-4,112	4,596	4,967	5,757	
At Year-End					
Total assets	39,096	61,406	62,669	88,736	
Net worth	28,268	32,520	35,591	40,571	
Per Share Data					
Net income (loss)(Yen)	-85.62	101.07	107.14	122.64	
Net worth(Yen)	597.04	708.83	759.64	858.11	
Cash dividends (Non-consolidated)(Yen)	3	20	30	100	
Key Indicators					
Net return on equity (%)	-13.4	15.1	14.6	15.1	
Equity ratio (%)	72.3	53.0	56.8	45.7	
Other Performance Indicators					
Customer assets under our custody (billions of yen)	697.5	1,119.2	1,430.6	1,974.0	
Of which, customers' investment trust assets (billions of yen)	337.5	431.5	547.6	754.0	
Number of customer accounts	99,701	112,089	128,206	135,726	
Cumulative number of companies lead- and co-managed	620	663	710	743	
Of which, number of companies lead-managed	10	15	20	23	

Customer Assets under our Custody



(Millions of yen)

	2007	2008	2009	2010	2011	2012	2013
	25,482	21,489	14,256	15,744	13,101	14,407	18,283
	6,498	1,872	-3,261	140	-1,499	-136	3,743
	3,848	1,087	-4,804	40	-1,575	-222	3,392
	65,577	50,078	36,596	37,254	35,607	34,091	43,751
	39,318	35,570	28,156	26,912	24,672	23,486	27,431
	81.09	22.90	-106.03	0.93	-36.12	-5.08	78.26
	826.71	775.38	640.42	619.13	560.19	533.78	626.39
	55	32	26	24	24	20	32
	9.6	2.9	-15.1	0.1	-6.1	-0.9	13.4
	59.9	70.9	76.7	72.1	69.1	68.7	62.5
	1,966.5	1,590.2	1,177.5	1,369.7	1,346.7	1,274.4	1,477.7
	909.3	825.9	604.4	683.4	665.7	614.7	700.3
	144,021	150,457	155,490	153,675	163,191	164,728	165,340
	783	812	821	828	832	846	869
	25	26	27	27	27	29	29



Consolidated Balance Sheets

(As of March 31, 2013 and 2012)

(Millions of yen)

	2013	2012
(Assets)		
Current assets	34,538	26,469
Cash and bank deposits	9,644	10,060
Segregated cash and statutory deposits	5,571	3,344
Trading assets	343	377
Securities	341	376
Derivatives	2	1
Contracted trades	94	12
Margin transaction assets	11,557	7,749
Advances for margin purchases	11,232	7,163
Cash deposits as collateral for securities borrowed	325	586
Advance payments for customers on trades	18	8
Advance payments for subscription	6,117	4,027
Short-term loans	19	8
Accrued income	997	727
Deferred tax assets	42	19
Other current assets	138	136
Allowances for doubtful accounts	-6	-3
Fixed assets	9,212	7,622
Tangible fixed assets	4,115	4,224
Buildings	1,444	1,543
Fixtures and equipment	670	728
Land	1,987	1,941
Lease assets, net	13	11
Intangible fixed assets	403	409
Goodwill	128	112
Computer software	273	295
Telephone subscription rights, etc.	1	1
Investments, etc.	4,693	2,987
Investment securities	3,507	1,653
Long-term loans	65	54
Cash deposits as guarantee for long-term credits	1,109	1,266
Deferred tax assets	5	6
Other investments	15	12
Allowances for doubtful accounts	-10	-6
Total assets	43,751	34,091

(Millions of yen)

