

# **EARNINGS REPORT FOR FIRST QUARTER OF FISCAL 2015**

**(April 1 to June 30, 2015)**

(consolidated on the basis of Japanese accounting standards)

Released on July 30, 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 Quarter Report: August 13, 2015 (scheduled)

Preparation of supplementary documents for quarterly earnings: None.

Quarterly earnings-reporting meeting: None.

## **1. Outline of Consolidated Business Result for First Quarter of Fiscal 2015 (from April 1 to June 30, 2015)**

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

--- First quarter ended ---

	June 30, 2015	June 30, 2014
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	(% year-to-year change in brackets)	
Operating revenue	5,811 (+ 14.3)	5,082 (- 33.6)
Net operating revenue	5,428 (+ 13.9)	4,764 ( -- )
Operating income	1,160 (+ 21.1)	958 (- 72.3)
Current income	1,208 (+ 21.8)	992 (- 71.5)
Net income attributable to		
shareholders of parent company	817 (- 9.9)	907 (- 78.2)
Earnings per share	18.54yen	20.84yen
Diluted earnings per share (adjusted		
for shares potentially issuable)	18.58yen	20.68yen
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Note:(1)Comprehensive income for the first quarter of fiscal 2015: 843 million yen.( + 35.8%)

(2)Comprehensive income for the first quarter of fiscal 2014: 621 million yen.( - 83.4 % )

(3)Presentation method for net operating revenue was changed effective from the first quarter of fiscal 2015, and the corresponding figures for the first quarter of fiscal 2014 were accordingly adjusted for comparative purposes. Thus, no percentage change was provided for net operating revenue for the first quarter of fiscal 2014 over the year-earlier comparable figures.

## (2) Consolidated financial condition

	As of June 30 2015	As of March 31 2015
Total assets (in millions of yen)	53,677	48,242
Net worth (in millions of yen)	33,713	33,690
Equity ratio	62.4%	69.4%

Note: Shareholders' equity as of June 30, 2015: 33,508 million yen.

Shareholders' equity as of March 31, 2015: 33,498 million yen.

## 2. Dividend

	--- Fiscal year ended ---	
	March 31, 2016	March 31, 2015
Per-share dividend: (See notes below)		
1 <sup>st</sup> quarter	---	---
2 <sup>nd</sup> quarter	---	21.00yen
3 <sup>rd</sup> quarter	---	---
Final	---	19.00yen
Annual total	---	40.00yen

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 Ichiyoshi's practice to give an earnings or dividend forecast well before a business term ends.

## 3. Outlook for Consolidated Business Result for Fiscal 2015 (from April 1, 2015 to March 31, 2016)

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 quarter. Instead, the Company intends to release preliminary earnings figures after the end of each 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 estimates and re-presentation of revisions:
  - (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-presentation of revisions: None.

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

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

(i) Number of shares issued as of June 30, 2015: 44,431,386 shares (including treasury shares)

Number of shares issued as of March 31, 2015: 44,431,386 shares (including treasury shares)

(ii) Number of treasury shares as of June 30, 2015: 342,116 shares.

Number of treasury shares as of March 31, 2015: 354,716 shares.

(iii) Average number of shares outstanding during the first quarter of fiscal 2015:

44,080,899 shares.

Average number of shares outstanding during the first quarter of fiscal 2014:

43,523,247 shares.

**Additional points to note:**

1. Quarterly earnings figures included in this report are released without being reviewed by certified public accountants as required by the Financial Instruments and Exchange Law. Those figures are being so reviewed at the time of this release.
2. For the same reason that the Company does not provide an earnings forecast prior to the end of each quarter as stated in “**3. Outlook for Consolidated Business Result for Fiscal 2015 (from April 1, 2015 to March 31, 2016)**” on page 2, the Company does not provide a dividend forecast.

## **I. Qualitative Information on Business Result for First Quarter of Fiscal 2015**

### **(1) Information on Business Result**

During the first quarter of fiscal 2015, U.S. and European economies showed signs of improvement while the U.S. Fed groped for the timing of rate hike and the Eurozone struggled for the financial assistance to Greece. Amid such conditions, stock markets in the U.S. and Europe generally moved in a weak tone.

