

EARNINGS REPORT FOR FIRST THREE QUARTERS OF FISCAL 2018

(April 1 to December 31, 2018)

(Consolidated under Japanese GAAP)

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

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

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

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

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Date of filing First Three Quarters Report: February 13, 2019 (scheduled)

Preparation of supplementary documents for quarterly earnings: Provided.

Quarterly earnings-reporting meeting: None.

(Figures less than one million yen are rounded down)

1. Outline of Consolidated Business Result for First Three Quarters of Fiscal 2018 (from April 1 to December 31, 2018)

(1) Highlights of consolidated business result (in millions of yen, except per-share figures) (% indicates a change over the year-earlier period)

	Operating Revenue (%)	Net operating Revenue (%)	Operating Income (%)	Current Income (%)
Nine months ended Dec. 31, 2018	16,917 (-14.3)	15,860 (-15.2)	2,305 (-56.0)	2,471 (-53.7)
Nine months ended Dec. 31, 2017	19,750 (+30.8)	18,693 (+32.6)	5,238 (+170.5)	5,333 (+167.6)

	Net income attributable to owners of parent (%)	Net income per share	Net income per share-fully diluted
Nine months ended Dec. 31, 2018	1,849 (-48.9)	43.23yen	43.16yen
Nine months ended Dec. 31, 2017	3,618 (+149.2)	84.79yen	84.65yen

Notes: Comprehensive income for the first three quarters of fiscal 2018: 1,591 million yen (-58.4%)

Comprehensive income for the first three quarters of fiscal 2017: 3,825 million yen (+85.5%)

(2) Consolidated financial condition (in millions of yen)

	Total assets	Net assets	Equity ratio
As of Dec. 31, 2018	52,341	35,786	68.1%
As of Mar. 31, 2018	58,590	36,641	62.0%

Notes: Shareholders' equity as of Dec. 31, 2018: 35,660 million yen

Shareholders' equity as of Mar. 31, 2018: 36,326 million yen

2. Dividends

	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual total
Fiscal 2017 ended Mar. 31, 2018	---	24.00yen	---	37.00yen	61.00yen
Fiscal 2018 ended Mar. 31, 2019	---	17.00yen	---	****	****

Notes: (i) **Ichiyoshi Securities Co., Ltd. (the “Company”)** declares dividends payable to shareholders of record as of September 30 (semiannual dividends) and March 31 (final dividends) of each fiscal year.

(ii) It is not the Company’s practice to give an earnings or dividend forecast. Hence, ****.

3. Information Deemed Useful for Investors to Grasp Outlook for Business Result for Fiscal 2018 (from April 1, 2018 to March 31, 2019)

Since the forecast of earnings of financial-instruments trading, the main-line business of the Company and its group companies, is hard to make due to volatile factors in the market, the Company does not provide such forecast prior to the end of each quarter. Instead, the Company intends to release preliminary figures after the end of each quarter as and when such figures become available.

Points to note:

- (1) Changes in material subsidiaries (including a change in scope of consolidation): None.
- (2) Application of an accounting treatment unique to the preparation of quarterly financial statements: None.
- (3) Changes in accounting policies and estimates and re-presentation of modifications:
 - (i) Changes in accounting policies resulting from revisions to accounting standards: None.
 - (ii) Changes other than those in (i): None.
 - (iii) Changes in accounting estimates: None.
 - (iv) Re-presentation of revisions: None.
- (4) Number of shares issued (common stock):
 - (i) Number of shares issued as of December 31, 2018: 44,431,386 shares (including treasury shares)
Number of shares issued as of March 31, 2018: 44,431,386 shares (including treasury shares)
 - (ii) Number of treasury shares as of December 31, 2018: 1,636,420 shares.
Number of treasury shares as of March 31, 2018 : 1,699,220 shares.
 - (iii) Average number of shares outstanding during the first three quarters of fiscal 2018:
42,769,874 shares.
Average number of shares outstanding during the first three quarters of fiscal 2017:
42,674,914 shares.

