Stock Code:8624

IR Presentation

for Third quarter, year ending March 2014

January 2014

Ichiyoshi Securities Co., Ltd.

Ⅰ. Business Results (Consolidated)

1. Profit & Loss

(¥ million)

	2013/3				2014/3			Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
Operating revenue	3,251	3,867	4,334	6,830	7,655	5,566	6,341	13.9%	46.3%
Operating costs & expenses	3,593	3,420	3,643	3,939	4,183	3,967	4,114	3.7%	12.9%
Current income	▲324	409	696	2,961	3,487	1,609	2,243	39.4%	222.1%
Extraordinary income	8	–	0	71	1,031	–	5	–	–
Extraordinary loss	2	6	30	34	0	0	33	–	10.4%
Corporate tax	11	20	56	287	359	511	723	41.5%	–
Tax adjustment	6	▲3	0	▲25	7	▲5	13	–	–
Net income	▲337	385	609	2,735	4,151	1,103	1,477	33.9%	142.6%

2. Financial Results

	2013/3				2014/3			Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
Total assets (¥mil.)	31,720	31,770	32,197	43,751	47,039	51,804	52,385	1.1%	62.7%
Total net worth (¥mil.)	22,636	22,714	22,916	27,431	29,790	31,009	30,822	▲0.6%	34.5%
Equity ratio (%)	71.1	71.3	70.9	62.5	63.2	59.7	58.7	—	—
Net worth per share (¥)	514.41	526.61	531.24	626.39	684.18	711.58	706.78	—	—
Capital adequacy ratio (%) (parent basis)	435.8	442.1	452.7	514.5	555.0	529.1	571.0	—	—
EPS (¥)	▲7.70	1.09	15.13	78.26	95.27	120.77	154.75	—	—
ROE (%)	▲1.5	0.2	2.8	13.4	14.5	18.0	23.2	—	—

3. Balance Sheets

ICHIYOSHI SECURITIES

（¥ million）

	2013/3				2014/3			Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
Assets									
Current assets	24,299	24,463	24,937	34,538	38,749	43,323	43,564	0.6%	74.7%
Fixed assets	7,421	7,306	7,259	9,212	8,289	8,481	8,820	4.0%	21.5%
Total assets	31,720	31,770	32,197	43,751	47,039	51,804	52,385	1.1%	62.7%
Liabilities									
Current liabilities	8,220	8,188	8,405	14,757	15,932	19,426	20,014	3.0%	138.1%
Fixed liabilities	767	771	779	1,453	1,207	1,259	1,411	12.1%	81.1%
Total liabilities	9,084	9,056	9,280	16,320	17,248	20,794	21,563	3.7%	132.3%
Net worth									
Net worth	22,636	22,714	22,916	27,431	29,790	31,009	30,822	▲0.6%	34.5%
Total liabilities & net worth	31,720	31,770	32,197	43,751	47,039	51,804	52,385	1.1%	62.7%

4. Breakdown of Net Operating Revenue

ICHIYOSHI SECURITIES

（¥ million）

	2013/3				2014/3			Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
Commission revenue	2,919	3,559	3,949	6,378	7,156	5,149	5,874	14.1%	48.8%
Gains on trading	29	28	81	124	112	57	100	74.4%	22.8%
Interest and dividend income	36	39	31	41	58	64	62	▲2.5%	97.2%
Other operating revenue	265	240	271	286	328	295	303	2.6%	11.7%
Interest expenses	11	14	14	14	14	11	12	7.6%	▲13.1%
Total	3,239	3,853	4,320	6,815	7,640	5,555	6,328	13.9%	46.5%

5. Breakdown of Gains on Trading

（¥ million）

	2013/3				2014/3			Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
Stocks	7	8	21	17	68	18	69	268.2%	215.6%
Bonds･Forex	22	19	59	107	43	38	31	▲19.6%	▲47.9%
（Bonds）	（22）	（14）	（46）	（88）	（34）	（38）	（14）	▲63.1%	▲69.1%
（Forex）	（ ▲0）	（5）	（13）	（18）	（9）	（▲0）	（16）	―	26.9%
Total	29	28	81	124	112	57	100	74.4%	22.8%

6. Breakdown of Commission Revenue

ICHIYOSHI SECURITIES

(¥ million)