In the meantime, the Japanese stock market started off briskly with the Nikkei Stock Average on the Tokyo Stock Exchange (the “TSE”) exceeding 20,000yen one time in April for the first time in almost 15 years amid the sustained easy-money policy of the Bank of Japan, expectations for business earnings improvements and mounting plans for corporate value improvement among corporations and continuous flows of foreign capital. The Nikkei Stock Average, however, fell to 19,257yen on May 7 amid rises in European interest rates and some concerns on the resiliency of the U.S. economic recovery, but, thereafter, bounced back on improvements of U.S. economic indexes. Further assisted by expectations for a progress in negotiations for financial assistance to Greece, the Nikkei Stock Average registered 20,868yen on June 24, passing a high of 20,833yen recorded in April, 2000, in the midst of the IT bubble. The Nikkei Stock Average, however, ended the first-quarter period at 20,235yen as the financial assistance negotiations between the creditors (IMF, ECB and EU) and Greece went unconcluded.

On the foreign currency market, the yen registered a 125yen per 1 U.S. dollar-level on June 5

as Ms. Janet Louise Yellen, Chairman of the U.S. Fed, hinted at the possibility of raising interest rates by the end of the year, but ended the first-quarter period at a 122yen-level.

The Japanese emerging-stock markets moved briskly on the back of good demand-supply relationship, with both the Nikkei JASDAQ Stock Average and the TSE Mothers Index recording a year-high on June 24. The Nikkei JASDAQ Stock Average ended the period at 2,718yen and the TSE Mothers Index finished the period at 987.

The average daily turnover on the TSE for the first quarter of fiscal 2015 was 3,149.4 billion yen, up 36.3% from the comparable period of fiscal 2014, and that on the JASDAQ Stock Market was 88.6 billion yen, down 14.5%.

In such circumstances, the Company continued its efforts to achieve the numerical targets in its Medium-Term Management Plan “Challenge 3,” including heightened efforts to cultivate new customers and the launching on June 15 of “Dream Collection,” a new type of fund wrap account to enable investment selection matching customers’ investment purposes and policies. The Company will continue to focus on measures to increase customers’ assets under custody.

Under such conditions, the stock brokerage volume of the Company for the first quarter of fiscal 2015 rose 38.4% to 633.3 billion yen. The amount of customers’ assets under custody as of June 30, 2015, amounted to 1,951.3 billion yen, up 1.8% from March 31, 2015.

With regard to investment trust funds, the Company chose and designated 11 funds as stable investment assets (base assets) placed in the center of the Company’s distribution activities. The Company’s activities continued equity-biased in line with the market climate. The Company attained favorable results in distribution of monthly-paying funds, such as “UBS Global CB Open”, “Ichiyoshi Infrastructure-Related Growth Stock Fund,” and “LM Australia Monthly Distribution Fund” in particular.

As a result of these activities, net operating revenue for the first quarter of fiscal 2015 amounted to 5,428 million, up 13.9% from the first quarter of fiscal 2014. Operating cost and expenses amounted to 4,267 million yen, up 12.1%. Hence, current income registered 1,160 million yen, up 21.1% from the first quarter of fiscal 2014.

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

#### **i. Commissions**

Total commissions for the first quarter of fiscal 2015 amounted to 5,276 million yen, up 13.3 % from the year-earlier period.

##### **(a) Brokerage commissions**

Total brokerage commissions on stocks rose 61.5% to 2,157 million yen. Brokerage commissions on small- and medium-sized stocks (stocks listed on Second Sections of the TSE, TSE Mothers and JASDAQ) registered 411 million yen and accounted for 19.1% of total brokerage commissions on stocks, down from 30.5% for the comparable period of fiscal 2014.

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

In the primary market, the Company participated in 11 initial public offerings on a management and underwriting basis as against 7 participations in the year-earlier period (of which one was lead-managed by the Company). Additionally, the Company acted as the sole advisor for an already listed issuer to upgrade its listing exchange, and lead managed and underwrote a public offering of shares of other listed issuer.

As a result, commissions from underwriting and solicitation to specified investors

amounted to 43 million yen, down 84.1% from the comparable period of fiscal 2014.

The cumulative number of companies whose offerings were lead- or co-managed by the Company stood at 951 (of which 35 were lead-managed) as of June 30, 2015.

