



IR Presentation

for First quarter, year ended March 2016

July 2015

Ichiyoshi Securities Co., Ltd.

. Business Results (Consolidated)

(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.”

Hence, formerly disclosed figures of “net operating revenue”, “operating cost and expenses”, and “clerical expenses” and “others” under “operating cost and expenses” are replaced with figures under the new itemization. In addition, “other operating expenses” is newly indicated under “net operating revenue.”

1. Profit & Loss

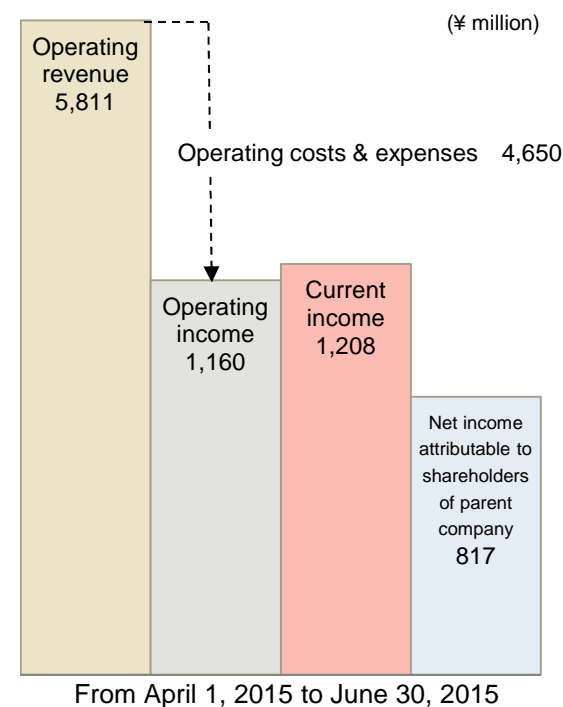
Operating income amounted to 5,811 million yen, an increase of 728 million yen (up 14.3%) from the year-earlier period.

Current income amounted to 1,208 million yen, an increase of 215 million yen (up 21.8%) from the year-earlier period.

Net income attributable to shareholders of parent company amounted to 817 million yen, a decrease of 89 million yen (down 9.9%) from the year-earlier period.

	(¥ million)			
	2015/3 1Q	2016/3 1Q	Year-on- Year	Year-on- Year
Operating revenue	5,082	5,811	14.3%	728
Operating costs & expenses	3,806	4,267	12.1%	461
Current income	992	1,208	21.8%	215
Extraordinary income	468	49	89.4%	419
Extraordinary loss	9	-	-	9
Corporate tax	206	309	50.0%	103
Tax adjustment	336	128	61.9%	208
Net income attributable to shareholders of parent company	907	817	9.9%	89

	EPS	ROE
2016/3 1Q	18.54 yen	2.4%
2015/3 1Q	20.84 yen	2.8%



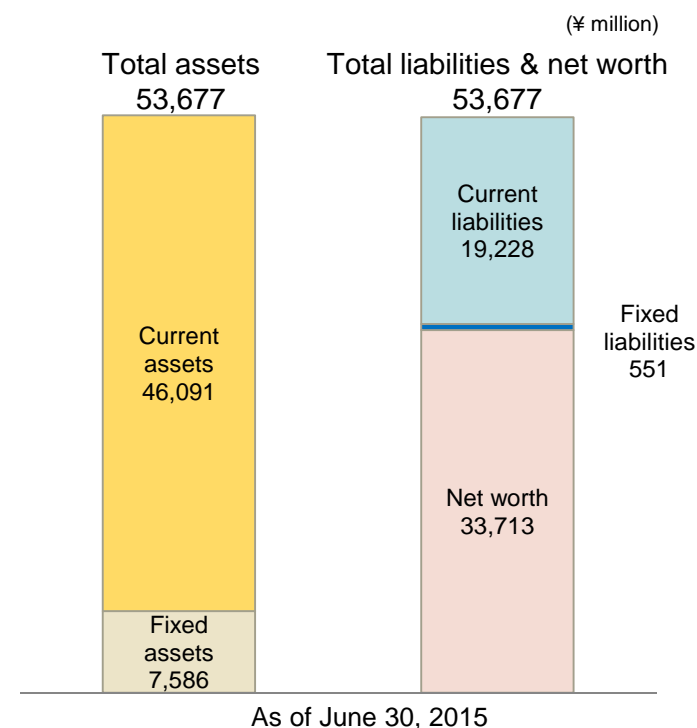
2. Balance Sheets / Financial Results

Total assets amounted to 53,677 million yen, an increase of 5,435 million yen (up 11.3%) from the previous fiscal year end, as cash and deposits, and margin transaction assets swelled.

Total liabilities amounted to 19,964 million yen, an increase of 5,412 million yen (up 37.2%) from the previous fiscal year end, as deposits of customers and margin transaction liabilities expanded.

(¥ million)				
	2015/3	2016/3 1Q	Quarter-on- Quarter	Quarter-on- Quarter
Assets				
Current assets	40,613	46,091	13.5%	5,478
Fixed assets	7,628	7,586	0.6%	42
Total assets	48,242	53,677	11.3%	5,435
Liabilities				
Current liabilities	13,805	19,228	39.3%	5,422
Fixed liabilities	561	551	1.8%	10
Total liabilities	14,551	19,964	37.2%	5,412
New worth				
Net worth	33,690	33,713	0.1%	22
Total liabilities & net worth	48,242	53,677	11.3%	5,435

	Equity ratio	Net worth per share	Capital adequacy ratio (non-consolidated)
2016/3 1Q	62.4%	760.01 yen	595.7%
2015/3	69.4%	760.01 yen	602.4%

