

# **EARNINGS REPORT FOR FIRST THREE QUARTERS OF FISCAL2014**

**( April 1 to December 31, 2014 )**

(consolidated on the basis of Japanese accounting standards)

Released on January 29, 2015

(English translation for reference purposes only)

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

Listed on: Tokyo Stock Exchange (1<sup>st</sup> Section) (Stock code: 8624)

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

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Date of filing First Three Quarters Report: February 12, 2015 (scheduled)

Materials for supplementary explanation of quarterly business result: None.

Business result-reporting meeting: None.

## **1. Outline of Consolidated Business Result for First Three Quarters of Fiscal 2014 (from April 1 to December 31, 2014)**

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

--- First Three quarters ended ---

Dec. 31, 2014

Dec. 31, 2013

(% year-to-year change in brackets)

Operating revenue	15,017 ( - 23.2)	19,563 (+ 70.8)
Net operating revenue	14,973 ( - 23.3)	19,524 (+ 71.1)
Operating income	2,498 ( - 65.6)	7,258(+ 861.2)
Current income	2,594 ( - 64.7)	7,340(+ 839.3)
Net income	2,584 ( - 61.6)	6,732(+ 925.4)
Earnings per share	59.22yen	154.75yen
Diluted earnings per share (adjusted for shares potentially issuable)	58.78yen	153.42yen

Note:

Comprehensive income for the first three quarters of fiscal 2014: 1,810 million yen ( - 72.9% )\*

Comprehensive income for the first three quarters of fiscal 2013: 6,675 million yen ( + 963.5% )\*

\*= Bracket indicates a percentage change from the year-earlier period)

## (2) Consolidated financial condition

	As of Dec. 31 2014	As of March 31 2014
Total assets (in millions of yen)	52,050	48,723
Net worth (in millions of yen)	32,432	32,263
Equity ratio	62.0%	66.0%

Note: Shareholders' equity as of December 31, 2014: 32,255 million yen.

Shareholders' equity as March 31, 2014: 32,157 million yen.

## 2. Dividend

	--- Fiscal year ended ---	
	March 31, 2015	March 31, 2014
Per-share dividend: (See notes below)		
1 <sup>st</sup> quarter	---	---
2 <sup>nd</sup> quarter	21.00 yen	45.00 yen
3 <sup>rd</sup> quarter	---	---
Final	---	27.00 yen
Annual total	---	72.00 yen

Notes: (i) Ichiyoshi Securities Co., Ltd. (the "**Company**") declares dividends payable to shareholders of record as of September 30 (semiannual dividends) and March 31 (final dividends) of each fiscal year, but not to shareholders as of June 30 and December 31 of each fiscal year.

(ii) It is not the Company's practice to give a dividend (and earnings) forecast.

## 3. Outlook for Consolidated Business Result for Fiscal 2014 (from April 1, 2014 to March 31, 2015)

Since the forecast of earnings in financial-instruments trading, the main-line business of the Company 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 business quarter. Instead, the Company intends to release preliminary earnings figures after the end of each business quarter as and when such figures become available.

### \* Points to Note

(1) Changes in material subsidiaries (including a change in scope of consolidation): None.

(2) Application of an accounting treatment unique to the preparation of quarterly financial statements: None.

(3) Changes in accounting policies and accounting estimates and re-presentations of modifications:

(i) Changes in accounting policies resulting from revisions to accounting standards: Yes.

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

(iii) Changes in accounting estimates: None.

(iv) Re-presentations of modifications: None.

(For further details, please refer to “(3) Changes in accounting policies and estimates and re-presentation of modifications” in “**II. Matters Concerning Summary Information**” elsewhere hereinafter.)

(4) Number of issued shares (common stock):

(i) Number of issued shares as of December 31, 2014: 44,431,386 shares (including treasury shares)

Number of issued shares as of March 31, 2014: 44,431,386 shares (including treasury shares)

(ii) Number of treasury shares as of December 31, 2014: 522,716 shares.

