

Business Result for Fiscal Year to March 31, 2016

(Consolidated on the basis of Japanese accounting standards)

Released on April 28, 2016

(English translation for reference purposes only)

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

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

Corporate representative: Mr. Minoru Kobayashi, President & Representative Executive
Officer

Date of annual shareholders' meeting: June 25, 2016 (scheduled)

Payment date for final dividends: May 31, 2016 (scheduled)

Filing date of annual securities report: June 28, 2016 (scheduled)

Supplemental information on business result: Provided.

Business result-reporting meeting: Planned for institutional investors and analysts.

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1. Consolidated Business Result for Fiscal Year Ended March 31, 2016

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

	--- Fiscal year ended---	
	March 31, 2016	March 31, 2015
	(% year-to-year)	
Operating revenue	21,846 (+ 7.0)	20,413 (- 19.1)
Net operating revenue	20,346 (+ 6.7)	19,073 (--)
Operating income	3,695 (+ 4.4)	3,539 (- 59.9)
Current income	3,813 (+ 2.7)	3,711 (- 58.7)
Profit attributable to owners of parent	2,580 (- 23.9)	3,389 (- 59.0)
Earnings per share	58.88yen	77.52yen
Earnings per share on a diluted basis (adjusted for shares potentially issuable)	58.77yen	77.0yen
Net return on equity	7.7%	10.3%
Current income as % of total assets	8.0%	7.7%
Operating income as % of operating Revenue	16.9%	17.3%

Notes: (1) Comprehensive income for each fiscal year:

2,319 million yen for fiscal year ended March 31, 2016 (- 22.0%).

2,974 million yen for fiscal year ended March 31, 2015 (- 63.1%).

(2) Investment gains or loss by an equity method:

Less than 1 million yen for fiscal year ended March 31, 2016.

Less than 1 million yen for fiscal year ended March 31, 2015.

(3) Presentation method for net operating revenue was changed effective as from the fiscal year ended March 31, 2016, and the corresponding figures for the fiscal year ended March 31, 2015 were accordingly adjusted for comparison purposes. Hence, no percentage change was provided for net operating revenue for the fiscal year ended March 31, 2015 over the year-earlier comparable figures.

(2) Consolidated financial condition

	--- As of March 31 ---	
	2016	2015
Total assets (in millions of yen)	46,593	48,242
Net worth (in millions of yen)	33,560	33,690
Equity ratio	71.5%	69.4%
Net worth per share	763.66yen	760.01yen

Note: Shareholders' equity at the end of each fiscal year:

33,313 million yen at March 31, 2016.

33,498 million yen at March 31, 2015.

(3) Consolidated cash flow (in millions of yen)

	--- Fiscal year ended ---	
	March 31, 2016	March 31, 2015
Cash flow from operating activities	3,980	1,420
Cash flow from investing activities	307	887
Cash flow from financing activities	- 2,549	- 1,972
Cash and cash equivalents at end of the term	15,675	13,963

2. Dividend

	--- Fiscal year ended ---		
	March 31, 2016	March 31, 2015	March 31, 2017 (Forecast*)
Per-share dividend: (Please see notes below)			
Interim dividend	27.00yen**	21.00yen	--
Final dividend	26.00yen**	19.00yen	--
Annual total	53.00yen	40.00yen	--
Total dividend payout	2,311 million yen	1,756 million yen	--
Payout ratio (consolidated)	90.0%	51.6%	--
Total dividend payout as % of net assets	7.0%	5.3%	--

*= Forecast is not provided because it is not the Company's practice to give earnings or dividend forecast.

**=The both interim and final dividends include a commemorative dividend of 10yen (to mark the 65th anniversary of the incorporation of Ichiyoshi Securities Co., Ltd. (the "Company")).

Note: 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 of record as of June 30 and December 31 of each fiscal year.

3. Outlook for Consolidated Business Result for Fiscal Year ending March 31, 2017(from April 1, 2016 to March 31, 2017)

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 changes in securities market conditions, the Company does not provide such forecast prior to the end of each quarterly and annual business term. Instead, the Company releases preliminary earnings figures after the end of each business term as and when such figures become available.

*** Points to note:**

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

(2) 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-presentations of modifications: None.

(For further information, please refer to “(5) Notes to Consolidated Financial Statements” under “V. Consolidated Financial Statements” contained elsewhere hereunder.)

(3) Number of issued shares (common stock)

(a) Number of issued shares at the end of each fiscal year (including treasury shares):

44,431,386 shares at March 31, 2016.

44,431,386 shares at March 31, 2015.

(b) Number of treasury shares at the end of each fiscal year:

807,868 shares at March 31, 2016.

354,716 shares at March 31, 2015.

(c) Average number of shares outstanding during each fiscal year:

43,820,360 shares for the fiscal year ended March 31, 2016.

43,723,181 shares for the fiscal year ended March 31, 2015.

[Referential information]

1. Outline of Non-consolidated Business Result (parent company basis)

(1) Business result for fiscal year ended March 31, 2016 (in millions of yen with fractions less than a million yen discarded, except for per-share figures)

	--- Fiscal year ended ---	
	March 31, 2016	March 31, 2015
	(% year-to-year)	
Operating revenue	19,596 (+ 6.1)	18,474 (- 21.9)
Net operating revenue	19,534 (+ 6.1)	18,406 (- 22.0)
Operating income	3,209 (+ 0.9)	3,182 (- 63.3)
Current income	3,324 (- 0.7)	3,346 (- 62.1)
Profit	2,273 (- 26.0)	3,071 (- 62.3)
Earnings per share	51.88yen	70.25yen
Earnings per share on a diluted basis		
(adjusted for shares potentially issuable)	51.79yen	69.79yen
Net return on equity	7.0%	9.5%

(2) Financial condition

	--- As of March 31 ---	
	2016	2015
Total assets (in millions of yen)	44,889	46,696
Net worth (in millions of yen)	32,407	32,693
Equity ratio	71.8%	69.7%
Net worth per share	738.33yen	738.54yen
Capital adequacy ratio	593.5%	602.4%

Shareholders' equity at the end of each fiscal year:

32,208 million yen as of March 31, 2016.