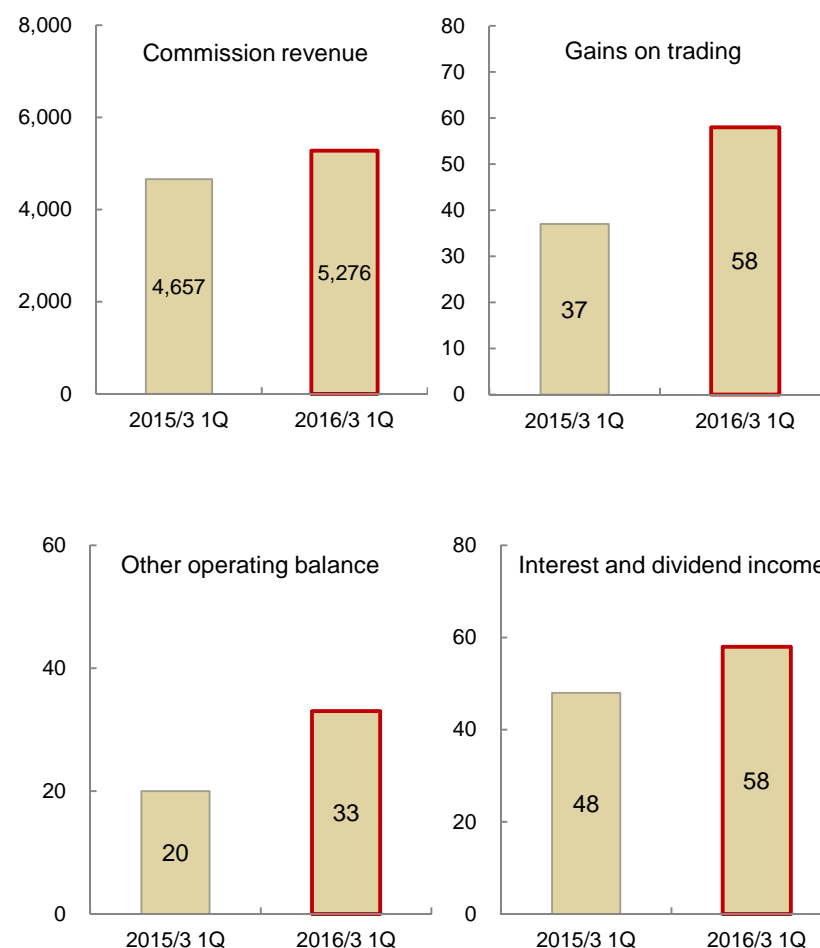


3. Breakdown of Net Operating Revenue

Commission revenue amounted to 5,276 million yen, an increase of 619 million yen (up 13.3%) from the year-earlier period, as brokerage commissions on stocks rose.

Other operating balance amounted to 33 million yen, an increase of 13 million yen (up 66.3%) from the year-earlier period, as the sales of office supplies of Ichiyoshi Business Services Co., Ltd. expanded.

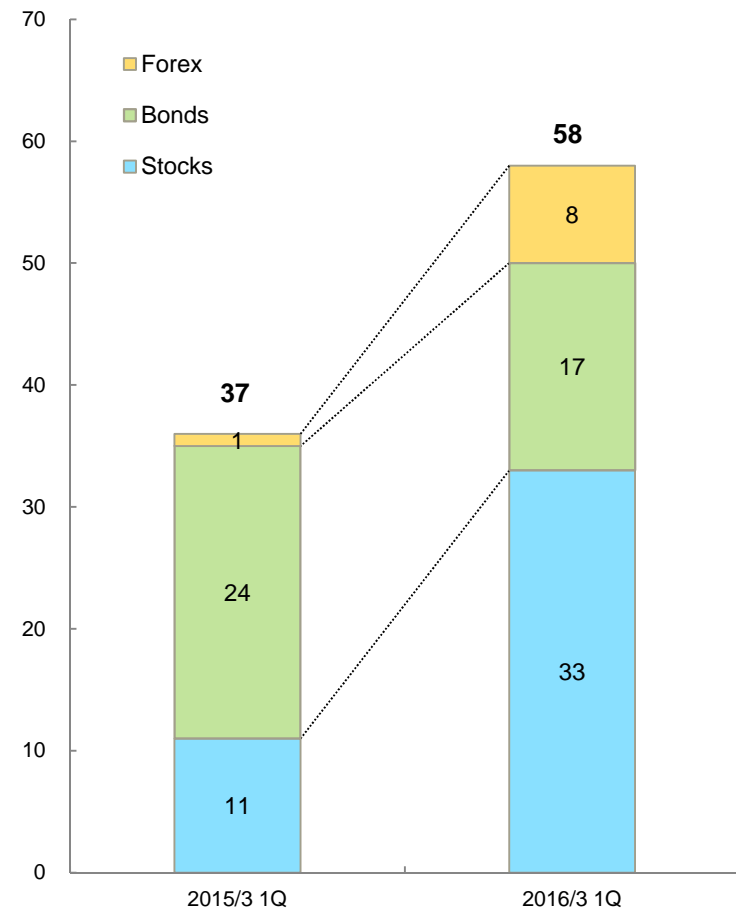
	(¥ million)			
	2015/3 1Q	2016/3 1Q	Year-on- Year	Year-on- Year
Commission revenue	4,657	5,276	13.3%	619
Gains on trading	37	58	55.7%	21
Other operating balance	20	33	66.3%	13
Interest and dividend income	48	58	20.7%	10
Total	4,764	5,428	13.9%	663



4. Breakdown of Gains on Trading

Gains on trading amounted to 58 million yen, an increase of 21 million yen (up 55.7%) from the year-earlier period, as trading on stocks gained.