	2013	2012
(Liabilities)		
Current liabilities	14,757	9,731
Margin transaction liabilities	7,627	4,384
Borrowings for margin transactions	6,991	3,420
Cash received for loaned securities	636	963
Cash payable to customers	4,110	3,432
Deposits from customers (for committed trades)	760	503
Short-term borrowings	210	210
Lease obligations	4	3
Income taxes payable	414	81
Accrued bonuses to employees	559	332
Reserve for Point Service Campaign	—	172
Other current liabilities	1,069	611
Long-term liabilities	1,453	770
Long-term borrowings	420	459
Lease obligations	9	8
Deferred tax liabilities	669	1
Revaluation-related deferred tax liabilities	35	35
Accrued retirement benefits for employees	290	232
Other long-term liabilities	28	33
Statutory reserves	108	103
Reserve for financial instruments transaction liabilities	108	103
Total liabilities	16,320	10,605
(Net worth)		
Shareholders' equity	28,065	25,250
Common stock	14,577	14,577
Capital surplus	8,676	8,319
Retained earnings	5,157	2,634
Treasury stock	-346	-280
Accumulated other comprehensive income	-708	-1,841
Other securities valuation difference	1,147	14
Land revaluation difference	-1,855	-1,855
Subscription rights to shares	38	43
Minority interests	35	32
Total net worth	27,431	23,486
Total of liabilities and net worth	43,751	34,091

Consolidated Income Statements

(Year ended March 31, 2013 and 2012)

(Millions of yen)

	2013	2012
Operating revenue	18,283	14,407
Commissions	16,806	12,948
Commission to consignees	5,323	3,917
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	239	414
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	7,088	4,372
Other fees received	4,155	4,243
Gains or loss on trading	263	417
Interest and dividend income	149	146
Other operating income	1,063	895
Interest expenses	54	66
Net operating revenue	18,228	14,340
Operating cost and expenses	14,597	14,457
Transaction-related expenses	1,265	1,399
Personnel expenses	7,992	7,780
Property-related expenses	1,758	1,672
Clerical expenses	2,399	2,252
Depreciation	446	594
Public charges	162	149
Transfer to allowances for doubtful accounts	2	0
Others	569	606
Operating income	3,631	-116
Non-operating income	192	81
Gain on investments in partnership	19	11
Dividends from investment securities	141	30
Insurance and dividends income	12	10
Others	19	29
Non-operating expenses	80	101
Loss on investments in partnership	38	50
Equity in losses of affiliates	35	34
Others	6	16
Current income	3,743	-136
Extraordinary income	79	42
Gains on sales of investment securities	63	31
Gains on sales of golf membership	—	0
Gain on reversal of subscription rights to shares	0	0
Reversal of allowances for doubtful accounts	—	1
Reversal of reserve for financial instruments transaction liabilities	—	8
Gain on step acquisitions	15	—
Extraordinary expenses	73	87
Loss on write-off of fixed assets	10	5
Loss on sales of investment securities	21	1
Valuation loss on investment securities	—	1
Loss on liquidation of golf memberships	4	—
Loss on cancellation of system contracts	—	25
Settlement expenses	—	12
Impairment loss	33	40
Transfer to reserve for securities transaction liabilities	4	—
Income before income taxes	3,749	-181
Income, inhabitant and enterprise taxes	376	54
Income taxes adjustments	-22	-14
Income before minority interests	3,395	-222
Minority interests	2	0
Net income	3,392	-222

Consolidated Comprehensive Income Statements

(Year ended March31, 2013 and 2012)

(Millions of yen)

	2013	2012
Income before minority interests	3,395	-222
Other comprehensive income		
Other securities valuation difference	1,134	8
Land revaluation difference	—	4
Share of other comprehensive income of associates accounted for using equity method	-1	4
Total other comprehensive income	1,133	18
Comprehensive income	4,528	-203
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	4,525	-204
Comprehensive income attributable to minority interests	2	0

Consolidated Statements of Shareholders' Equity

(As of March31, 2013 and 2012)

2013

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income			Subscription rights to shares	Minority interests	Total net worth
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Other securities valuation difference	Land revaluation difference	Total accumulated other comprehensive income			
Balance at 4/1/2012	14,577	8,319	2,634	-280	25,250	14	-1,855	-1,841	43	32	23,486
Changes in the fiscal year:											
Cash dividends			-868		-868						-868
Net income			3,392		3,392						3,392
Purchase of treasury stock				-389	-389						-389
Disposal of treasury stock		357		322	680						680
Changes in items other than those in shareholders' equity (net)						1,133	—	1,133	-5	2	1,130
Total changes in the fiscal year		357	2,523	-66	2,814	1,133	—	1,133	-5	2	3,945
Balance at 3/31/2013	14,577	8,676	5,157	-346	28,065	1,147	-1,855	-708	38	35	27,431