32,552 million yen as of March 31, 2015.

2. Outlook for non-consolidated business result for fiscal year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

Since the forecast of earnings in financial-instruments trading is hard to make due to changes in securities market conditions, the Company does not provide such forecast prior to the end of each quarterly and annual business term. Instead, the Company releases

preliminary earnings figures after the end of each business term as and when such figures become available.

Additional points to note:

1. The financial figures contained herein are released without being audited by certified public accountants as required by the Financial Instruments and Exchange Law. Those figures are being audited 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 quarterly and annual business term as stated in “3. Outlook for Consolidated Business Result for Fiscal Year Ending March 31, 2017 (from April 1, 2016 to March 31, 2017)” on page 2, the Company does not provide a dividend forecast.

I. Analysis on Business Result and Financial Condition

1. Analysis on Consolidated Business Result

During the fiscal year ended March 31, 2016, a mild recovery in corporate earnings and employment was seen in the Japanese economy while there increased uncertainty in the global financial and commodities markets due to a slowdown in the Chinese economy and falls in crude oil prices in particular. With the heightening of such uncertainty, outlooks for domestic and foreign demands darkened further, leading to the aggravation of business sentiment and consumer mind in Japan towards the end of the fiscal year.

Thus, the Japanese stock market initially staged a strong performance amid the continuing easy money policy by the Bank of Japan, further aided by expectations for higher business earnings and appreciations for efforts by corporations for higher corporate value and continuous flows of foreign investors' money, with the Nikkei Stock Average registering 20,868yen, the highest average since the previous year, on June 24. The Nikkei Stock Average then dropped below 17,000yen temporarily after China announced the devaluation of the yuan on August 11, but recovered towards the end of 2015. With the turn of the year, however, fears over the outlook for the U.S. and Chinese economies and anxieties over developing economies related to oil price slumps revived, pushing the Nikkei Stock Average down to 14,952yen, the lowest since the previous year, on February 12, despite the adoption by the Bank of Japan of a negative interest rate policy on January 29. The Nikkei Stock Average then recovered on easing of uncertainty over the European financial system and ended the fiscal year at 16,758yen.

In the foreign exchange market, the yen weakened to the upper end of the 125yen per 1 U.S. dollar level for the first time in 12 years and half, and thereafter strengthened to the middle of the 112yen per 1 U.S. dollar level at the end of the fiscal year as the yen buying

as a haven currency increased with receded expectations for an interest rate increase in the U.S.

With respect to the Japanese emerging-stock market, the TSE Mothers Index and the Nikkei JASDAQ Average registered their highest since the previous year on June 24 and July 21, respectively, on strong buying. The TSE Mothers Index and the Nikkei JASDAQ Average both underwent declining stages after August and correctional periods since the beginning of 2016. The TSE Mothers Index ended the fiscal year at 1,020、nearly recovering to the highest since the previous year, while the Nikkei JASDAQ Average lacked the power of recovery, finishing the fiscal year at 2,460yen.

The average daily turnover on the Tokyo Stock Exchange was 3,082.7 billion yen, up 15.7% from the previous fiscal year. The average daily turnover on the JASDAQ market fell 22.3% to 70.2 billion yen.

Against such background, the Company registered the stock brokerage volume of 2,251.2 billion yen for the fiscal year ended March 31, 2016, up 5.7% from the previous fiscal year. Among its activities, the Company stepped up its efforts for proposals and measures focused on increase in customers' assets in custody, including recommendations of investment in medium- to long-term growth stocks on the basis of the Company's strength in research and proposals of asset-backed stocks for dividend income under a negative interest rate policy. In the primary market, the Company participated in 39 management and underwriting syndicate (which include 3 lead managements). In the initial public offering and listing of 3 Japan Post Group companies in particular, the Company underwrote the largest amount in its history. In June 2015, the Company launched "Dream Collection," a fund wrap account vehicle. Dream Collection gained a favorable reception among customers as a long-term investment vehicle for conservative savings, and its outstanding balance as at the end of the fiscal year exceeded 25 billion yen.

With respect to customers' assets in custody, they stood at 1,775.0 billion yen as at March 31, 2016, down 7.4% from the previous fiscal year. While the Company canvassed for customers' fresh-fund purchases of investment trust funds and 3 Japan Post Group companies' shares, changes in net asset values of investment trust funds targeted for emerging countries in particular and price fluctuations in stock markets in general were negative factors.

Consequently, net operating revenue for the fiscal year ended March 31, 2016, amounted to 20,346 million yen, up 6.7% from the previous fiscal year. Operating cost and expenses recorded 16,651 million yen, up 7.2%. Hence, operating income registered 3,695 million yen, up 4.4%.

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

(3) Commissions

Total commissions for the fiscal year ended March 31, 2016 amounted to 19,682 million yen, up 6.1% from the previous fiscal year ended March 31, 2015.

(i) Brokerage commissions

Total brokerage commissions on stocks rose 7.2% to 7,254 million yen. Those on small- and mid-cap stocks (consisting of stocks listed on the Second Section of the Tokyo Stock Exchange, TSE Mothers and JASDAQ Market) amounted to 1,344 million yen, accounting for 18.5% of total brokerage commissions, down from 23.4% for the previous fiscal year.

(ii) Commissions from underwriting and solicitation to specified investors

In the primary market, the Company participated in the management and underwriting of 39 initial public offerings (IPOs) (of which the Company lead-managed 3), as against 34 IPOs (of which the Company lead-managed 1) in the previous fiscal year. In the secondary market (for follow-on financing), the Company participated in 10 deals on a management and underwriting basis (of which the Company lead-managed 5), as against 9 deals (of which the Company lead-managed 2) in the previous fiscal year. As a result, total commissions from underwriting of stocks and bonds and solicitation to specified investors recorded 1,284 million yen, up 190.3% from the previous fiscal year.

The cumulative number of companies whose offerings were lead- or co-managed by the Company stood at 980 (of which 42 were lead-managed by the Company) as of March 31, 2016.

(iii) Commissions from distribution and solicitation to specified investors

Commissions from distribution and solicitation to specified investors declined 15.1% to 4,558 million yen as commissions from distribution of investment trust funds slid 14.3 % to 4,505 million yen.