	2015/3 1Q	2016/3 1Q	Year-on- Year	Year-on- Year
Stocks	11	33	181.0%	21
Bonds・Forex	26	25	0.9%	0
(Bonds)	(24)	(17)	28.7%	7
(Forex)	(1)	(8)	495.3%	6
Total	37	58	55.7%	21

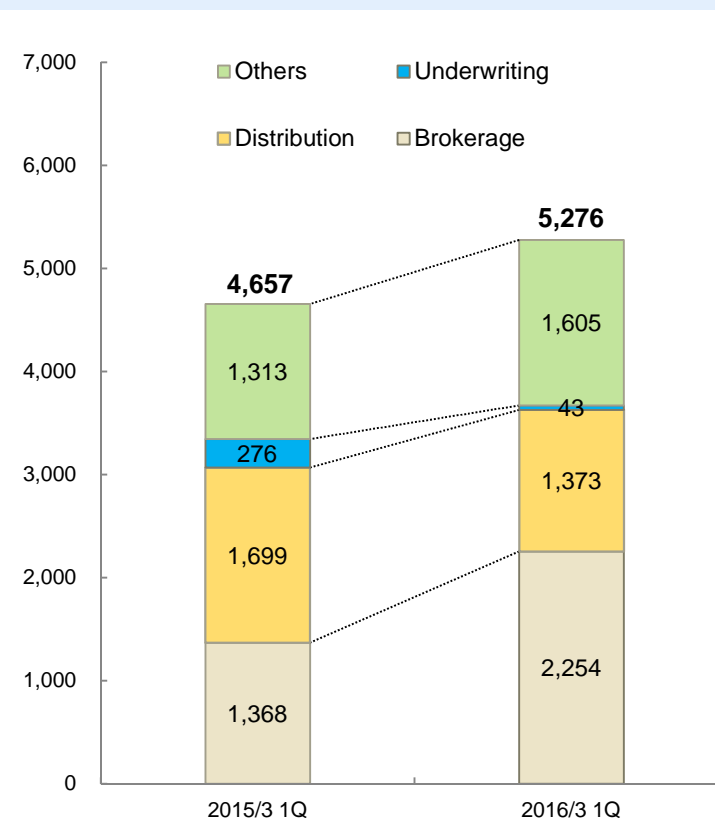


5. Breakdown of Commission Revenue

Commissions from distribution of investment trusts amounted to 1,354 million yen, a decrease of 313 million yen (down 18.8%) from the year-earlier period, as subscription amount slid. Commissions from other sources (Investment trusts trailer fees) amounted to 1,411 million yen, an increase of 276 million yen (up 24.3%) from the year-earlier period, as balance of investment trusts grew.

Fees from underwriting amounted to 43 million yen, a decrease of 232 million yen (down 84.1%) from the year-earlier period, although the Company participated in the management and underwriting of 11 initial public offerings, 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.

	(¥ million)			
	2015/3 1Q	2016/3 1Q	Year-on- Year	Year-on- Year
Commission revenue	4,657	5,276	13.3%	619
Brokerage				
Stocks	1,335	2,157	61.5%	821
Distribution				
Investment trusts sales charge	1,668	1,354	18.8%	313
Underwriting				
IPO	276	15	94.5%	261
PO	0	28	-	28
Total	276	43	84.1%	232
Commissions from other sources				
Investment trusts trailer fees	1,135	1,411	24.3%	276
Others	178	193	8.5%	15
Total	1,313	1,605	22.2%	291



Top 3 Best Selling Investment Trusts (Total amount of 2016/3 1Q)	
UBS Global CB Open (Monthly Settlement, Currency Non-Hedged)	12 billion yen
Ichiyoshi Infrastructures-related Japanese Growth Stock Fund	9.2 billion yen
LM Australia Monthly Dividend Fund	8.7 billion yen

Subscription amount of investment trusts	Balances of investment trusts
61.1 billion yen	893.1 billion yen

6. Operating Cost and Expenses

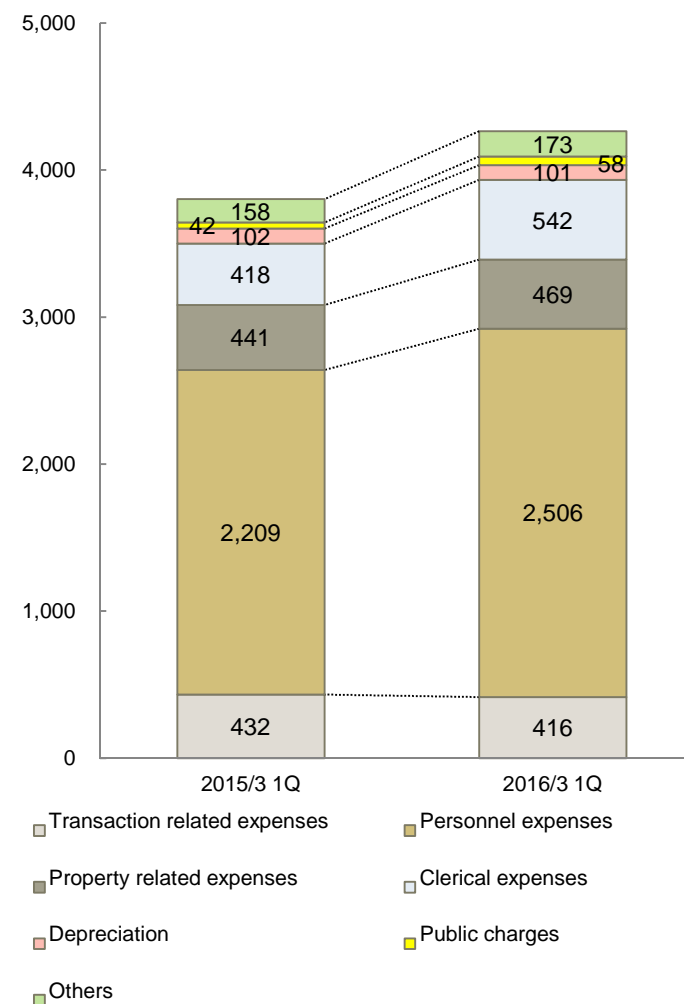
Operating cost and expenses amounted to 4,267 million yen, an increase of 461 million yen (up 12.1%) from the year-earlier period, as personnel expenses and clerical expenses rose.