2012

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income			Subscription rights to shares	Minority interests	Total net worth
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Other securities valuation difference	Land revaluation difference	Total accumulated other comprehensive income			
Balance at 4/1/2011	14,577	8,322	3,822	-256	26,467	1	-1,860	-1,859	33	31	24,672
Changes in the fiscal year:											
Cash dividends			-965		-965						-965
Net income			-222		-222						-222
Purchase of treasury stock				-62	-62						-62
Disposal of treasury stock		-3		38	35						35
Changes in items other than those in shareholders' equity (net)						13	4	18	10	0	29
Total changes in the fiscal year	—	-3	-1,188	-24	-1,216	13	4	18	10	0	-1,186
Balance at 3/31/2012	14,577	8,319	2,634	-280	25,250	14	-1,855	-1,841	43	32	23,486

Consolidated Cash Flow Statements

(Year ended March 31, 2013 and 2012)

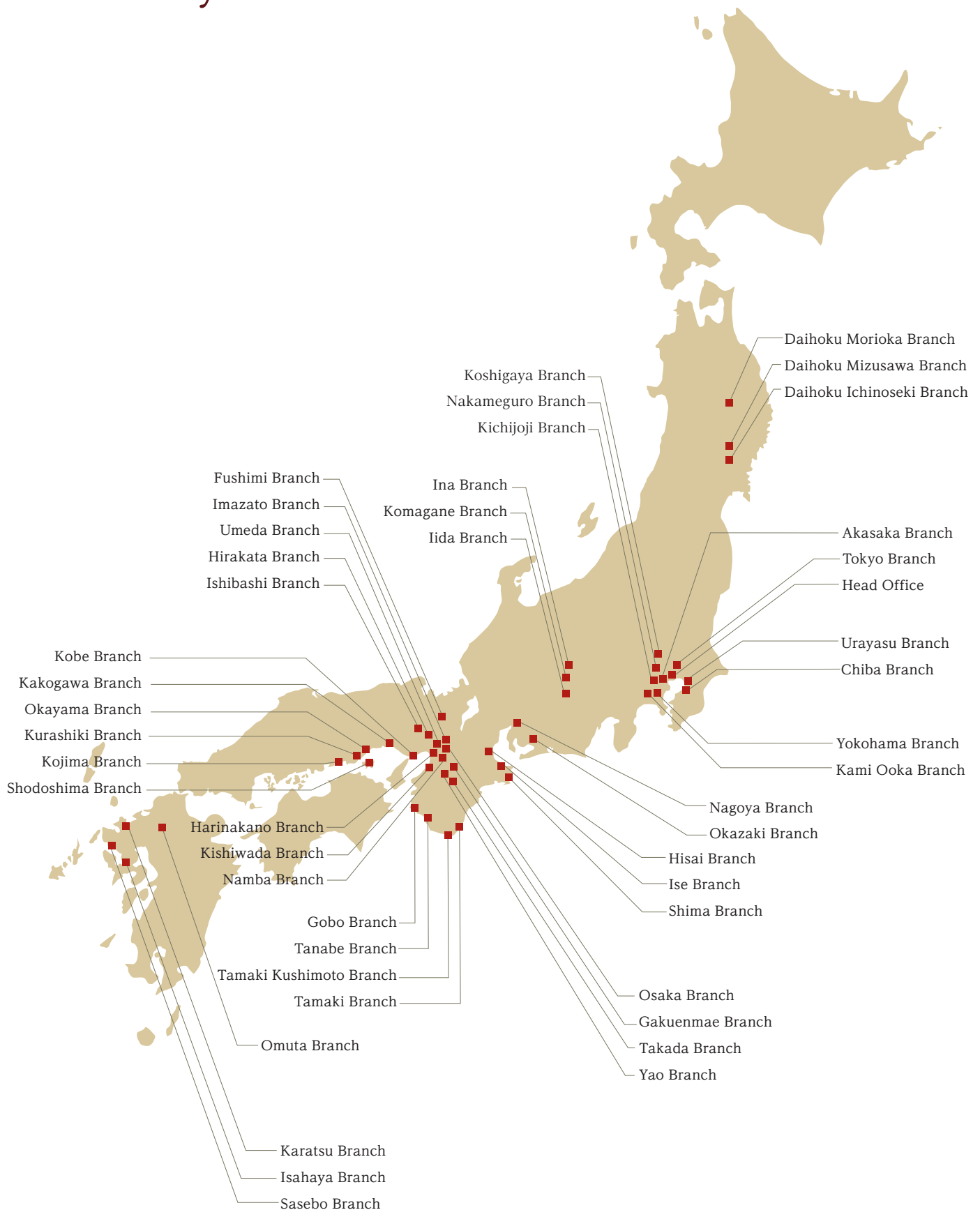
(Millions of yen)