	2013/3				2014/3			Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
Brokerage									
Stocks	847	870	1,266	2,299	3,391	1,914	2,314	20.9%	82.7%
Distribution									
Investment trust	1,051	1,563	1,615	2,840	2,276	1,864	1,897	1.7%	17.5%
Underwriting									
IPO	1	54	17	10	202	17	308	—	—
PO	—	44	21	89	36	105	36	▲65.7%	67.3%
Total	1	98	39	100	238	122	344	181.2%	779.6%
Others									
Beneficiary certificates	885	895	913	999	1,093	1,059	1,088	2.7%	19.1%
Others	114	117	102	126	107	152	180	18.3%	76.7%
Total	1,000	1,013	1,015	1,125	1,201	1,212	1,269	4.7%	24.9%

7. Operating Cost and Expenses

ICHIYOSHI SECURITIES

（¥ million）

	2013/3				2014/3			Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
Transaction related expenses	362	274	311	315	401	375	470	25.5%	51.1%
Personnel expenses	1,924	1,889	1,961	2,217	2,393	2,294	2,297	0.1%	17.2%
Property related expenses	409	407	454	488	379	372	372	0.1%	▲17.9%
Clerical expenses	586	560	616	635	686	644	684	6.1%	11.0%
Depreciation	114	110	118	104	83	88	92	4.0%	▲21.9%
Public charges	32	37	40	51	59	47	50	5.0%	24.0%
Allowances for doubtful accounts	0	▲0	—	2	1	▲0	▲1	—	—
Others	163	141	141	122	178	144	148	2.9%	4.6%
Total	3,593	3,420	3,643	3,939	4,183	3,967	4,114	3.7%	12.9%

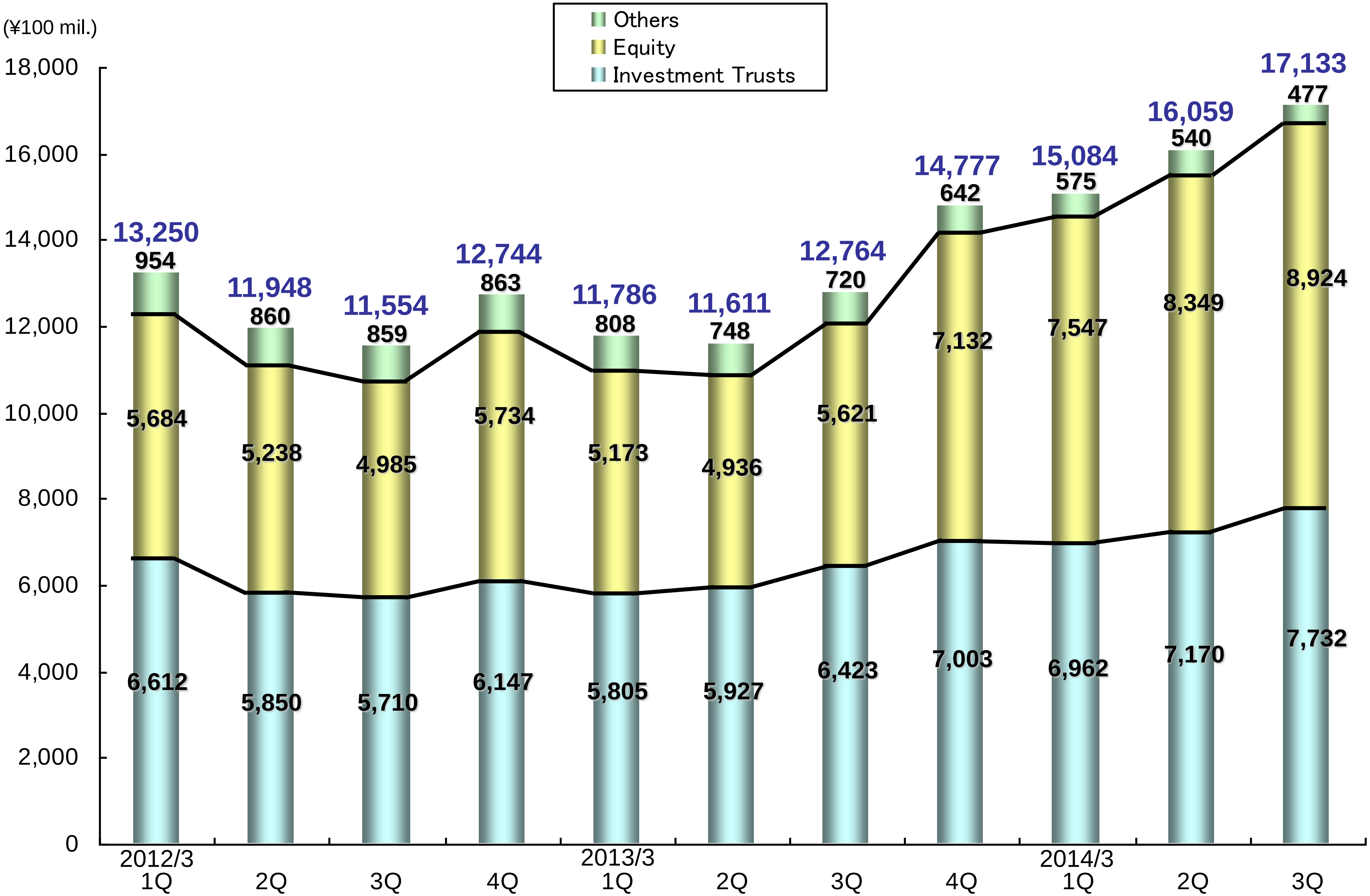
<Reference> Fixed cost and Variable cost are inscribed on a parent basis.