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

As commissions from distribution of investment trust funds recorded 1,354 million yen, down 18.8% from the year-earlier period, total commissions from distribution and solicitation to specified investors registered 1,373 million yen, down 19.2%.

**(d) Commissions from other sources**

As the outstanding balance of investment trust funds as at the end of the period (June 30, 2015) grew to 893.1 billion yen, up 1.6% from March 31, 2015, the trailer fees rose to 1,411 million yen, up 24.3% from the year-earlier period. With the addition of investment advisory fees from Ichiyoshi Asset Management Co., Ltd., fees from research unbundling, commissions from insurance policy sales and IPO assistance fees, total commissions from other sources amounted to 1,605 million yen, up 22.2%.

**ii. Gains or loss on trading**

Trading in stocks, etc. recorded net gains of 33 million yen, up 181.0% from the year-earlier period. Trading in bonds and foreign exchange, etc. registered net gains of 25 million yen, down 0.9%. As a result, total net gains on trading amounted to 58 million yen, up 55.7%.

**iii. Interest and dividend income**

Interest and dividend income rose to 79 million yen, up 37.3%, chiefly due to an increase in advances in margin purchases. Interest expenses rose 126.7% to 20 million yen. As a result, net interest and dividend income recorded 58 million yen, up 20.7%.

Resultantly, net operating revenue for the first quarter of fiscal 2015 stood at 5,428 million yen, up 13.9% from the year-earlier period.

**iv. Operating cost and expenses**

As personnel-related expenses grew in conjunction with the expansion of brokerage turnover, operating cost and expenses rose 12.1% to 4,267 million yen.

**v. Non-operating income and expenses**

The Company recorded non-operating income of 48 million yen mostly in the form of dividends on investment securities and investment gains on investment partnerships. Thus, Non-operating income amounted to 47 million yen, up 39.6% from the year-earlier period.

Resultantly, current income for the first quarter of fiscal 2015 amounted to 1,208 million yen, up 21.8% from the year-earlier period.

**vi. Extraordinary income and loss**

The Company registered extraordinary income of 49 million yen mainly in the form of gains on sales of investment securities, down 89.2% from the year-earlier period.

Resultantly, income before taxes and tax adjustments for the first quarter of fiscal 2015 registered 1,257 million yen, down 13.3% from the year-earlier period, and net income attributable to shareholders of parent company (after deduction of corporate income taxes, resident's taxes and enterprise taxes in the aggregate amount of 309 million yen and after deduction of corporate adjustments in the amount of 128 million yen) recorded 817 million yen,

down 9.9% from the year-earlier period.

## **(2) Information on Financial Condition**

### **Condition of Assets, Liabilities and Net Worth**

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

Current assets amounted to 46,091 million yen as of June 30, 2015, a rise of 5,478 million yen (up 13.5%) from March 31, 2015, as cash and deposits swelled by 2,588 million yen and margin transaction assets rose by 1,476 million yen.

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

Fixed assets stood at 7,586 million yen as of June 30, 2015, a decline of 42 million yen (down 0.6%) from March 31, 2015, mainly as the Company sold investment securities in the amount of 30 million yen.

As a result, total assets registered 53,677 million yen as of June 30, 2015, a rise of 5,435 million yen (up 11.3%) from March 31, 2015.

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

Current liabilities stood at 19,228 million yen as of June 30, 2015, a rise of 5,422 million yen (up 39.3%) from March 31, 2015. The rise resulted as cash payable to customers and margin transaction liabilities grew by 4,827 million yen and 913 million yen, respectively, while income taxes payable and accrued bonuses to employees decreased by 226 million yen and 250 million yen, respectively.

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

Long-term liabilities recorded 551 million yen as of June 30, 2015, a decline of 10 million yen (down 1.8%) from March 31, 2015. The decline resulted mainly from a decrease of 9 million yen in long-term borrowings.

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

Statutory reserves registered 184 million yen as of June 30, 2015.

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

Net worth amounted to 33,713 million yen as of June 30, 2015, an increase of 22 million yen (up 0.1%) from March 31, 2015. The increase resulted from recording of net income (attributable to shareholders of parent company) of 817 million yen for the first quarter while the Company paid dividends in the amount of 837 million yen.