科目	2013	2012
I. Cash flow from operating activities		
Income before income taxes	3,749	-181
Depreciation	446	594
Amortization of Goodwill	31	30
Increase or decrease in accrued bonuses for employees	226	-66
Increase or decrease in accrued retirement benefits for employees	58	-21
Increase or decrease in allowances for doubtful accounts	7	-17
Increase or decrease in reserve for Point-Service Campaign	-172	-31
Increase or decrease in accrued retirement benefits for officers	—	-39
Interest and dividend income	-157	-52
Interest expenses	17	22
Equity in earnings or losses of affiliates	35	34
Impairment loss	33	40
Gains or loss on sales of investment securities	-42	-30
Valuation loss on investment securities	—	1
Loss on write-off of fixed assets	10	5
Loss on liquidation of golf memberships	4	—
Loss on cancellation of system contracts	—	25
Settlement expenses	—	12
Gains on reversal of subscription rights to shares	-0	-0
Increase or decrease in reserve for financial instruments transaction liabilities	4	-8
Increase or decrease in segregated cash in trust for customers	-2,090	-20
Increase or decrease in deposits and guarantee deposits received	812	-1,062
Increase or decrease in short-term loans	-10	2
Increase or decrease in trading assets	34	-6
Net increase or decrease in margin transaction assets and liabilities	-563	1,026
Increase or decrease in subscription moneys	-2,089	-1,971
Others	91	205
Sub-total	436	-1,507
Interest and dividend income	158	53
Interest expenses	-17	-22
Taxes paid	-63	-87
Cash flow from operating activities	514	-1,563
II. Cash flow from investing activities		
Payments into time deposits	—	-6
Proceeds from withdrawal of time deposits	—	30
Acquisition of tangible fixed assets	-154	-165
Acquisition of intangible fixed assets	-125	-91
Acquisition of investment securities	-327	-53
Sales of investment securities	189	106
Long-term loans	-44	-8
Collection of long-term loans	33	24
Proceeds from purchase of investments in subsidiaries	—	165
Others	95	8
Cash flow from investing activities	-333	10
III. Cash flow from financing activities		
Increase or decrease in short-term borrowings	—	-400
Repayment of long-term loans payable	-39	—
Repayments of lease obligations	-3	-109
Proceeds from exercise of stock option	55	-2
Sales of Company's Common shares held in treasury	—	0
Acquisition of Company's Common shares	-330	-62
Payment of dividends	-866	-962
Cash flow from financing activities	-1,184	-1,536
IV. Conversion differences related to cash and cash equivalents	36	-10
V. Increase or decrease in cash and cash equivalents	-965	-3,100
VI. Balance of cash and cash equivalents at beginning of the term	10,046	13,146
VII. Increase in cash and cash equivalents resulting from merger	157	—
VIII. Balance of cash and cash equivalents at end of the term	9,238	10,046

