

Investors' Guide  
For the Year Ended March 31, 2017

2017

# CREDO (Mission Statement)

## Management Philosophy

Remain a firm of customers' trust and choice

## Management Objective

To be a "Name-Brand Boutique House" in the financial industry

## Action Guidelines

Gratitude, Integrity, Courage, Responsiveness, Continuity

Long-term Good Relation

### For Our Employees

Respecting employees' individuality and striving for human resource cultivation

### The Ichiyoshi Spirit

Fighting on with passion and sincerity

### Job Satisfaction

Building a free and invigorated corporate climate that optimizes employees' abilities and creativity by prioritizing teamwork

### For Our Shareholders

Striving for continuous improvement in performance and corporate value

### Return to Shareholders

Raising business profitability and strengthening financial health, then returning profits to shareholders

### Information Disclosure

Ensuring business management transparency through appropriate disclosure and investor relation activities

### For Our Customers

Aiming to be every customer's first choice

### Customer Prioritization

Always providing advice with sincerity from the customer's standpoint

### Quality Services

Responding to social and market changes and providing high-quality products and services

### For Society

Contributing to the development of society as a participant in the financial and securities markets

### Social Responsibility

Complying with laws and regulations and behaving with high ethical standards

### Social Contribution

Contributing to the development of regional communities and securities markets through corporate activities

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## Forward-Looking Statements

This investors' guide contains forward-looking statements about the future plans, strategies, beliefs and performance of Ichiyoshi Securities and its consolidated subsidiaries. These forward-looking statements are not historical facts. They are expectations, estimates, forecasts and projections based on the assumptions derived from information currently available to the Company and are subject to a number of risks and uncertainties, which include market trends, economic trends, competition in the Japanese financial industry, laws and regulations, and the tax system. As such, actual results may differ materially from those projected.

## Message from the President

# Our business is founded on conversations with each customer.

We have positioned "Remain a firm of customers' trust and choice" as our company's Management Philosophy, and are working to be a name-brand boutique house in the securities industry – something that previously did not exist in Japan.

This Management Philosophy expresses our desire to provide information about the best products and services to individual and corporate customers so that they can choose what is most suitable for them in today's rapidly changing global and Japan markets.

For this purpose, we understand it is vital that we identify potential customer needs. Although the term "customer needs" is widely used, it is most often used in a very superficial and standardized way. Simply asking the customer is unlikely to lead to the choice that is best for individuals or institutions.

In order to make a better future for each of our customers, it is important that the customers encounter the products and services that they truly need but are not yet aware of. Our mission is to provide this help. This is why our business is based on conversations with each customer.

Our group is in possession of a unique strength that is based on research capabilities for small- and mid-cap growth stocks that we have built up over more than 20 years.

1. Our research capabilities (research report) for small- and mid-cap growth stocks have created an overwhelming presence of Ichiyoshi Research Institute (ranked top in the Best Research House Rankings consecutively for 13 years – see P9).
2. Investment management of small- and mid-cap growth stocks utilizing these research capabilities is carried out by Ichiyoshi Asset Management.
3. We have an Investment Banking Division that conducts business such as IPOs and small- and mid-cap growth stock POs. Ichiyoshi Securities was also ranked No. 2 (out of 150 companies) for the fourth consecutive year at the 15th Corporate Governance Survey conducted of companies listed in the First Section of the Tokyo Stock Exchange in 2016 by the Japan Corporate Governance Research Institute (JCGR). (See P4.)

We aim to further improve these unique Ichiyoshi strengths and promote the "Long-term Good Relations" as a foremost item among our action guidelines so that we can be a good life-long partner to our customers.

We ask for your continued guidance and support.

*Minoru Kobayashi*

July 2017  
 Minoru Kobayashi  
 President, Representative Executive Officer & Director



# New Medium-term Management Plan and Growth

## 1 | New Medium-term Management Plan

### New Medium-term Management Plan

Numerical Targets  
(Period: Untill March 2020)

Customer assets  
under custody

JPY **3.5**  
trillion

Number of  
lead-managed companies

in **70**  
companies

Return on  
equity

**15%**  
or more

#### Basic principle regarding products for individual customers

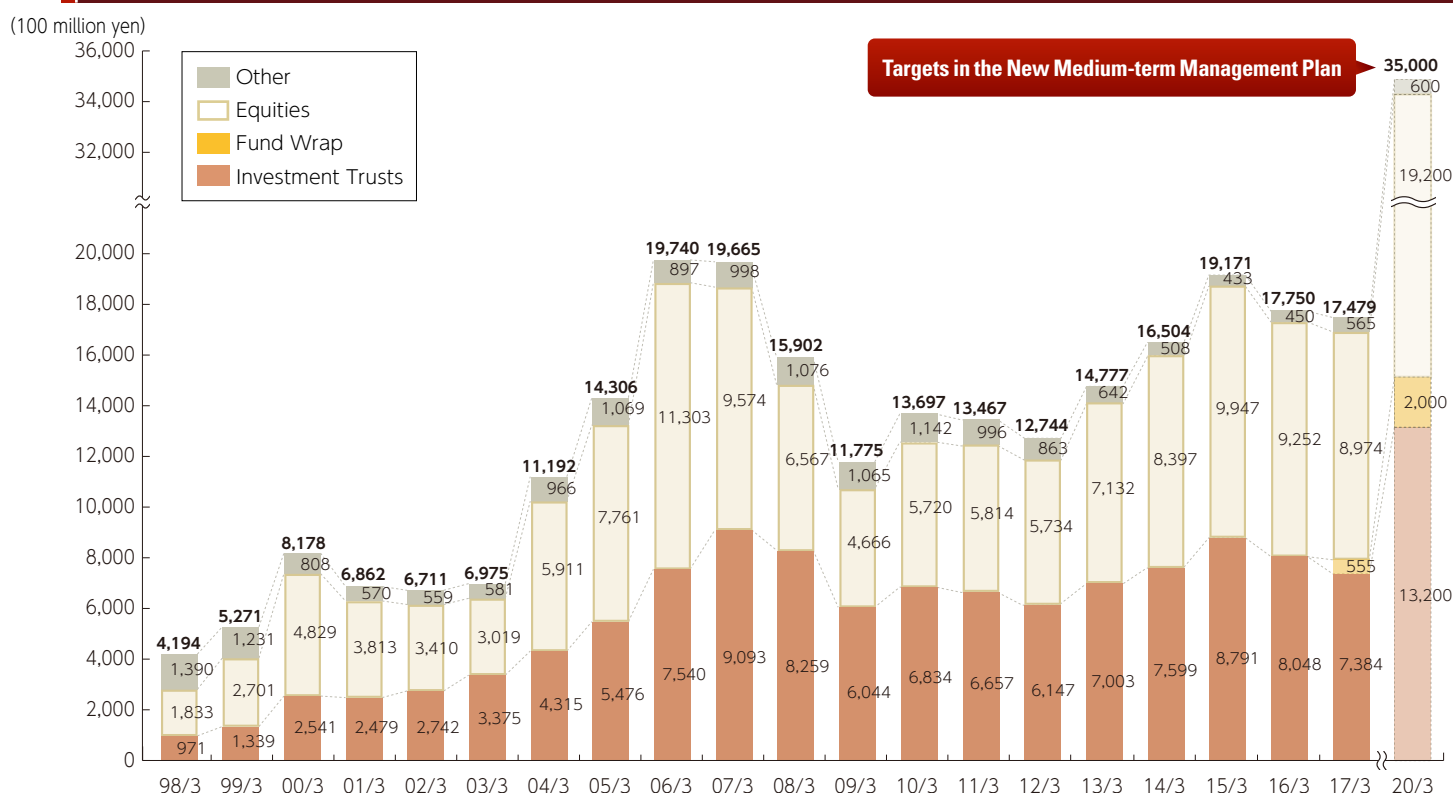
“We will not sell products merely because they are popular”  
The Seven “Ichiyoshi Standards” in effect for 20 years or so