(¥ million)

	2015/3 1Q	2016/3 1Q	Year-on- Year	Year-on- Year
Transaction related expenses	432	416	3.6%	15
Personnel expenses	2,209	2,506	13.4%	296
Property related expenses	441	469	6.3%	27
Clerical expenses	418	542	29.4%	123
Depreciation	102	101	0.5%	0
Public charges	42	58	37.6%	15
Others	158	173	9.2%	14
Total	3,806	4,267	12.1%	461

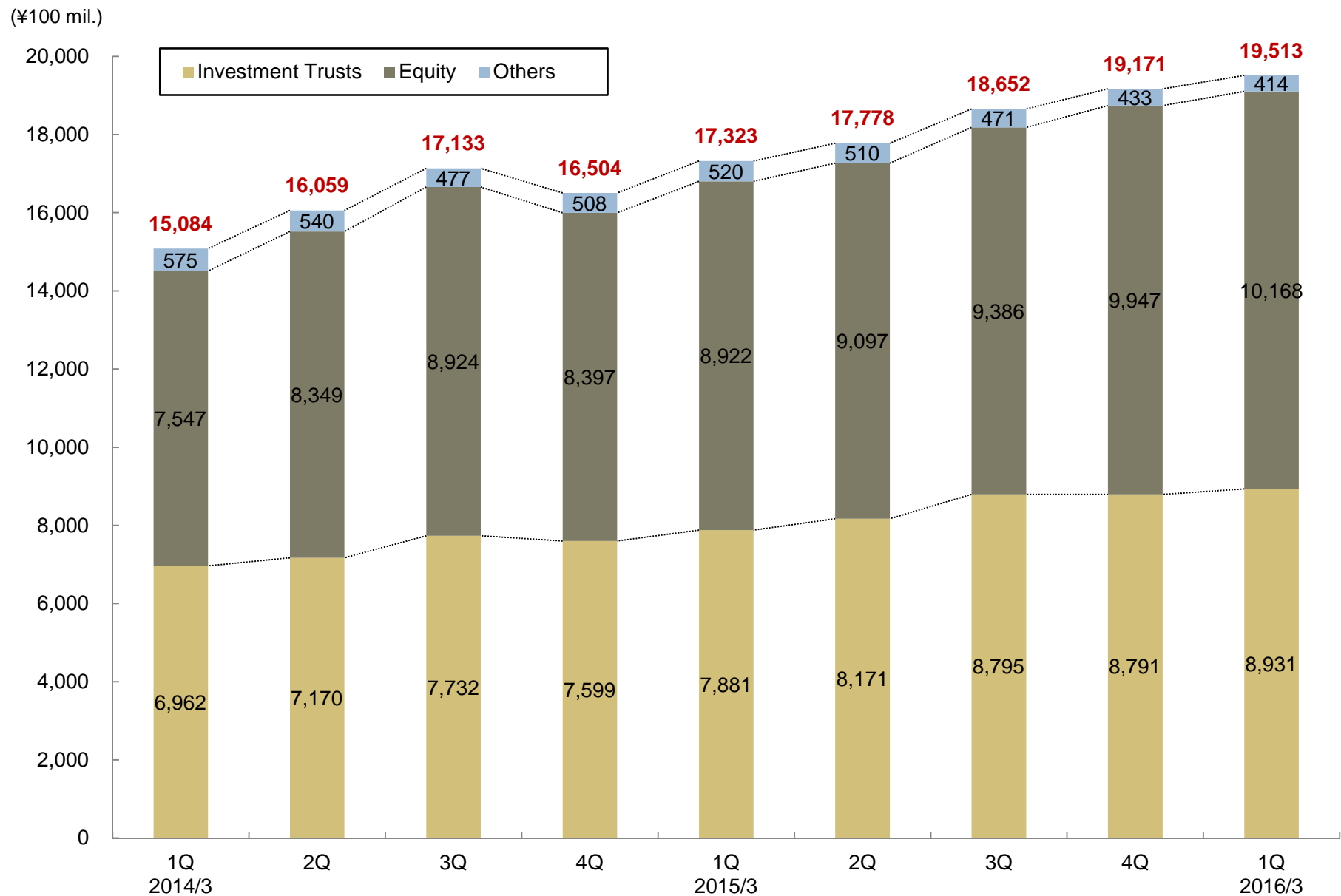
<Reference> Fixed cost and Variable cost (2016/3 1Q, non-consolidated basis)