Additional points to note:

1. Quarterly earnings figures included in this report are not subject to reviewing by certified public accountants.
2. For the same reason that the Company does not provide an earnings forecast prior to the end of each quarter as stated in “**3. Information Deemed Useful for Investors to Grasp Outlook for Business Result for Fiscal 2018 (from April 1, 2018 to March 31, 2019)**” on this page, the Company does not provide a dividend forecast.

I. Outline on Business Result

(1) Outline on business result for the first three quarters of fiscal 2018

During the first three quarters of fiscal 2018, while the Japanese economy was temporarily stunted by successive natural disasters in the summer, it maintained its recovery pace amid a continuing improvement on employment and income environment and on the back of corporate production activities sustaining their moderate expansion. There was some concern over the effect of the U.S.-China trade friction on the global economy and some anxiety about turbulences in global monetary and capital markets during the term. The effect of such concern and anxiety, however, were somewhat limited during the term under review mainly with U.S. and European economies sustaining their recovery pace.

In the meantime, the Japanese stock market basked in the moderation of the geopolitical risk surrounding North Korea and the weakening of the Japanese yen with the Nikkei Stock Average on the Tokyo Stock Exchange (the TSE) registering 23,050yen, a three-and-half month high, on May 21, 2018. Thereafter, however, the stock market was hit by uncertainty over the outlook of the U.S.-China trade friction and the declining currency values of emerging nations with the Nikkei Stock Average stagnating between the 21,000 yen and 23,000yen levels for some time. As the over-anxiety about the trade friction faded, the U.S. stocks registered record highs and foreign investors bought up Japanese laggard and value stocks, however, the Nikkei Stock Average recorded 24,448yen, nearly a 27 year high, on October 2. Thereafter, market-negative news came up: fears over rising interest rates in the U.S. worrying news about Saudi Arabia, and confusion over the Brexit. All of these weighed on the stock market. Although the U.S. and China agreed at their meeting on December 1 that they would start their trade negotiations, the U.S. warned that it would launch additional tariff hikes in the event of non-agreement on trade negotiations, keeping alive cautious mood about the trade friction and fears over the slowdown of the global economy. Furthermore, J. H. Powel, Chairman of the Board of Governors of the U.S. Federal Reserve System, indicated his willingness of continuing to reduce the balance of monetary assets accumulated through the quantitatively-easing period, consequently accelerating sell-offs in global stock markets. Thus, the Nikkei Stock Average recorded 18,948yen, a year low, on December 26, and ended the period under review at 20,014yen, barely maintaining the 20,000yen level.

On the foreign currency market, the yen was favored as risk-hedging asset towards the end of the period under review, and closed the period at the 109yen per 1 U.S. dollar level.

As regards the Japanese emerging stock markets, both the JASDAQ Stock Market and TSE Mothers Market underwent correctional periods from April on. Thus, the Nikkei JASDAQ Stock Average and the TSE Mothers Index ended the period under review at 3,210yen and 812, respectively.

The average daily turnover on the TSE for the first three quarters of fiscal 2018 was 2,922.0 billion yen, up 3.1% from the comparable period of fiscal 2017, that on the Second Section of the TSE was 39.4 billion yen, down 27.8%, that on the TSE Mothers Market was 93.1 billion yen, down 16.3%, and that on the JASDAQ Stock Market was 61.6 billion yen, down 21.4%.

In such circumstances, the Company carried out various measures to meet customers' needs, such as proposals of asset-backed stocks with stress on stability and dividends under low-interest rate environments and proposals of medium- to long-term investments in small-and medium-cap growth stocks unearthed by the Ichiyoshi group's strength in research. Stock brokerage commissions, however, recorded a decline due to a fall in stock transactions by retail investors from the comparable year-earlier period.

"Dream Collection," a fund wrap account vehicle, showed a favorable performance as a

conservative investment vehicle for customers' medium- to long-term asset management. Its outstanding balance as of December 31, 2018, registered 105.3 billion yen, up 21.1% from March 31, 2018.