- We do not handle publicly offered structured bonds
- We handle only highly rated bonds; we do not handle non-investment-grade bonds
- We do not handle a private placement fund
- We do not solicit individual foreign equities. We recommend foreign equities be held in investment trusts
- Asset management companies are chosen for their trustworthiness and consistency
- We do not solicit futures or options
- We do not handle foreign exchange margin trades



#### Customer assets under custody (total)

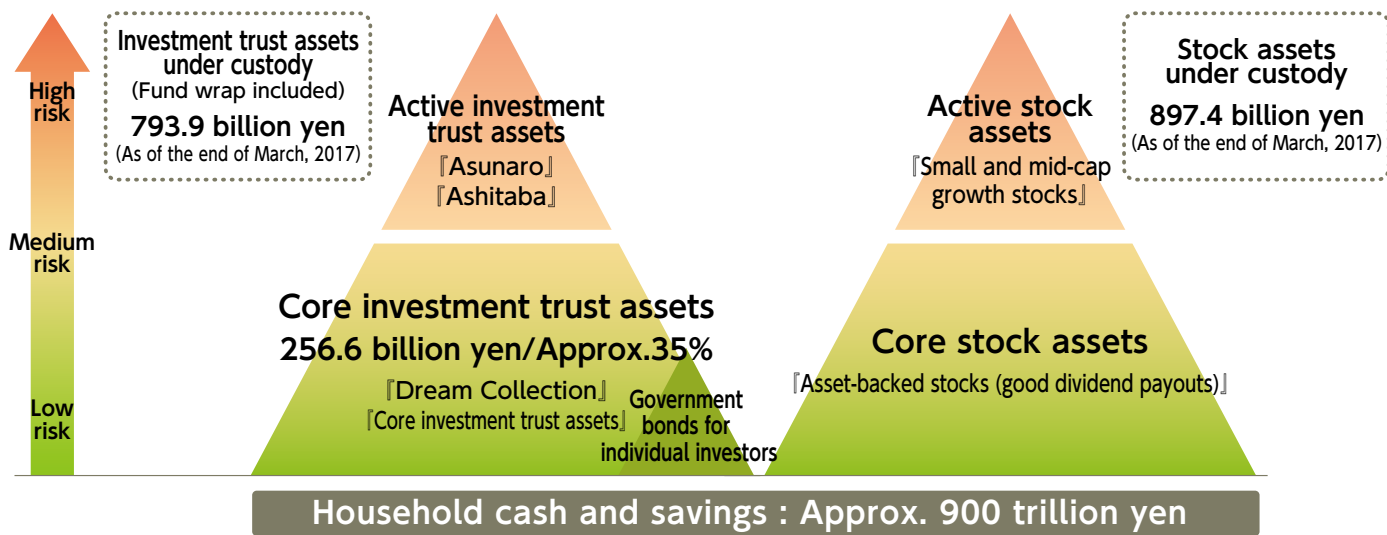
Assets under custody is a barometer of customers' trust and underlying strength of Ichiyoshi



2 | Growth Strategy

① Expanding base assets → Expanding active assets

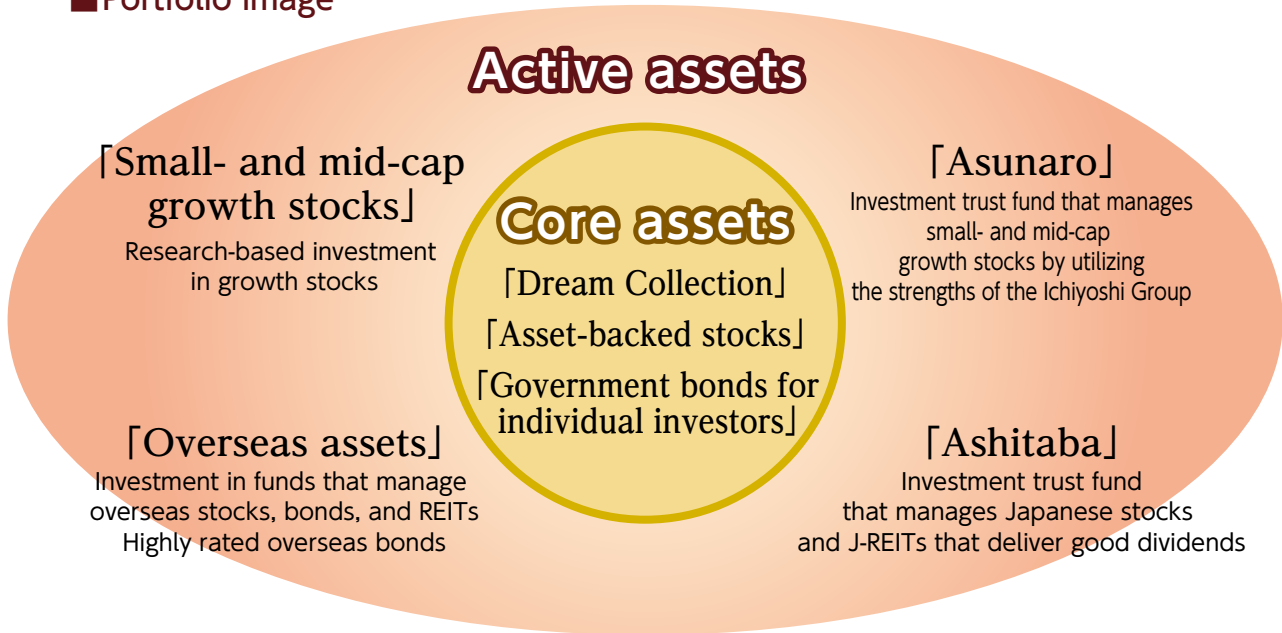
■ Protected assets (core assets) } We construct portfolios that meet our customers' needs with combinations of these assets.  
■ Growth assets (active assets)



