



<https://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.

August 2018
Ichiyoshi Securities Co.,Ltd.

Investors' Guide

For the Year Ended March 31, 2018

2018



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

Message from the President

Moving forward with synergistic effects under Triangular Pyramid

Under the management philosophy of "Remain a Firm of Customers' Trust and Choice," we aim to be a name-brand boutique house in the securities industry, something that has not existed in Japan before.

Thanks to your support, I believe that we were able to achieve a steadfast progress in the previous fiscal year ended March 31, 2018. This was a full-blast reflection of 20-old years of synergies arising from advice and sales capabilities of Ichiyoshi Securities Co., Ltd. and asset-management capabilities of Ichiyoshi Asset Management Co., Ltd. based on the research capabilities of Ichiyoshi Research Institute Inc. Among other products, the outstanding asset balance of "Dream Collection," a fund-wrap investment vehicle, crossed the 100 billion yen mark (as of the end July 2018).

We will continue to base our product proposals to customers on the basic concept of "conserve," "spend" and "grow" matching customers' needs. On this basis, we will present product combinations consisting of active assets riding on the platform of core assets, thereby providing more customer-suitable performance.

By continuing to evolve the unique strength of the Ichiyoshi group, we will further make advances in our Triangular Pyramid Management and achieve a steady progress toward building a name-brand boutique house.

We ask for your continued guidance and support.



Minoru Kobayashi

August 2018
Minoru Kobayashi
President, Representative Executive Officer & Director

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Forward-Looking Statements

This investors' guide contains forward-looking statements about the future plans, strategies, financial position, and performance of Ichiyoshi Securities (the "Company") and its consolidated subsidiaries. These forward-looking statements are based on the assumptions derived from market trends, economic conditions, intensifying competition in the financial industry, laws and regulations, tax systems, and other information that is currently available to the Company. There is the possibility that the future financial position and performance will differ from these forecasts as a result of changes in the business environment or other factors.

Medium-term Management Plan

Medium-term Management Plan
Numerical Targets
(Period: Until March 2020)



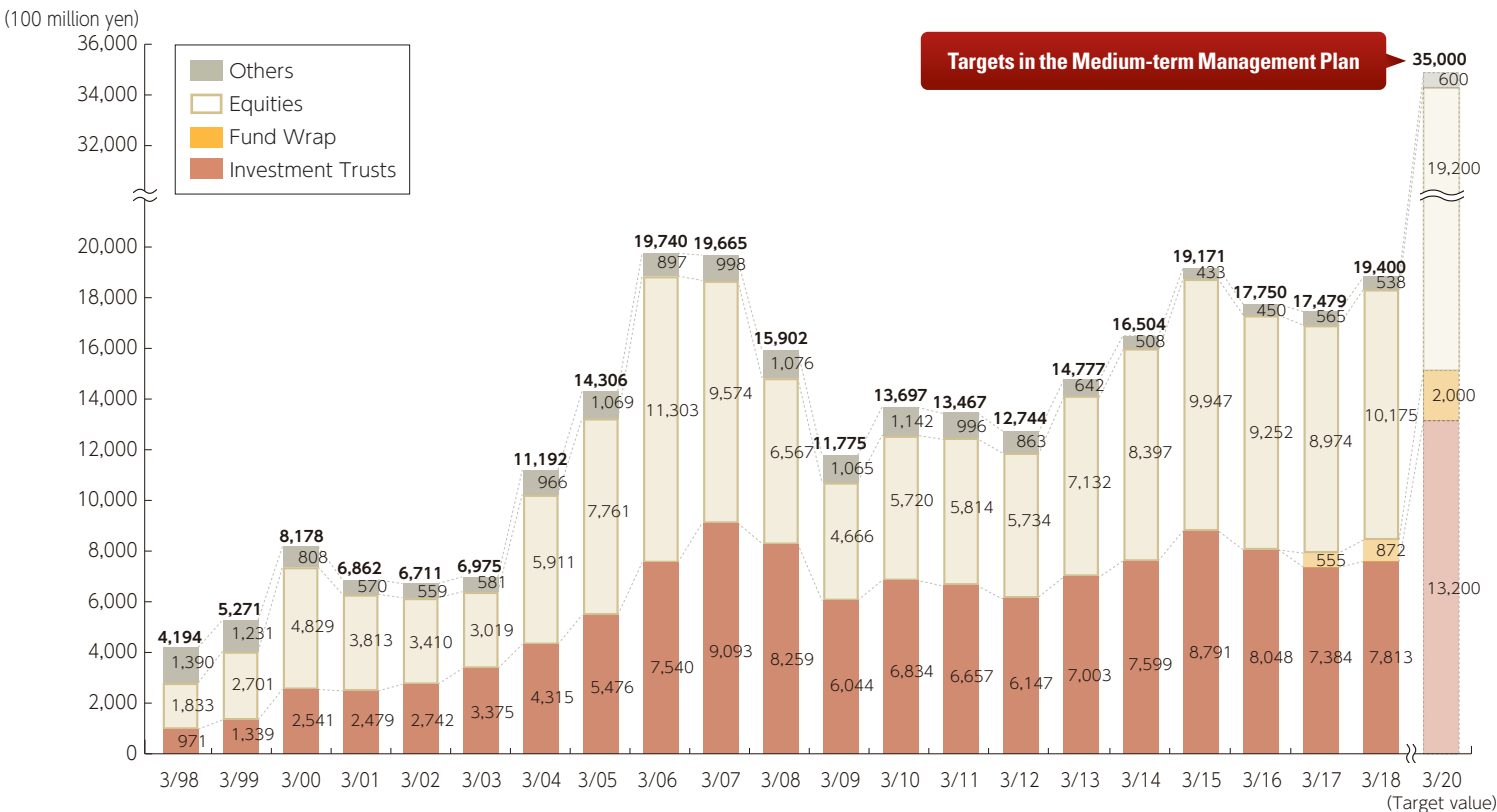
Basic principle regarding products for individual customers

