Stock Code:8624

IR Presentation

for First quarter, year ending March 2014

July 2013

Ichiyoshi Securities Co., Ltd.

Ⅰ. Business Results (Consolidated)

1. Profit & Loss

ICHIYOSHI SECURITIES

(¥ million)

	2013/3				2014/3	Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q		
Operating revenue	3,251	3,867	4,334	6,830	7,655	12.1%	135.5 %
Operating costs & expenses	3,593	3,420	3,643	3,939	4,183	6.2 %	16.4 %
Current income	▲324	409	696	2,961	3,487	17.7 %	—
Extraordinary income	8	—	0	71	1,031	—	—
Extraordinary loss	2	6	30	34	0	▲99.4 %	▲92.6 %
Corporate tax	11	20	56	287	359	24.9 %	—
Tax adjustment	6	▲3	0	▲25	7	—	22.6 %
Net income	▲337	385	609	2,735	4,151	51.8 %	—

2. Financial Results

	2013/3				2014/3	Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q		
Total assets (¥mil.)	31,720	31,770	32,197	43,751	47,039	7.5 %	48. 3%
Total net worth (¥mil.)	22,636	22,714	22,916	27,431	29,790	8.6 %	31.6 %
Equity ratio (%)	71.1	71.3	70.9	62.5	63.2	—	—
Net worth per share (¥)	514.41	526.61	531.24	626.39	684.18	—	—
Capital adequacy ratio (%) (parent basis)	435.8	442.1	452.7	514.5	555.0	—	—
EPS (¥)	▲7.70	1.09	15.13	78.26	95.27	—	—
ROE (%)	▲1.5	0.2	2.8	13.4	14.5	—	—

3. Balance Sheets

(¥ million)

	2013/3				2014/3	Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q		
Assets							
Current assets	24,299	24,463	24,937	34,538	38,749	12.2 %	59.5 %
Fixed assets	7,421	7,306	7,259	9,212	8,289	▲10.0 %	11.7 %
Total assets	31,720	31,770	32,197	43,751	47,039	7.5 %	48.3 %
Liabilities							
Current liabilities	8,220	8,188	8,405	14,757	15,932	8.0%	93.8 %
Fixed liabilities	767	771	779	1,453	1,207	▲16.9 %	57.3 %
Total liabilities	9,084	9,056	9,280	16,320	17,248	5.7 %	89.9 %
Net worth							
Net worth	22,636	22,714	22,916	27,431	29,790	8.6 %	31.6 %
Total liabilities & net worth	31,720	31,770	32,197	43,751	47,039	7.5 %	48.3 %

4. Breakdown of Net Operating Revenue

(¥ million)

	2013/3				2014/3	Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q		
Commission revenue	2,919	3,559	3,949	6,378	7,156	12.2 %	145.1 %
Gains on trading	29	28	81	124	112	▲9.7 %	280.3 %
Interest and dividend income	36	39	31	41	58	42.4 %	59.4 %
Other operating revenue	265	240	271	286	328	14.8 %	23.6 %
Interest expenses	11	14	14	14	14	▲0.1 %	28.1 %
Total	3,239	3,853	4,320	6,815	7,640	12.1 %	135.9 %

5. Breakdown of Gains on Trading

(¥ million)

	2013/3				2014/3	Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q		
Stocks	7	8	21	17	68	302.4 %	863.5 %
Bonds･Forex	22	19	59	107	43	▲59.2 %	95.5 %
(Bonds)	(22)	(14)	(46)	(88)	(34)	(▲61.7 %)	(47.9 %)
(Forex)	(▲0)	(5)	(13)	(18)	(9)	(▲47.6 %)	—
Total	29	28	81	124	112	▲9.7 %	280.3 %

6. Breakdown of Commission Revenue

ICHIYOSHI SECURITIES

(¥ million)

	2013/3 1Q	2013/3 2Q	2013/3 3Q	2013/3 4Q	2014/3 1Q	Quarter-on-Quarter	Year-on-Year
Brokerage							
Stocks	847	870	1,266	2,299	3,391	47.5 %	300.4 %
Distribution							
Investment trust	1,051	1,563	1,615	2,840	2,276	▲19.9 %	116.4 %
Underwriting							
IPO	1	54	17	10	202	—	—
PO	–	44	21	89	36	▲59.3 %	—
Total	1	98	39	100	238	138.4 %	—
Others							
Beneficiary certificates	885	895	913	999	1,093	9.4 %	23.5 %
Others	114	117	102	126	107	▲14.8 %	▲6.1 %
Total	1,000	1,013	1,015	1,125	1,201	6.7 %	20.1 %