② Expanding our consulting business

Constructing a portfolio to meet the needs of each individual customer

■ Portfolio image



# Management Squarely Focused on Shareholder

## Corporate Governance

### The 15th Corporate Governance Survey Top 10 companies in "JCG Index 2016"

| Rank | 2015 Rank | JCGIndex | Company              |
|------|-----------|----------|----------------------|
| 1    | 1         | 89       | Sony                 |
| 2    | 2         | 79       | Ichiyoshi Securities |
| 2    | 2         | 79       | Hitachi              |
| 2    | 2         | 79       | OMRON                |
| 5    | 10        | 78       | Eisai                |
| 5    | 2         | 78       | Sumida Corp.         |
| 5    | —         | 78       | *(1 company)         |
| 8    | 7         | 74       | Konica Minolta       |
| 9    | —         | 72       | Ichigo               |
| 10   | —         | 71       | PARCO                |
| 10   | 12        | 71       | Resona Holdings      |
| 10   | —         | 71       | *(1 company)         |

\*Company name omitted at the company's request

### JCG Index Company's Changes

|      | Rank | JCGIndex |
|------|------|----------|
| 2016 | 2    | 79points |
| 2015 | 2    | 78points |
| 2014 | 2    | 78points |
| 2013 | 2    | 77points |
| 2012 | 12   | 74points |
| 2011 | 9    | 74points |
| 2010 | 8    | 71points |
| 2009 | 18   | 72points |

Source: Japan Corporate Governance Research Institute, Inc. (JCGR)  
(Ranking data was announced on December 26, 2016.)

### JCGIndex

This survey has been conducted annually since 2002 by the Japan Corporate Governance Research Institute (JCGR) of listed companies on the First Section of the Tokyo Stock Exchange.

It investigates the conditions of corporate governance at each company and ranks them on the JCG Index according to the degree to which corporate governance requirements are satisfied.

For details, see the JCGR homepage.

J C G R  <http://www.cg-net.jp/jcgr/index.html>

### Main Ichiyoshi Activities

#### Company with Nominating Committee, Etc.

- In June 2003, we introduced the "committee-based company" governance framework that is now referred to as a "Company with Nominating Committee, Etc."
- We have constructed a separate governance framework to ensure that management decision-making and audit functions, as well as business execution functions, are all functioning effectively.

#### General Meeting of Shareholders

- So that more shareholders can attend the meeting, in 2001 we began holding the General Meeting of Shareholders on Saturdays, and in 2005 we moved the meeting to a hotel with a large seating capacity.
- Beginning from 2002, we have held a shareholders' reception following the General Meeting of Shareholders as an opportunity for communication with shareholders.

#### IR Activities

- Beginning from 2000, we have held explanatory meetings for institutional investors, and now hold them following the announcement of the second quarter and fourth quarter business results.
- Beginning from 2000, we have conducted explanatory meetings for individual investors.
- Beginning from 2005, we have conducted IR for overseas institutional investors.

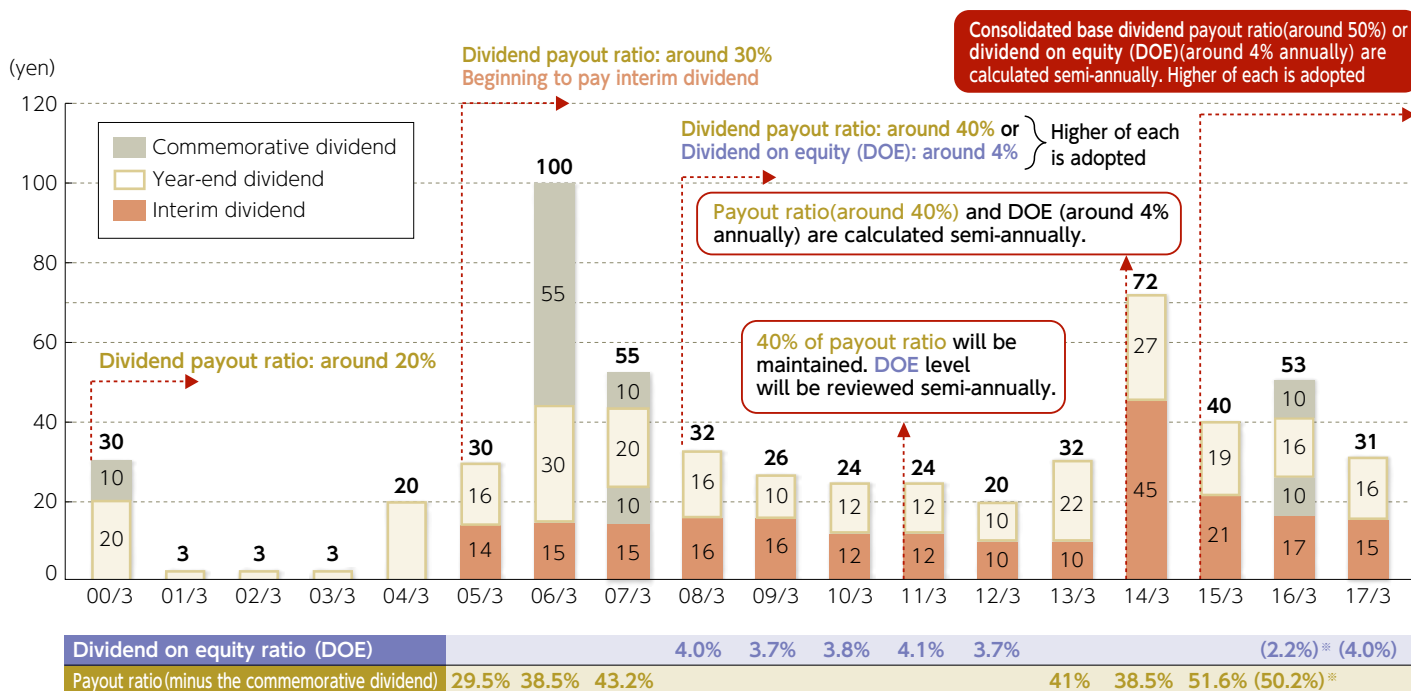
## Shareholder Return Policy

Ichiyoshi understands that returning profits to shareholders is an important management issue. Based on a policy of dividends linked with business performance, we pay dividends that are based on a payout ratio. So that we can continually increase the appropriate return of profits to our shareholders, we also decide the amounts of dividends with consideration for the dividend on equity ratio (DOE).

