

EARNINGS REPORT FOR FIRST TWO QUARTERS OF FISCAL 2015

(April 1 to September 30, 2015)

(consolidated on the basis of Japanese accounting standards)

Released on October 29, 2015

(English translation for reference purposes only)

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

Listed on: Tokyo Stock Exchange (1st Section) (Stock code: 8624)

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

Inquiry to: Mr. Shoichi Yamazaki, Operating Officer in charge of Finance and Planning

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Date of filing First Two Quarters Report: November 12, 2015 (scheduled)

Preparation of supplementary documents for quarterly earnings: Yes.

Quarterly earnings-reporting meeting: Scheduled for institutional investors and analysts.

1. Outline of Consolidated Business Result for First Two Quarters of Fiscal 2015 (from April 1 to September 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 two quarters ended ---

September 30, 2015

September 30, 2014

	(% year-to-year change in brackets)	
Operating revenue	11,225 (+ 14.0)	9,845 (- 25.5)
Net operating revenue	10,495 (+ 13.9)	9,216 (--)
Operating income	2,116 (+ 30.6)	1,621 (- 67.9)
Current income	2,215 (+ 31.2)	1,689 (- 66.9)
Net income attributable to		
shareholders of parent company	1,492 (- 18.3)	1,826 (- 65.2)
Earnings per share	33.89yen	41.94yen
Diluted earnings per share (adjusted		
for shares potentially issuable)	33.83yen	41.62yen

Note: (1)Comprehensive income for the first two quarter of fiscal 2015: 1,443 million yen.(+ 17.3%)

(2)Comprehensive income for the first two quarter of fiscal 2014: 1,230 million yen.(- 75.0 %)

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

(2) Consolidated financial condition

	As of September 30 2015	As of March 31 2015
Total assets (in millions of yen)	60,317	48,242
Net worth (in millions of yen)	33,842	33,690
Equity ratio	55.7%	69.4%

Note: Shareholders' equity as of September 30, 2015: 33,612 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: (Please see notes below)		
1 st quarter	---	---
2 nd quarter	27.00yen*	21.00yen
3 rd quarter	---	---
Final	---	19.00yen
Annual total	---	40.00yen

*= It consists of an interim dividend of 17yen and a commemorative dividend of 10yen.

Notes: (i) Ichiyoshi Securities Co., Ltd. (the "**Company**") declares dividends payable to shareholders of record as of September 30 (interim 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.

(iii) The 65th anniversary commemorative dividend will be 10 yen per share at the time of final dividend payment. The total amount of commemorative dividends is to be 20 yen per share.

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 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-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 September 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 September 30, 2015: 823,056 shares.
 Number of treasury shares as of March 31, 2015: 354,716 shares.
- (iii) Average number of shares outstanding during the first two quarters of fiscal 2015:
 44,027,389 shares.
 Average number of shares outstanding during the first two quarters of fiscal 2014:
 43,562,607 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 Two Quarter of Fiscal 2015

(1) Information on Business Result

During the first two quarters of fiscal 2015, consultations for financial assistance to Greece progressed, and European and U.S. economies showed signs of a change for the better. Reflecting uncertainty over the U.S. Fed’s attitude on interest-rate raise and concerns about the Chinese economy, however, European and U.S. stock markets moved on a weak tone towards the end of the period under review.

The Japanese stock market performed strong amid the sustained monetary easing by the Bank of Japan and supported by a continuous flow of investments from foreign investors on expectations for better business earnings and increasing efforts for higher corporate valuation among Japanese companies, with the Nikkei Stock Average recording 20,868yen, a year-high, on June 24. Thereafter, the stock market maintained a high Nikkei Stock Average level, enduring negative factors, such as the falling Chinese stock prices. However, triggered by the China’s announcement of devaluation of the Yuan on August 11, the Nikkei Stock Average plummeted, falling slightly below the previous-year-end closing average of 17,450yen on September 8. The stock average recovered sharply by 1,343yen on the following day (September 9). As the U.S.