Company History

▶ October 1948	Registered as a securities dealer under the Securities and Exchange Law
▶ April 1949	Became a regular member of the Osaka Securities Exchange (now Osaka Securities Exchange Co., Ltd.)
▶ August 1950	Changed company name to Ichiyoshi Securities Co., Ltd.
▶ December 1962	Established Ichiyoshi Real Estate Co., Ltd. (name changed to Ichiyoshi Business Service Co., Ltd. in June 1999 (now a consolidated subsidiary))
▶ April 1968	Received licensing as a securities dealer under the amended Securities and Exchange Law
▶ October 1971	Became a regular member of the Tokyo Stock Exchange (now Tokyo Stock Exchange Group, Inc.)
▶ October 1986	Established Ichiyoshi Investment Management Co., Ltd. which took over the research arm of Ichiyoshi Securities
▶ November 1986	Changed overseas office in Hong Kong to a local affiliate, establishing Ichiyoshi International (H.K.) Ltd.(now a consolidated subsidiary)
▶ May 1987	Established Ichiyoshi Research Center Inc. (name changed to Ichiyoshi Research Institute Inc. in April 1990) to take over the research functions of Ichiyoshi Investment Management
▶ April 1989	Listed on the Second Sections of the Tokyo Stock Exchange and the Osaka Securities Exchange
▶ December 1998	Registered as a securities firm under the amended Securities and Exchange Law
▶ July 2000	Changed the expression of the official name of Ichiyoshi Securities Co., Ltd. in Japanese
▶ July 2000	Moved head office to Chuo-ku, Tokyo
▶ July 2000	Changed the expression of the official name of Ichiyoshi Investment Management Co., Ltd. in Japanese
▶ July 2000	Changed the expression of the official name of Ichiyoshi Research Institute Inc. in Japanese
▶ December 2000	Ichiyoshi Investment Management Co., Ltd. became a consolidated subsidiary of the Company
▶ December 2000	Ichiyoshi Research Institute Inc. became a consolidated subsidiary of the Company
▶ June 2003	Adopted a "committees-based company" governance framework
▶ March 2006	Listed on the First Sections of Tokyo Stock Exchange and the Osaka Securities Exchange
▶ July 2006	Ichiyoshi IR Institute Inc. established as a consolidated subsidiary
▶ September 2007	Registered as a financial instruments firm under the Financial Instruments and Exchange Law
▶ February 2009	Introduction of Operating Officers system
▶ August 2009	Liquidated Ichiyoshi IR Institute Inc.
▶ February 2010	Liquidated Ichiyoshi International (H.K.) Ltd.
▶ February 2010	Acquired a substantial stake in Iida Securities Co., Ltd., and made the company an equity-method-applied affiliate
▶ April 2010	Merged with Tamaki Securities Co., Ltd.
▶ October 2010	Acquired a substantial stake in Daihoku Securities Co., Ltd., and made the company an equity-method-applied affiliate
▶ January 2011	Mergered with Iida Securities Co., Ltd.
▶ January 2011	Mergered with Sasebo Securities Co., Ltd.
▶ February 2012	Mergered with Ise Securities Co., Ltd.
▶ May 2012	Company name of Ichiyoshi Investment Management Co., Ltd. changed to Ichiyoshi Asset Management Co., Ltd.
▶ March 2013	Merged with Daihoku Securities Co., Ltd.

Directory



Stock Information

(As of March 31, 2013)

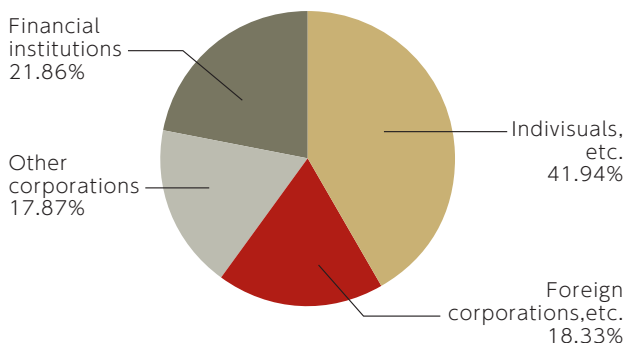
● Shares Issued	44,431 thousand (of which, 756,676 shares of treasury stock)
● Shareholders	14,035
● Shareholder Register Administrator	Mitsubishi UFJ Trust and Banking Corporation
● Certified Accountants	Ernst & Young ShinNihon