(iv) Commissions from other sources

The trailer fees on investment trust funds rose 9.8% to 5,425 million yen. With the addition of investment management fees from Ichiyoshi Asset Management Co. Ltd., fees from research unbundling, commissions from insurance policy sales and fees from IPO assistance, total commissions from other sources amounted to 6,205 million yen, up 8.4%.

(2) Gains or Loss on Trading

Trading on stocks, etc. recorded gains of 33 million yen, down 59.0%, and trading on bonds, foreign exchange, etc. registered gains of 291 million yen, up 105.9%. Consequently, total gains on trading amounted to 325 million yen, up 45.1%.

(3) Interest and Dividend Income

Interest and dividend income rose 10.5% to 314 million yen as advances for margin transactions increased, and interest expenses fell 10.9% to 70 million yen. Resultantly, net interest dividend income amounted to 244 million yen, up 18.7%.

Hence, net operating revenue for the fiscal year ended March 31, 2016 recorded 20,346 million yen, up 6.7%.

(4) Operating Cost and Expenses

Operating cost and expenses increased 7.2% to 16,651 million yen as personnel-related expenses and clerical cost rose.

(5) Non-operating Income and Expenses

The Company registered non-operating income of 139 million yen, including a dividend income of 26 million yen from invested securities and an investment income of 87 million yen from investment partnerships. As a result, net non-operating income for the fiscal year ended March 31, 2016 registered 117 million yen, down 31.7% from the previous fiscal year.

Hence, current income for the fiscal year ended March 31, 2016 amounted to 3,813 million yen, up 2.7% from the previous fiscal year.

(6) Extraordinary Income and Loss

The Company recorded an extraordinary income of 125 million yen, down 91.3%, mainly in the form of gains on sales of investment securities.

Consequently, income before taxes and tax adjustments for the fiscal year ended March 31, 2016 recorded 3,939 million yen, down 23.7%, and net income attributable to owners of parent (after deduction of corporate income taxes, resident's taxes and enterprise taxes, totaling 1,267 million yen, and corporate tax adjustments of 81 million yen, and after deduction of non-controlling interests of 9 million yen) registered 2,580 million yen, down 23.9% from the previous fiscal year.

2. Analysis on Consolidated Financial Condition

(1) Condition of Assets, Liabilities and Net Worth

(i) Current assets

Current assets amounted to 39,892 million yen as of March 31, 2016, a decrease of 721million yen (down 1.8%) from March 31, 2015, as cash and deposits swelled by 1,702 million yen and segregated cash and statutory deposits rose by 643 million yen

while margin transaction assets decreased by 3,145 million yen.

(ii) Fixed assets

Fixed assets stood at 6,701 million yen as of March 31, 2016, a decline of 927 million yen (down 12.2%), chiefly as the amount of investment securities dropped by 568 million yen and net defined benefit assets fell by 166 million yen.

As a result, total assets registered 46,593 million yen as of March 31, 2016, a decrease of 1,648 million yen (down 3.4%) from March 31, 2015.

(iii) Liabilities

Current liabilities stood at 12,444 million yen as of March 31, 2016, a decline of 1,361 million yen (down 9.9%) from March 31, 2015. The decline resulted from a fall of 892 million yen in cash payable to customers and a fall of 356 million yen in margin transaction liabilities.

(iv) Long-term liabilities

Long-term liabilities recorded 406 million yen as of March 31, 2016, a reduction of 155million yen (down 27.7%) from March 31, 2015, as long-term borrowings declined by 39 million yen and deferred tax liabilities fell by 104 million yen.

(v) Statutory reserves

Statutory reserves registered 182 million yen as of March 31, 2016.

(vi) Net worth

Net worth amounted to 33,560 million yen as of March 31, 2016, a fall of 130 million yen (down 0.4%) from March 31, 2015. The fall resulted as the Company recorded net income (attributable to owners of parent) of 2,580 million yen for the fiscal year while the Company paid dividends in the amount of 2,014 million yen and acquired treasury shares at the cost of 499 million yen and remeasurements of defined benefit plans fell by 149 million yen.

(2) Cash Flow

Cash flow from operating activities for the fiscal year ended March 31, 2016 recorded a positive figure of 3,980 million yen, a rise of 2,560 million yen from the previous fiscal year, as income before taxes and tax adjustments for the fiscal year recorded 3,939 million yen while taxes paid amounted to 1,324 million yen. Cash flow from investing activities registered a positive figure of 307 million yen, a fall of 580 million yen, due to proceeds from sales of investment securities. Cash flow from financing activities recorded a negative figure of 2,549 million yen, a fall of 576 million yen, chiefly as a result of dividend payments and acquisition of treasury shares.

Consequently, the amount of cash and cash equivalents as of March 31, 2016, stood at 15,675 million yen, a growth of 1,712 million yen from the end of the previous fiscal

year (March 31, 2015).

3 Basic Policy on Earnings Distribution and Dividends

One of the Company's core management policies is to make an appropriate earnings distribution to its shareholders. The Company places its stress on a continuous stream of dividend payment linked to business result. In deciding on an amount of dividend payment, payout ratio is a basic measure. Additionally, DOE (namely, ratio of dividends to shareholders' equity) is taken into account for a continuous stream of dividend payment.

Specifically, the Company has currently adopted the payout ratio of approximately 50% and the DOE of approximately 4%, the both measures being calculated semiannually on a consolidated basis and the larger result of calculation between the two measures being chosen. When adopting the DOE of approximately 4%, the half of it (namely, approximately 2%) is used for the semiannual calculation.

Under this dividend policy, interim dividends paid to shareholders of record as of September 30, 2015 were calculated based on the payout ratio of approximately 50%, and final dividends payable to shareholders of record as of March 31, 2016 are to be calculated based on the DOE of approximately 4%. Additionally for the fiscal year ended March 31, 2016, the Company decided to make commemorative dividend payments to mark the 65th anniversary of its incorporation: 10yen per share at the time of interim dividend payment and 10yen per share at the time of final dividend payment. As a result, the aggregate amount of interim dividend per share was 27yen (consisting of regular dividend of 17yen and commemorative dividend of 10yen) and the aggregate amount of final dividend is to be 26yen (consisting of regular dividend of 16yen and commemorative dividend of 10yen). Thus, the total amount of dividend per share for the fiscal year ended March 31, 2016, is to be 53yen.