Number of treasury shares as of March 31, 2014: 910,070 shares.

(iii) Average number of shares outstanding during the first three quarters of fiscal 2014: 43,646,429 shares.

Average number of shares outstanding during the first three quarters of fiscal 2013: 43,507,140 shares.

**Additional points to note:**

1. The quarterly earnings figures included herein are released without being reviewed by certified public accountants as required by the Financial Instruments and Exchange Law. Those figures are being reviewed by certified public accountants at the time of this release.
2. For the same reason that the Company does not provide earnings forecast prior to the end of each business quarter as stated in “**3. Outlook for Consolidated Business Result for Fiscal 2014 (From April 1, 2014 to March 31, 2015)**” on page 2, the Company does not provide a dividend forecast.

## **I. Qualitative Information for First Three quarters of Fiscal 2014**

### **1. Qualitative Information on Consolidated Business Result**

During the first three quarters of fiscal 2014, the Japanese economy floundered through a slow recovery stage with demand suffering in reaction to the last-minute demand increase before the hike in the consumption tax while the US economy continued its recovery pace and the Eurozone economy showed signs of stalling. Against such background, the FOMC of the US decided to end its QE policy at its meeting in October, but indicated its intention of maintaining a near-zero interest rate policy for a while, keeping US stock prices on an upward trend.

The Japanese stock market went through several negative factors, including a further strained situation in Ukraine, slimmer expectations for additional monetary easing by the Bank of Japan and a weakening of domestic business sentiment, pushing the Nikkei Stock Average on the Tokyo Stock Exchange (the “TSE”) down to 13,910yen, a year-low, on April 14, 2014. While US’s decision on limited air-raids in Iraq in August weighed on the market, stock prices recovered on expectations for stronger business earnings due to a weakening of the yen with the Nikkei Stock Average registering a high of 16,374yen on September 25. Thereafter, however, the Nikkei Stock Average slumped to 14,532yen on October 17, the lowest since the end of May, trailing stock-price declines in the US and Europe amid the spread of Ebola hemorrhagic fever infections. Game-changers for the stock market were the additional monetary easing announced by the Bank of Japan on October 31 and the review of investment portfolios by Japan Pension Investment Fund. Following the BoJ announcement, the yen weakened to 121.84yen per the US dollar on December 8, the weakest in 7 years and 4 months. Consequently, the Nikkei Stock Average climbed to 18,030yen, a year-high, on December 8 ahead of the general election for the House of Representatives, and ended the year at the slightly-lower level of 17,450yen amid lower oil prices and the political uncertainty in Greece.

With respect to the Japanese emerging-stock market, the Nikkei JADAQ Stock Average underwent correctional stages towards May. Once through the corrections, it came back on an upward trend. After recording 2,377yen, a year-high, on December 2, the Nikkei JASDAQ Average ended the year at 2,363yen. The TSE Mothers Index registered a year-low of 635 on May 19, and recovered thereafter, recording 909 at the end of the year.

The average daily turnover on the TSE (which includes the merged Osaka Securities Exchange) for the first three quarters of fiscal 2014 was 2,560 billion yen, down 13.7% from the comparable period of fiscal 2013, and that on the JASDAQ Stock Market was 93.6 billion yen, down 19.0%.

Against such background, the stock brokerage volume of the Company slid to 1,522 billion yen, down 15.2% from the year-earlier period. Among its activities, the Company exerted its company-wide efforts on the expansion of customers’ assets in custody to realize the Medium-Term Management Plan “Challenge 3.” Resultantly, customers’ assets in custody as of December 31, 2014 recorded 1,865.2 billion yen, up 13.0% from March 31, 2014 (the end of fiscal 2013).