7. Operating Cost and Expenses

ICHIYOSHI SECURITIES

(¥ million)

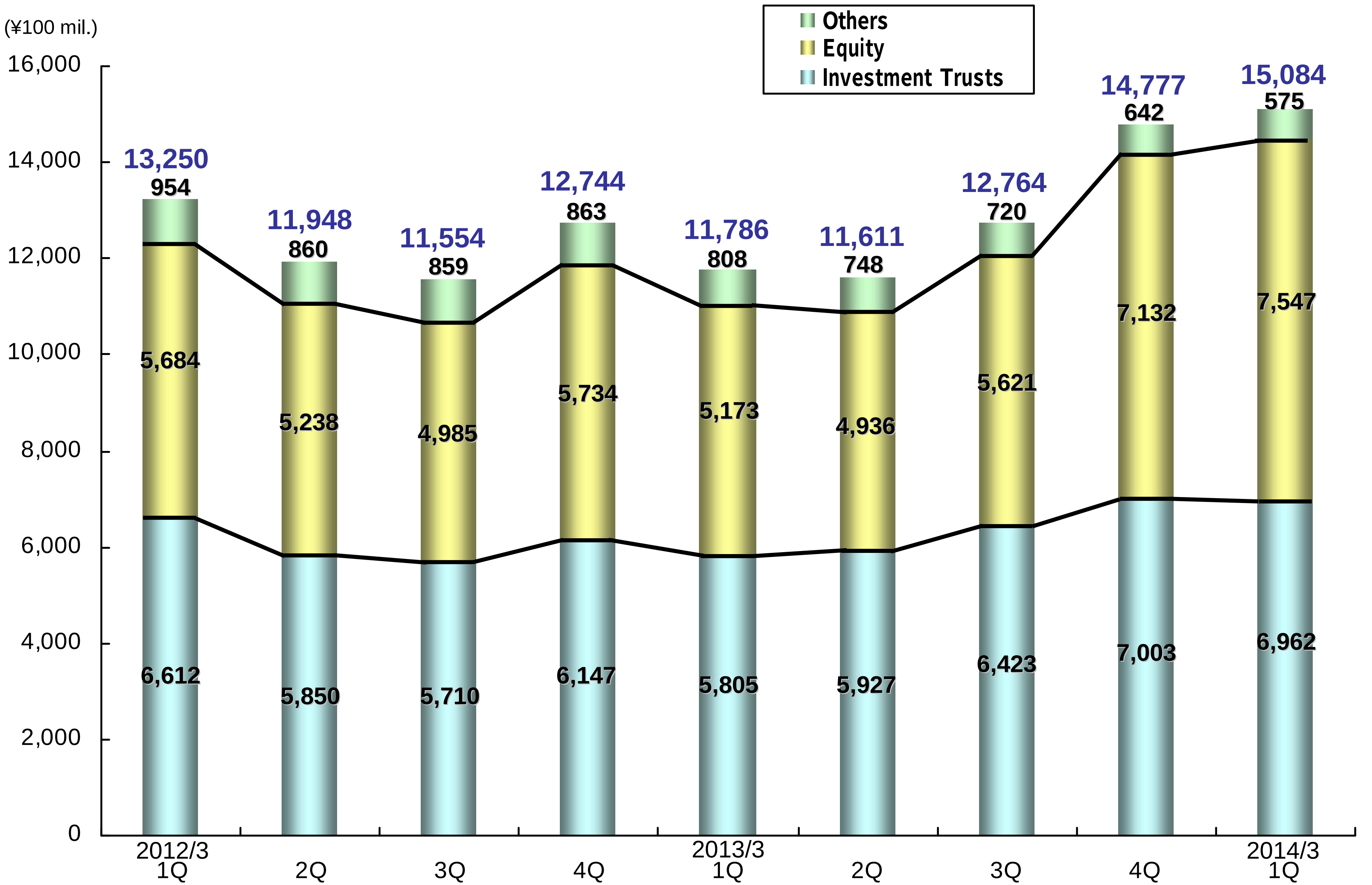
	2013/3				2014/3	Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q		
Transaction related expenses	362	274	311	315	401	27.0 %	10.6 %
Personnel expenses	1,924	1,889	1,961	2,217	2,393	7.9 %	24.4 %
Property related expenses	409	407	454	488	379	▲22.3 %	▲7.3 %
Clerical expenses	586	560	616	635	686	7.9 %	17.0 %
Depreciation	114	110	118	104	83	▲19.5 %	▲26.5 %
Public charges	32	37	40	51	59	15.9 %	81.2 %
Allowances for doubtful accounts	0	▲0	—	2	1	▲51.2 %	354.2 %
Others	163	141	141	122	178	45.4 %	9.3 %
Total	3,593	3,420	3,643	3,939	4,183	6.2 %	16.4 %