“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



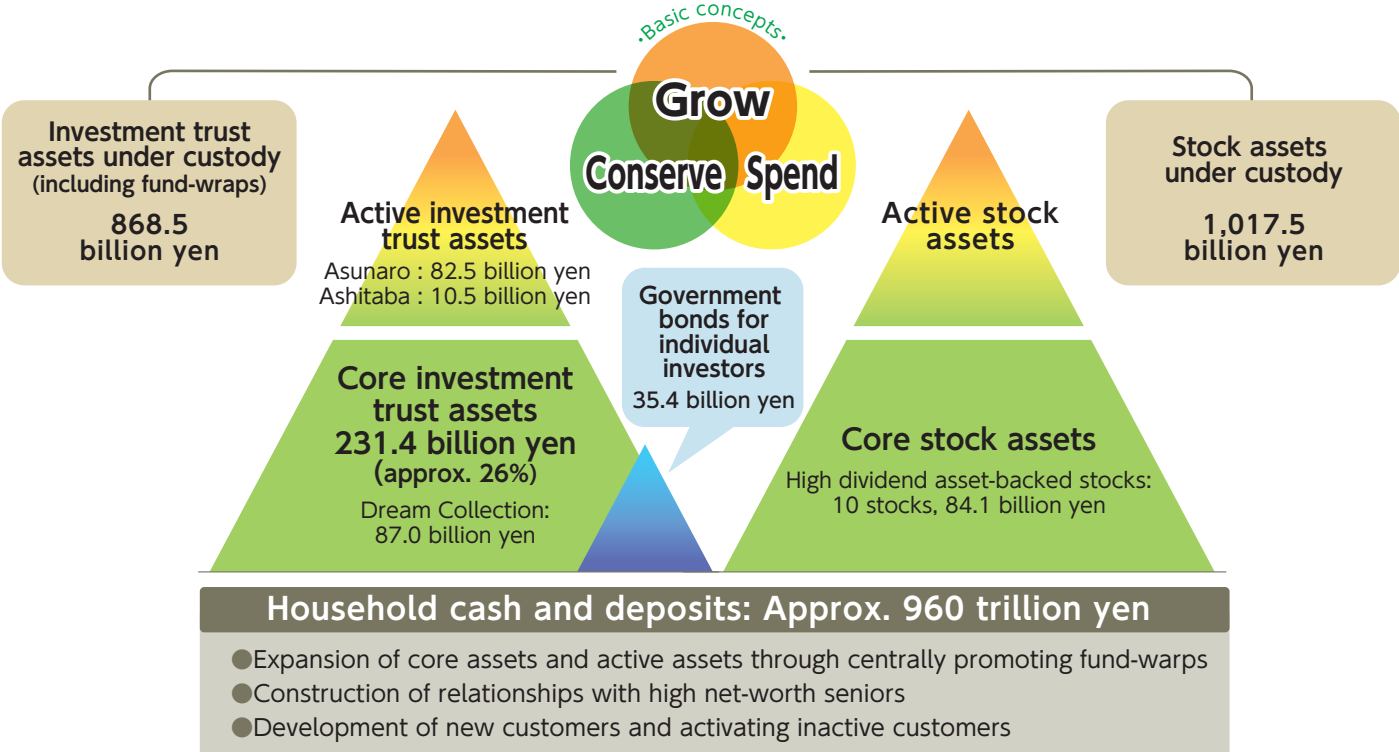
Customer assets under custody (total) Assets under custody is a barometer of customers' trust and underlying strength of Ichiyoshi



Future Management Strategies

1 Expanding assets under custody in order to achieve the targets of the Medium-Term Management Plan

■ High net-worth individuals: Expanding assets under custody through proposal sales based on the concepts of “conserve,” “spend” and “grow”.