■ Top 10 shareholders and stakes owned

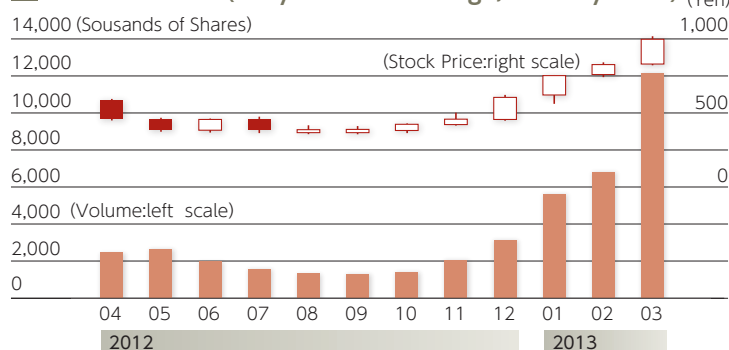
Shareholder	Holdings (Thousands of Shares)	Ownership* (%)
Nomura Land and Building Co., Ltd.	5,298	12.13
Japan Trustee Services Bank, Ltd. (Trust Account)	3,797	8.69
State Street Bank and Trust Company 505223 (Standing Proxy:Corporate Financial Sales Division, Mizuho Corporate Bank, Ltd.)	1,841	4.21
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,672	3.82
State Street Bank and Trust Company (Standing Proxy:Tokyo Branch of Hongkong Shanghai Banking Co., Ltd.)	894	2.04
Nomura Research Institute, Ltd.	879	2.01
JPMCC CLIENT SAFEKEEPING ACCOUNT (Standing Proxy:Citibank Japan Ltd.)	758	1.73
Ichiyoshi Securities Employees Share Ownership Plan	603	1.38
Northern Trust Company (AVFC) Account USL Non Treaty (Standing Proxy:Tokyo Branch of Hongkong Shanghai Banking Co., Ltd.)	515	1.17
Mellon Bank N.A. as Agent for its Client Mellon Omnibus US Pension (Standing Proxy:Corporate Financial Sales Division, Mizuho Corporate Bank, Ltd.)	455	1.04

* Ichiyoshi Securities holds 756,676 treasury shares, which are not included in the above list.

■ Distribution of Shareholders



■ Stock Price (Tokyo Stock Exchange, Monthly Basis) (Yen)



Corporate Data

(As of March 31, 2013)

● Company Name	Ichiyoshi Securities Co., Ltd.(Ticker: 8624)
● Foundation	August 18, 1950
● Head Office	2-14-1 Hatchobori, Chuo-ku, Tokyo, Japan
● Capital Stock	¥14,577 million
● Personnel (Consolidated)	937 employees
● Listed on	Tokyo Stock Exchange(1st Section) Osaka Securities Exchange(1st Section)

This guide is intended to provide information on Ichiyoshi Securities Co.,Ltd., and is not intended as a solicitation for investment. Please make the final decision on any investment in marketable securities based on information in this guide on your own judgment. Investment in any product etc. mentioned in this guide may require you to pay prescribed commissions for the product (in the case of transactions in equities, up to 1.365% including tax, of the value of the transaction (minimum commission of ¥3,150 including tax), and in the case of an investment trust, the expenses such as purchase commissions and trust fees set for each trust. Products can incur losses due to change in prices. As commissions etc. and risks may vary according to products, please thoroughly read documents provided before contract conclusion, prospectuses and information for customers for the relevant product.



<http://www.ichiyoshi.co.jp/>

· Statements in this report concerning the future do not constitute pledges of business performance.
· Information contained in this report is subject to change without prior notification.

June 2013

Ichiyoshi Securities Co., Ltd.

Financial instruments firm registered with the Kanto Local Finance Bureau (registration No. 24)

Member association : Japan Securities Dealers Association, Japan Investment Advisers Association