Fixed cost	2,609	2,500	2,619	2,587	2,646	2,611	2,735	4.7%	4.4%
Variable cost	707	658	726	1,027	1,179	1,013	1,040	2.7%	43.3%

Ⅱ. Business Circumstances

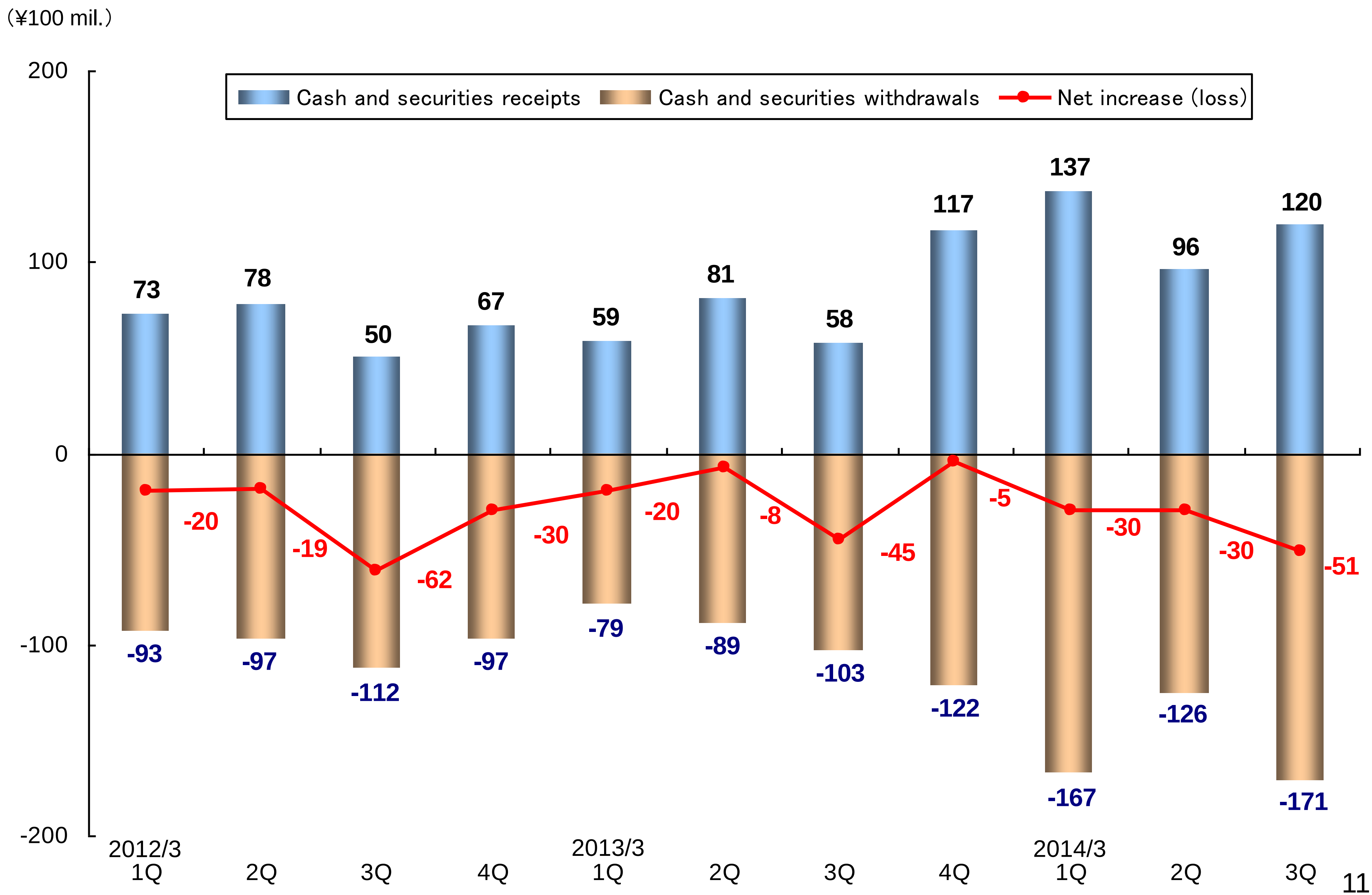