## **(3) Information on Outlook of Consolidated Business Result**

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 quarter. Instead, the Company intends to release preliminary earnings figures around the middle of the month immediately following the end of each quarter.

## **II. Matters Concerning Summary Information (Points to Note)**

(1) Changes in material subsidiaries: None.

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

(3) Changes in accounting policies and estimates and re-presentation of modifications.

(Changes in accounting policies)

The Company started to apply “Accounting Standard Relating to Corporate Combinations” (Corporate Accounting Standard No. 21 dated Sep. 13, 2013), “Accounting Standard Relating to Consolidated Financial Statements” (Corporate Accounting Standard No. 22 dated Sep. 13, 2013) and “Accounting Standard Relating to Business Separations” (Corporate Accounting Standard No. 7 dated Sep. 13, 2013) effective from the first quarter of fiscal 2015. Hence, differences arising from changes in the Company’s ownership in continuously-owned subsidiaries are recognized as capital surplus. Additionally, quarterly net income is re-presented, and minority interests are changed to noncontrolling interests.

These changes are also reflected on the financial statements for the first quarter of fiscal 2014 and the financial statements for fiscal 2014.

These changes had immaterial effects on income before income taxes and tax adjustments and capital surplus for the first quarter of fiscal 2015.

(Changes in presentation method)

With respect to cost of sales of office supplies by a consolidated subsidiary, the Company previously itemized the cost as “clerical expenses” or “others” under “operating cost and expenses”, but effective from the first quarter of fiscal 2015 started to itemize it under “other operating expenses.”

These changes were made to make clearer the relationship between the cost of sales of office supplies and their contribution to operating income as sales of office supplies expanded. The changes will present the contribution of sales of office supplies more properly.

The changes are also reflected on the financial statements for the first quarter of fiscal 2014 and the financial statements for fiscal 2014. Hence, 296 million yen included among “clerical expenses” under “operating cost and expenses” and 13 million yen included among “others” under “operating cost and expenses” in the quarterly consolidated income statement for the first quarter of fiscal 2014 were re-presented under “other operating expenses.” As a result of these re-presentation, net operating revenue decreased by 309 million yen, but there were no effect on operating income, current income and income before taxes and tax adjustments.

# . Quarterly Consolidated Financial Statements

## (1) Quarterly Consolidated Balance Sheets

(in millions of yen)

	As of June 30 2015	As of March 31 2015
<b>Assets</b>		
Current assets		
Cash and bank deposits	17,197	14,609
Segregated cash and statutory deposits	4,729	4,319
Trading assets	422	382
Securities	422	382
Derivatives	0	—
Contracted trades	—	4
Margin transaction assets	18,030	16,553
Advances for margin purchases	17,629	16,191
Cash deposits as collateral for securities borrowed	400	362
Advance payments for customers on trades	15	14
Advance payments for subscription	4,093	2,881
Short-term loans receivable	24	11
Accrued income	1,126	1,336
Deferred tax assets	268	393
Other current assets	188	112
Allowances for doubtful accounts	-4	-4
<b>Total Current assets</b>	<b>46,091</b>	<b>40,613</b>
Fixed assets		
Tangible fixed assets	4,083	4,138
Buildings	1,316	1,346
Fixtures and equipment	728	752
Land	2,030	2,030
Lease assets, net	7	8
Intangible fixed assets	584	557
Goodwill	39	48
Computer software	543	507
Telephone subscription rights, etc.	1	1
Investments, etc.	2,918	2,933
Investment securities	1,735	1,765
Long-term loans	34	35
Cash deposits as guarantee for long-term credits	915	918
Net defined benefit asset	219	205
Deferred tax assets	2	2
Other investments	20	14
Allowances for doubtful accounts	-9	-9
<b>Total Fixed assets</b>	<b>7,586</b>	<b>7,628</b>
<b>Total assets</b>	<b>53,677</b>	<b>48,242</b>