Variable cost	1,140
Fixed cost	3,044

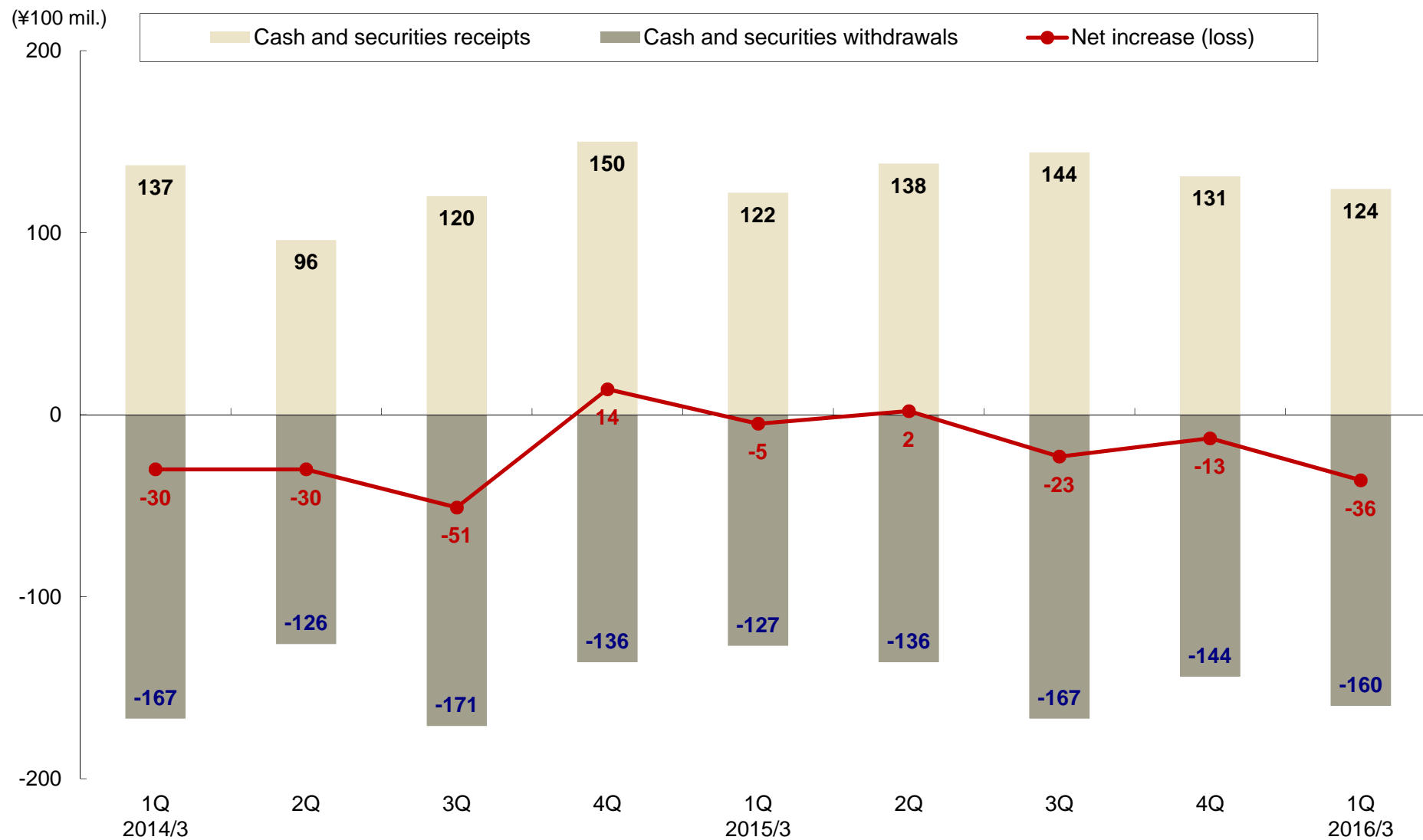


. Business Circumstances

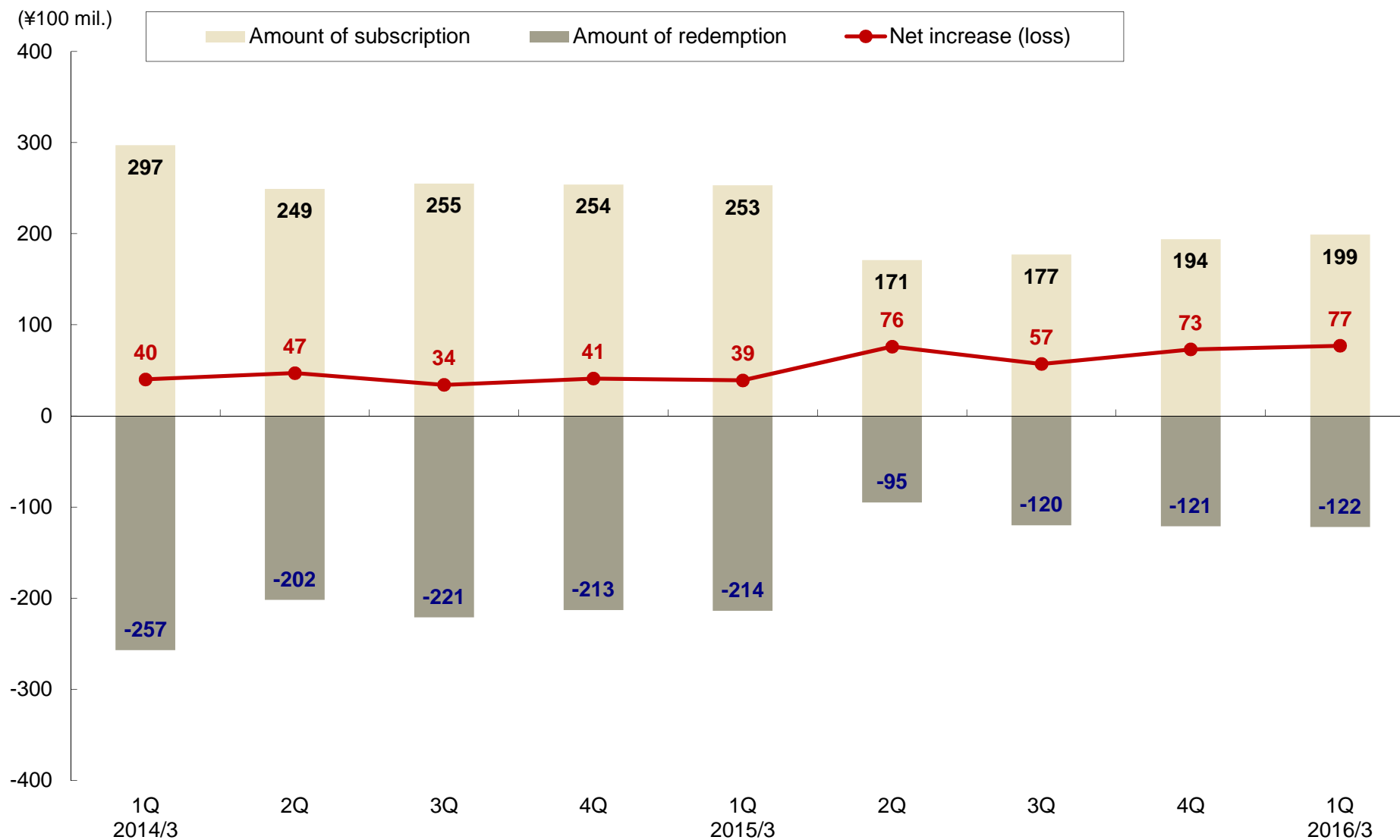
1. Customer Assets under Custody



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