With regard to investment trust funds, placing in the center of promotion "Ichiyoshi Small- and Medium-Cap Growth Stock Fund," launched fully taking advantage of synergy among the research ability of Ichiyoshi Research Institute Inc., the management ability of Ichiyoshi Asset Management Co. Ltd. and the sales ability of Ichiyoshi Securities Co., Ltd., the Company made proposals matching customer needs which include, among others, "Nippon Recovery Growth Stock Fund," whose portfolios are flexibly mixed between big-cap stocks and small-and medium-cap stocks as warranted by market conditions, and "100-Year Life/Global Diversification Fund" designed for the further-aging society launched August 2018, and proposed privately-placed investment trust funds targeted for regional financial institutions. Commission revenue from distribution of investment trust funds during the period under review, however, decreased from the comparable year-earlier period when the market conditions were better.

As a result of these activities, net operating revenue for the first three quarters of fiscal 2018 amounted to 15,860 million yen, down 15.2% from the first three quarters of fiscal 2017. Operating cost and expenses amounted to 13,554 million yen, up 0.7%. Hence, operating income registered 2,305 million yen, down 56.0% from the first three quarters of fiscal 2017.

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

i. Commissions

Total commissions for the first three quarters of fiscal 2018 amounted to 15,435 million yen, down 15.9 % from the year-earlier period.

(a) Brokerage commissions

Total brokerage commissions on stocks fell 19.3% to 5,773 million yen. Brokerage commissions on small- and medium-cap stocks (stocks listed on Second Section of the TSE, JASDAQ and TSE Mothers) registered 1,182 million yen, down 37.2%, and accounted for 20.5% of total brokerage commissions on stocks.

(b) Commissions from underwriting and solicitation to specified investors

In the primary market, the Company participated in 26 initial public offerings on a management and underwriting basis (of which 1 was lead-managed by the Company) as against 26 participations (of which 4 were lead-managed by the Company) in the year-earlier period. In the secondary market (which deals with financing by already-listed companies), the Company participated in 3 deals on a management and underwriting basis as against 6 deals in the year-earlier period.

As a result, commissions from underwriting and solicitation to specified investors amounted to 205 million yen, down 61.9% from the comparable period of fiscal 2017.

The cumulative number of companies whose offerings were lead- or co-managed by the Company stood at 1,071 (of which 52 were lead-managed) as of December 31, 2018.

(c) Commissions from distribution and solicitation to specified investors

As commissions from distribution of investment trust funds recorded 3,259 million yen, down 37.1% from the year-earlier period, total commissions from distribution and solicitation to specified investors registered 3,380 million yen, down 35.5%.

(d) Commissions from other sources

Trailer fees slid 1.9% to 3,198 million yen. Management fees on investment trust funds managed by Ichiyoshi Asset Management recorded 1,167 million yen, up 30.4%. Fees from fund wrap accounts registered 909 million yen, up 25.0%. Adding these fees to fees from

research unbundling, commissions from insurance policy sales and fees from IPO assistance, total commissions from other sources amounted to 5,896 million yen, up 11.1%.

ii. Gains or loss on trading

Trading in stocks, etc. recorded net gains of 17 million yen, down 54.7% from the year-earlier period. Trading in bonds and foreign exchange, etc. registered net gains of 69 million yen, up 9.0%. As a result, total net gains on trading amounted to 86 million yen, down 15.0%.

iii. Interest and dividend income

Interest and dividend income rose 16.4% to 264 million yen, chiefly due to an increase in advances for margin transactions. Interest expenses fell 48.8% to 37 million yen. As a result, net interest and dividend income recorded 227 million yen, up 47.0%.

Resultantly, net operating revenue for the first three quarters of fiscal 2018 stood at 15,860 million yen, down 15.2% from the year-earlier period.

iv. Operating cost and expenses

Operating cost and expenses grew 0.7% to 13,554 million yen as real property-related expenses rose 13.1% to 1,647 million yen (which included one-off relocation expenses for the head office and branches).

v. Non-operating income and expenses

The Company recorded non-operating income of 172 million yen, mostly consisting of 119 million yen in the form of insurance proceeds and dividends and 22 million yen in the form of dividends on investment securities. As a result, net non-operating income amounted to 165 million yen, up 73.8% from the year-earlier period.