With regard to investment trust funds, the Company attained favorable results in distribution of “LM Australia Monthly Distribution Fund,” “Pictet Emerging Nation Income Stock Fund” (monthly-paying fund), “HSBC Newleaders Sovereign Open” (monthly-paying fund) in particular.

In December, Ichiyoshi Asset Management Co., Ltd. launched, and started the management of , its own publicly-offered investment trust fund “Ichiyoshi Infrastructure-Related Growth Stock Fund,” wholly research-assisted, distributed and managed by the Company and its group companies.

Resultantly, net operating revenue for the first three quarters of fiscal 2014 registered 14,973 million yen, down 23.3% from the comparable period of the previous fiscal year, and operating cost and expenses recorded 12,474 million yen, up 1.7%. Hence, operating income amounted to 2,498 million yen.

Set forth below are revenue sources, cost and expenses, and financial condition.

## **1. Commissions**

Total commissions for the first three quarters of fiscal 2014 amounted to 13,660 million yen, down 24.9% from the year-earlier period.

### **( ) Brokerage commissions**

Total volume of brokerage commissions 4,831 million yen, down 36.6% from the year-earlier period. Brokerage commissions on small- and medium-cap stocks (stocks listed on the Second Sections of the Tokyo Stock Exchange, TSE Mothers and JASDAQ) registered 1,255 million yen, accounting for 26.2% of total brokerage commissions on stocks, up from 23.7% for the year-earlier period.

### **( ) Commissions from underwriting and solicitation to specified investors**

In the primary market, the Company managed 29 initial public offerings (“IPOs”) (of which the Company lead-managed 1), as compared to 25 IPOs (of which the Company lead-managed 2) in the year-earlier period. In the secondary market, the Company participated in 7 deals on a management and underwriting basis (of which the Company lead-managed 1), as compared to 10 deal participations (of which the Company lead-managed 2) in the year-earlier period. As a result, commissions from underwriting and solicitation to specified investors amounted to 429 million yen, down 39.1%.

The cumulative number of companies whose offerings were lead- or co-managed by the Company stood at 935 (of which 34 were lead-managed) as of December 31, 2014.

### **( ) Commissions from distribution and solicitation to specified investors**

As commissions from distribution of investment trust funds amounted to 4,008 million yen, down 33.6%, commissions from distribution and solicitation to specified investors recorded 4,103 million yen, down 32.2%.

### **( ) Commissions from other sources**

As the outstanding balance of investment trust funds at the end of the period under review increased 15.7% to 879.5 billion yen, the trailer fees grew 10.0% to 3,564 million yen. With the addition of investment advisory fees from Ichiyoshi Asset Management Co., Ltd., fees

from research-unbundling, commissions from sales of insurance policies and fees from IPO-assistances, total commissions from other sources amounted to 4,170 million yen, up 13.3%.

## **2. Gains or loss on trading**

Trading in stocks, etc. recorded net gains of 74 million yen, down 52.6% from the year-earlier period. Trading in bonds and foreign exchange, etc. registered net gains of 114 million yen, up 1.2%. As a result, total net gains on trading amounted to 188 million yen, down 30.0%.

## **3. Interest and dividend income**

Interest and dividend income grew 5.1% to 195 million yen due to an increase in advances for margin transactions. Interest expenses climbed 16.2% to 44 million yen. As a result, net interest and dividend income recorded 150 million yen, up 2.3%.

Resultantly, net operating revenue for the first three quarters of fiscal 2014 registered 14,973 million yen, down 23.3%.

## **4. Operating cost and expenses**

While personnel-related expenses declined, property-related expenditure and clerical expenses increased. As a result, operating cost and expenses amounted to 12,474 million yen, up 1.7%.

Resultantly, operating income for the first three quarters of fiscal 2014 recorded 2,498 million yen, down 65.6%.

## **5. Non-operating income and expenses**

The Company recorded non-operating income of 111 million yen, chiefly consisting of dividends on investment securities and investment gains on investment partnerships, and non-operating loss of 14 million yen, mainly on investment partnerships. As a result, net operating income registered 96 million yen, up 18.2%.