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

Fixed cost	2,609	2,500	2,619	2,587	2,646	2.3 %	1.4 %
Variable cost	707	658	726	1,027	1,179	14.8 %	66.9 %

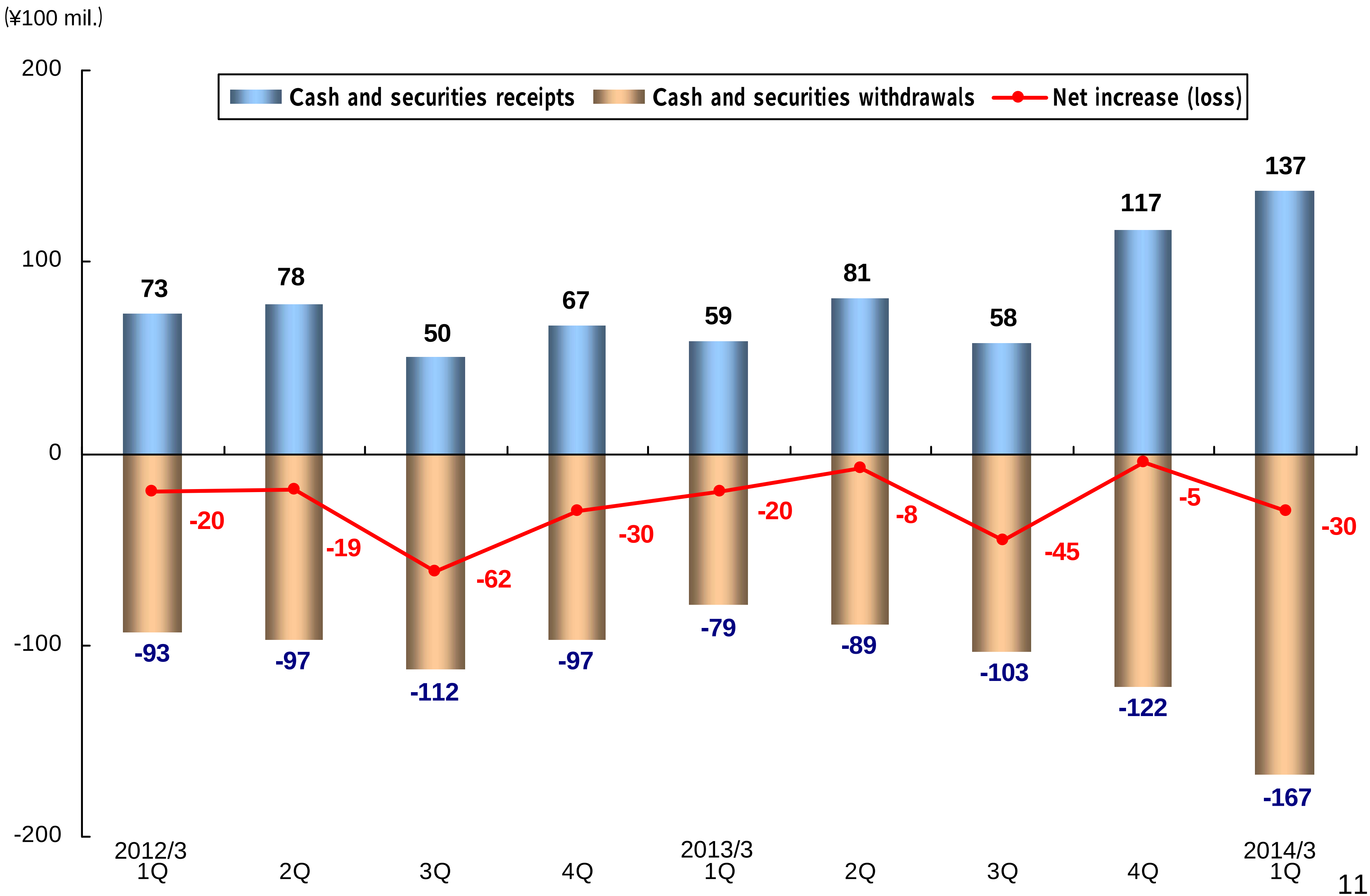