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

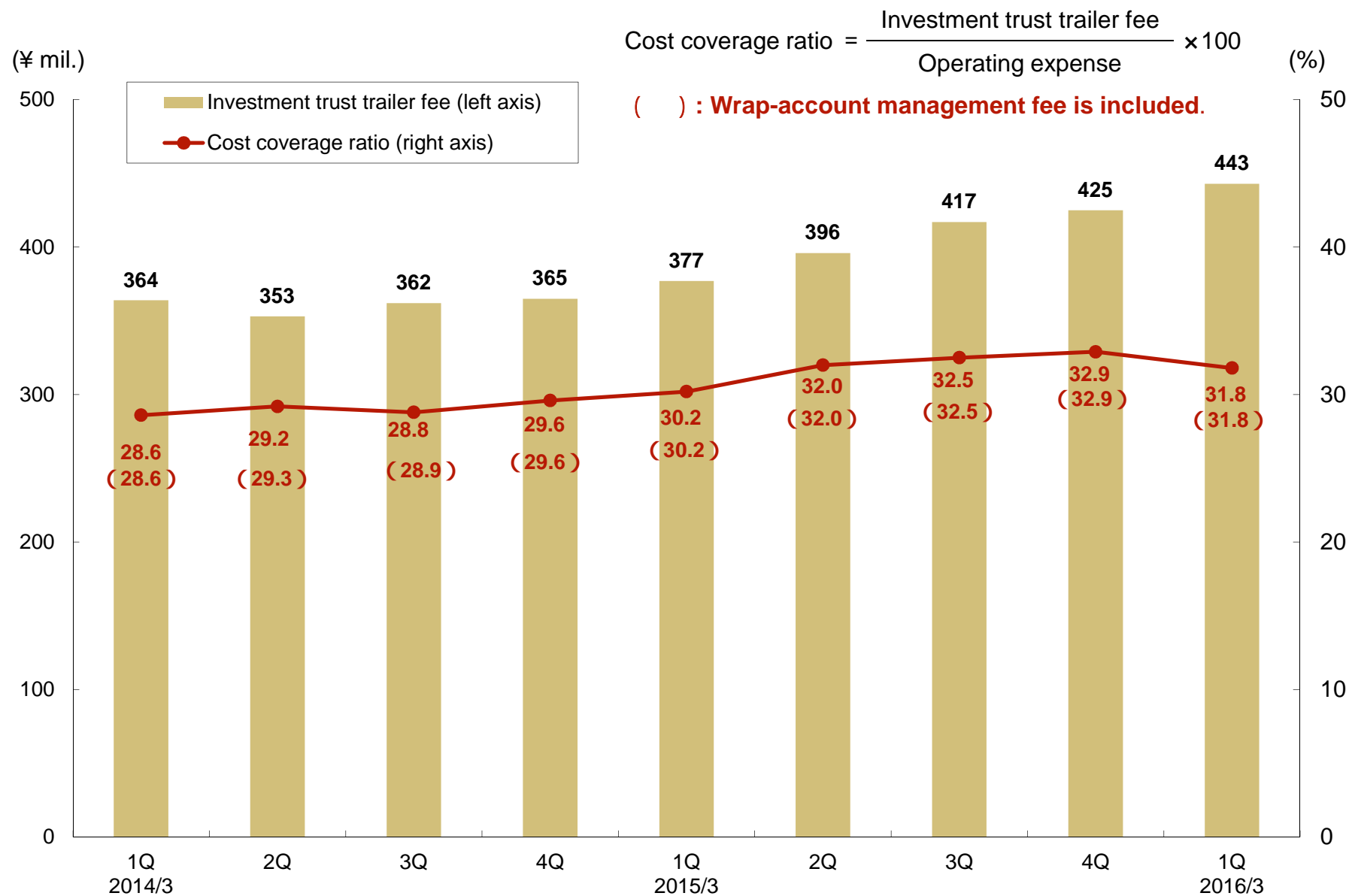


4. Top 5 Best Selling Investment Trusts (Total Amounts of 3 Months) 【Retail】

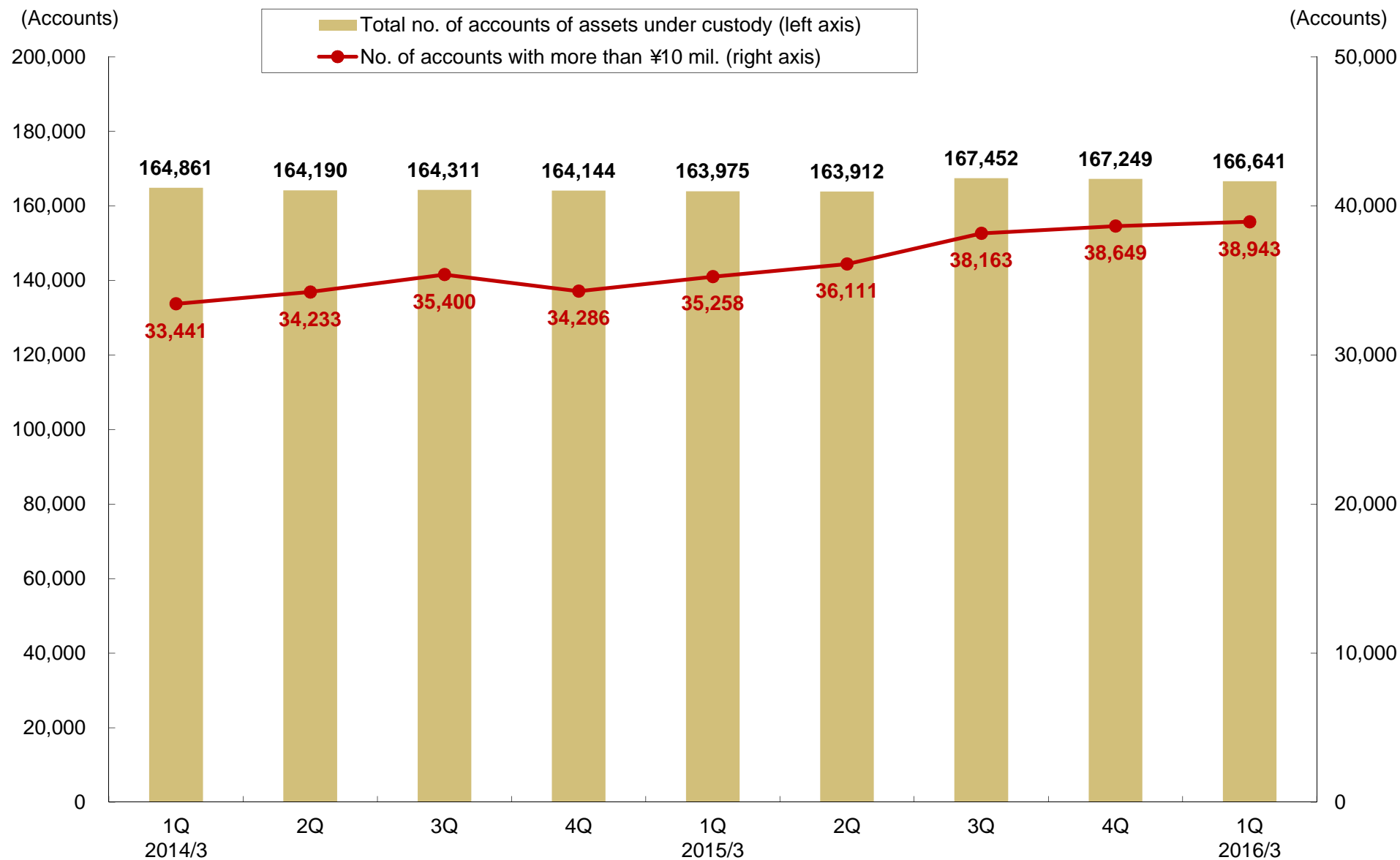
(¥100 mil.)