FOMC postponed raising its policy rate at its meeting in mid-September, however, clouds of uncertainty returned over the outlook of the world economy. Amid lingering concerns over the slow-down of the Chinese economy, the Nikkei Stock Average closed the period at 17,388yen.

On the foreign currency market, the yen registered a 125yen per 1 U.S. dollar-level on June 5. As yen buying as safe currency increased, the yen recorded 116yen per 1 U.S. dollar temporarily on August 24. The yen ended the period at 119yen per 1 U.S. dollar.

The Japanese emerging-stock markets moved briskly on the back of good demand-supply relationship, with the TSE Mothers Index recording 1,028, a year-high, on June 24, and the Nikkei JASDAQ Stock Average registering 2,847yen, a year-high, on July 21. The both indexes weakened towards the end of the period, with the Nikkei JASDAQ Stock Average ending the period at 2,456yen and the TSE Mothers Index finishing the period at 767.

The average daily turnover on the TSE for the first two quarters of fiscal 2015 was 3,181.3 billion yen, up 36.7% from the comparable period of fiscal 2014, and that on the JASDAQ Stock Market was 80.1 billion yen, down 21.5%.

In such circumstances, the Company continued its efforts to achieve the numerical targets in its Medium-Term Management Plan “Challenge 3,” proactively promoting asset-management advices for customers.

With regard to investment trust funds, the Company has designated stably-managed investment trust funds as “base assets” placed in the center of the Company’s distribution activities. Thus, the Company attained favorable results in distribution of “UBS Global CB Open”, “LM Australia Monthly Distribution Fund” and “Ichiyoshi Infrastructure Growth Stock Fund,” in particular.

The “Dream Collection,” a fund wrap account launched in June, has gained a favorable reception among customers as a long-term investment vehicle for conservative savings against the background of virtually-negative interest rates.

With respect to activities relating to stocks, the Company attained 6 lead managements for equity financing at market prices, extending the Company’s presence and advice coverage beyond small-and medium-cap companies which the Company specializes in.

Under such conditions, the total amount of the Company’s distribution of investment trust funds for the first two quarters of fiscal 2015 recorded 353 billion yen, up 14.9% from the comparable period of fiscal 2014. The stock brokerage volume of the Company for the period registered 1,193.4 billion yen, up 21.9%. The amount of customers’ assets under custody as of September 30, 2015, amounted to 1,796.8 billion yen, down 6.3% from March 31, 2015.

As a result of these activities, net operating revenue for the first two quarters of fiscal 2015 amounted to 10,495 million, up 13.9% from the first two quarters of fiscal 2014. Operating cost and expenses amounted to 8,378 million yen, up 10.3%. Hence, operating income registered 2,116 million yen, up 30.6% from the first two quarters of fiscal 2014.

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

i. Commissions

Total commissions for the first two quarters of fiscal 2015 amounted to 10,200 million yen, up 13.6 % from the year-earlier period.

(a) Brokerage commissions

Total brokerage commissions on stocks rose 24.6% to 3,767 million yen. Brokerage commissions on small- and medium-sized stocks (stocks listed on Second Section of the TSE, TSE Mothers and JASDAQ) registered 714 million yen and accounted for 19.0% of total

brokerage commissions on stocks, down from 30.2% for the comparable period of fiscal 2014.

(b) Commissions from underwriting and solicitation to specified investors

In the primary market, the Company participated in 15 initial public offerings on a management and underwriting basis as against 13 participations in the year-earlier period (of which 1 was lead-managed by the Company). In the secondary market (which includes public offerings and secondary distributions in connection with transfer from one stock market to another), the Company participated in 7 underwritings (of which 4 were lead-managed by the Company) as against 2 underwritings in the year-earlier period (of which 1 was lead-managed by the Company).

As a result, commissions from underwriting and solicitation to specified investors amounted to 374 million yen, up 3.9% from the comparable period of fiscal 2014.