1. Customer Assets under Custody

ICHIYOSHI SECURITIES



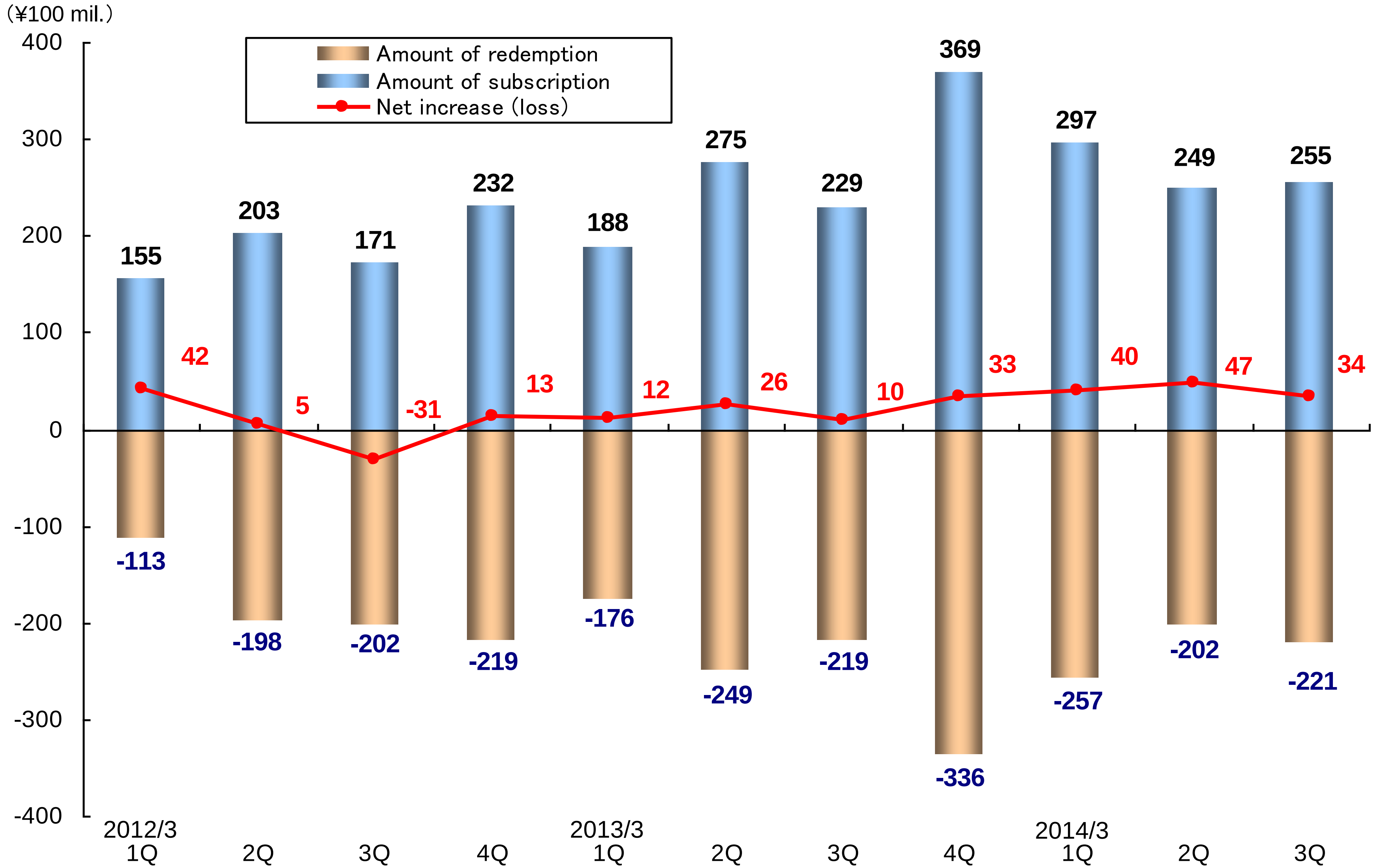
2. Cash and Securities Receipts/ Cash and Securities Withdrawals/ Net Increase (Monthly Average)