II. State of Ichiyoshi Group

The Ichiyoshi group, consisting of Ichiyoshi Securities Co., Ltd. (the "Company") and its three consolidated subsidiaries, is principally engaged in investment and financial services chiefly associated with financial-instruments.

The Company is directly engaged in buying and selling of, and dealing in, securities (such buying and selling of, and dealing in, securities are called hereinafter as "securities transactions"), acting as agent or broker for securities transactions, underwriting and distributing publicly-offered or privately-placed securities and carrying out other securities-related businesses. Thus, the Company provides wide-ranging services matching varying needs of its customers relating to securities and investments.

In conjunction with the above-mentioned activities by the Company, the three

consolidated subsidiaries perform their respective functions: Ichiyoshi Research Institute Inc. undertakes research and data/information collection relating to small- and mid-cap growth companies; Ichiyoshi Asset Management Co., Ltd. provides management of investment trusts, discretionary-investment and asset-management advices and services for institutional investors and investment trusts; and Ichiyoshi Business Service Co., Ltd. undertakes peripheral services for the Ichiyoshi group, provides real estate renting/broking/management services and agencies, deals in office supplies and goods and acts as agent for financial-instruments trading.

List of 4 Companies in the Ichiyoshi Group

Parent company: **Ichiyoshi Securities Co., Ltd.** - financial-instruments trading business

Consolidated subsidiaries:

Ichiyoshi Research Institute Inc. – information services
(90.0% owned, of which 12.5% is indirectly owned)

Ichiyoshi Asset Management Co., Ltd. – investment trust management and advisories
(97.0% owned, of which 2.0% is indirectly owned)

Ichiyoshi Business Service Co., Ltd. – property renting/broking/management, sales of office supplies and financial-instruments trading agency.
(100.0% owned)

III. Management Policy

1. Basic Policy

The Company's motto is to "Be a Securities Company Like No Other in Japan." To realize this motto, the Company makes it a management objective to build a "Name-brand boutique house" in the finance and securities industry. In its efforts for realization, the Company intends to heighten the fairness and transparency of management along its credo (corporate philosophy) and to promote flexible and relevant decision-making, thereby maximizing earnings and corporate value while bolstering its corporate governance. Taking advantage of its committees-based company system and its executive officer system, the Company aims to raise the promptitude and effectiveness of business executions and toughen its surveillance over business executions.

The Company's credo (corporate philosophy):

Management philosophy: To remain a company of customers' trust and choice

Management objective: Name-brand boutique house in finance and securities industry

Action guidelines: Gratitude, Integrity, Courage, Responsiveness, Continuity and Long-Term Good Relation.

2. Triangular Pyramid Management

The Company is promoting "Triangular Pyramid Management" --- with the research division forming the base of the pyramid, and the retail, wholesale and support/products divisions forming their respective facets of the pyramid, and the pyramid itself is firmly supported by the back-office division. This management style is intended to maximize the capability of each division/subsidiary and enhance the co-working synergy of all the divisions/subsidiaries. This synergistic process will also raise the quality of the Company's products, information and customer services, thereby further satisfying the Company's retail customers' needs for asset-building and corporate customers' requirements.

3. Basic Strategies for Growth

The Company aims to be a securities firm of first choice for each individual customer by building a "Name-brand Boutique House" in finance and securities on the basis of the Company's credo. Regarding customers' assets in custody as a barometer of "customers' trust" and "fundamental strength of Ichiyoshi," the Company will strive for a sustainable growth by expanding customers' assets as an overriding management objective and source of revenue.

In addition to the expansion of customers' assets in custody, the Company will continue to stress the practical observance of compliance and corporate governance as main items of management and carry out growth measures on the basis of the following basic growth strategies.

[Basic Strategies for Growth]

1. Execution of "Ichiyoshi Credo"

Management philosophy, management objective and action guidelines for everlasting corporate growth.

2. Expansion of customers' assets in custody

Core management objective and barometer of "customers' trust" and "fundamental strength of Ichiyoshi."

3. Practical observance of compliance

Compliance is a source and power of competitiveness.

4. Corporate governance

Fair, reasonable and transparent management contribute to corporate value and

growth.

5. Expansion of business base

Customer acquisition based on “locally-focused activities,” and product development strategy through preparation of customer-oriented portfolios.

6. Continuous improvement on revenue-cost structure

Promotion of revenue-cost structure unsusceptible to market fluctuations.

7. Specialization in small-and medium-cap stocks and boosting of earnings base

Targeting on small- and medium-cap stocks and investment trust funds specializing in small-and medium-cap stocks.

8. Strengthening of Triangle Pyramid Management

Boosting of head office and divisional back-up capabilities, enhancement of synergistic effects among Ichiyoshi Securities Co. Ltd., Ichiyoshi Research Institute Inc., Ichiyoshi Asset Management Co., Ltd. and Ichiyoshi Business Service Co., Ltd.

9. Diversification of business channels

Expansion of branch network around major cities (including the use of planet plazas), and tie-ups with local financial institutions.

10 Nurturing and training of human talent

Personnel is a foundation of growth.

[Outline of Medium-Term Management Plan (“Challenge 3”)]

Numerical targets	March 31, 2017	Status as of March 31, 2016

Customers’ assets in custody:	3 trillion yen	1.7750 trillion yen
Number of lead-managed companies: (cumulative)	50	42
ROE:	Approximately 15%	7.7%

The following are 8 basic strategies to achieve the targets in Medium-Term Management Plan:

3. Challenges to Be Tackled

As the Abenomics enters the second stage against the background of newly-introduced negative interest rate policy, the flow of capital from “savings to investment” is accelerating. As such, securities firms are increasingly required to conduct business more from customers’ perspective. For the Company which has long provided products and services based on the relationship with customers as its first priority, the current condition seems to be best-suited for the Company and its

growth.