The cumulative number of companies whose offerings were lead- or co-managed by the Company stood at 955 (of which 39 were lead-managed) as of September 30, 2015.

(c) Commissions from distribution and solicitation to specified investors

As commissions from distribution of investment trust funds recorded 2,628 million yen, down 5.2% from the year-earlier period, total commissions from distribution and solicitation to specified investors registered 2,658 million yen, down 6.4%.

(d) Commissions from other sources

The trailer fees rose to 2,803 million yen, up 19.9% 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 3,183 million yen, up 17.9%.

ii. Gains or loss on trading

Trading in stocks, etc. recorded net gains of 72 million yen, up 122.0% from the year-earlier period. Trading in bonds and foreign exchange, etc. registered net gains of 40 million yen, down 38.7%. As a result, total net gains on trading amounted to 113 million yen, up 13.9%.

iii. Interest and dividend income

Interest and dividend income rose to 163 million yen, up 28.3%, chiefly due to an increase in advances in margin purchases. Interest expenses rose 17.1% to 38 million yen. As a result, net interest and dividend income recorded 124 million yen, up 32.2%.

Resultantly, net operating revenue for the first two quarters of fiscal 2015 stood at 10,495 million yen, up 13.9% from the year-earlier period.

iv. Operating cost and expenses

Operating cost and expenses rose 10.3% to 8,378 million yen chiefly due to an increase in personnel-related expenses.

v. Non-operating income and expenses

The Company recorded non-operating income of 108 million yen, mostly consisting of dividends of 17 million yen from investment securities and investment gains of 78 million yen on investment partnerships. As a result, net non-operating income amounted to 98 million yen, up 46.2% from the year-earlier period.

Resultantly, current income for the first two quarters of fiscal 2015 amounted to 2,215 million yen, up 31.2% from the year-earlier period.

vi Extraordinary income and loss

The Company registered extraordinary income of 119 million yen, down 89.3%, mainly in the form of gains on sales of investment securities.

Resultantly, income before taxes and tax adjustments for the first two quarters of fiscal 2015 registered 2,335 million yen, down 16.9% 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 854 million yen and after deduction of corporate adjustments in the amount of 16 million yen) recorded 1,492 million yen, down 18.3% from the year-earlier period.

(2) Information on Financial Condition

i. Condition of Assets, Liabilities and Net Worth

(a) Current assets

Current assets amounted to 52,943 million yen as of September 30, 2015, a rise of 12,329 million yen (up 30.4%) from March 31, 2015, as cash and deposits swelled by 3,538 million yen, advance payments for subscriptions rose by 3,487 million yen, margin transaction assets expanded by 2,879 million yen and segregated cash and statutory deposits grew by 2,080 million yen.

(b) Fixed assets

Fixed assets stood at 7,374 million yen as of September 30, 2015, a decline of 254 million yen (down 3.3%) from March 31, 2015, mainly as the Company sold investment securities in the amount of 222 million yen.

As a result, total assets registered 60,317 million yen as of September 30, 2015, a rise of 12,075 million yen (up 25.0%) from March 31, 2015.

(c) Current liabilities

Current liabilities stood at 25,770 million yen as of September 30, 2015, a rise of 11,964 million yen (up 86.7%) from March 31, 2015. The rise resulted as cash payable to customers increased by 9,031 million yen, margin transaction liabilities grew by 2,196 million yen and income taxes payable rose by 355 million yen.

(d) Long-term liabilities

Long-term liabilities recorded 520 million yen as of September 30, 2015, a decline of 41 million yen (down 7.3%) from March 31, 2015. The decline resulted mainly from a decrease of 19 million yen in long-term borrowings and a reduction of 16 million yen in deferred tax liabilities.