(As of March 31, 2018)

2 Synergistic effects produced by Triangular Pyramid Management

▶ Making maximum use of the combined group strengths through Triangular Pyramid Management

Research capabilities

ICHIYOSHI RESEARCH INSTITUTE INC.
Small- and medium-cap growth stock research capabilities

Management capabilities

ICHIYOSHI ASSET MANAGEMENT CO., LTD.
Balance of assets under management doubled in one year

Advice capabilities

ICHIYOSHI SECURITIES
Stock-type business model for accumulating assets
Two specialization strategies

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 2017 Best Research House Rankings, IRI was ranked top in the "Access to growth markets" category for the 14th consecutive year.
- IRI employs 18 analysts who regularly follow approximately 520 stock companies. (As of the end of March, 2018)
- IRI creates reports for approximately 720 companies each year, and is focused on identifying promising stocks.

Image of companies followed by IRI
Total listed companies: Approx. 3,700



Note: REIT are included in the number of total listed companies for April 2018.
Source: Ichiyoshi Research Institute Inc.

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

Access Ranking in the Emerging Market Category

| Access Ranking in the Emerging Market Category | | |
|--|--|--------------|
| *Access to growth markets* | | |
| Rank | Company | Access ratio |
| 1 | Ichiyoshi Research Institute | 28.39% |
| 2 | Nomura Securities | 13.41% |
| 3 | Tokai Tokyo Research Institute | 8.86% |
| 4 | SMBC Nikko Securities | 6.96% |
| 5 | Mitsubishi UFJ Morgan Stanley Securities | 6.41% |
| 6 | Ace Economic Research Institute | 6.29% |
| 7 | Daiwa Securities Group | 6.15% |
| 8 | Mizuho Securities | 6.06% |
| 9 | Credit Suisse Securities | 2.56% |
| 10 | IwaiCosmo Securities | 2.52% |

Source: J-MONEY, Spring 2018

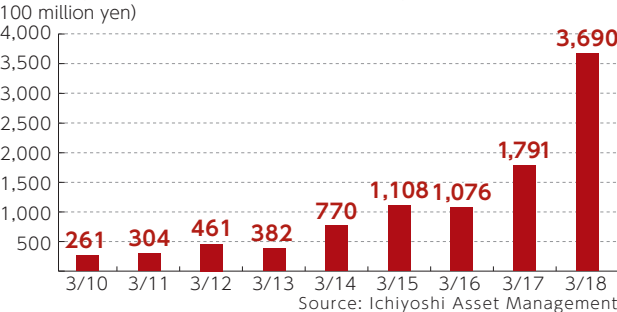
Ichiyoshi Asset Management Co., Ltd.

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.

<https://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 products 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.

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

3 Strengthening and improving corporate governance

Corporate Governance

The 16th Corporate Governance Survey

| Rank | 2017 Rank | JCGIndex | Company |
|------|-----------|----------|----------------------|
| 1 | 1 | 89 | Sony |
| 2 | 2 | 80 | Ichiyoshi Securities |
| 3 | 5 | 79 | Eisai |
| 3 | 2 | 79 | Hitachi |
| 5 | 8 | 78 | Konica Minolta |
| 5 | 2 | 78 | OMRON |
| 5 | 5 | 78 | Sumida Corp. |
| 8 | — | 76 | ** (two companies) |
| 10 | 9 | 74 | Ichigo |

*Company name omitted at the company's request

JCGIndex Company's Changes

| | Rank | JCGIndex |
|------|------|----------|
| 2017 | 2 | 80points |
| 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 (JCGR)
(Ranking data was announced on February 26, 2018.)

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 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 Three-Committees System

- In June 2003, we introduced the "committee-based company" governance framework that is now referred to as a "Company with Three-Committees System (Nominating, Audit and Remuneration)"
- 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 between executives and shareholders.





IR Activities

- Beginning from 2000, we have held information 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 information meetings for individual investors, and participated in the Nagoya Stock Exchange IR EXPO in Nagoya on July 20 and 21, 2018.
- Beginning from 2005, we have conducted IR for overseas institutional investors.