Resultantly, current income for the first three quarters of fiscal 2018 amounted to 2,471 million yen, down 53.7% from the year-earlier period.

vi Extraordinary income and loss

The Company registered extraordinary income of 284 million yen for the first three quarters of fiscal 2018, mainly consisting of 175 million yen in the form of gain on reversal of subscription rights to shares, 61 million yen in the form of gain on sale of fixed assets and 47 million yen in the form of gain on sale of investment securities, while the Company recorded extraordinary loss of 17 million yen, mainly in the form of impairment loss on fixed assets. As a result, net extraordinary income amounted to 266 million yen.

Resultantly, income before taxes and tax adjustments for the first three quarters of fiscal 2018 registered 2,738 million yen, down 48.7% from the year-earlier period, and net income attributable to owners of parent (after deduction of corporate income taxes, resident's taxes and enterprise taxes in the aggregate amount of 491 million yen and corporate tax adjustments in the amount of 378 million yen) recorded 1,849 million yen, down 48.9% from the year-earlier period.

Customers' assets under custody as of December 31, 2018 declined to 1,697.1 billion yen, down 12.5% from March 31, 2018, mainly due to the deterioration of market conditions.

(2) Outline on financial condition for the first three quarters of fiscal 2018

Condition of assets, liabilities and net worth

(a) Current assets

Current assets amounted to 46,568 million yen as of December 31, 2018, a fall of 5,466 million yen (down 10.5%) from March 31, 2018, mainly as cash and deposits and cash segregated as deposits increased by 4,576 million yen and 960 million yen, respectively, while margin transaction assets and cash paid for offering decreased 8,508 million yen and 3,500 million yen, respectively.

(b) Fixed assets

Fixed assets stood at 5,773 million yen as of December 31, 2018, a decline of 782 million yen (down 11.9%) from March 31, 2018, mainly as deferred tax assets declined by 332 million yen and investment securities fell by 230 million yen. The fall of investment securities was caused by a decrease in unrealized gains on listed investment securities.

As a result, total assets registered 52,341 million yen as of December 31, 2018, a fall of 6,249 million yen (down 10.7%) from March 31, 2018.

(c) Current liabilities

Current liabilities stood at 16,101 million yen as of December 31, 2018, a fall of 5,361 million yen (down 25.0%) from March 31, 2018. The fall resulted mainly as deposits received rose by 3,745 million yen while margin transaction liabilities and income taxes payable decreased by 6,213 million yen and 1,983 million yen, respectively.

(d) Long-term liabilities

Long-term liabilities recorded 241 million yen as of December 31, 2018, a fall of 32 million yen (down 12.0%) from March 31, 2018. This resulted mainly as long-term borrowings declined by 29 million yen.

(e) Statutory reserves

Statutory reserves registered 211 million yen as of December 31, 2018.

(f) Net worth

Net worth amounted to 35,786 million yen as of December 31, 2018, a fall of 855 million yen (down 2.3%) from March 31, 2018. The increase resulted mainly from recording of net income (attributable to owners of parent) of 1,849 million yen for the first three quarters while the Company paid dividends in the amount of 2,308 million yen. and valuation difference on available-for-sale securities fell by 257 million yen.

II. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(in millions of yen)