During the fiscal year ended March 31, 2016, the Company launched “Dream Collection,” a fund wrap account targeted for medium- to long-term growth of assets, in June 2015. With respect to stocks, the Company promoted diversified-investment proposals for medium- to long-term growth of customers’ assets.

The Company will continue to take advantage of its 3 special features: (i) research capabilities of Ichiyoshi Research Institute, (ii) corporate governance ability and (iii) compliance capability (related to customer satisfaction) for the expansion of customers’ assets in custody on the basis of the Company’ basic strategies for growth.

The Company believes that the expansion of its sales network, mainly around major cities in view of the ongoing flow of capital, is also important in order to increase customers’ assets in custody. Thus, the Company opened a branch at Narimasu in Tokyo in April this year.

The investment trust fund specializing in small-and medium-cap stocks that Ichiyoshi Asset Management launched is gaining good customer reception due to its favorable performance since its inception. Thus, the Company is considering tie-ups for further distribution of the fund with local financial institutions.

With respect to specific measures for the retail division, the Company will continue to increase the net balance of investment trust funds around “Dream Collection” and other investment trust funds and also the net balance of bonds. The Company will also stress the importance of asset-backed stocks and promote small- and medium-cap stocks selected by Ichiyoshi Research Institute for the eventual expansion of customers’ assets in custody. In that process, the Company may strategically proceed with the cross-selling of products to suit customers’ needs.

With respect to the wholesale division, the Company will continue to increase the number of lead-management in initial public offerings and follow-on financings.

With respect to the administrative and planning division, the Company will build strong back-up capabilities for front-office operations while striving to enhance synergistic effects among group companies.

IV. Basic Policy on Accounting Standards

The Company and its group companies prepare financial statements in compliance with generally-accepted accounting standards in Japan. The Company has no plan to consider applying IFRS (International Financial Reporting Standards).

. Consolidated Financial Statements

1. Consolidated Balance Sheets

(in millions of yen)

	As of March 31 2016	As of March 31 2015
Assets		
Current assets		
Cash and bank deposits	16,311	14,609
Segregated cash and statutory deposits	4,962	4,319
Trading assets	464	382
Securities	464	382
Contracted trades	-	4
Margin transaction assets	13,408	16,553
Advances for margin purchases	13,171	16,191
Cash deposits as collateral for securities borrowed	236	362
Advance payments for customers on trades	15	14
Advance payments for subscription	3,020	2,881
Short-term loans	22	11
Accrued income	1,264	1,336
Deferred tax assets	330	393
Other current assets	95	112
Allowances for doubtful accounts	-2	-4
Total Current assets	39,892	40,613
Fixed assets		
Tangible fixed assets	3,938	4,138
Buildings	1,236	1,346
Fixtures and equipment	666	752
Land	2,030	2,030
Lease assets, net	5	8
Intangible fixed assets	563	557
Goodwill	18	48
Computer software	543	507
Telephone subscription rights, etc.	0	1
Investments, etc.	2,199	2,933
Investment securities	1,197	1,765
Long-term loans	28	35
Cash deposits as guarantee for long-term credits	916	918
Net defined benefit asset	38	205
Deferred tax assets	3	2
Other investments	26	14
Allowances for doubtful accounts	-10	-9
Total Fixed assets	6,701	7,628
Total assets	46,593	48,242

	As of March 31 2016	As of March 31 2015
Liabilities		
Current liabilities		
Trading liabilities	0	0
Derivatives	0	0
Contracted trades	37	-
Margin transaction liabilities	3,006	3,363
Borrowings for margin transactions	2,445	2,621
Cash received for loaned securities	561	741
Cash payable to customers	5,794	6,687
Deposits from customers (for committed trades)	1,103	1,286
Accounts for non-received securities and others	0	-
Short-term borrowings	210	210
Lease obligations	2	3
Income taxes payable	570	574
Accrued bonuses to employees	707	652
Other current liabilities	1,010	1,026
Total Current liabilities	12,444	13,805
Long-term liabilities		
Long-term borrowings	302	341
Lease obligations	2	5
Deferred tax liabilities	41	145
Revaluation-related deferred tax liabilities	30	31
Other long-term liabilities	30	36
Total Long-term liabilities	406	561
Statutory reserves		
Reserve for financial instruments transaction liabilities	182	184
Total Statutory reserves	182	184
Total liabilities	13,033	14,551
Net worth		
Shareholders' equity		
Capital stock	14,577	14,577
Capital surplus	8,696	8,710
Retained earnings	12,391	11,825
Treasury stock	-747	-281
Total Shareholders' equity	34,917	34,832
Accumulated other comprehensive income		
Other securities valuation difference	54	176
Land revaluation difference	-1,849	-1,851
Remeasurements of defined benefit plans	191	340
Total Accumulated other comprehensive income	-1,604	-1,333
Subscription rights to shares	198	141
Non-controlling interests	47	50
Total net worth	33,560	33,690
Total of liabilities and net worth	46,593	48,242

2. Consolidated Income Statements and Consolidated Comprehensive Income Statements

Consolidated Income Statements

(in millions of yen)

	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2015
Operating revenue		
Commissions	19,682	18,555
Commission to consignees	7,633	7,021
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	1,284	442
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	4,558	5,366
Other fees received	6,205	5,725
Gains or loss on trading	325	224
Interest and dividend income	314	285
Other operating income	1,523	1,348
Total Operating revenue	21,846	20,413
Interest expenses	70	79
Other operating expenses	1,429	1,259
Net operating revenue	20,346	19,073
Operating cost and expenses		
Transaction-related expenses	1,922	1,611
Personnel expenses	9,494	9,177
Property-related expenses	1,863	1,833
Clerical expenses	2,150	1,716
Depreciation	422	437
Public charges	218	183
Transfer to allowances for doubtful accounts	0	0
Others	579	574
Total Operating cost and expenses	16,651	15,534
Operating income	3,695	3,539
Non-operating income		
Gain on investments in partnership	87	97
Dividends from investment securities	26	42
Insurance and dividends income	1	58
Others	24	26
Total Non-operating income	139	225
Non-operating expenses		
Loss on investments in partnership	22	52
Others	0	1
Total Non-operating expenses	22	53
Current income	3,813	3,711
Extraordinary income		
Gains on sales of investment securities	156	1,323
Reversal of reserve for financial instruments transaction liabilities	1	-
Gain on reversal of subscription rights to shares	3	-
Gains on sales of fixed assets	-	0
Gain on bargain purchase	-	208
Total Extraordinary income	161	1,532
Extraordinary expenses		
Loss on write-off of fixed assets	22	29
Valuation loss on investment securities	-	0
Loss on sales of investment securities	9	-
Impairment loss	4	7
Transfer to reserve for securities transaction liabilities	-	40
Total Extraordinary expenses	35	78
Income before income taxes	3,939	5,165
Income, inhabitant and enterprise taxes	1,267	1,645
Income taxes adjustments	81	119
Total Income taxes	1,349	1,764
Profit	2,589	3,401
Profit attributable to non-controlling interests	9	11
Profit attributable to owners of parent	2,580	3,389