Medium-term Management Plan and Management Strategies

Sustainability: Examples of Ichiyoshi social contribution activities aimed at sustainable growth

- The Sustainable Development Goals (SDGs) were adopted by the United Nations General Assembly in 2015, and we believe that efforts to improve sustainability and the consequential active disclosure of ESG information are important responsibilities of our company as a member of society.
- In addition to contributions through our main business, we also will engage in a variety of social contribution activities and other programs.

| | | | |
|---|---|---|--|
|  Plan International Japan AMDA-Multisectoral and Integrated Development Services AMDA |  FoE Japan |  Médecins du Monde 世界の医療団 |  Japan Guide Dog Association 公益財団法人 日本盲導犬協会 |
| Overview of assistance | Overview of assistance | Overview of assistance | Overview 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 Construction of Eleven schools in Eight countries (1996 - 6/2017) <small>* Including Ichiyoshi Zhongdian Friendship Elementary School</small> | Ichiyoshi Mangrove Forest Project Total trees planted: 285,000 (2009 - 3/2017) | Drugs for Malaria Treatment Drugs sufficient to treat approximately 9,900 persons (2009 - 3/2018) | Ichiyoshi Guide Dog Training Project Five guide dogs are currently in service. (2005 - 3/2018) |

Ichiyoshi'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.

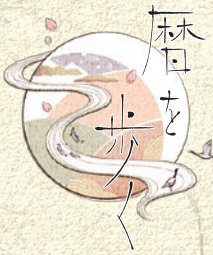




いちよし証券
Programs sponsored by Ichiyoshi Securities



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



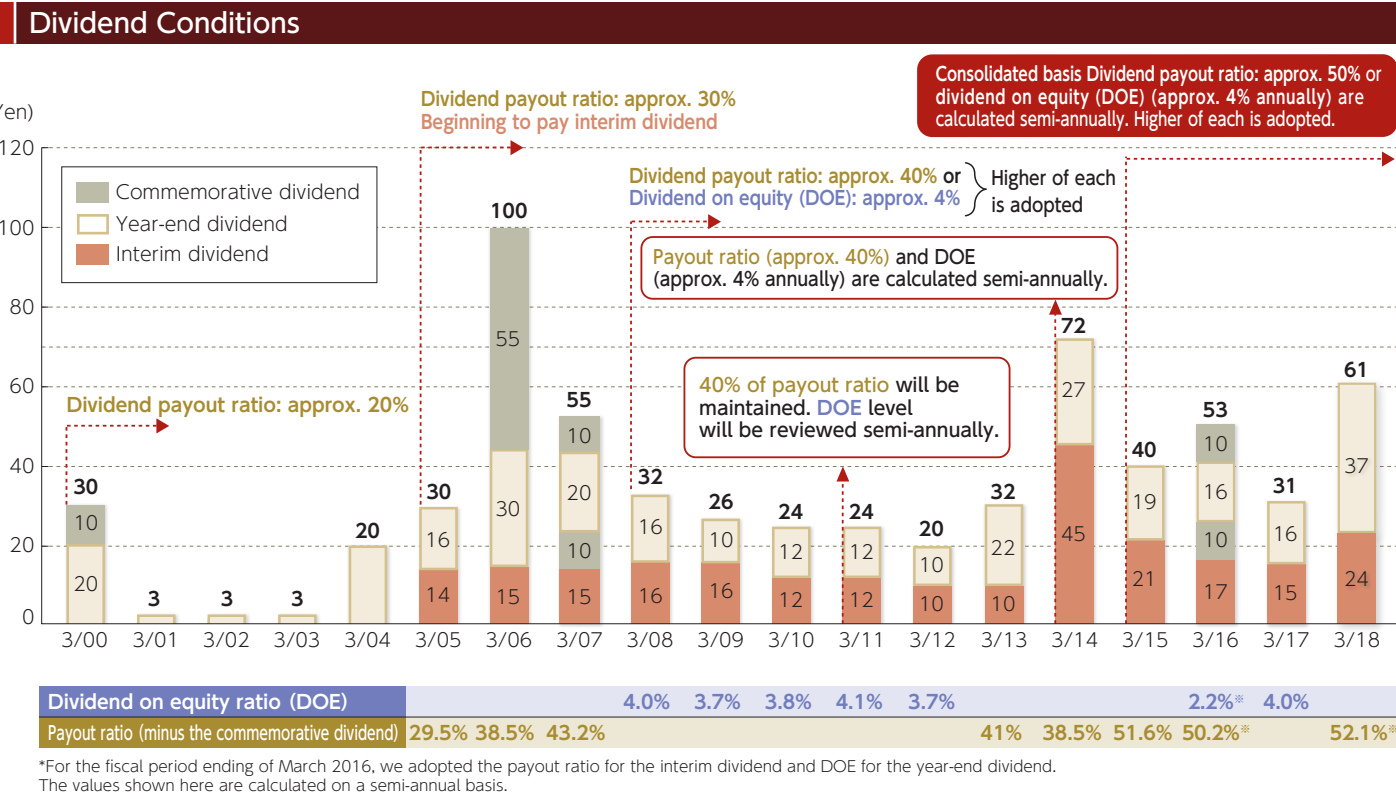
Japan is home to vibrant seasonal changes and songs.
Presenting scenery of the Japanese soul that lives in song, accompanied by beautiful video in a way that comes together like a poem.