Resultantly, current income for the first three quarters of fiscal 2014 registered 2,594 million yen, down 64.7%.

## **6. Extraordinary income and loss**

The Company registered extraordinary income of 1,532 million yen, up 47.9%, mostly in the form of gains on sales of investment securities and gain on negative goodwill, and extraordinary loss of 49 million yen, up 46.6%, chiefly in the form of transfer to reserve for financial instruments transaction liabilities and loss on retirement of fixed assets. Hence, net extraordinary income amounted to 1,483 million yen, up 47.9%.

As a result of these activities, income before taxes and tax adjustments for the first three quarters of fiscal 2014 amounted to 4,077 million yen, down 51.1%, and net income (after deduction of corporate income taxes, resident's taxes and enterprise taxes in the aggregate amount of 1,159 million yen, after deduction of corporate tax adjustments in the amount of 327 million yen and after deduction of minority interests of 6 million yen) recorded 2,584 million yen, down 61.6% from the year-earlier period.

## **2. Qualitative Information on Consolidated Financial Condition**

### Conditions of Assets, Liabilities and Net Worth

#### **(a) Current assets**

Current assets amounted to 44,983 million yen as of December 31, 2014, a rise of 4,923 million yen (up 12.3%) from March 31, 2014, as subscription payments for investment trust funds decreased by 2,920 million yen while cash and deposits increased by 6,684 million yen and margin transaction assets grew by 1,493 million yen.

#### **(b) Fixed assets**

Fixed assets stood at 7,067 million yen as of December 31, 2014, a decline of 1,595 million yen (down 18.4%) from March 31, 2014, mostly as the Company sold investment securities in the amount of 1,520 million yen.

As a result, total assets registered 52,050 million yen as of December 31, 2014, a rise of 3,327 million yen (up 6.8%) from March 31, 2014.

#### **(c) Current liabilities**

Current liabilities stood at 18,697 million yen as of December 31, 2014, a rise of 3,664 million yen (up 24.4%) from March 31, 2014. The rise resulted from a growth of 7,866 million yen in cash payable to customers, a reduction of 2,209 million yen in income taxes payable, a decline of 900 million yen in margin transaction liabilities and a decrease of 559 million yen in borrowings against securities as collateral.

#### **(d) Long-term liabilities**

Long-term liabilities recorded 745 million yen as of December 31, 2014, a decrease of 538 million yen (down 41.9%) from March 31, 2014. The decrease chiefly resulted from a drop of 447 million yen in deferred tax liabilities and a decrease of 69 million yen in net defined benefit liability.

#### **(e) Statutory reserves**

Statutory reserves registered 174 million yen as of December 31, 2014, an increase of 31 million yen (up 22.4%) from March 31, 2014.

#### **(f) Net worth**

Net worth amounted to 32,432 million yen as of December 31, 2014, an addition of 169 million yen (up 0.5%) from March 31, 2014. The addition resulted as the Company recorded net income

of 2,584 million yen for the first three quarters while the Company paid dividends in the amount of 2,094 million yen and recorded a reduction of 805 million yen in valuation difference on available-for-sale securities in connection with the sales of investment securities and an increase of 306 million yen in value resulting from allotment of treasury shares in the exchange- of- stocks transaction.

As a result, equity ratio as of December 31, 2014 registered 62.0%, and capital adequacy ratio as of the same date, as defined by the securities regulator, registered 592.0%.

### **3. Qualitative Information relating to Consolidated Business Forecast**

Since the forecast of earnings in financial-instruments trading, the main-line business of the Company 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 business quarter. Instead, the Company intends to release preliminary earnings figures around the middle of the month following the end of the applicable quarter.