Specifically, we set a dividend standard consisting of a consolidated-base payout ratio (approximately 50%) and DOE (approximately 2%), and use whichever calculated value is higher for deciding the semi-annual dividends.

Based on the above dividend policy, the interim dividends and final year-end dividends for the fiscal year ended March 2017 were calculated on the DOE basis. Hence, an interim dividend of 15 yen per share and a final dividend of 16 yen per share, for an annual total of 31 yen per share.

### Dividend Conditions



### Retirement of shares

|                                | Bought-back and retired shares | Acquisition price | Retirement ratio |
|--------------------------------|--------------------------------|-------------------|------------------|
| September 1998 to January 2004 | 11,841,000 shares              | 264.55yen         | 20.2%            |
| January to March 2008          | 1,699,200 shares               | 1,032.31yen       | 3.5%             |
| November 2008 to January 2009  | 1,957,500 shares               | 673.03 yen        | 4.2%             |
|                                |                                |                   | TOTAL 27.9%      |

Reference: Total number of shares issued as of March 31, 2017; 44,431,386 shares (of which, 1,786,050 shares of treasury stock)



# Financial Section

## Consolidated Balance Sheets (Year ended March 31, 2017 and 2016)

(Millions of yen)

(Millions of yen)

|   | 2017          | 2016          |
|---|---------------|---------------|
| <b>(Assets)</b>                                     |               |               |
| Current assets                                      | 47,533        | 39,892        |
| Cash and bank deposits                              | 18,249        | 16,311        |
| Segregated cash and statutory deposits              | 9,933         | 4,962         |
| Trading assets                                      | 317           | 464           |
| Securities  | 317           | 464           |
| Contracted trades                                   | 1             | —             |
| Margin transaction assets                           | 13,875        | 13,408        |
| Advances for margin purchases                       | 13,302        | 13,171        |
| Cash deposits as collateral for securities borrowed | 573           | 236           |
| Advance payments for customers on trades            | 22            | 15            |
| Advance payments for subscription                   | 3,400         | 3,020         |
| Short-term loans                                    | 10            | 22            |
| Accrued income                                      | 1,299         | 1,264         |
| Deferred tax assets                                 | 317           | 330           |
| Other current assets                                | 109           | 95            |
| Allowances for doubtful accounts                    | △2            | △2            |
| Fixed assets  | 6,173         | 6,701         |
| Tangible fixed assets                               | 3,291         | 3,938         |
| Buildings   | 1,016         | 1,236         |
| Fixtures and equipment                              | 612           | 666           |
| Land  | 1,646         | 2,030         |
| Lease assets, net                                   | 16            | 5             |
| Intangible fixed assets                             | 617           | 563           |
| Goodwill  | 8             | 18            |
| Computer software                                   | 434           | 543           |
| Software in progress                                | 172           | —             |
| Other investments                                   | 1             | 0             |
| Investments, etc.                                   | 2,263         | 2,199         |
| Investment securities                               | 1,249         | 1,197         |
| Long-term loans                                     | 16            | 28            |
| Cash deposits as guarantee for long-term credits    | 914           | 916           |
| Net defined benefit asset                           | 66            | 38            |
| Deferred tax assets                                 | 2             | 3             |
| Other investments                                   | 24            | 26            |
| Allowances for doubtful accounts                    | △10           | △10           |
| <b>Total assets</b>                                 | <b>53,706</b> | <b>46,593</b> |

|   | 2017          | 2016          |
|---|---------------|---------------|
| <b>(Liabilities)</b>                                      |               |               |
| Current liabilities                                       | 20,081        | 12,444        |
| Trading assets  | 0             | 0             |
| Derivatives   | 0             | 0             |
| Contracted trades   | —             | 37            |
| Margin transaction liabilities                            | 4,925         | 3,006         |
| Borrowings for margin transactions                        | 3,802         | 2,445         |
| Cash received for loaned securities                       | 1,123         | 561           |
| Cash payable to customers                                 | 11,609        | 5,794         |
| Deposits from customers (for committed trades)            | 1,245         | 1,103         |
| Accounts for non-received securities and others           | 0             | 0             |
| Short-term borrowings                                     | 210           | 210           |
| Lease obligations   | 4             | 2             |
| Income taxes payable                                      | 333           | 570           |
| Accrued bonuses to employees                              | 694           | 707           |
| Other current liabilities                                 | 1,057         | 1,010         |
| Long-term liabilities                                     | 344           | 406           |
| Long-term borrowings                                      | 263           | 302           |
| Lease obligations   | 11            | 2             |
| Deferred tax liabilities                                  | 34            | 41            |
| Revaluation-related deferred tax liabilities              | 7             | 30            |
| Other long-term liabilities                               | 27            | 30            |
| Statutory reserves  | 180           | 182           |
| Reserve for financial instruments transaction liabilities | 180           | 182           |
| <b>Total liabilities</b>                                  | <b>20,607</b> | <b>13,033</b> |
| <b>(Net worth)</b>  |               |               |
| Shareholders' equity                                      | 33,792        | 34,917        |
| Capital stock   | 14,577        | 14,577        |
| Capital surplus   | 8,687         | 8,696         |
| Retained earnings   | 12,135        | 12,391        |
| Treasury stock  | △1,608        | △747          |
| Accumulated other comprehensive income                    | △990          | △1,604        |
| Other securities valuation difference                     | 35            | 54            |
| Land revaluation difference                               | △1,187        | △1,849        |
| Remeasurements of defined benefit plans                   | 162           | 191           |
| Subscription rights to shares                             | 231           | 198           |
| Minority interests  | 65            | 47            |
| <b>Total net worth</b>                                    | <b>33,099</b> | <b>33,560</b> |
| <b>Total of liabilities and net worth</b>                 | <b>53,706</b> | <b>46,593</b> |