Shareholder Return Policy

One of Ichiyoshi's core management policies is to make an appropriate earnings distribution to its shareholders. Ichiyoshi 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) measure is taken into account for continuous stream of dividend payment.

Specifically, Ichiyoshi has currently adopted the payout ratio of approximately 50% and the DOE of approximately 2%, the both measures being calculated semi-annually on a consolidated basis and the largest result of calculation between the two measures being chosen.

Under this dividend policy, an interim dividend per share paid out of retained earnings to shareholders of record as of September 30, 2017 was 24 yen, based on the payout ratio, and a final dividend per share payable out of retained earnings to shareholders of record as of March 31, 2018 was 37 yen, also based on the payout ratio. Thus, the annual total of dividend per share was 61 yen.



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, 2018; 44,431,386 shares (of which, 1,699,220 shares of treasury stock)

Financial Section

Consolidated Balance Sheets (Year ended March 31, 2018 and 2017)

(Millions of yen)

(Millions of yen)

| | 2018 | 2017 |
|---|---------------|--------|
| (Assets) | | |
| Current assets | 52,582 | 47,533 |
| Cash and deposits | 13,795 | 18,249 |
| Cash segregated as deposits | 5,783 | 9,933 |
| Trading products | 189 | 317 |
| Trading securities and other | 189 | 317 |
| Trade date accrual | — | 1 |
| Margin transaction assets | 24,018 | 13,875 |
| Loans on margin transactions | 23,766 | 13,302 |
| Cash collateral pledged for securities borrowing on margin transactions | 252 | 573 |
| Loans secured by securities | 0 | — |
| Cash collateral pledged for securities borrowed | 0 | — |
| Advances paid | 36 | 22 |
| Cash paid for offering | 6,194 | 3,400 |
| Short-term loans receivable | 5 | 10 |
| Accrued income | 1,902 | 1,299 |
| Deferred tax assets | 547 | 317 |
| Other current assets | 113 | 109 |
| Allowances for doubtful accounts | -5 | -2 |
| Non-current assets | 6,089 | 6,173 |
| Property, plant and equipment | 2,901 | 3,291 |
| Buildings, net | 887 | 1,016 |
| Equipment | 566 | 612 |
| Land | 1,427 | 1,646 |
| Lease assets, net | 20 | 16 |
| Intangible assets | 565 | 617 |
| Goodwill | — | 8 |
| Software | 564 | 434 |
| Software in progress | — | 172 |
| Other | 1 | 1 |
| Investments and other assets | 2,621 | 2,263 |
| Investment securities | 1,388 | 1,249 |
| Long-term loans receivable | 17 | 16 |
| Long-term guarantee deposits | 1,021 | 914 |
| Net defined benefit asset | 161 | 66 |
| Deferred tax assets | 13 | 2 |
| Other | 29 | 24 |
| Allowances for doubtful accounts | -9 | -10 |
| Total assets | 58,671 | 53,706 |

| | 2018 | 2017 |
|---|---------------|--------|
| (Liabilities) | | |
| Current liabilities | 21,462 | 20,081 |
| Trading products | 0 | 0 |
| Derivatives | 0 | 0 |
| Trade date accrual | 3 | — |
| Margin transaction liabilities | 7,466 | 4,925 |
| Borrowings on margin transactions | 7,045 | 3,802 |
| Cash received for securities lending on margin transactions | 421 | 1,123 |
| Deposits received | 7,015 | 11,609 |
| Guarantee deposits received | 1,903 | 1,245 |
| Accounts for non-received securities and others | 0 | 0 |
| Short-term loans payable | 210 | 210 |
| Lease obligations | 5 | 4 |
| Income taxes payable | 2,121 | 333 |
| Provision for bonuses | 1,077 | 694 |
| Other current liabilities | 1,658 | 1,057 |
| Non-current liabilities | 355 | 344 |
| Long-term loans payable | 223 | 263 |
| Lease obligations | 15 | 11 |
| Deferred tax liabilities | 80 | 34 |
| Deferred tax liabilities for land revaluation | 7 | 7 |
| Other noncurrent liabilities | 27 | 27 |
| Reserves under special laws | 211 | 180 |
| Reserve for financial products transaction liabilities | 211 | 180 |
| Total liabilities | 22,029 | 20,607 |
| (Net assets) | | |
| Shareholders' equity | 37,063 | 33,792 |
| Capital stock | 14,577 | 14,577 |
| Capital surplus | 8,655 | 8,687 |
| Retained earnings | 15,360 | 12,135 |
| Treasury shares | -1,530 | -1,608 |
| Accumulated other comprehensive income | -736 | -990 |
| Valuation difference on available-for-sale securities | 223 | 35 |
| Revaluation reserve for land | -1,125 | -1,187 |
| Remeasurements of defined benefit plans | 164 | 162 |
| Share acquisition rights | 256 | 231 |
| Non-controlling interests | 58 | 65 |
| Total net assets | 36,641 | 33,099 |
| Total liabilities and net assets | 58,671 | 53,706 |