II. Business Circumstances

1. Customer Assets under Custody



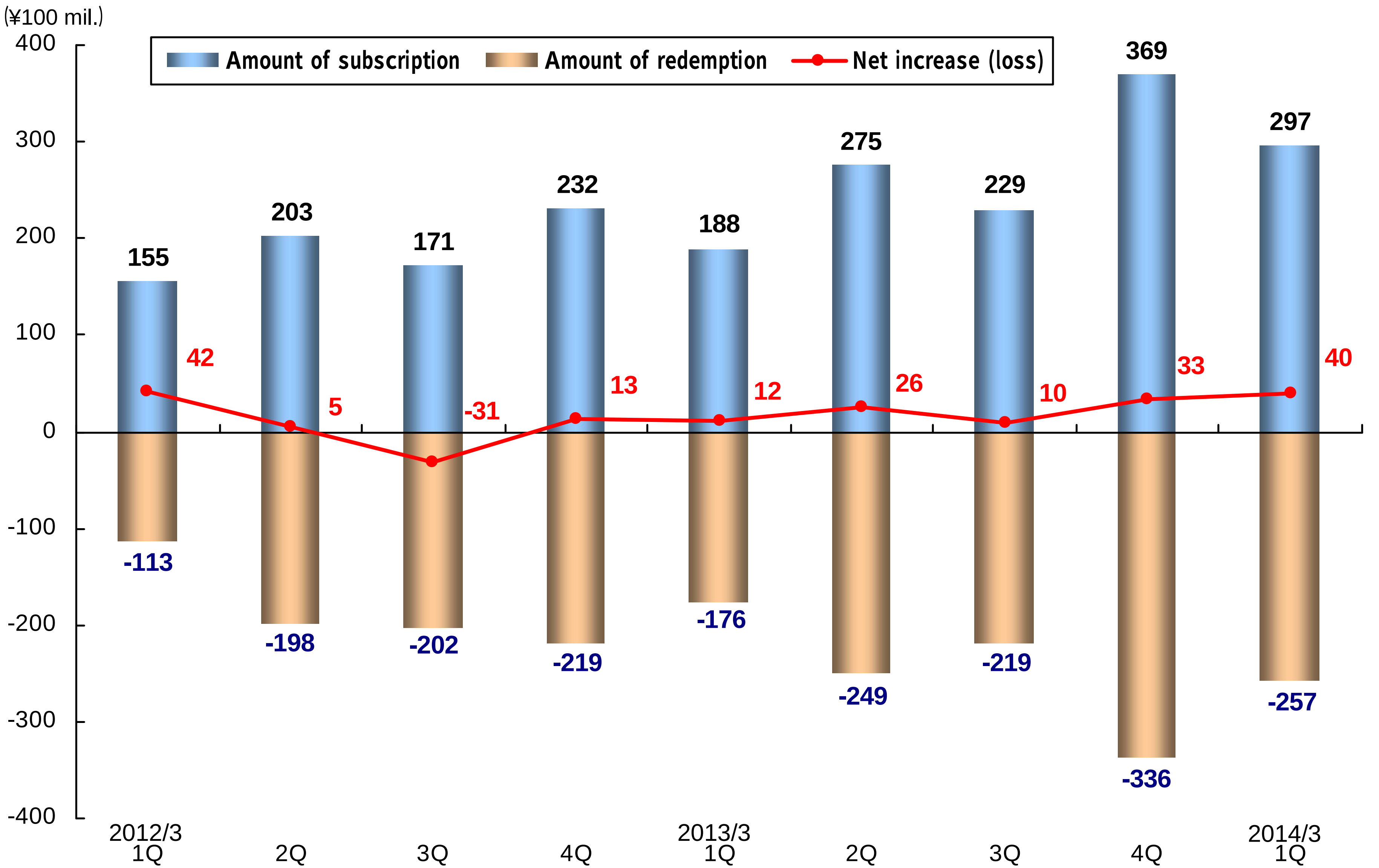
2. Cash and Securities Receipts/ Cash and Securities Withdrawals/ Net Increase (Monthly Average)