## Consolidated Income Statements (Year ended March31, 2017 and 2016)

(Millions of yen)

|  | 2017   | 2016   |
|--|--------|--------|
| Operating revenue  | 20,714 | 21,846 |
| Commissions  | 18,857 | 19,682 |
| Brokerage commissions  | 7,070  | 7,633  |
| Commissions from underwriting, secondary-market sales, and the sale of investment products to specific risk-taking investors       | 361    | 1,284  |
| Commissions on the handling of financial products, including sales commissions on transactions with specific risk-taking investors | 5,642  | 4,558  |
| Commissions from other sources   | 5,782  | 6,205  |
| Gains or loss on trading   | 209    | 325    |
| Interest and dividend income   | 237    | 314    |
| Other operating income   | 1,409  | 1,523  |
| Interest expenses  | 66     | 70     |
| Other operating expenses   | 1,309  | 1,429  |
| Net operating revenue  | 19,338 | 20,346 |
| Operating costs・expenses   | 16,344 | 16,651 |
| Transaction-related expenses   | 1,600  | 1,922  |
| Personnel expenses   | 9,254  | 9,494  |
| Property-related expenses  | 1,816  | 1,863  |
| Clerical expenses  | 2,394  | 2,150  |
| Depreciation   | 406    | 422    |
| Public charges   | 300    | 218    |
| Transfer to allowances for doubtful accounts   | —      | 0      |
| Other  | 571    | 579    |
| Operating Income   | 2,994  | 3,695  |
| Non-operating income   | 108    | 139    |
| Dividends on investment securities   | 22     | 26     |
| Gain on investments in partnership   | 43     | 87     |
| Insurance premium refunded and dividend income   | 20     | 1      |
| Other  | 21     | 24     |
| Non-operating expenses   | 24     | 22     |
| Loss on investments in partnership   | 4      | 22     |
| Miscellaneous losses   | 18     | —      |
| Other  | 1      | 0      |
| Current Income   | 3,077  | 3,813  |
| Extraordinary income   | 71     | 161    |
| Gains on sales of investment securities  | 27     | 156    |
| Gains on sales of fixed assets   | 38     | —      |
| Gain on reversal of subscription rights to shares  | 3      | 3      |
| Reversal of reserve for financial instruments transaction liabilities  | 1      | 1      |
| Extraordinary expenses   | 94     | 35     |
| Loss on write-off of fixed assets  | 5      | 22     |
| Losses on sales of fixed assets  | 63     | —      |
| Loss on sales of investment securities   | 0      | 9      |
| Loss on valuation of golf club memberships   | 13     | —      |
| System cancellation expenses   | 10     | —      |
| Loss from bad debts  | 1      | —      |
| Impairment loss  | —      | 4      |
| Income before income taxes   | 3,054  | 3,939  |
| Income taxes, resident's taxes & enterprise taxes  | 836    | 1,267  |
| Income tax adjustments   | 17     | 81     |
| Net income tax   | 853    | 1,349  |
| Net income   | 2,200  | 2,589  |
| Net income attributable to minority interests  | 17     | 9      |
| Net income attributable to owners of the parent company  | 2,183  | 2,580  |

## Consolidated Comprehensive Income Statements (Year ended March31, 2017 and 2016)

(Millions of yen)

|   | 2017  | 2016  |
|---|-------|-------|
| Net income  | 2,200 | 2,589 |
| Other comprehensive income  |       |       |
| Other securities valuation difference                             | △19   | △122  |
| Land revaluation difference                                       | 662   | 1     |
| Readjustments of defined benefit plans                            | △28   | △149  |
| Total other comprehensive income                                  | 614   | △270  |
| Comprehensive income  | 2,814 | 2,319 |
| (Comprehensive income attributable to)                            |       |       |
| Comprehensive income attributable to owners of the parent company | 2,797 | 2,309 |
| Comprehensive income attributable to minority interests           | 17    | 9     |

# Stock Information (As of March 31, 2017)

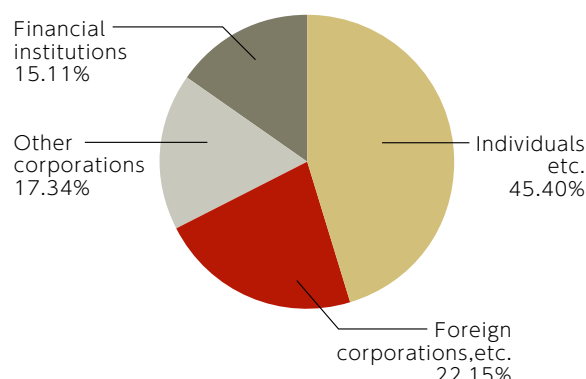
|                                      |   |
|--------------------------------------|---|
| ● Shares Issued                      | 44,431,386 (of which, 1,786,050 shares of treasury stock) |
| ● Shareholders                       | 15,123  |
| ● Shareholder Register Administrator | Mitsubishi UFJ Trust and Banking Corporation              |
| ● Audit Corporation                  | Ernst & Young ShinNihon                                   |

## ■ Top 10 shareholders and their holdings

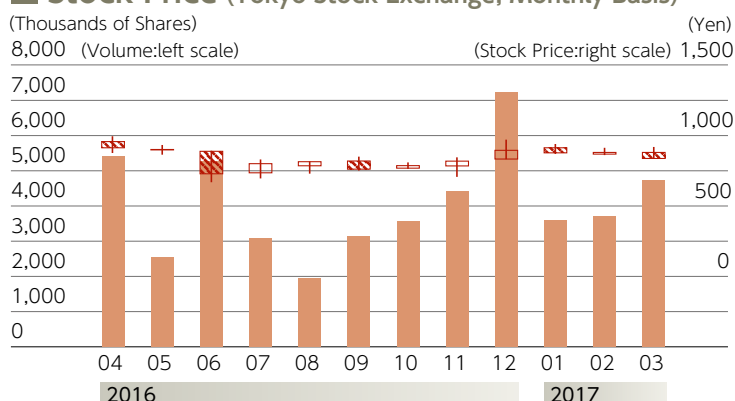
| Shareholder   | Holdings<br>(Thousands of Shares) | Ownership(%) |
|---|-----------------------------------|--------------|
| Nomura Land and Building Co., Ltd.  | 5,298                             | 12.42        |
| STATE STREET BANK AND TRUST COMPANY   | 1,639                             | 3.84         |
| NORTHERN TRUST CO. (AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT | 1,252                             | 2.93         |
| The Master Trust Bank of Japan, Ltd. (Trust Account)                              | 1,245                             | 2.92         |
| Japan Trustee Services Bank, Ltd. (Trust Account)                                 | 1,165                             | 2.73         |
| STATE STREET BANK AND TRUST COMPANY 505103  | 1,150                             | 2.69         |
| Nomura Research Institute, Ltd.   | 879                               | 2.06         |
| Japan Trustee Services Bank, Ltd. (Trust Account 5)                               | 810                               | 1.90         |
| RBC ISB S/A DUB NON RESIDENT/TREATY RATE UCITS-CLIENTS ACCOUNT                    | 700                               | 1.64         |
| THE BANK OF NEW YORK 133522   | 619                               | 1.45         |