## **II. Other Summary Information (Points to Note)**

- (1) Changes in material subsidiaries for the first three quarters of fiscal 2014: None.
- (2) Application of an accounting treatment unique to the preparation of quarterly financial statements: None.
- (3) Changes in accounting policies and accounting estimates and re-presentation of modifications:

The Company started to apply “Accounting Standard for Retirement Benefit” (Corporate Accounting Standard No. 26, dated May 17, 2012, hereinafter called as “ASRB”) as it refers to its Item 35 and “Application Guidelines for Accounting Standard for Retirement Benefit” (Application Guideline No. 25 for Corporate Accounting Standard for Retirement Benefit, dated May 17, 2012) as it refers to its Item 67, effective from the first quarter of fiscal 2014.

Accordingly, the Company revised calculation methods for retirement benefit liability and service cost. As a result of such revision, the Company changed the period attribution for retirement benefit estimated value from straight-line attribution to benefit formula method and changed the determination method for discount rate from the one based on average remaining service period to the single weighted average rate of discount based on estimated benefit periods and amount of benefits applicable to each estimated benefit payment period.

Following transitional treatment stipulated in Item 37 of ASRB, the Company added to



retained earnings the amount of financial impact arising from changes in calculation methods for retirement benefit liability and service cost at the beginning of the first three quarters.

Resultantly, net defined benefit liability at the beginning of the first three quarters decreased by 36 million yen, and retained earnings at the beginning of the first three quarters increased by 23 million yen. The effect of the above-mentioned changes on current income and income before tax and tax adjustments for the first three quarters was immaterial.

# . Quarterly Consolidated Financial Statements

## (1) Quarterly Consolidated Balance Sheets

(in millions of yen)

	As of December 31 2014	As of March 31 2014
Current assets		
Cash and bank deposits	20,533	13,849
Segregated cash and statutory deposits	5,336	4,569
Trading assets	314	999
Securities	314	999
Derivatives	0	—
Contracted trades	20	—
Margin transaction assets	16,341	14,847
Advances for margin purchases	16,159	14,824
Cash deposits as collateral for securities borrowed	181	23
Advance payments for customers on trades	15	3
Advance payments for subscription	1,066	3,986
Short-term loans	31	9
Accrued income	979	1,110
Deferred tax assets	264	616
Other current assets	87	74
Allowances for doubtful accounts	-8	-7
Total Current assets	44,983	40,060
Fixed assets		
Tangible fixed assets	4,145	4,129
Buildings	1,351	1,370
Fixtures and equipment	753	760
Land	2,030	1,986
Lease assets, net	9	12
Intangible fixed assets	489	536
Goodwill	58	88
Computer software	429	446
Telephone subscription rights, etc.	1	1
Investments, etc.	2,432	3,997
Investment securities	1,452	2,973
Long-term loans	43	54
Cash deposits as guarantee for long-term credits	927	958
Deferred tax assets	2	5
Other investments	15	16
Allowances for doubtful accounts	-9	-10
Total Fixed assets	7,067	8,662
Total assets	52,050	48,723

	As of December 31	As of March 31
	2014	2014
Current liabilities		
Trading liabilities	-	1
Derivatives	-	1
Contracted trades	-	26
Margin transaction liabilities	1,326	2,227
Borrowings for margin transactions	867	2,095
Cash received for loaned securities	459	132
Borrowings against securities as collateral	-	559
Borrowings on Gensaki transaction	-	559
Cash payable to customers	14,318	6,452
Deposits from customers (for committed trades)	1,474	1,404
Short-term borrowings	210	210
Lease obligations	3	4
Income taxes payable	62	2,271
Accrued bonuses to employees	297	677
Other current liabilities	1,004	1,197
Total Current liabilities	18,697	15,033
Long-term liabilities		
Long-term borrowings	351	380
Lease obligations	6	8
Deferred tax liabilities	77	525
Revaluation-related deferred tax liabilities	35	35
Net defined benefit liability	235	305
Other long-term liabilities	39	28
Total Long-term liabilities	745	1,283
Statutory reserves		
Reserve for financial instruments transaction liabilities	174	142
Total Statutory reserves	174	142
Total liabilities	19,617	16,459
Net worth		
Shareholders' equity		
Common stock	14,577	14,577
Capital surplus	8,759	8,701
Retained earnings	11,021	10,507
Treasury stock	-414	-721
Total Shareholders' equity	33,943	33,064
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	129	935
Land revaluation difference	-1,854	-1,854
Remeasurements of defined benefit plans	37	12
Total accumulated other comprehensive income	-1,688	-907
Subscription rights to shares	131	67
Minority interests	45	39
Total net worth	32,432	32,263
Total of liabilities and net worth	52,050	48,723