ICHIYOSHI SECURITIES



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

ICHIYOSHI SECURITIES



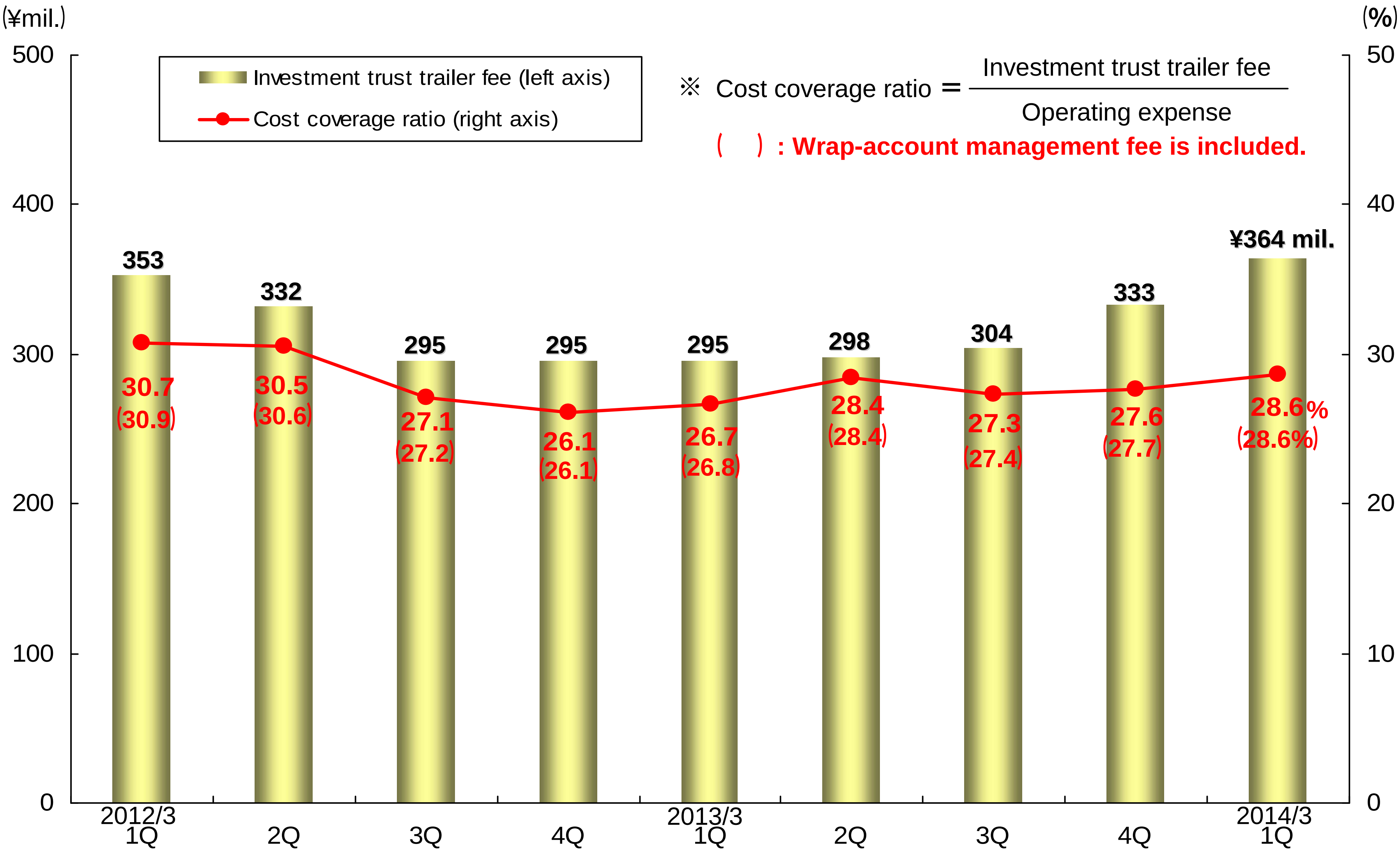
4. Top 5 Best Selling Investment Trusts (Total Amounts of 3 Months)