	As of March 31 2018	As of December 31 2018
Assets		
Current assets		
Cash and deposits	13,795	18,371
Cash segregated as deposits	5,783	6,743
Trading products	189	172
Trading securities and other	189	172
Derivatives	-	0
Trade date accrual	-	1
Margin transaction assets	24,018	15,510
Loans on margin transactions	23,766	15,310
Cash collateral pledged for securities borrowing on margin transactions	252	199
Loans secured by securities	0	21
Cash collateral pledged for securities borrowed	0	21
Advances paid	36	111
Cash paid for offering	6,194	2,693
Short-term loans receivable	5	14
Accrued income	1,902	1,778
Other current assets	113	1,154
Allowance for doubtful accounts	△5	△3
Total current assets	52,034	46,568
Non-current assets		
Property, plant and equipment	2,901	2,712
Buildings, net	887	789
Equipment	566	538
Land	1,427	1,367
Leased assets, net	20	16
Intangible assets	565	497
Software	564	495
Software in progress	-	1
Other	1	1
Investments and other assets	3,088	2,563
Investment securities	1,388	1,158
Long-term loans receivable	17	20
Long-term guarantee deposits	1,021	1,034
Net defined benefit asset	161	186
Deferred tax assets	480	147
Other	29	27
Allowance for doubtful accounts	△9	△11
Total non-current assets	6,555	5,773
Total assets	58,590	52,341
Liabilities		
Current liabilities		
Trading products	0	-
Derivatives	0	-
Trade date accrual	3	-
Margin transaction liabilities	7,466	1,253
Borrowings on margin transactions	7,045	979
Cash received for securities lending on margin transactions	421	274
Loans payable secured by securities	-	517
Cash received on debt credit transaction of securities	-	517
Deposits received	7,015	10,761
Guarantee deposits received	1,903	1,624
Accounts for non-received securities and others	0	13
Short-term loans payable	210	210
Lease obligations	5	5
Income taxes payable	2,121	137
Provision for bonuses	1,077	392
Other current liabilities	1,658	1,185
Total current liabilities	21,462	16,101
Non-current liabilities		
Long-term loans payable	223	194
Lease obligations	15	11
Deferred tax liabilities for land revaluation	7	7
Other noncurrent liabilities	27	27
Total non-current liabilities	274	241
Reserves under special laws		
Reserve for financial products transaction liabilities	211	211
Total reserves under special laws	211	211
Total liabilities	21,948	16,554
Net assets		
Shareholders' equity		
Capital stock	14,577	14,577
Capital surplus	8,655	8,669
Retained earnings	15,360	14,901
Treasury shares	△1,530	△1,474
Total shareholders' equity	37,063	36,674
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	223	△33
Revaluation reserve for land	△1,125	△1,125
Remeasurements of defined benefit plans	164	145
Total accumulated other comprehensive income	△736	△1,013
Share acquisition rights	256	78
Non-controlling interests	58	46
Total net assets	36,641	35,786
Total liabilities and net assets	58,590	52,341

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

(in millions of yen)

	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2018
Operating revenue		
Commission received	18,356	15,435
Net trading income	102	86
Financial revenue	227	264
Other operating revenue	1,064	1,130
Total operating revenue	19,750	16,917
Financial expenses	72	37
Other operating expenses	983	1,020
Net operating revenue	18,693	15,860
Selling, general and administrative expenses		
Trading related expenses	1,407	1,379
Personnel expenses	7,745	7,609
Real estate expenses	1,456	1,647
Office cost	1,790	1,780
Depreciation	309	380
Taxes and dues	268	230
Provision of allowance for doubtful accounts	0	-
Other	476	527
Total selling, general and administrative expenses	13,454	13,554
Operating profit	5,238	2,305
Non-operating income		
Dividends from investment securities	19	22
Gain on investments in partnership	40	10
Insurance and dividend income	25	119
Other	15	19
Total non-operating income	101	172
Non-operating expenses		
Loss on investments in partnership	4	2
Loss on cancellation of leases	1	3
Other	0	1
Total non-operating expenses	5	7
Ordinary profit	5,333	2,471
Extraordinary income		
Gain on sales of investment securities	24	47
Gain on sales of non-current assets	58	61
Gain on reversal of share acquisition rights	6	175
Total extraordinary income	89	284
Extraordinary losses		
Loss on retirement of non-current assets	8	12
Loss on sales of non-current assets	6	-
Loss on valuation of investment securities	0	0
Loss on valuation of golf club membership	-	4
Impairment loss	65	-
Total extraordinary losses	81	17
Profit before income taxes	5,342	2,738
Income taxes - current	1,671	491
Income taxes - deferred	38	378
Total income taxes	1,710	869
Profit	3,631	1,868
Profit attributable to non-controlling interests	13	19
Profit attributable to owners of parent	3,618	1,849

Quarterly Consolidated Comprehensive Income Statements

(in millions of yen)

	Fiscal year ended December 31,2017	Fiscal year ended December 31,2018
Profit	3,631	1,868
Other comprehensive income		
Valuation difference on available-for-sale securities	226	Δ257
Remeasurements of defined benefit plans, net of tax	Δ32	Δ19
Total other comprehensive income	193	Δ277
Comprehensive income	3,825	1,591
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,811	1,571
Comprehensive income attributable to non-controlling interests	13	19

(3) Notes to Quarterly Consolidated Financial Statements

(Notes concerning premises for continuing business enterprise)

None.