(e) Statutory reserves

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

(f) Net worth

Net worth amounted to 33,842 million yen as of September 30, 2015, an increase of 151 million yen (up 0.5%) from March 31, 2015. The increase resulted from recording of net income (attributable to shareholders of parent company) of 1,492 million yen for the first two quarters while the Company paid dividends in the amount of 837 million yen and acquired treasury shares in the amount of 499 million yen.

ii. Cash Flow

Cash flow from operating activities for the first two quarters of fiscal 2015 recorded a positive figure of 4,796 million yen, a decrease of 1,215 million yen from the comparable period of fiscal 2014, as income before taxes and tax adjustments and cash payable to customers rose. Cash flow from investing activities registered a positive figure of 172 million yen, a decline of 575 million yen, due to proceeds from sales of investment securities. Cash flow from financing activities recorded a negative figure of 1,359 million yen, a fall of 194 million yen, chiefly as a result of dividend payments and acquisition of treasury shares.

Consequently, the amount of cash and cash equivalents as of September 30, 2015, stood at 17,541 million yen, a growth of 3,578 million yen from the end of the previous fiscal year (March 31, 2015).

(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 Standards Relating to Corporate Combinations” (Corporate Accounting Standards No.21 dated Sep.13, 2013), “Accounting Standards Relating to Consolidated Financial Statements” (Corporate Accounting Standards No. 22 dated Sep. 13, 2013) and “Accounting Standards Relating to Business Separations” (Corporate Accounting Standards 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, and acquisition-relate cost and expenses are recorded in the consolidated fiscal year when they have accrued. With respect to business combinations effected since the beginning of the first quarter of fiscal 2015, the review of allocation of provisionally-fixed cost of acquisition is to be reflected in the consolidated financial statements for the relevant quarterly period. Additionally, quarterly net income is re-presented, and minority interests are changed to non-controlling interests.

These changes are also reflected on the financial statements for the first two quarters of fiscal 2014 and for the fiscal year ended March 31, 2014.

In the consolidated cash flow statement for the first two quarters of fiscal 2015, cash flow relating to acquisition or disposal of shares of subsidiaries causing no change in scope of consolidation is defined as “cash flow from investing activities,” and cash flow relating to cost of acquisition of shares of consolidated subsidiaries causing change in scope of consolidation and cash flow relating to cost arising from acquisition or disposition of subsidiaries causing no

change in scope of consolidation is defined as “cash flow from operating activities.”

Standard 58-2(4) of Accounting Standards Relating to Corporate Combinations, Standard 44-5(4) of Accounting Standards Relating to Consolidated Financial Statements and Standard 57-4(4) of Accounting Standards Relating to Business Separations respectively set forth transitional treatments, which the Company has applied since the beginning of the first quarter of fiscal 2015.

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

(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 two quarters of fiscal 2014. Hence, 573 million yen included among “clerical expenses” under “operating cost and expenses” and 22 million yen included among “others” under “operating cost and expenses” in the quarterly consolidated income statement for the first two quarters of fiscal 2014 were re-presented under “other operating expenses.” As a result of these re-presentations, net operating revenue decreased by 596 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 September 30 2015	As of March 31 2015
Assets		
Current assets		
Cash and bank deposits	18,147	14,609
Segregated cash and statutory deposits	6,399	4,319
Trading assets	580	382
Securities	580	382
Contracted trades	-	4
Margin transaction assets	19,433	16,553
Advances for margin purchases	19,375	16,191
Cash deposits as collateral for securities borrowed	57	362
Advance payments for customers on trades	11	14
Advance payments for subscription	6,369	2,881
Short-term loans receivable	31	11
Accrued income	1,462	1,336
Deferred tax assets	414	393
Other current assets	98	112
Allowances for doubtful accounts	-5	-4
Total Current assets	52,943	40,613
Fixed assets		
Tangible fixed assets	4,031	4,138
Buildings	1,289	1,346
Fixtures and equipment	705	752
Land	2,030	2,030
Lease assets, net	6	8
Intangible fixed assets	605	557
Goodwill	30	48
Computer software	574	507
Telephone subscription rights, etc.	0	1
Investments, etc.	2,736	2,933
Investment securities	1,543	1,765
Long-term loans receivable	35	35
Cash deposits as guarantee for long-term credits	912	918
Net defined benefit asset	231	205
Deferred tax assets	2	2
Other investments	19	14
Allowances for doubtful accounts	-9	-9
Total Fixed assets	7,374	7,628
Total assets	60,317	48,242