	2014/3				2015/3				2016/3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
UBS Global CB Open		36							120
Ichiyoshi Infrastructures-related Japanese Growth Stock Fund							164	121	92
LM Australia Monthly Dividend Fund				78	126	91	86	117	87
Pictet Emerging Country Income Stock Fund	82	159	167	83	111	83	75	79	64
Pictet Global Income Stock Fund	227	84	69	85	68	46	34	59	37
HSBC New Leaders Sovereign Open	108	144	130	97	103	52	36	46	
Global Floating Rate Note Fund (JPY Hedge Course)					62	30			
Japan Mid/Small Growth Stock Active Fund			72	143					
Japan Recover Growth Stock Fund	116	98	71						
Global REIT Open	53								

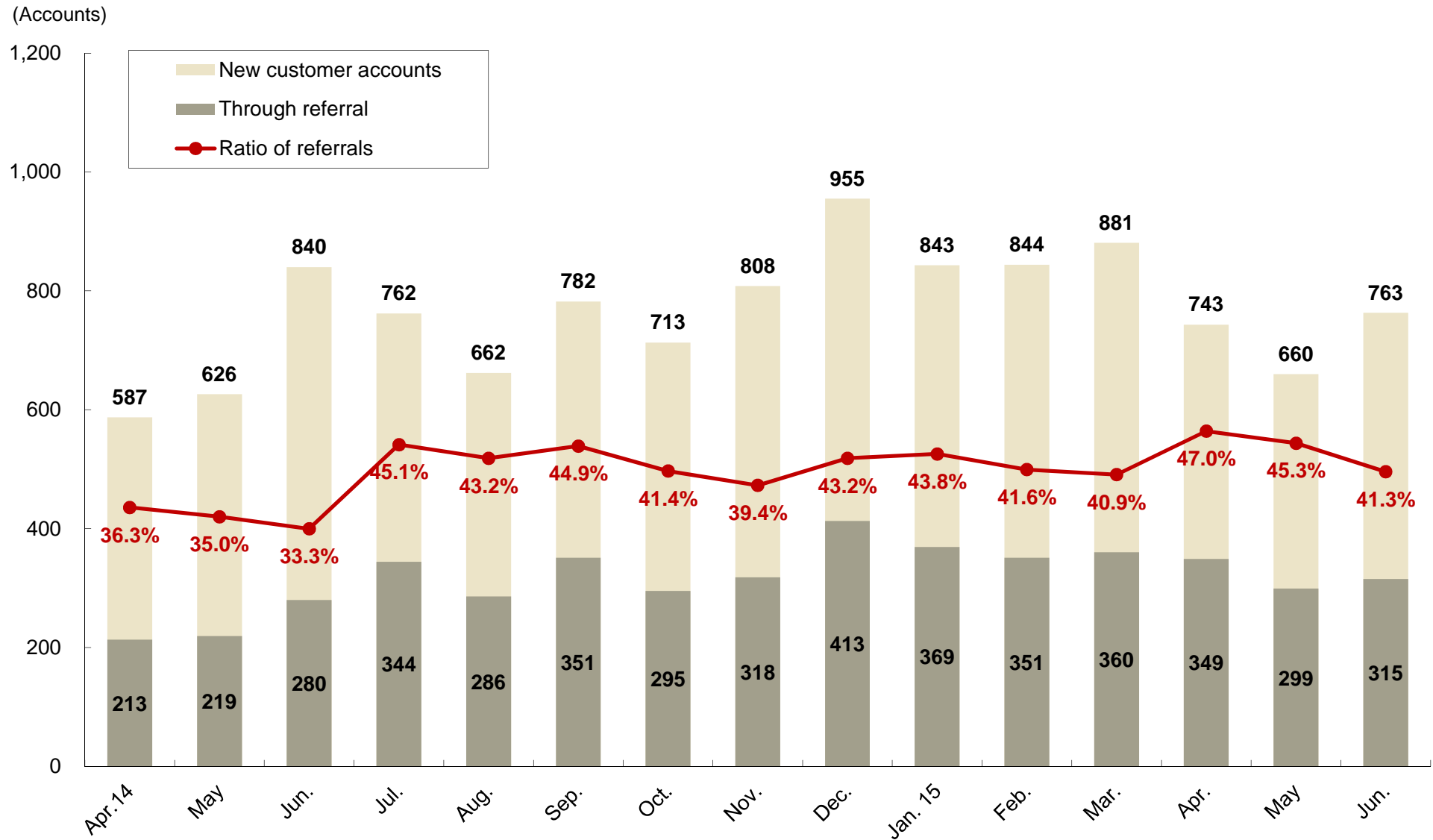
5. Trend of Investment Trust Trailer Fee and its Cost Coverage (Monthly Average/Non-Consolidated Basis)



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



. Quarterly Transition

(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.”

Hence, formerly disclosed figures of “net operating revenue”, “operating cost and expenses”, and “clerical expenses” and “others” under “operating cost and expenses” are replaced with figures under the new itemization. Formerly disclosed figures are indicated in parentheses. In addition, “other operating expenses” is newly indicated under “net operating revenue.”