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	2Q	3Q
Pictet Emerging Country Income Stock Fund									82	159	167
HSBC New Leaders Sovereign Open	90	144	36		34			119	108	144	130
Japan Mid/Small Growth Stock Active Fund											72
Japan Recover Growth Stock Fund									116	98	71
Pictet Global Income Stock Fund							131	407	227	84	69
UBS Global CB Open										36	
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)

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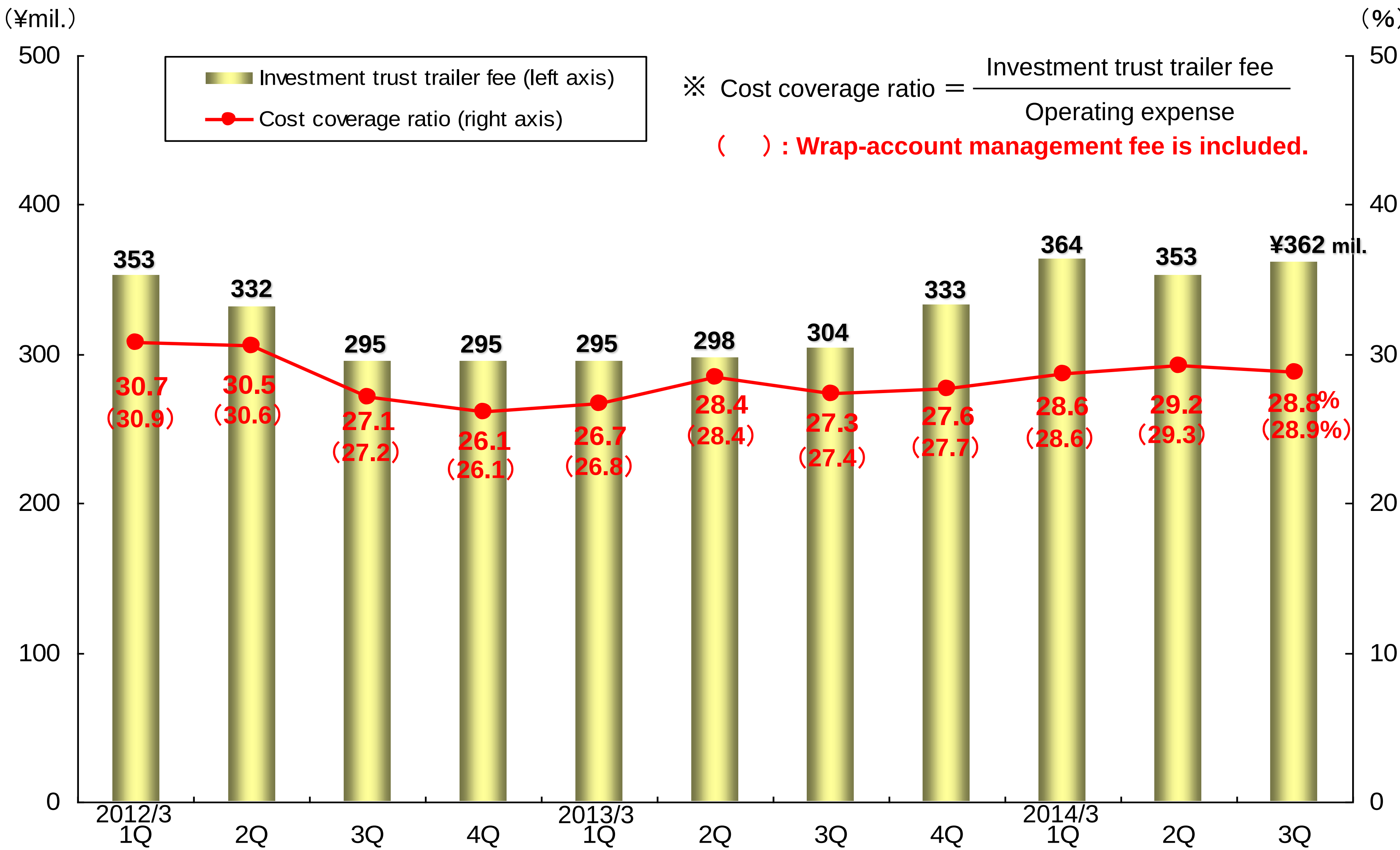
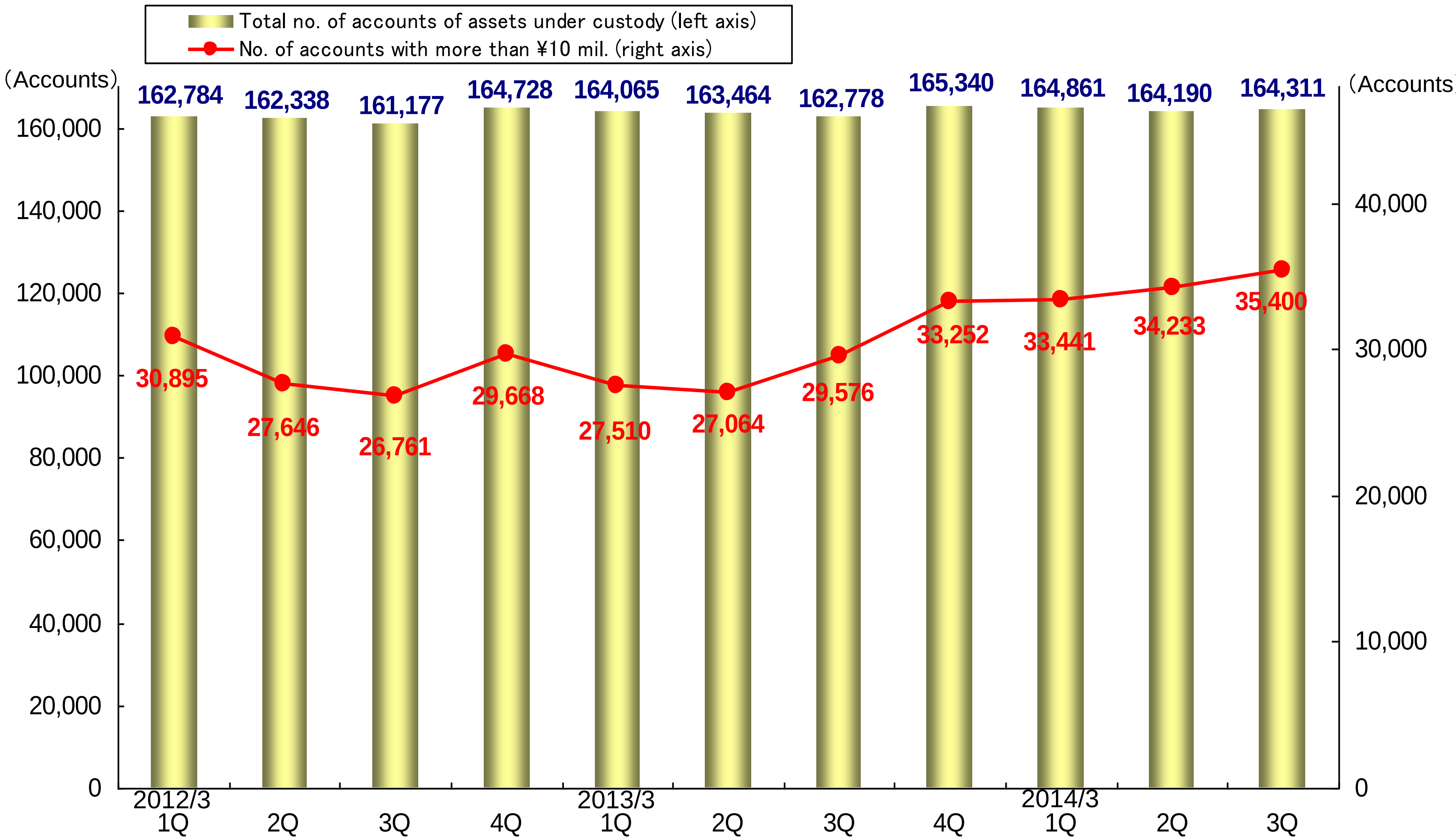
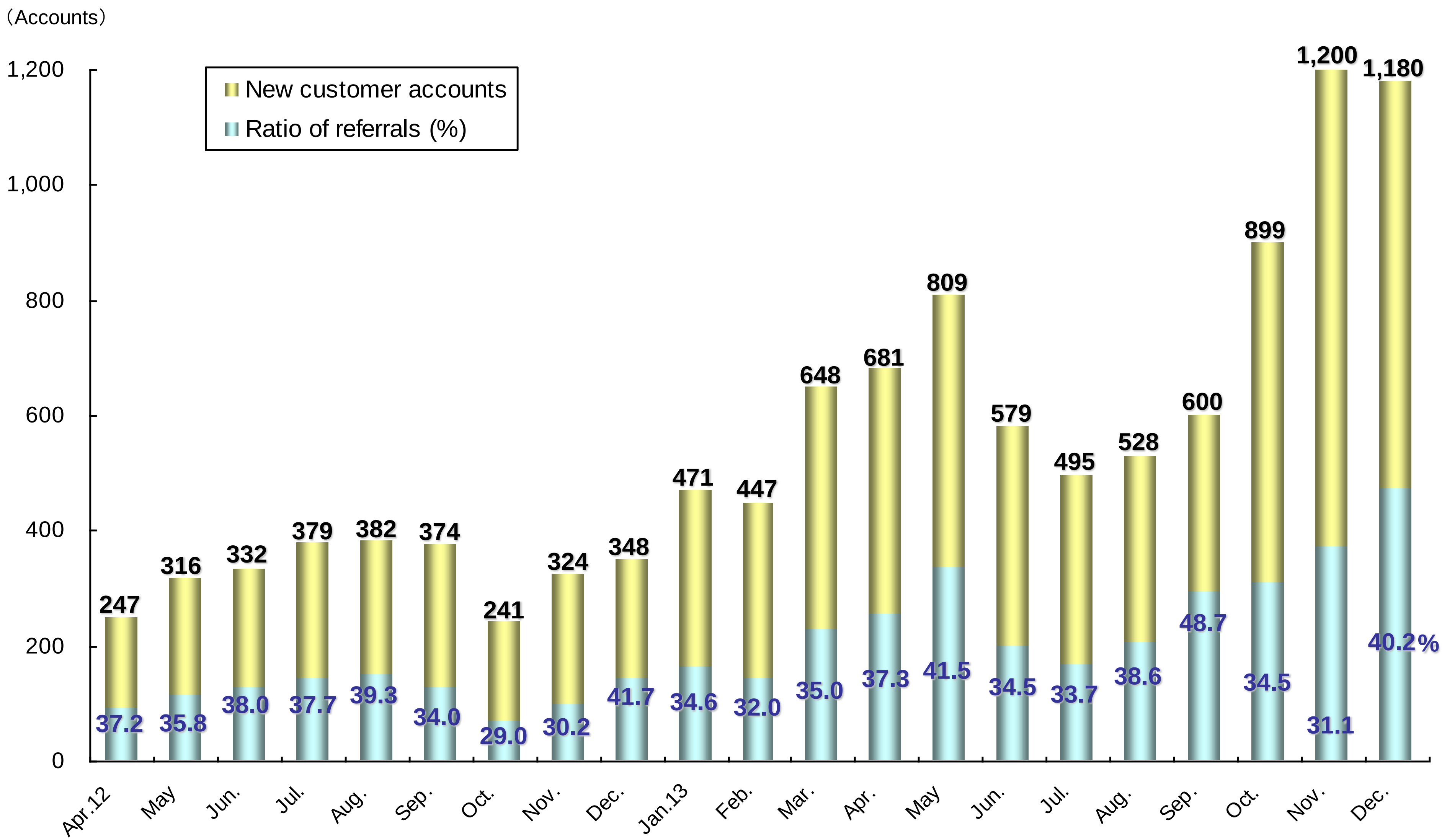