ICHIYOSHI SECURITIES

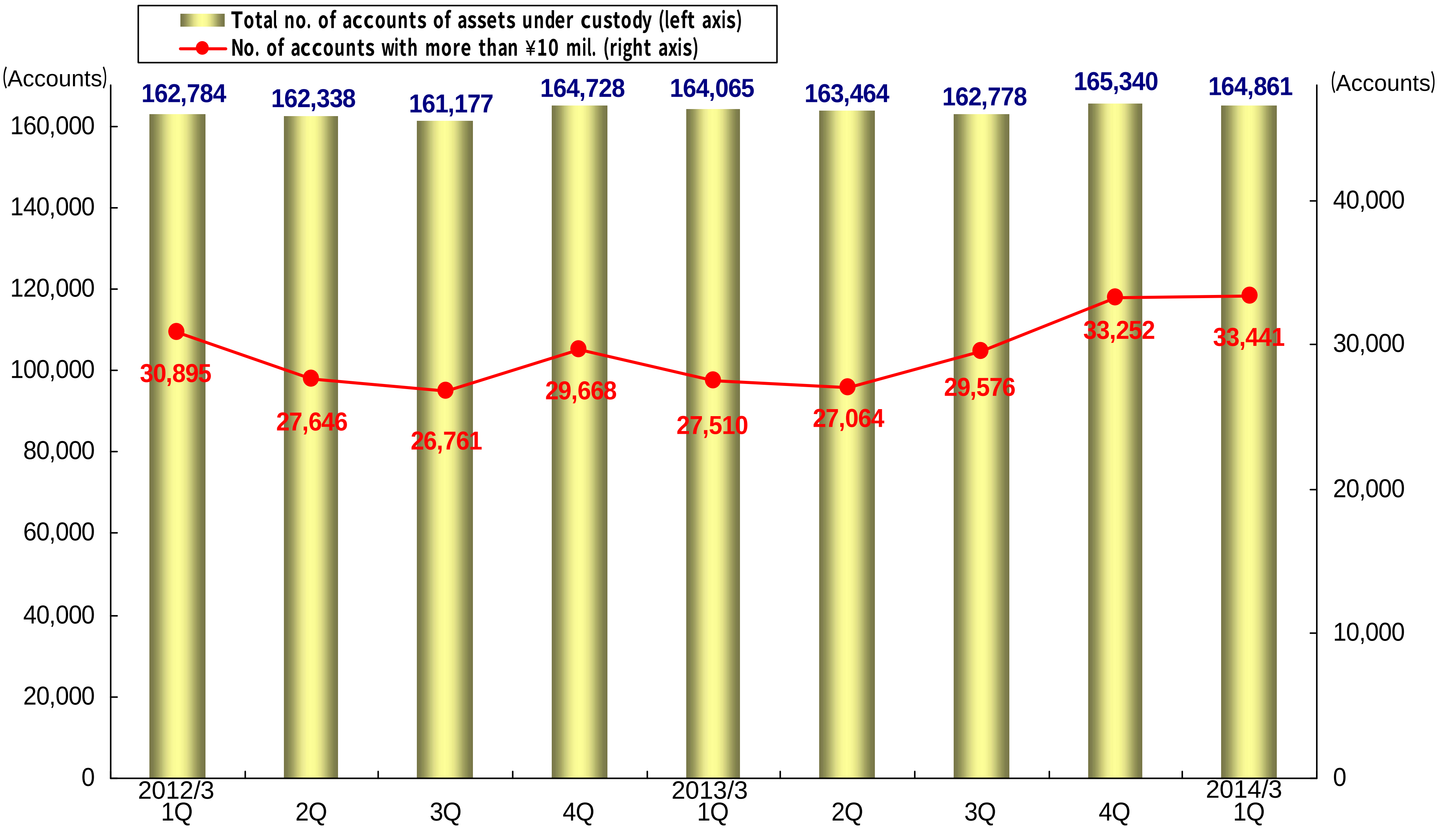
(¥ 100 mil.)