Consolidated Comprehensive Income Statements

(in millions of yen)

	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2015
Profit	2,589	3,401
Other comprehensive income		
Other securities valuation difference	-122	-758
Land revaluation difference	1	3
Remeasurements of defined benefit plans	-149	328
Total other comprehensive income	-270	-426
Comprehensive income	2,319	2,974
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	2,309	2,962
Comprehensive income attributable to non-controlling interests	9	11

3 . Consolidated Statements of Shareholders' Equity

Consolidated Statement of Shareholders' Equity for the fiscal year ended March 31, 2016 (in millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at 4/1/2015	14,577	8,710	11,825	-281	34,832
Cumulative effects of changes in accounting policies					-
Restated balance	14,577	8,710	11,825	-281	34,832
Changes in the fiscal year:					
Cash dividends			-2,014		-2,014
Profit attributable to owners of parent			2,580		2,580
Purchase of treasury stock				-499	-499
Disposal of treasury stock		-13		33	19
Change In Treasury Shares Of Parent Arising From Transactions With Non Controlling		0			0
Changes in items other than those in shareholders'equity (net)					
Total changes in the fiscal year	-	-13	565	-466	85
Balance at 3/31/2016	14,577	8,696	12,391	-747	34,917

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net worth
	Other securities valuation difference	Land revaluation difference	Remeasurements of defined benefit plans	Total of accumulated other comprehensive income			
Balance at 4/1/2015	176	-1,851	340	-1,333	141	50	33,690
Cumulative effects of changes in accounting policies							-
Restated balance	176	-1,851	340	-1,333	141	50	33,690
Changes in the fiscal year:							
Cash dividends							-2,014
Profit attributable to owners of parent							2,580
Purchase of treasury stock							-499
Disposal of treasury stock							19
Change In Treasury Shares Of Parent Arising From Transactions With Non Controlling							0
Changes in items other than those in shareholders'equity (net)	-122	1	-149	-270	57	-3	-215
Total changes in the fiscal year	-122	1	-149	-270	57	-3	-130
Balance at 3/31/2016	54	-1,849	191	-1,604	198	47	33,560

Consolidated Statements of Shareholders' Equity for the fiscal year ended March 31, 2015 (in millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at 4/1/2014	14,577	8,701	10,507	-721	33,064
Cumulative effects of changes in accounting policies			23		23
Restated balance	14,577	8,701	10,530	-721	33,087
Changes in the fiscal year:					
Cash dividends			-2,094		-2,094
Profit attributable to owners of parent			3,389		3,389
Purchase of treasury stock				-0	-0
Disposal of treasury stock		9		440	449
Change In Treasury Shares Of Parent Arising From Transactions With Non Controlling					-
Changes in items other than those in shareholders'equity (net)					
Total changes in the fiscal year	-	9	1,295	440	1,744
Balance at 3/31/2015	14,577	8,710	11,825	-281	34,832

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net worth
	Other securities valuation difference	Land revaluation difference	Remeasurements of defined benefit plans	Total of accumulated other comprehensive income			
Balance at 4/1/2014	935	-1,854	12	-907	67	39	32,263
Cumulative effects of changes in accounting policies							23
Restated balance	935	-1,854	12	-907	67	39	32,287
Changes in the fiscal year:							
Cash dividends							-2,094
Profit attributable to owners of parent							3,389
Purchase of treasury stock							-0
Disposal of treasury stock							449
Change In Treasury Shares Of Parent Arising From Transactions With Non Controlling							-
Changes in items other than those in shareholders'equity (net)	-758	3	328	-426	73	11	-341
Total changes in the fiscal year	-758	3	328	-426	73	11	1,403
Balance at 3/31/2015	176	-1,851	340	-1,333	141	50	33,690

4. Consolidated Cash Flow Statements

(in millions of yen)

	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2015
I. Cash flow from operating activities		
Income before income taxes	3,939	5,165
Depreciation	422	437
Amortization of Goodwill	29	40
Increase or decrease in accrued bonuses for employees	54	-24
Increase(decrease) in retirement benefit assets	166	-205
Increase(decrease) in retirement benefit liabilities	-	-305
Increase or decrease in allowances for doubtful accounts	-0	-3
Increase or decrease in accrued retirement benefits for officers	-	-102
Interest and dividend income	-38	-65
Interest expenses	11	13
Gain on bargain purchase	-	-208
Impairment loss	4	7
Gains or loss on sales of investment securities	-147	-1,323
Valuation loss on investment securities	-	0
Gains or loss on sales of fixed assets	-	-0
Loss on write-off of fixed assets	22	29
Gains on reversal of subscription rights to shares	-3	-
Increase or decrease in reserve for financial instruments transaction liabilities	-1	40
Increase or decrease in segregated cash in trust for customers	-660	900
Increase or decrease in deposits and guarantee deposits received	-1,076	-650
Increase or decrease in short-term loans	-11	-1
Increase or decrease in trading assets	-0	615
Net increase or decrease in margin transaction assets and liabilities	2,789	-408
Increase or decrease in subscription moneys	-138	1,126
Increase (decrease) in borrowings secured by securities	-	-559
Others	-82	167
Sub-total	5,278	4,686
Interest and dividend income	38	65
Interest expenses	-11	-13
Taxes paid	-1,324	-3,317
Cash flow from operating activities	3,980	1,420
II. Cash flow from investing activities		
Acquisition of tangible fixed assets	-46	-325
Sales of tangible fixed assets	-	1
Acquisition of intangible fixed assets	-242	-219
Acquisition of investment securities	-	-379
Sales of investment securities	611	1,766
Long-term loans	-10	-7
Collection of long-term loans	17	26
Others	-23	25
Cash flow from investing activities	307	887
III. Cash flow from financing activities		
Repayment of long-term loans payable	-39	-39
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-12	-
Repayments of lease obligations	-3	-4
Proceeds from exercise of stock option	16	160
Sales of Company's Common shares held in treasury	-	0
Acquisition of Company's Common shares	-499	-0
Payment of dividends	-2,010	-2,089
Cash flow from financing activities	-2,549	-1,972
IV. Conversion differences related to cash and cash equivalents	-27	-17
V. Increase or decrease in cash and cash equivalents	1,712	318
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	15,675	13,963