## (2) Quarterly Consolidated Income Statements and Quarterly Consolidated Comprehensive Income Statements

### Quarterly Consolidated Income Statements

(in millions of yen)

	Nine months ended	
	December 31, 2014	December 31, 2013
Operating revenue		
Commissions	13,660	18,180
Gains or loss on trading	188	269
Interest and dividend income	195	185
Other operating income	972	927
Total Operating revenue	15,017	19,563
Interest expenses	44	38
Net operating revenue	14,973	19,524
Operating cost and expenses		
Transaction-related expenses	1,224	1,246
Personnel expenses	6,820	6,985
Property-related expenses	1,371	1,124
Clerical expenses	2,123	2,015
Depreciation	325	264
Public charges	137	157
Transfer to allowances for doubtful accounts	0	0
Others	469	470
Total Operating cost and expenses	12,474	12,265
Operating income	2,498	7,258
Non-operating income		
Dividends from investment securities	41	44
Gain on investments in partnership	37	25
Others	31	20
Total Non-operating income	111	89
Non-operating expenses		
Loss on investments in partnership	14	7
Others	0	0
Total Non-operating expenses	14	8
Current income	2,594	7,340
Extraordinary income		
Gains on sales of investment securities	1,323	1,036
Gain on bargain purchase	208	-
Gains on sales of fixed assets	0	-
Total Extraordinary income	1,532	1,036
Extraordinary expenses		
Transfer to reserve for securities transaction liabilities	30	27
Loss on write-off of fixed assets	11	6
Impairment loss	7	-
Valuation loss on investment securities	0	-
Total Extraordinary expenses	49	33
Income before income taxes	4,077	8,342
Income, inhabitant and enterprise taxes	1,159	1,594
Income taxes adjustments	327	15
Total Income Taxes	1,486	1,609
Income before minority interests	2,591	6,733
Minority interests	6	0
Net income	2,584	6,732

## Quarterly Consolidated Comprehensive Income Statements

(in millions of yen)

	Nine months ended	
	December 31, 2014	December 31, 2013
Income before minority interests	2,591	6,733
Other Comprehensive income		
Valuation difference on available-for-sale securities	-805	-58
Remeasurements of defined benefit plans, net of tax	24	-
Total Other comprehensive income	-780	-58
Comprehensive income	1,810	6,675
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	1,803	6,674
Comprehensive income attributable to minority interests	6	0

### (3) Notes Concerning Premises for Continuing Business Enterprise

None for the first three quarters of fiscal 2014.