	As of September 30	As of March 31
	2015	2015
Liabilities		
Current liabilities		
Trading liabilities	0	0
Derivatives	0	0
Contracted trades	12	-
Margin transaction liabilities	5,559	3,363
Borrowings for margin transactions	5,324	2,621
Cash received for loaned securities	235	741
Cash payable to customers	15,719	6,687
Deposits from customers (for committed trades)	1,545	1,286
Short-term borrowings	210	210
Lease obligations	3	3
Income taxes payable	930	574
Accrued bonuses to employees	769	652
Other current liabilities	1,018	1,026
Total Current liabilities	25,770	13,805
Long-term liabilities		
Long-term borrowings	321	341
Lease obligations	3	5
Deferred tax liabilities	129	145
Revaluation-related deferred tax liabilities	31	31
Other long-term liabilities	33	36
Total Long-term liabilities	520	561
Statutory reserves		
Reserve for financial instruments transaction liabilities	184	184
Total Statutory reserves	184	184
Total liabilities	26,475	14,551
Net worth		
Shareholders' equity		
Capital stock	14,577	14,577
Capital surplus	8,703	8,710
Retained earnings	12,480	11,825
Treasury stock	-761	-281
Total Shareholders' equity	34,999	34,832
Accumulated other comprehensive income		
Other securities valuation difference	127	176
Land revaluation difference	-1,851	-1,851
Remeasurements of defined benefit plans	336	340
Total Accumulated other comprehensive income	-1,387	-1,333
Subscription rights to shares	187	141
Non-controlling interests	42	50
Total net worth	33,842	33,690
Total of liabilities and net worth	60,317	48,242

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

Quarterly Consolidated Income Statements

(in millions of yen)

	six months ended	
	September 30, 2015	September 30, 2014
Operating revenue		
Commissions	10,200	8,982
Gains or loss on trading	113	99
Interest and dividend income	163	127
Other operating income	748	637
Total Operating revenue	11,225	9,845
Interest expenses	38	32
Other operating expenses	692	596
Net operating revenue	10,495	9,216
Operating cost and expenses		
Transaction-related expenses	894	813
Personnel expenses	4,865	4,439
Property-related expenses	933	918
Clerical expenses	1,041	824
Depreciation	207	212
Public charges	118	90
Transfer to allowances for doubtful accounts	0	0
Others	316	296
Total Operating cost and expenses	8,378	7,594
Operating income	2,116	1,621
Non-operating income		
Dividends from investment securities	17	30
Gain on investments in partnership	78	37
Others	13	14
Total Non-operating income	108	82
Non-operating expenses		
Loss on investments in partnership	9	14
Others	0	0
Total Non-operating expenses	9	14
Current income	2,215	1,689
Extraordinary income		
Gains on sales of investment securities	138	950
Gain on bargain purchase	-	208
Reversal of reserve for financial instruments transaction liabilities	0	-
Total Extraordinary income	138	1,159
Extraordinary expenses		
Transfer to reserve for securities transaction liabilities	-	19
Loss on write-off of fixed assets	18	9
Impairment loss	-	7
Valuation loss on investment securities	-	0
Total Extraordinary expenses	18	37
Income before income taxes	2,335	2,810
Income, inhabitant and enterprise taxes	854	819
Income taxes adjustments	-16	159
Total Income Taxes	838	979
Profit	1,497	1,831
Profit attributable to non-controlling interests	4	4
Profit attributable to owners of parent	1,492	1,826

Quarterly Consolidated Comprehensive Income Statements

(in millions of yen)