5. Notes to Consolidated Financial Statements

(There is no note to premises for continuing business.)

(Material Matters Essential for Preparation of Consolidated Financial Statements)

1. Matters concerning scope of consolidation:

Consolidated subsidiaries: 3 companies

Namely:

- (i) Ichiyoshi Research Institute Inc.
- (ii) Ichiyoshi Asset Management Co., Ltd.
- (iii) Ichiyoshi Business Service Co., Ltd.

2. Matters concerning application of an equity method: None

3. Matters concerning fiscal-year account-settlement days of consolidated subsidiaries

The fiscal-year account-settlement days of all consolidated subsidiaries coincide with the consolidated fiscal-year account-settlement day (March 31).

[Changes in accounting policies and estimates and re-presentation of modifications]

(Changes in accounting policy following revisions of accounting standards)

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 fiscal year ended March 31, 2016. Hence, differences arising from changes in the Company’s ownership in continuously-owned subsidiaries are recognized as capital surplus, and acquisition-related 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 fiscal year ended March 31, 2016, the review of allocation of provisionally-fixed cost of acquisition is to be reflected in the consolidated financial statements for the relevant fiscal year.. Additionally, net income is re-presented, and minority interests are changed to non-controlling interests. These changes are also reflected on the consolidated financial statements for the fiscal year ended March 31, 2015 for comparison purposes.

In the consolidated cash flow statement for the fiscal year ended March 31, 2016, cash flow related to the acquisition or sale of shares of a subsidiary causing no change in the scope of consolidation is recorded as “cash flow from financing

activities,” and cash flow related to cost of acquisition of shares of a subsidiary causing a change in the scope of consolidation or cash flow related to cost acquisition or sale of shares in a subsidiary causing no change in the scope of consolidation is recorded 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 fiscal year ended March 31, 2016.

These changes had immaterial effects on income before income taxes and tax adjustments for the fiscal year ended March 31, 2016, and capital surplus at the end of the fiscal year ended March 31, 2016.

(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 fiscal year ended March 31, 2016, 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 consolidated financial statements for the fiscal year ended March 31, 2015 for comparison purposes. Hence, 1,206 million yen included among “clerical expenses” under “operating cost and expenses” and 53 million yen included among “others” under “operating cost and expenses” in the consolidated financial statements for the fiscal year ended March 31, 2015, were re-presented under “other operating expenses.” As a result of these re-presentations, net operating revenue decreased by 1,259 million yen, but there were no effect on operating income, current income and income before taxes and tax adjustments.

[Segment Information]

1. Segment information

(For the fiscal year ended March 31, 2016)

Since the Company and its group companies are engaged in one single segment of business defined as “investment and financial services”, the description of segment information is omitted.

2. Related information

(For the fiscal year ended March 31, 2016)

(1) Information by product and service:

Since investment and financial services defined as one single segment accounted for more than 90% of operating revenue on the consolidated income statement, the description of information by product and service is omitted.

(2) Information by area:

(a) Operating revenue:

Since operating revenue derived from domestic customers accounted for more than 90% of operating revenue on the consolidated income statement, the description of operating revenue by area is omitted.

(b) Tangible fixed assets:

Since there is no tangible fixed asset outside Japan, the description of tangible fixed assets by area is omitted.

(3) Information by major customer:

Since there is no one customer accounting for more than 10% of operating revenue on the consolidated income statement, the description of information by major customer is omitted.

3. Information on impairment loss on tangible fixed asset by described segment:

For the fiscal year ended March 31, 2016 (From April 1, 2015 to March 31, 2016):

Since the Company and its group companies are engaged in one single segment of business defined as “investment and financial services,” the description of impairment loss on tangible asset by segment is omitted.

4. Information on depreciated amount or undepreciated balance of goodwill by described segment:

For the fiscal year ended March 31, 2016 (From April 1, 2015 to March 31, 2016):

Since the Company and its group companies are engaged in one single segment of business defined as “investment and financial services,” the description of depreciated amount or undepreciated balance of goodwill by segment is omitted.

5. Information on gains from negative goodwill by described segment:

For the fiscal year ended March 31, 2016 (From April 1, 2015, to March 31, 2016):

Since the Company and its group companies are engaged in one single segment of business defined as “investment and financial services,” the description of gains from negative goodwill by segment is omitted.

[Per-share Data on a consolidated basis]

	--- Fiscal year ended ---	
	March 31, 2016	March 31, 2015
Per-share net worth	763.66yen	760.01yen

Per-share Profit	58.88yen	77.25yen
Per-share Profit on a diluted basis		
(adjusted for shares potentially issuable)	58.77yen	77.00yen

Notes: (1) Basis for computation of per-share net income on non-diluted and diluted basis:

--- Fiscal year ended ---
March 31, 2016 March 31, 2015

Per-share Profit:

Profit attributable to		
owners of parent	2,580 million yen	3,389 million yen
Amount not attributable to common		
shareholders	--	--
Profit related to common shares		
Attributable to owners of parent	2,580 million yen	3,389 million yen
Average no. of outstanding common shares		
during the fiscal year	43,820 thousand	43,723 thousand

Per-share Profit on a diluted basis

(adjusted for potentially issuable shares):