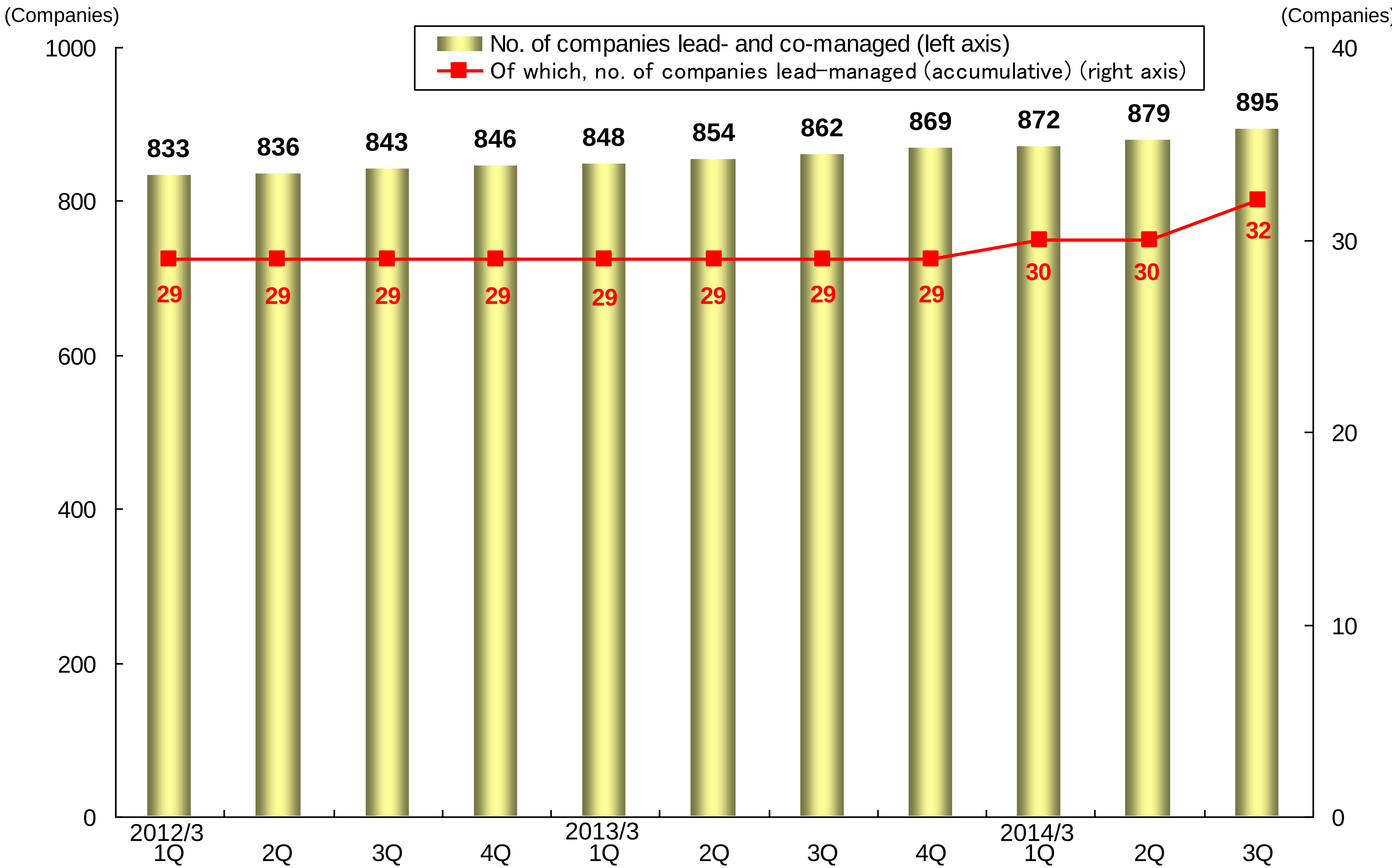
6. Number of Customer Accounts (Retail)



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



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



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