1. Profit & Loss

	(¥ million)						
	2015/3				2016/3	Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q		
Operating revenue	5,082	4,763	5,171	5,395	5,811	7.7%	14.3%
Operating cost & expenses	3,806 (4,115)	3,788 (4,075)	3,968 (4,283)	3,971 (4,319)	4,267	7.5%	12.1%
Current income	992	696	905	1,116	1,208	8.2%	21.8%
Extraordinary income	468	690	373	-	49	-	89.4%
Extraordinary loss	9	27	12	28	-	-	-
Corporate tax	206	613	339	485	309	36.3%	50.0%
Tax adjustment	336	176	167	207	128	-	61.9%
Net income attributable to shareholders of parent company	907	919	757	804	817	1.6%	9.9%

* As explained in the notes on page 17, the figures in parentheses are formerly disclosed figures.

2. Financial Results

	2015/3				2016/3	Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q		
Total assets (¥ million)	48,361	51,352	52,050	48,242	53,677	11.3%	11.0%
Net worth (¥ million)	31,764	32,686	32,432	33,690	33,713	0.1%	6.1%
Equity ratio (%)	65.4	63.3	62.0	69.4	62.4	-	-
Net worth per share (¥)	726.66	743.19	734.61	760.01	760.01	-	-
Capital adequacy ratio (%) (non-consolidated basis)	574.7	585.3	592.0	602.4	595.7	-	-
EPS (¥)	20.84	41.94	59.22	77.52	18.54	-	-
ROE (%)	2.8	5.6	8.0	10.3	2.4	-	-

3. Balance Sheets

(¥ million)

2015/3				2016/3	Quarter-on-Quarter	Year-on-Year
1Q	2Q	3Q	4Q	1Q		

Assets							
Current assets	40,299	43,668	44,983	40,613	46,091	13.5%	14.4%
Fixed assets	8,061	7,684	7,067	7,628	7,586	0.6%	5.9%
Total assets	48,361	51,352	52,050	48,242	53,677	11.3%	11.0%

Liabilities							
Current liabilities	15,396	17,484	18,697	13,805	19,228	39.3%	24.9%
Fixed liabilities	1,048	1,018	745	561	551	1.8%	47.4%
Total liabilities	16,596	18,666	19,617	14,551	19,964	37.2%	20.3%

Net worth							
Net worth	31,764	32,686	32,432	33,690	33,713	0.1%	6.1%
Total liabilities & net worth	48,361	51,352	52,050	48,242	53,677	11.3%	11.0%

4. Breakdown of Net Operating Revenue

	(¥ million)					Quarter-on-Quarter	Year-on-Year
	2015/3				2016/3		
	1Q	2Q	3Q	4Q	1Q		
Commission revenue	4,657	4,324	4,678	4,894	5,276	7.8%	13.3%
Gains on trading	37	61	89	35	58	66.0%	55.7%
Interest and dividend income	57	69	68	89	79	11.7%	37.3%
Other operating revenue	329	307	335	375	396	5.6%	20.3%
Interest expenses	8	23	11	34	20	41.7%	126.7%
Other operating expenses	309	287	314	348	362	4.2%	17.4%
Total	4,764 (5,073)	4,451 (4,739)	4,845 (5,160)	5,012 (5,360)	5,428	8.3%	13.9%

* As explained in the notes on page 17, the figures in parentheses are formerly disclosed figures.

5. Breakdown of Gains on Trading

(¥ million)

	2015/3				2016/3	Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q		
Stocks	11	20	41	8	33	282.0%	181.0%
Bonds・Forex	26	40	48	26	25	3.7%	0.9%
(Bonds)	(24)	(24)	(26)	(19)	(17)	9.3%	28.7%
(Forex)	(1)	(16)	(21)	(7)	(8)	11.1%	495.3%
Total	37	61	89	35	58	66.0%	55.7%

6. Breakdown of Commission Revenue

(¥ million)

	2015/3				2016/3	Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q		
Brokerage							
Stocks	1,335	1,686	1,809	1,934	2,157	11.6%	61.5%
Distribution							
Investment trusts sales charge	1,668	1,103	1,236	1,247	1,354	8.6%	18.8%
Underwriting							
IPO	276	38	25	6	15	129.3%	94.5%
PO	0	45	42	6	28	359.4%	-
Total	276	84	68	12	43	240.9%	84.1%
Others							
Investment trusts trailer fees	1,135 (1,133)	1,195 (1,186)	1,268 (1,243)	1,329 (1,227)	1,411	6.2%	24.3%
Others	178 (179)	190 (200)	201 (226)	224 (326)	193	14.0%	8.5%
Total	1,313	1,386	1,470	1,554	1,605	3.2%	22.2%

* Effective for this first quarter, under “Others” above, the management fee earned by the consolidated subsidiary with respect to the investment trust established and managed by it, shall be itemized as “Investment trusts trailer fees” rather than “Others.”

7. Operating Cost and Expenses

	(¥ million)						
	2015/3				2016/3	Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q		
Transaction related expenses	432	381	411	386	416	7.8%	3.6%
Personnel expenses	2,209	2,229	2,381	2,356	2,506	6.4%	13.4%
Property related expenses	441	476	453	461	469	1.7%	6.3%
Clerical expenses	418 (714)	405 (683)	423 (725)	468 (800)	542	15.6%	29.4%
Depreciation	102	110	113	111	101	9.1%	0.5%
Public charges	42	48	47	45	58	26.4%	37.6%
Allowances for doubtful accounts	0	0	0	0	0	-	68.6%
Others	158 (172)	137 (147)	137 (150)	140 (157)	173	23.5%	9.2%
Total	3,806 (4,115)	3,788 (4,075)	3,968 (4,283)	3,971 (4,319)	4,267	7.5%	12.1%

<Reference> Fixed cost and Variable cost are inscribed on non-consolidated basis.

Fixed cost	(2,823)	(2,816)	(2,867)	(2,932)	3,044	-	-
Variable cost	(932)	(907)	(995)	(948)	1,140	-	-

* As explained in the notes on page 17, the figures in parentheses are formerly disclosed figures.

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