	As of June 30	As of March 31
	2015	2015
<b>Liabilities</b>		
Current liabilities		
Trading liabilities	-	0
Derivatives	-	0
Contracted trades	1	-
Margin transaction liabilities	4,276	3,363
Borrowings for margin transactions	3,451	2,621
Cash received for loaned securities	825	741
Cash payable to customers	11,515	6,687
Deposits from customers (for committed trades)	1,333	1,286
Short-term borrowings	210	210
Lease obligations	3	3
Income taxes payable	348	574
Accrued bonuses to employees	402	652
Other current liabilities	1,137	1,026
<b>Total Current liabilities</b>	<b>19,228</b>	<b>13,805</b>
Long-term liabilities		
Long-term borrowings	331	341
Lease obligations	4	5
Deferred tax liabilities	149	145
Revaluation-related deferred tax liabilities	31	31
Other long-term liabilities	33	36
<b>Total Long-term liabilities</b>	<b>551</b>	<b>561</b>
Statutory reserves		
Reserve for financial instruments transaction liabilities	184	184
<b>Total Statutory reserves</b>	<b>184</b>	<b>184</b>
<b>Total liabilities</b>	<b>19,964</b>	<b>14,551</b>
<b>Net worth</b>		
Shareholders' equity		
Capital stock	14,577	14,577
Capital surplus	8,706	8,710
Retained earnings	11,805	11,825
Treasury stock	-271	-281
<b>Total Shareholders' equity</b>	<b>34,819</b>	<b>34,832</b>
Accumulated other comprehensive income		
Other securities valuation difference	201	176
Land revaluation difference	-1,851	-1,851
Remeasurements of defined benefit plans	339	340
<b>Total Accumulated other comprehensive income</b>	<b>-1,310</b>	<b>-1,333</b>
Subscription rights to shares	164	141
Non-controlling interests	40	50
<b>Total net worth</b>	<b>33,713</b>	<b>33,690</b>
<b>Total of liabilities and net worth</b>	<b>53,677</b>	<b>48,242</b>

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

### Quarterly Consolidated Income Statements

(in millions of yen)

	Three months ended	
	June 30, 2015	June 30, 2014
Operating revenue		
Commissions	5,276	4,657
Gains or loss on trading	58	37
Interest and dividend income	79	57
Other operating income	396	329
Total Operating revenue	5,811	5,082
Interest expenses	20	8
Other operating expenses	362	309
Net operating revenue	5,428	4,764
Operating cost and expenses		
Transaction-related expenses	416	432
Personnel expenses	2,506	2,209
Property-related expenses	469	441
Clerical expenses	542	418
Depreciation	101	102
Public charges	58	42
Transfer to allowances for doubtful accounts	0	0
Others	173	158
Total Operating cost and expenses	4,267	3,806
Operating income	1,160	958
Non-operating income		
Dividends from investment securities	16	29
Gain on investments in partnership	24	-
Others	6	5
Total Non-operating income	48	34
Non-operating expenses		
Others	0	0
Total Non-operating expenses	0	0
Current income	1,208	992
Extraordinary income		
Gains on sales of investment securities	49	468
Reversal of reserve for financial instruments transaction liabilities	0	-
Total Extraordinary income	49	468
Extraordinary expenses		
Transfer to reserve for securities transaction liabilities	-	9
Loss on write-off of fixed assets	-	0
Valuation loss on investment securities	-	0
Total Extraordinary expenses	-	9
Income before income taxes	1,257	1,451
Income, inhabitant and enterprise taxes	309	206
Income taxes adjustments	128	336
Total Income Taxes	437	542
Profit	820	908
Profit attributable to non-controlling interests	2	1
Profit attributable to owners of parent	817	907

## Quarterly Consolidated Comprehensive Income Statements

(in millions of yen)

	Three months ended	
	June 30, 2015	June 30, 2014
Profit	820	908
Other Comprehensive income		
Valuation difference on available-for-sale securities	24	-295
Land revaluation difference	0	-
Remeasurements of defined benefit plans, net of tax	-1	8
Total Other comprehensive income	23	-287
Comprehensive income	843	621
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	840	619
Comprehensive income attributable to non-controlling interests	2	1