Consolidated Income Statements (Year ended March 31, 2018 and 2017)

| | 2018 | 2017 |
|--|---------------|--------|
| Operating revenue | 26,502 | 20,714 |
| Commission received | 24,616 | 18,857 |
| Commission to consignees | 9,823 | 7,070 |
| Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors | 570 | 361 |
| Fee for offering, secondary distribution and solicitation for selling and others for professional investors | 6,777 | 5,642 |
| Other fees received | 7,444 | 5,782 |
| Net trading income | 123 | 209 |
| Financial revenue | 310 | 237 |
| Other operating revenue | 1,451 | 1,409 |
| Financial expenses | 92 | 66 |
| Other operating expenses | 1,340 | 1,309 |
| Net operating revenue | 25,069 | 19,338 |
| Selling, general and administrative expenses | 17,928 | 16,344 |
| Trading related expenses | 1,853 | 1,600 |
| Personnel expenses | 10,296 | 9,254 |
| Real estate expenses | 1,953 | 1,816 |
| Office cost | 2,391 | 2,394 |
| Depreciation | 430 | 406 |
| Taxes and dues | 358 | 300 |
| Provision of allowance for doubtful accounts | 1 | — |
| Other | 642 | 571 |
| Operating profit | 7,141 | 2,994 |
| Non-operating income | 119 | 108 |
| Dividends from investment securities | 19 | 22 |
| Gain on investments in partnership | 54 | 43 |
| Insurance and dividend income | 25 | 20 |
| Other | 18 | 21 |
| Non-operating expenses | 30 | 24 |
| Loss on investments in partnership | 7 | 4 |
| Miscellaneous losses | 22 | 18 |
| Other | 1 | 1 |
| Ordinary profit | 7,229 | 3,077 |
| Extraordinary income | 91 | 71 |
| Gain on sales of investment securities | 26 | 27 |
| Gain on sales of non-current assets | 58 | 38 |
| Gain on reversal of share acquisition rights | 7 | 3 |
| Reversal of reserve for financial products transaction liabilities | — | 1 |
| Extraordinary losses | 147 | 94 |
| Loss on retirement of non-current assets | 13 | 5 |
| Loss on sales of non-current assets | 6 | 63 |
| Loss on sales of investment securities | — | 0 |
| Loss on valuation of investment securities | 0 | — |
| Loss on valuation of golf club memberships | — | 13 |
| Cancellation cost of system use | — | 10 |
| Bad debts written off | — | 1 |
| Impairment loss | 96 | — |
| Provision of reserve for financial products transaction liabilities | 30 | — |
| Profit before income taxes | 7,173 | 3,054 |
| Income taxes - current | 2,363 | 836 |
| Income taxes - deferred | -206 | 17 |
| Total income taxes | 2,156 | 853 |
| Profit | 5,016 | 2,200 |
| Profit attributable to non-controlling interests | 21 | 17 |
| Profit attributable to owners of parent | 4,994 | 2,183 |

Consolidated Comprehensive Income Statements (Year ended March 31, 2018 and 2017)