Adjusted amount of net income
attributable to owners of parent

-- --

No. of common shares increased

during the fiscal year 81 thousand 292 thousand

(of which issued upon exercise of

stock options) (81 thousand) (292 thousand)

Contents of potentially-issuable shares

having no diluting effect and thus not included

in computation of per-share income on a

diluted basis

Stock option-base

Stock option-based

equity warrants:

equity warrants

(1)No. of warrants: 56; No. of
shares issuable: 5,600 shares.
(resolved on April 16, 2013)

(1)No of warrants:59.
No. of shares issuable:
5,900 shares

(2)No. of warrants: 4,396; No.
of shares issuable: 439,600 shares
(resolved on Nov. 22, 2013)

(resolved on Apr. 16,
2013)

(3)No. of warrants: 40; No. of

(2) No. of warrants:
4,551; No. of shares

shares issuable: 4,000 shares (resolved on Aug. 12, 2014)	issuable: 455,100shares (resolved on Nov. 22, 2013)
(4) No. of warrants: 346; No. of Share issuable: 34,600shares (resolved on May. 27, 2016)	(3) No. of warrants: 40; No. of shares issuable: 4,000 shares (resolved on Aug. 12, 2014)

Note (2): Basis for computation of per-share net worth:

	Fiscal year ended	
	March 31, 2016	March 31, 2015
Net worth	33,560 million yen	33,690 million yen
Deductions from net worth	246 million yen	192 million yen
(of which amount due to stock options)	(198 million yen)	(141 million yen)
(of which amount due to non-controlling interest)	(47 million yen)	(50 million yen)
Net worth related to common shares as of the end of fiscal year	33,313 million yen	33,498 million yen
No. of common shares as of the end of fiscal year used for computation of per-share net worth	43,623 thousand	44,076 thousand

[Subsequent Material Events after March 31, 2016] : None

V. Supplemental Information

Supplemental information on consolidated business result for the fiscal year ended March 31, 2016:

1. Commissions

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

	--- Fiscal year ended ---		(A) over (B)
	March 31, 2016	March 31, 2015	
	(A)	(B)	(%)
Brokerage commissions	7,633	7,021	8.7
(Stocks)	(7,254)	(6,766)	(7.2)
(Bonds)	(0)	(-)	(-)
Commissions from underwriting and solicitation to specified investors	1,284	442	190.3
(Stocks)	(1,283)	(442)	(190.1)
(Bonds)	(1)	(-)	(-)
Commissions from distribution and solicitation to specified investors	4,558	5,366	-15.1
(Beneficiary certificates)	(4,505)	(5,256)	(-14.3)
Commissions from other sources	6,205	5,725	8.4
(Beneficiary certificates*)	5,425	4,941	9.8
Total	19,682	18,555	6.1

* (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 fiscal year ended March 31, 2015, were accordingly adjusted for comparative purposes.

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

	--- Fiscal year ended ---		(A) over (B)
	March 31, 2016	March 31, 2015	
	(A)	(B)	(%)
Trailer fees relating to distribution	4,920	4,855	1.3

Trustee fees for fund			
Management	374	73	408.6
Fees from wrap-accounts	130	12	962.2

Total	5,425	4,941	9.8
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(2) Commissions by products (in millions of yen)

	--- Fiscal year ended ---		(A) over (B)
	March 31, 2016	March 31, 2015	
	(A)	(B)	(%)
Stocks	8,575	7,246	18.3
Bonds	54	110	-50.9
Beneficiary certificates	10,309	10,452	-1.4
Others	743	746	-0.4
Total	19,682	18,555	6.1

(3) Gains or loss on trading (in millions of yen)

	--- Fiscal year ended ---		(A) over (B)
	March 31, 2016	March 31, 2015	
	(A)	(B)	(%)
Stocks, etc.	33	82	-59.0
Bonds, foreign exchange, etc.	291	141	105.9
(Bonds, etc.)	(267)	(95)	(181.4)
(Foreign exchange, etc.)	(24)	(46)	(-47.9)
Total	325	224	45.1

2 . Quarterly Consolidated Income Statements for Recent Eight 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)	3rd Q (10-12/15)	4th Q (1-3/16)
Operating revenue	5,082	4,763	5,171	5,395	5,811	5,414	5,707	4,913
Commissions	4,657	4,324	4,678	4,894	5,276	4,923	5,112	4,369
Gains or loss on trading	37	61	89	35	58	54	140	71
Interest and dividend income	57	69	68	89	79	84	84	67
Other operating revenue	329	307	335	375	396	352	370	405
Interest expenses	8	23	11	34	20	17	17	14
Other operating expenses	309	287	314	348	362	329	355	381
Net operating revenue	4,764	4,451	4,845	5,012	5,428	5,067	5,333	4,518
Operating cost and expenses	3,806	3,788	3,968	3,971	4,267	4,110	4,178	4,094
Transaction-related expenses	432	381	411	386	416	478	530	497
Personnel expenses	2,209	2,229	2,381	2,356	2,506	2,359	2,349	2,278
Property-related expenses	441	476	453	461	469	463	454	475
Clerical expenses	418	405	423	468	542	499	549	559
Depreciation	102	110	113	111	101	106	107	107
Public charges	42	48	47	45	58	60	56	44
Reversal of allowances for doubtful accounts	0	0	-0	0	0	0	-0	0
Others	158	137	137	140	173	143	131	130
Operating income	958	663	877	1,041	1,160	956	1,154	423
Non-operating income	34	47	28	114	48	60	15	15
Non-operating expenses	0	14	0	38	0	9	0	12
Current income	992	696	905	1,116	1,208	1,007	1,170	427
Extraordinary income	468	690	373	—	49	88	4	18
Extraordinary expenses	9	27	12	28	—	18	13	4
Income before income taxes	1,451	1,359	1,267	1,088	1,257	1,077	1,162	441
Income, inhabitant and enterprise taxes	206	613	339	485	309	545	193	219
Income taxes adjustments	336	-176	167	-207	128	-144	234	-136
Profit	908	922	760	810	820	677	733	358
Profit attributable to non-controlling interests	1	2	2	5	2	2	2	2
Profit attributable to owners of parent	907	919	757	804	817	674	731	356

(END)