※Excluding treasury shares

## ■ Distribution of Shareholders



## ■ Stock Price (Tokyo Stock Exchange, Monthly Basis)



# Corporate Data (As of March 31, 2017)

|                |   |                            |                                    |
|----------------|---|----------------------------|------------------------------------|
| ● Company Name | Ichiyoshi Securities Co., Ltd. (Ticker: 8624) | ● Capital Stock            | ¥14,577 million                    |
| ● Foundation   | August 18, 1950                               | ● Personnel (Consolidated) | 1,009 employees                    |
| ● Head Office  | 2-14-1 Hatchobori, Chuo-ku, Tokyo, Japan      | ● Listed on                | Tokyo Stock Exchange (1st Section) |

This guide is intended to provide information on Ichiyoshi Securities Co., Ltd., and is not intended as a solicitation for investment. Please make the final decision on any investment in marketable securities based on information in this guide on your own judgment. Investment in any product etc. mentioned in this guide may require you to pay prescribed commissions for the product (in the case of transactions in equities, up to 1.4040% including tax, of the value of the transaction (minimum commission of ¥3,240 including tax), and in the case of an investment trust, the expenses such as purchase commissions and trust fees set for each trust. Products can incur losses due to change in prices. As commissions etc. and risks may vary according to products, please thoroughly read documents provided before contract conclusion, prospectuses and information for customers for the relevant product.

Ichiyoshi Securities Co., Ltd.

Financial instruments firm registered with the Kanto Local Finance Bureau (registration No.24)

Member association : Japan Securities Dealers Association, Japan Investment Advisers Association

# Information on Consolidated Subsidiaries

## Ichiyoshi Research Institute Inc.

**As the Research Division of the Ichiyoshi Group, the Ichiyoshi Research Institute (IRI) specializes in research for small- and mid-size growth companies in Japan and emerging market companies.**

- In the 2016 Best Research House Rankings, IRI was ranked top in the "Access to growth markets" category for the 13th consecutive year.
- IRI employs 16 analysts who regularly follow approximately 450 stock companies. (As of the end of March, 2017)
- IRI creates reports for approximately 630 companies each year, and is focused on identifying promising stocks.

► **Image of companies followed by IRI**

Total listed companies: Approx. 3,700

Companies for which daily comments are posted: Approx. 750

Companies for which reports are created: Approx. 630

Universe companies: Approx. 450

Rating companies:  
Approx. 240

Note: REIT are included in the number of total listed companies for April 2017.  
Source: Ichiyoshi Research Institute Inc.

<http://www.ichiyoshi-research.co.jp/>

■ **Access Ranking in the Emerging Market Category**

"Access to growth markets"

| Rank | Company                                  | Access ratio  |
|------|--|---------------|
| 1    | <b>Ichiyoshi Research Institute</b>      | <b>30.73%</b> |
| 2    | Mizuho Securities                        | 9.22%         |
| 3    | Mitsubishi UFJ Morgan Stanley Securities | 7.81%         |
| 3    | Nomura Securities                        | 7.81%         |
| 5    | Tokai Tokyo Research Center              | 6.95%         |
| 6    | SMBC Nikko Securities                    | 4.61%         |
| 7    | Morgan Stanley MUFG Securities           | 4.08%         |
| 8    | Daiwa Securities Group                   | 3.98%         |
| 9    | Goldman Sachs                            | 3.58%         |
| 10   | IwaiCosmo Securities                     | 3.17%         |

Source: J-MONEY, Spring 2017

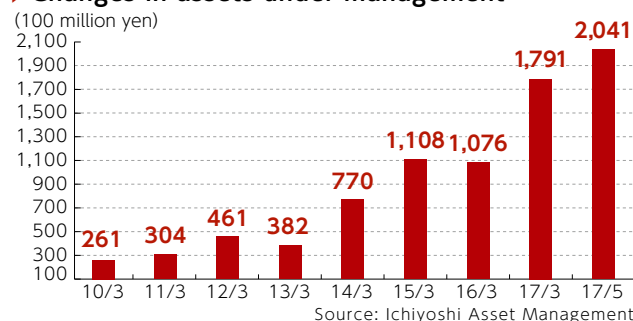
## Ichiyoshi Asset Management Co., Ltd.

**Ichiyoshi Asset Management (IAM) is an asset management company that operates discretionary investment management and investment advisory services for institutional investors and investment trusts, in addition to operating an investment trust management business.**

- IAM operates an asset management business that collects the Ichiyoshi Securities Group expertise in identifying and managing small- and mid-cap companies and emerging growth companies.
- IAM aims to acquire excess earnings through active management.
- IAM utilizes exhaustive bottom-up research to identify growth companies.