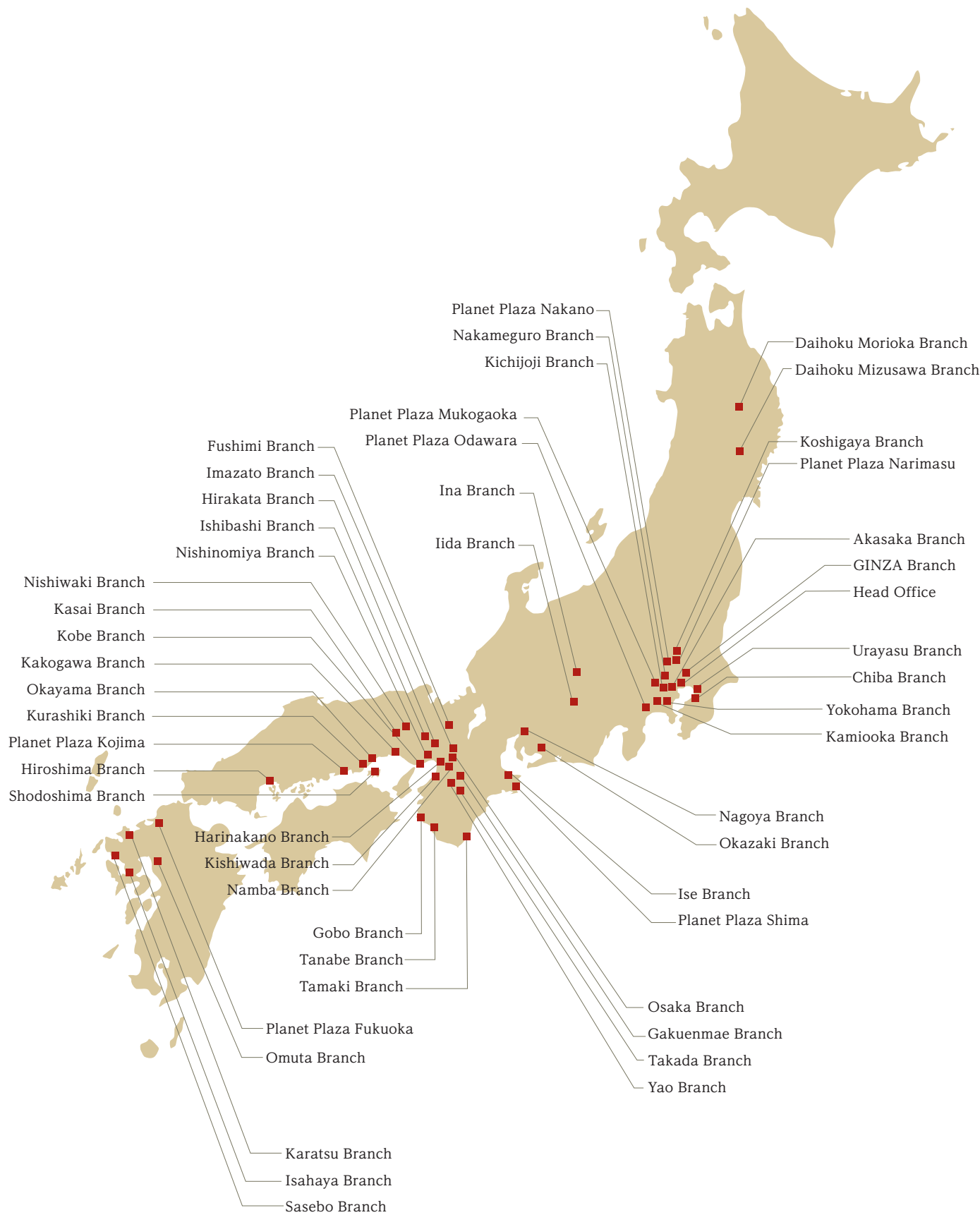
(Millions of yen)

| 科目 | 2018 | 2017 |
|--|--------------|-------|
| Profit | 5,016 | 2,200 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 188 | -19 |
| Revaluation reserve for land | — | 662 |
| Remeasurements of defined benefit plans, net of tax | 2 | -28 |
| Total other comprehensive income | 191 | 614 |
| Comprehensive income | 5,207 | 2,814 |
| (Comprehensive income attributable to) | | |
| Comprehensive income attributable to owners of parent | 5,185 | 2,797 |
| Comprehensive income attributable to non-controlling interests | 22 | 17 |



Directory

(As of August 1, 2018)



Company History

| | |
|------------------|---|
| ▶ October 1948 | Registered as a securities dealer under the Securities and Exchange Act |
| ▶ 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 Act |
| ▶ October 1971 | Became a regular member of Tokyo Stock Exchange (now Tokyo Stock Exchange, 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 subsidiary, 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 Act |
| ▶ 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 "company with three committees system" (Now, "Company with three committees (Nominating, Audit and Remuneration)) 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 business operator under the Financial Instruments and Exchange Act |
| ▶ 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 | Merged with Iida Securities Co., Ltd. |
| ▶ January 2011 | Merged with Sasebo Securities Co., Ltd. |
| ▶ February 2012 | Merged 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 operating an investment trust management business |
| ▶ December 2014 | Merged with Nishiwaki Securities Co., Ltd. |

Stock Information (As of March 31, 2018)

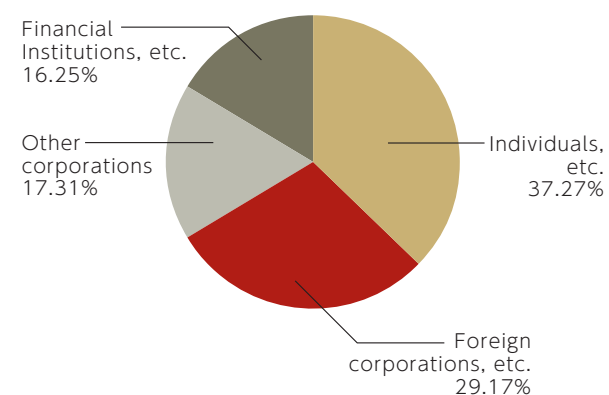
| | |
|--------------------------------------|--|
| ● Issued No. of shares | 44,431,386 (of which, 1,699,220 treasury shares) |
| ● Shareholders | 12,768 |
| ● Shareholder Register Administrator | Mitsubishi UFJ Trust and Banking Corporation |
| ● Audit Corporation | Ernst & Young ShinNihon LLC |