	2012/3				2013/3				2014/3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Pictet Global Income Stock Fund							131	407	227
Japan Recover Growth Stock Fund									116
HSBC New Leaders Sovereign Open	90	144	36		34			119	108
Pictet Emerging Country Income Stock Fund									82
Global REIT Open	100	65	75	105	66	78	62	129	53
JREIT Asia Mix Open								60	
US Manufacturer Stock Fund					51			40	
BAM World Bond & Currency Fund				195	211	259	110		
LM Australia Monthly Dividend Fund			99	125	83	157	99		
Nomura J-REIT Open (Limited Open-Type Fund)							79		
UBS Global High Yield CB Fund 2012-08 (JPY Hedge)						122			
Global High Yield CB Fund 2012-09(JPY Hedge)						48			
East Japan Reconstruction Support Stock Fund			61	47					
BNY Mellon Emerging Sovereign Fund (JPY Hedge)		68							
DWS Global Public Utility Bond Fund		80	124	67					
Mellon World Emerging Country Sovereign Fund	87	92							
Global Sovereign Open	74								
Ichiyoshi Invesco Mid/Small Growth Fund	46								

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

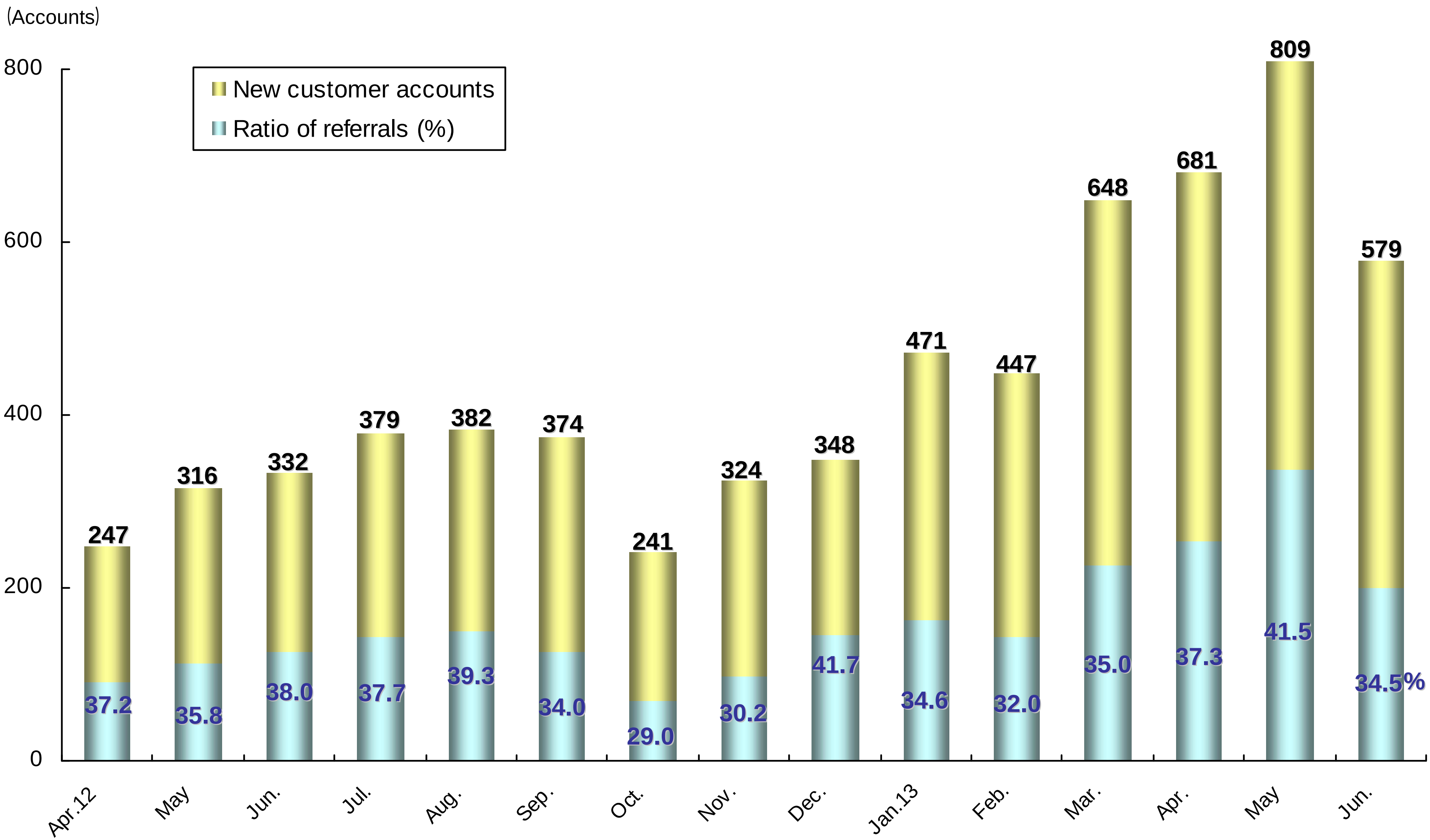


6. Number of Customer Accounts (Retail)



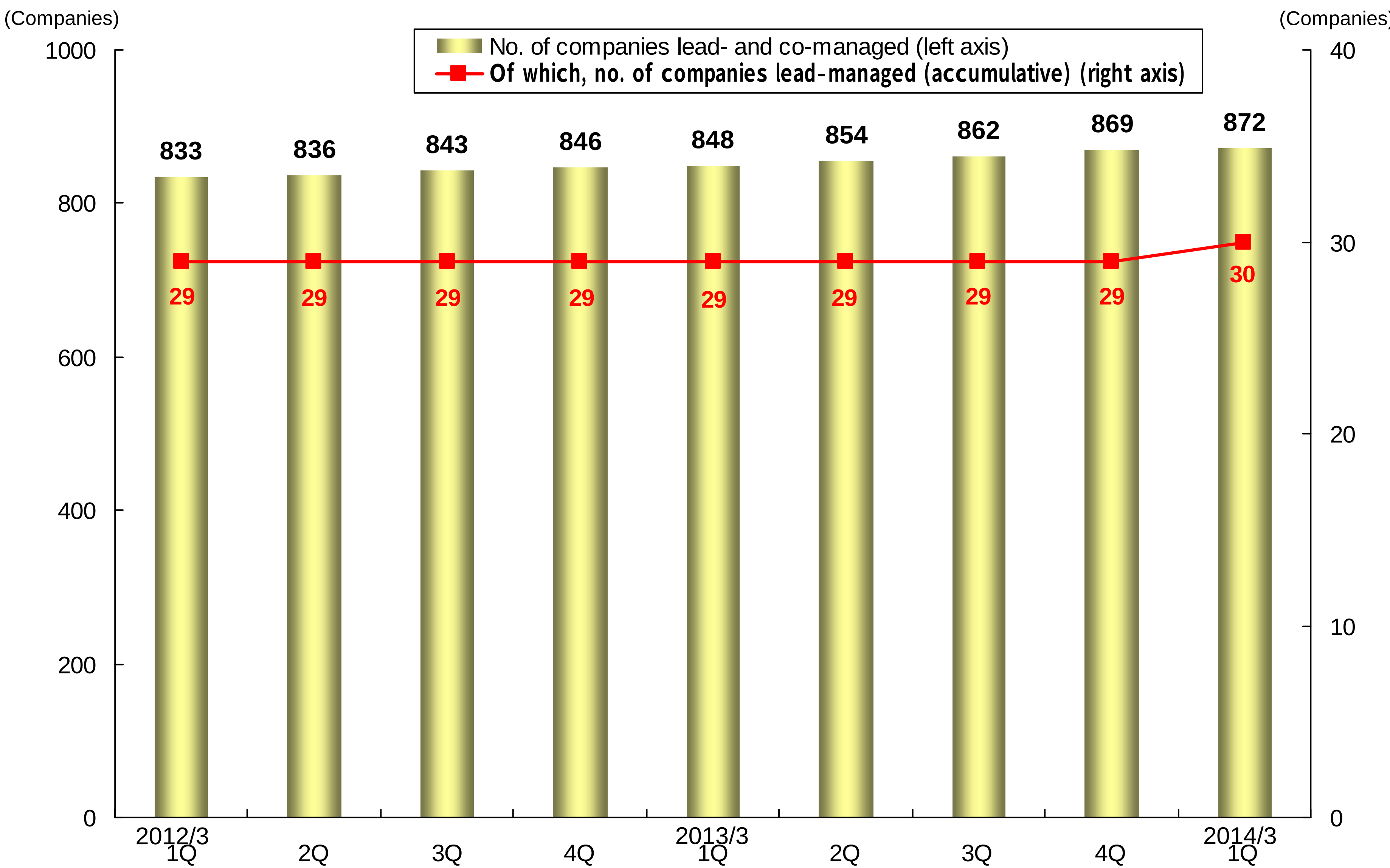
7. Number of New Customer Accounts and Ratio of Referrals (Retail)

ICHIYOSHI SECURITIES



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

ICHIYOSHI SECURITIES



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