<http://www.ichiyoshiam.jp/>

► **Changes in assets under management**



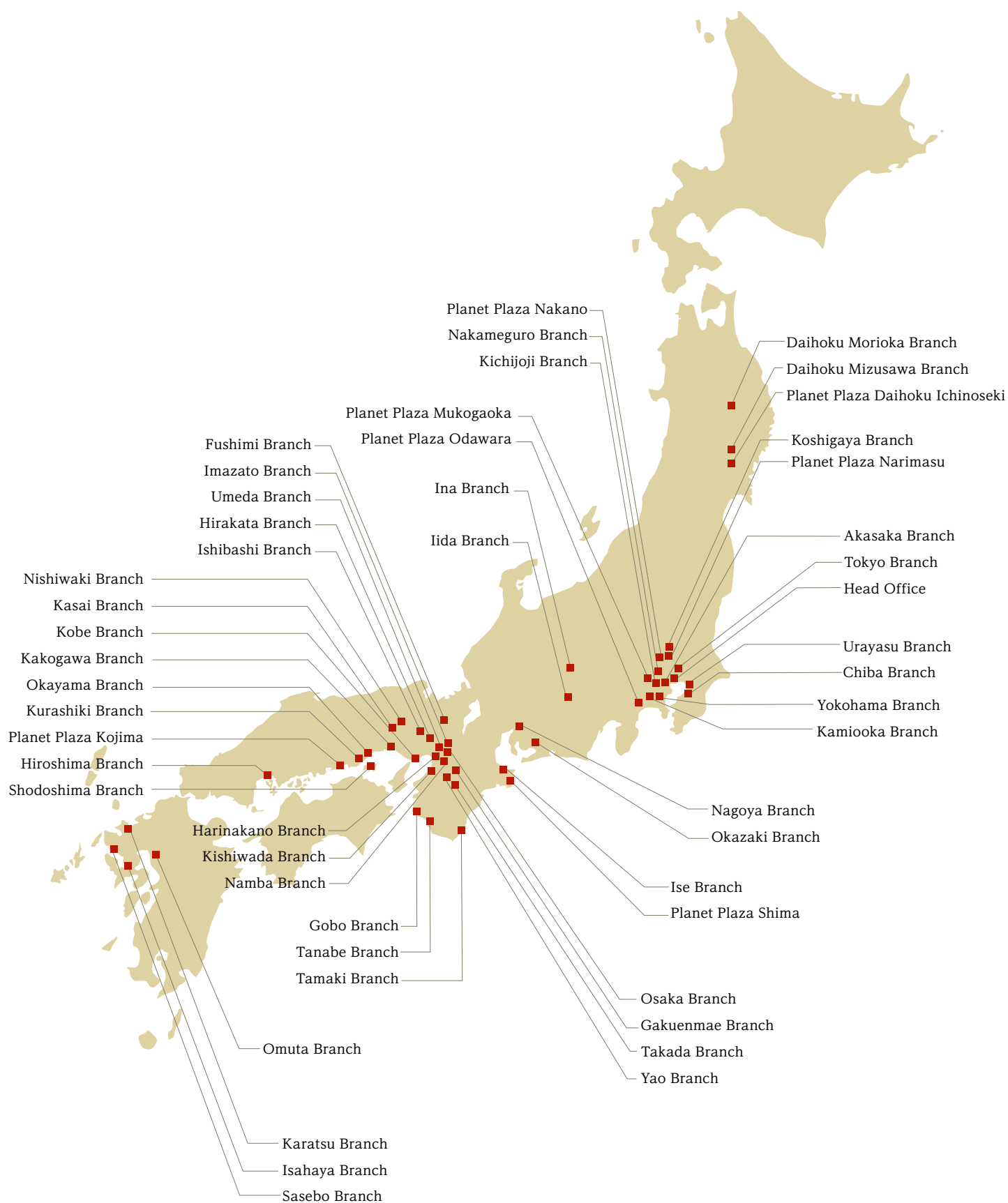
## Ichiyoshi Business Service Co., Ltd.

**Ichiyoshi Business Service aims to provide a wide range of business services and operates in three main business areas: agency business such as insurance and back-office management, real estate business, and financial brokerage and introductions.**

In the insurance and back-office management business, we are actively working for business development in order to meet the needs of a diverse range of customers. At present, in addition to agency business such as sales of office supplies through Kaunet, we are also operating a wide-ranging solutions business for disaster readiness and prevention, and for cost-cutting.

<http://www.ichiyoshi-bs.co.jp/>

# Directory (As of August 1, 2017)



# Company History

|                  |   |
|------------------|---|
| ▶ October 1948   | Registered as a securities dealer under the Securities and Exchange Law   |
| ▶ April 1949     | Became a regular member of Osaka Securities Exchange (now Osaka Exchange, Inc.)   |
| ▶ August 1950    | Changed company name to Ichiyoshi Securities Co., Ltd.  |
| ▶ December 1962  | Established Ichiyoshi Real Estate Co., Ltd. (name changed to Ichiyoshi Business Service Co., Ltd. in June 1999 (now a consolidated subsidiary))                                     |
| ▶ April 1968     | Received licensing as a securities dealer under the amended Securities and Exchange Law   |
| ▶ October 1971   | Became a regular member of Tokyo Stock Exchange (now Tokyo Stock Exchange Group, Inc.)  |
| ▶ October 1986   | Established Ichiyoshi Investment Management Co., Ltd. which took over the research arm of Ichiyoshi Securities  |
| ▶ November 1986  | Changed overseas office in Hong Kong to a local affiliate, establishing Ichiyoshi International (H.K.) Ltd.   |
| ▶ May 1987       | Established Ichiyoshi Research Center Inc. (name changed to Ichiyoshi Research Institute Inc. in April 1990) to take over the research functions of Ichiyoshi Investment Management |
| ▶ April 1989     | Listed on the Second Sections of Tokyo Stock Exchange and Osaka Securities Exchange   |
| ▶ December 1998  | Registered as a securities firm under the amended Securities and Exchange Law   |
| ▶ July 2000      | Changed the expression of the official name of Ichiyoshi Securities Co., Ltd. in Japanese   |
| ▶ July 2000      | Moved head office to Chuo-ku, Tokyo   |
| ▶ July 2000      | Changed the expression of the official name of Ichiyoshi Investment Management Co., Ltd. in Japanese  |
| ▶ July 2000      | Changed the expression of the official name of Ichiyoshi Research Institute Inc. in Japanese  |
| ▶ December 2000  | Ichiyoshi Investment Management Co., Ltd. became a consolidated subsidiary of the Company   |
| ▶ December 2000  | Ichiyoshi Research Institute Inc. became a consolidated subsidiary of the Company   |
| ▶ June 2003      | Adopted a "committees-based company"(Now, "Company with Nominating Committee, Etc.") governance framework   |
| ▶ March 2006     | Listed on the First Sections of Tokyo Stock Exchange and Osaka Securities Exchange  |
| ▶ July 2006      | Ichiyoshi IR Institute Inc. established as a consolidated subsidiary  |
| ▶ September 2007 | Registered as a financial instruments firm under the Financial Instruments and Exchange Law   |
| ▶ February 2009  | Introduction of Operating Officers system   |
| ▶ August 2009    | Liquidated Ichiyoshi IR Institute Inc.  |
| ▶ February 2010  | Liquidated Ichiyoshi International (H.K.) Ltd.  |
| ▶ February 2010  | Acquired a substantial stake in Iida Securities Co., Ltd., and made the company an equity-method-applied affiliate  |
| ▶ April 2010     | Merged with Tamaki Securities Co., Ltd.   |
| ▶ October 2010   | Acquired a substantial stake in Daihoku Securities Co., Ltd., and made the company an equity-method-applied affiliate   |
| ▶ January 2011   | Mergered with Iida Securities Co., Ltd.   |
| ▶ January 2011   | Mergered with Sasebo Securities Co., Ltd.   |
| ▶ February 2012  | Mergered with Ise Securities Co., Ltd.  |
| ▶ May 2012       | Company name of Ichiyoshi Investment Management Co., Ltd. changed to Ichiyoshi Asset Management Co., Ltd.   |
| ▶ March 2013     | Merged with Daihoku Securities Co., Ltd.  |
| ▶ April 2014     | Ichiyoshi Asset Management Co., Ltd. started investment management operation for investment trust funds   |
| ▶ December 2014  | Merged with Nishiwaki Securities Co., Ltd.  |