	Six months ended	
	September 30, 2015	September 30, 2014
Profit	1,497	1,831
Other Comprehensive income		
Valuation difference on available-for-sale securities	-49	-616
Land revaluation difference	0	-
Remeasurements of defined benefit plans, net of tax	-3	16
Total Other comprehensive income	-53	-600
Comprehensive income	1,443	1,230
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	1,438	1,226
Comprehensive income attributable to non-controlling interests	4	4

(3) Quarterly Consolidated Cash Flow Statements

(in millions of yen)

	Six months ended	
	September 30, 2015	September 30, 2014
I. Cash flow from operating activities		
Income before income taxes	2,335	2,810
Depreciation	207	212
Amortization of goodwill	17	20
Increase or decrease in accrued bonuses for employees	117	-131
Increase(decrease) in retirement benefit assets	-26	-
Increase(decrease) in retirement benefit liabilities	-	-60
Increase or decrease in allowances for doubtful accounts	0	-0
Increase or decrease in accrued retirement benefits for officers	-	102
Interest and dividend income	-23	-36
Interest expenses	6	6
Gain on bargain purchase	-	-208
Impairment loss	-	7
Gains or loss on sales of investment securities	-138	-950
Valuation loss on investment securities	-	0
Loss on write-off of fixed assets	18	9
Increase or decrease in reserve for financial instruments transaction liabilities	-0	19
Increase or decrease in segregated cash in trust for customers	-2,080	180
Increase or decrease in deposits and guarantee deposits received	9,290	5,213
Increase or decrease in short-term loans	-20	-4
Net increase or decrease in trading assets	-117	70
Net increase or decrease in margin transaction assets and liabilities	-683	725
Increase or decrease in subscription moneys	-3,487	565
Others	-82	-355
Sub-total	5,332	8,195
Interest and dividend income	23	36
Interest expenses	-6	-6
Taxes paid	-553	-2,212
Cash flow from operating activities	4,796	6,012
II. Cash flow from investing activities		
Acquisition of tangible fixed assets	-15	-186
Acquisition of intangible fixed assets	-165	-100
Sales of investment securities	359	1,059
Payments of Long-term loans	-6	-4
Collection of long-term loans	7	10
Others	-6	-29
Cash flow from investing activities	172	748
III. Cash flow from financing activities		
Repayment of long-term loans payable	-19	-19
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-12	-
Repayments of lease obligations	-1	-2
Proceeds from exercise of stock option	9	29
Proceeds from sales of treasury stock	-	0
Acquisition of Company's Common shares	-499	-0
Payment of dividends	-835	-1,171
Cash flow from financing activities	-1,359	-1,164
IV. Conversion differences related to cash and cash equivalents	-31	5
V. Increase or decrease in cash and cash equivalents	3,578	5,601
VI. Balance of cash and cash equivalents at beginning of the term	13,963	13,239
Increase in cash and cash equivalents for stock exchange	-	405
Balance of cash and cash equivalents at end of the term	17,541	19,246

(4) Points to Note on Quarterly Consolidated Financial Statements

(Points to Note on Premises for Continuing Business Enterprise)

None for the first two quarters of fiscal 2015.

(Points to Note in the Event of Material Changes in Shareholders' Capital)

None for the first two quarters of fiscal 2015.

IV. Supplementary Information

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

1. Commissions

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

	-- First two quarters of -- fiscal 2015(a)	fiscal 2014(b)	Change (%) (a) over (b)	Fiscal 2014
Brokerage commissions	3,984	3,081	+ 29.3	7,021
(Stocks)	(3,767)	(3,022)	(+ 24.6)	(6,766)
(Bonds)	(0)	(--)	(--)	(--)
Commissions from underwriting and solicitation to specified investors	374	360	+ 3.9	442
(Stocks)	(373)	(360)	(+ 3.6)	(442)
(Bonds)	(1)	(--)	(--)	(--)
Commissions from distribution and solicitation to specified investors	2,658	2,840	- 6.4	5,366
(Beneficiary certificates)	(2,628)	(2,771)	(- 5.2)	(5,256)
Commissions from other Sources	3,183	2,700	+ 17.9	5,725
(Beneficiary certificates*)	(2,803)	(2,337)	(+ 19.9)	(4,941)
Total	10,200	8,982	+ 13.6	18,555

* (i) Presentation method for trust fees relating to investment trust funds managed by the Company's subsidiary was changed and they are now itemized under (Beneficiary certificates). Trust fees for the first two quarters of fiscal 2014 and those for fiscal 2014 were accordingly adjusted for comparative purposes.