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

None for the first quarter of fiscal 2015

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

None for the first quarter of fiscal 2015

## IV. Supplementary Information

### Breakdown of Consolidated Business Result for First Quarter of Fiscal 2015

#### 1. Commissions

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

	--First quarter ended--		(A) over (B)	Fiscal 2014 ended March 31, 2015
	June 30, 2015 (A)	June 30, 2014 (B)	(%)	
Brokerage commissions	2,254	1,368	64.8	7,021
(Stocks)	(2,157)	(1,335)	( 61.5)	(6,766)
(Bonds)	( 0)	( -- )	( -- )	( -- )
Commissions from underwriting & solicitation				
to specified investors	43	276	-84.1	442
(Stocks)	( 43)	( 276)	( - 84.1)	( 442)
(Bonds)	( 0)	( -- )	( -- )	( -- )
Commissions from distribution & solicitation				
to specified investors	1,373	1,699	- 19.2	5,366
(Beneficiary certificates)	(1,354)	(1,668)	( - 18.8)	(5,256)
Commissions from Other sources	1,605	1,313	22.2	5,725
(Beneficiary certificates)	(1,411)	(1,135)	( 24.3)	(4,930)
Total	5,276	4,657	13.3	18,555

(1) Effective from the first quarter of fiscal 2015, presentation method for trust fees relating to investment trust funds managed by the Company's subsidiary was changed and they were itemized under (Beneficiary certificates), and trust fees for the first quarter of fiscal 2014 and those for fiscal 2014 were accordingly adjusted for comparative purposes.

##### \* (2) Breakdown of (Beneficiary certificates) (in millions of yen)

	--First quarter ended--		(A) over (B)	Fiscal 2014 ended March 31, 2015
	June 30, 2015 (A)	June 30, 2014 (B)	(%)	
Trailer fees relating to distribution	1,330	1,133	17.4	4,856
Trust fees for management	80	1	--	73

Total	1,411	1,135	24.3	4,930
(2) Commissions by instruments: (in millions of yen)				
	---First quarter ended---		(A) over (B)	Fiscal 2014 ended
	June 30, 2015	June 30, 2014		March 31, 2015
	(A)	(B)	(%)	
Stocks	2,211	1,619	36.5	7,246
Bonds	18	30	- 40.9	110
Beneficiary certificates	2,863	2,836	1.0	10,441
Others	183	170	7.5	757
Total	5,276	4,657	13.3	18,555

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

	---First quarter ended---		(A) over (B)	Fiscal 2014 ended
	June 30, 2015	June 30, 2014		March 31, 2015
	(A)	(B)	(%)	
Stocks, etc.	33	11	181.0	82
Bonds, foreign exchange, etc.	25	26	- 0.9	141
(Bonds, etc.)	( 17)	( 24)	( - 28.7)	( 95)
(Foreign exchange, etc.)	( 8)	( 1)	( 495.3)	( 46)
Total	58	37	55.7	224

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

(in millions of yen)

	1st Q (4-6/'14)	2nd Q (7-9/'14)	3 r d Q (10-12/'14)	4th Q (1-3/'15)	1st Q (4-6/'15)
Operating revenue	5,082	4,763	5,171	5,395	5,811
Commissions	4,657	4,324	4,678	4,894	5,276
Gains or loss on trading	37	61	89	35	58
Interest and dividend income	57	69	68	89	79
Other operating income	329	307	335	375	396
Interest expenses	8	23	11	34	20
Other operating expenses	309	287	314	348	362
Net operating revenue	4,764	4,451	4,845	5,012	5,428
Operating cost and expenses	3,806	3,788	3,968	3,971	4,267
Transaction-related expenses	432	381	411	386	416
Personnel expenses	2,209	2,229	2,381	2,356	2,506
Property-related expenses	441	476	453	461	469
Clerical expenses	418	405	423	468	542
Depreciation	102	110	113	111	101
Public charges	42	48	47	45	58
Transfer to allowances for doubtful accounts	0	0	-0	0	0
Others	158	137	137	140	173
Operating income	958	663	877	1,041	1,160
Non-operating income	34	47	28	114	48
Non-operating expenses	0	14	0	38	0
Current income	992	696	905	1,116	1,208
Extraordinary income	468	690	373	—	49
Extraordinary expenses	9	27	12	28	—
Income before income taxes	1,451	1,359	1,267	1,088	1,257
Income, inhabitant and enterprise taxes	206	613	339	485	309
Income taxes adjustments	336	-176	167	-207	128
Profit	908	922	760	810	820
Profit attributable to non-controlling interests	1	2	2	5	2
Profit attributable to owners of parent	907	919	757	804	817

( END )