# Ichiyoshi CSR

|   |    |   |   |
|--|---|---|--|
|  公益財団法人<br>プラン・インターナショナル<br>ジャパン<br> 特定非営利活動法人<br>AMDA社会開発機構 | 国際環境NGO<br> <b>FoE Japan</b>   |  認定NPO法人<br>世界の医療団<br>世界の医療団   |  公益財団法人<br>日本盲導犬協会  |
| Outline of assistance  | Outline of assistance   | Outline of assistance   | Outline of assistance  |
| Assistance via funding school building construction projects to provide better studying environment for children in developing countries.  | Assistance via planting and protection activities for mangroves, which serve as a natural protective barrier to damage resulting from global warming in developing countries. | Support via activities that contribute to provision of very basic medical care such as polio vaccine and drugs to treat malaria, the reconstruction of healthcare facilities and the training of local staff. | To promote the participation in society of people with visual impairment based on the training of guide dogs and the visual impairment rehabilitation program. Provide support via activities that contribute to the welfare of people with visual impairment. |
| Ichiyoshi projects   | Ichiyoshi projects  | Ichiyoshi projects  | Ichiyoshi projects   |
| School Construction Project<br><b>Construction of<br/>Ten schools in<br/>Seven countries</b><br>(FY 1996 – FY 2017)<br><small>* Including Ichiyoshi Zhongdian Friendship Elementary School</small>                             | Ichiyoshi Mangrove Forest Project<br><b>Total trees planted:<br/>285,000</b><br>(FY 2009 – FY 2017)   | Drugs for Malaria Treatment<br><b>Drugs sufficient to<br/>treat approximately<br/>8,700 persons</b><br>(FY 2009 – FY 2017)  | Ichiyoshi Guide Dog Training Project<br><b>Four guide dogs are<br/>currently in service.</b><br>(FY 2005 – FY 2017)  |

Our company's activities for contributing to society started here.



## Zhongdian District, Yunnan Province, China Ichiyoshi Zhongdian Friendship Elementary School

In February 1996, a magnitude 7 earthquake struck China's Yunnan Province. We contributed the funds for construction of an elementary school to help with the recovery from this major disaster.

## Ichiyoshi Mangrove Forest Project

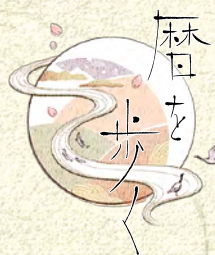
Through FoE Japan, we have been planting and maintaining mangrove trees on the Indonesian island of Java beginning from 2009. This project started in Tapak Village in Semarang City, and by March 2017 participants had planted a total of 285,000 trees. Beginning from 2015, we expanded this activity to Bandungan Village in Pekalongan City, and also launched a project to support communities that have been affected by climate change.



 いちよし証券  
Programs sponsored  
by Ichiyoshi Securities



Sundays from 8:45 PM  
\*Broadcast times are subject to change.



## Japan is home to vibrant seasonal changes and songs.

Presenting scenery of the Japanese soul that lives in song, accompanied by beautiful video in a way that comes together like a poem.

# Director/Executive Officer/Operating Officer (As of July 1, 2017)



## Board of Directors

From left to right in the back row: Kota Sakurai, Kenro Kakeya, Akira Gokita, and Takashi Ishikawa  
From left to right in the front row: Shiro Tateishi, Masashi Takehi, and Minoru Kobayashi

### Directors

|                   |   |
|-------------------|---|
| Masashi Takehi    | Chairman of the Board<br>Member of the<br>Nominating Committee<br>(Committee Chairman)<br><br>the Remuneration<br>Committee<br>(Committee Chairman) |
| Minoru Kobayashi  |   |
| Shiro Tateishi    |   |
| Akira Gokita*     | Member of the<br>Nominating Committee<br>the Remuneration<br>Committee<br>the Audit Committee   |
| Kenro Kakeya*     | Member of the<br>Nominating Committee<br>the Remuneration<br>Committee  |
| Takashi Ishikawa* | Member of the<br>Audit Committee<br>(Committee Chairman)  |
| Kota Sakurai*     | Member of the<br>Audit Committee  |

### Executive Officers

|   |                  |
|---|------------------|
| Executive Chairman                                | Masashi Takehi   |
| President,<br>Representative<br>Executive Officer | Minoru Kobayashi |
| Managing<br>Executive Officer                     | Shiro Tateishi   |
| Executive Officer                                 | Toru Koyama      |
| Executive Officer                                 | Ichiro Sakajiri  |

### Operating Officers

|                             |                      |
|-----------------------------|----------------------|
| Head Operating<br>Officer   | Toshiyuki Mizunoue   |
| Senior Operating<br>Officer | Masaki Yano          |
| Senior Operating<br>Officer | Mikio Nio            |
| Senior Operating<br>Officer | Hiroshi Ryugen       |
| Senior Operating<br>Officer | Hirofumi Tamada      |
| Operating Officer           | Kiyotaka Mochida     |
| Operating Officer           | Masao Sugiura        |
| Operating Officer           | Kazuaki Sato         |
| Operating Officer           | Masayoshi Takahashi  |
| Operating Officer           | Mitsuyoshi Matsumura |
| Operating Officer           | Kenichi Asada        |
| Operating Officer           | Shoichi Yamazaki     |
| Operating Officer           | Jiro Tsuboi          |
| Operating Officer           | Masami Takeda        |

\*Outside director





<http://www.ichiyoshi.co.jp/>

・ Statements in this report concerning the future do not constitute pledges of business performance.  
・ Information contained in this report is subject to change without prior notification.

July 2017  
Ichiyoshi Securities Co.,Ltd.