### (4) Notes in the Event of Material Changes in Shareholders' Capital

None for the first three quarters of fiscal 2014

## IV. Supplementary Information

### Breakdown of Consolidated Business Result for First Three Quarters of Fiscal 2014

#### 1. Commissions

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

	--- Three quarters ended---		(A) over (B)	Fiscal 2013 ended
	Dec. 31, 2014	Dec. 31, 2013		March 31, 2014
	(A)	(B)	%	
<hr/>				
Brokerage commissions	4,957	7,740	-36.0	9,407
(Stocks)	(4,831)	(7,620)	( -36.6)	(9,249)
(Bonds)	( )	( 1)	( )	( 1)
Commissions from				
underwriting & solicitation				
to specified investors	429	705	-39.1	1,108
(Stocks)	( 429)	( 705)	( -39.1)	(1,108)
(Bonds)	( )	( )	( )	( )
Commissions from				
distribution & solicitation				
to specified investors	4,103	6,052	-32.2	7,879
(Beneficiary certificates)	(4,008)	(6,038)	( -33.6)	(7,841)
Commissions from				
Other sources	4,170	3,682	13.3	4,954
(Beneficiary certificates)	(3,564)	(3,240)	( 10.0)	(4,336)
<hr/>				
Total	13,660	18,180	-24.9	23,349
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(2) Commissions by instruments: (in millions of yen)

	---Three quarters ended---		(A) over (B)	Fiscal 2013 ended
	Dec. 31, 2014	Dec. 31, 2013		March 31, 2014
	(A)	(B)	(%)	
Stocks	5,288	8,357	-36.7	10,400
Bonds	94	16	484.6	39
Beneficiary certificates	7,698	9,396	-18.1	12,333
Others	579	409	41.5	576
Total	13,660	18,180	-24.9	23,349

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

	---Three quarters ended---		(A) over (B)	Fiscal 2013 ended
	Dec. 31, 2014	Dec. 31, 2013		March 31, 2014
	(A)	(B)	(%)	
Stocks, etc.	74	156	-52.6	200
Bonds, foreign exchange, etc.	114	113	1.2	145
(Bonds, etc.)	( 75)	( 87)	( -13.4)	( 115)
(Foreign exchange, etc.)	( 39)	( 26)	( 49.6)	( 29)
Total	188	269	-30.0	345

### 3 . Quarterly Consolidated Income Statements for Recent Seven Quarters

(in millions of yen)

	1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q
	(4-6/'13)	(7-9/'13)	(10-12/'13)	(1-3/'14)	(4-6/'14)	(7-9/'14)	(10-12/'14)
Operating revenue	7,655	5,566	6,341	5,678	5,082	4,763	5,171
Commissions	7,156	5,149	5,874	5,169	4,657	4,324	4,678
Gains or loss on trading	112	57	100	75	37	61	89
Interest and dividend income	58	64	62	63	57	69	68
Other operating revenue	328	295	303	370	329	307	335
Interest expenses	14	11	12	11	8	23	11
Net operating revenue	7,640	5,555	6,328	5,666	5,073	4,739	5,160
Operating cost and expenses	4,183	3,967	4,114	4,099	4,115	4,075	4,283
Transaction-related expenses	401	375	470	425	432	381	411
Personnel expenses	2,393	2,294	2,297	2,226	2,209	2,229	2,381
Property-related expenses	379	372	372	378	441	476	453
Clerical expenses	686	644	684	749	714	683	725
Depreciation	83	88	92	103	102	110	113
Public charges	59	47	50	45	42	48	47
Reversal of allowances for doubtful accounts	1	-0	-1	0	0	0	-0
Others	178	144	148	169	172	147	150
Operating income	3,456	1,588	2,214	1,567	958	663	877
Non-operating income	30	28	30	104	34	47	28
Non-operating expenses	0	7	0	35	0	14	0
Current income	3,487	1,609	2,243	1,637	992	696	905
Extraordinary income	1,031	—	5	52	468	690	373
Extraordinary expenses	0	0	33	9	9	27	12
Income before income taxes	4,518	1,609	2,215	1,680	1,451	1,359	1,267
Income, inhabitant and enterprise taxes	359	511	723	764	206	613	339
Income taxes adjustments	7	-5	13	-622	336	-176	167
Income before minority interests	4,151	1,103	1,478	1,538	908	922	760
Minority interests in income or loss	-0	0	0	2	1	2	2
Net income	4,151	1,103	1,477	1,535	907	919	757

( END )