(ii) Breakdown of (Beneficiary certificates) (in millions of yen):

	-- First two quarters of -- fiscal 2015(a)	fiscal 2014 (b)	Change (%) (a) over (b)	Fiscal 2014
Trailer fees relating to distribution	2,602	2,324	+ 11.9	4,855
Trustee fees for fund Management	177	6	--	73
Fees from wrap-accounts	23	6	+ 270.6	12
Total	2,803	2,337	+ 19.9	4,941

(2) Commissions by instruments: (in millions of yen)

	-- First two quarters of -- fiscal 2015(a)	fiscal 2014(b)	Change (%) (a) over (b)	Fiscal 2014
Stocks	4,161	3,401	+22.4	7,246
Bonds	31	68	-54.5	110
Beneficiary certificates	5,648	5,167	+9.3	10,452
Others	359	345	+4.1	746
Total	10,200	8,982	+13.6	18,555

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

	-- First two quarters of -- fiscal 2015(a)	fiscal 2014(b)	Change (%) (a) over (b)	Fiscal 2014
Stocks, etc.	72	32	+122.0	82
Bonds, foreign exchange, etc.	40	66	-38.7	141
(Bonds, etc.)	(32)	(49)	(-33.3)	(95)
(Foreign exchange, etc.)	(8)	(17)	(-53.8)	(46)
Total	113	99	+13.9	224

3 . Quarterly Consolidated Income Statements for Recent Six Quarters

(in millions of yen)

	1st Q (4-6/'14)	2nd Q (7-9/'14)	3rd Q (10-12/'14)	4th Q (1-3/'15)	1st Q (4-6/'15)	2nd Q (7-9/'15)
Operating revenue	5,082	4,763	5,171	5,395	5,811	5,414
Commissions	4,657	4,324	4,678	4,894	5,276	4,923
Gains or loss on trading	37	61	89	35	58	54
Interest and dividend income	57	69	68	89	79	84
Other operating income	329	307	335	375	396	352
Interest expenses	8	23	11	34	20	17
Other operating expenses	309	287	314	348	362	329
Net operating revenue	4,764	4,451	4,845	5,012	5,428	5,067
Operating cost and expenses	3,806	3,788	3,968	3,971	4,267	4,110
Transaction-related expenses	432	381	411	386	416	478
Personnel expenses	2,209	2,229	2,381	2,356	2,506	2,359
Property-related expenses	441	476	453	461	469	463
Clerical expenses	418	405	423	468	542	499
Depreciation	102	110	113	111	101	106
Public charges	42	48	47	45	58	60
Transfer to allowances for doubtful accounts	0	0	-0	0	0	0
Others	158	137	137	140	173	143
Operating income	958	663	877	1,041	1,160	956
Non-operating income	34	47	28	114	48	60
Non-operating expenses	0	14	0	38	0	9
Current income	992	696	905	1,116	1,208	1,007
Extraordinary income	468	690	373	—	49	88
Extraordinary expenses	9	27	12	28	—	18
Income before income taxes	1,451	1,359	1,267	1,088	1,257	1,077
Income, inhabitant and enterprise taxes	206	613	339	485	309	545
Income taxes adjustments	336	-176	167	-207	128	-144
Profit	908	922	760	810	820	677
Profit attributable to non-controlling interests	1	2	2	5	2	2
Profit attributable to owners of parent	907	919	757	804	817	674

(END)