■ Top 10 shareholders and their holdings

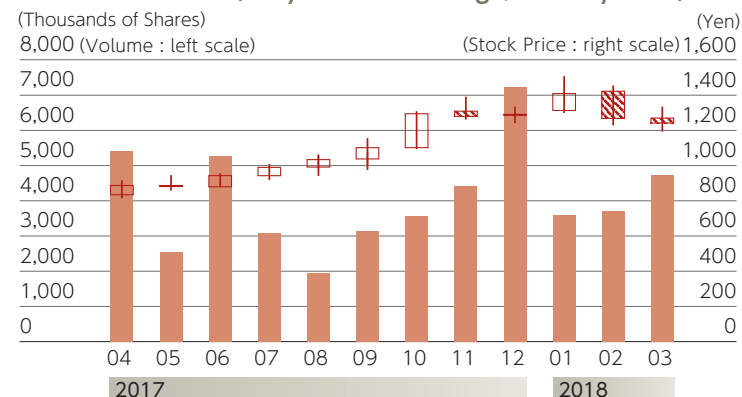
| Shareholder | Holdings (Thousands of Shares) | Ownership(%) |
|---|-----------------------------------|--------------|
| Nomura Land and Building Co., Ltd. | 5,298 | 12.39 |
| Japan Trustee Services Bank, Ltd. (Trust Account) | 1,523 | 3.56 |
| STATE STREET BANK AND TRUST COMPANY | 1,434 | 3.35 |
| NORTHERN TRUST CO. (AVFC) RE HCR00 | 1,382 | 3.23 |
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 1,273 | 2.98 |
| NORTHERN TRUST CO. (AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT | 1,142 | 2.67 |
| Nomura Research Institute, Ltd. | 879 | 2.05 |
| Japan Trustee Services Bank, Ltd. (Trust Account 5) | 790 | 1.85 |
| RBC ISB S/A DUB NON RESIDENT/TREATY RATE UCITS-CLIENTS ACCOUNT | 725 | 1.69 |
| GOVERNMENT OF NORWAY | 673 | 1.57 |

*Excluding treasury shares

■ Distribution of Shareholders



■ Stock Price (Tokyo Stock Exchange, Monthly Basis)



Corporate Data (As of March 31, 2018)

| | | | |
|----------------|---|----------------------------|------------------------------------|
| ● Company Name | Ichiyoshi Securities Co., Ltd. (Ticker symbol 8624) | ● Capital Stock | ¥14,577 million |
| ● Founded | August 18, 1950 | ● Employees (Consolidated) | 1,051 |
| ● Head Office | 2-14-1 Hatchobori, Chuo-ku, Tokyo, Japan | ● Listed | 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 business operator registered with the Kanto Local Finance Bureau (registration No. 24)
Member association : Japan Securities Dealers Association, Japan Investment Advisers Association

Director/Executive Officer/Operating Officer (As of August 31, 2018)



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 | | Executive Officers | | Operating Officers | |
|------------------|--|---|------------------|--------------------------|----------------------|
| Masashi Takehi | Chairman of the Board of Directors Member of the Nominating Committee Member of the Remuneration Committee | President, Representative Executive Officer | Minoru Kobayashi | Senior Operating Officer | Masaki Yano |
| Minoru Kobayashi | Director | Managing Executive Officer | Shiro Tateishi | Senior Operating Officer | Mikio Nio |
| Shiro Tateishii | Director | Executive Officer | Toru Koyama | Senior Operating Officer | Hiroshi Ryugen |
| Akira Gokita | Outside Director Member of the Nominating Committee (Chairman) Member of the Remuneration Committee Member of the Audit Committee | | | Senior Operating Officer | Hirofumi Tamada |
| Kenro Kakeya | Outside Director Member of the Remuneration Committee (Chairman) Member of the Nominating Committee | | | Senior Operating Officer | Masayoshi Takahashi |
| Takashi Ishikawa | Outside Director Member of the Audit Committee (Chairman) | | | Operating Officer | Kiyotaka Mochida |
| Kota Sakurai | Outside Director Member of the Audit Committee | | | Operating Officer | Masao Sugiura |
| | | | | Operating Officer | Kazuaki Sato |
| | | | | Operating Officer | Mitsuyoshi Matsumura |
| | | | | Operating Officer | Kenichi Asada |
| | | | | Operating Officer | Shoichi Yamazaki |
| | | | | Operating Officer | Jiro Tsuboi |
| | | | | Operating Officer | Masami Takeda |
| | | | | Operating Officer | Yoshihisa Rikitake |
| | | | | Operating Officer | Hiroki Shimada |