(Notes in the event of material changes in shareholders' equity)

None.

(Application of accounting principles unique to the preparation of quarterly financial statements)

None.

(Changes to accounting policies and changes/representations of accounting estimates)

None.

(Additional information)

“Partial Amendments to ‘Accounting Standards Relating to Tax Effect Accounting’” (Corporate Accounting Standards No. 28, dated February 16, 2018) and adjustments related thereto have been applied from the beginning of the first quarter. Thus, deferred tax assets are presented under investments and other assets, and deferred tax liabilities are presented under long-term liabilities.

. Supplementary Information For First Three Quarter of Fiscal 2018

1. Commissions

(1) Commissions by sources	-- First Three quarters of --		Change (%) (b) over (a)	(in millions of yen)
	Fiscal 2017(a)	Fiscal 2018(b)		Fiscal year ended March 31, 2018
Brokerage commissions	7,270	5,954	-18.1	9,823
(Stocks)	(7,153)	(5,773)	(-19.3)	(9,630)
(Beneficiary certificates)	(117)	(180)	(53.8)	(192)
Commissions from underwriting and solicitation to specified investors	538	205	-61.9	570
(Stocks)	(538)	(205)	(-61.9)	(570)
Commissions from distribution and solicitation to specified investors	5,239	3,380	-35.5	6,777
(Beneficiary certificates)	(5,180)	(3,259)	(-37.1)	(6,704)
Commissions from other Sources	5,307	5,896	11.1	7,444
(Beneficiary certificates*)	(4,882)	(5,276)	(8.1)	(6,670)
Total	18,356	15,435	-15.9	24,616

*Breakdown of (Beneficiary certificates)	-- First Three quarters of --		Change (%) (b) over (a)	(in millions of yen)
	Fiscal 2017(a)	Fiscal 2018(b)		Fiscal year ended March 31, 2018
Trailer fees relating to balances of funds	3,258	3,198	-1.9	4,380
Trustee fees for fund Management	895	1,167	30.4	1,264
Fees from wrap-accounts	728	909	25.0	1,025
Total	4,882	5,276	8.1	6,670

(2) Commissions by instruments	-- First Three quarters of --		Change (%) (b) over (a)	(in millions of yen)
	Fiscal 2017(a)	Fiscal 2018(b)		Fiscal year ended March 31, 2018
Stocks	7,715	6,002	-22.2	10,235
Bonds	59	121	104.7	74
Beneficiary certificates	10,180	8,716	-14.4	13,567
Others	401	596	48.7	739
Total	18,356	15,435	-15.9	24,616

2. Gains or loss on trading

(in millions of yen)

	-- First Three quarters of --		Change (%)	Fiscal year ended
	Fiscal 2017(a)	Fiscal 2018(b)	(b) over (a)	March 31, 2018

Stocks, etc.	38	17	-54.7	47
Bonds, foreign exchange, etc.	63	69	9.0	76
(Bonds, etc.)	(51)	(40)	(-22.5)	(62)
(Foreign exchange, etc.)	(11)	(29)	(147.3)	(13)

Total	102	86	-15.0	123

3 . Quarterly Consolidated Income Statements for Recent Seven Quarters

(in millions of yen)

	1st Q (4-6/17)	2nd Q (7-9/17)	3rd Q (10-12/17)	4th Q (1-3/18)	1st Q (4-6/18)	2nd Q (7-9/18)	3rd Q (10-12/18)
Operating revenue	5,866	6,535	7,348	6,752	5,932	5,650	5,334
Commission received	5,376	6,096	6,883	6,259	5,389	5,202	4,843
Net trading income	32	36	34	21	32	25	29
Financial revenue	67	71	88	83	91	88	84
Other operating revenue	390	331	342	387	418	334	377
Financial expenses	20	19	32	19	13	11	11
Other operating expenses	354	307	322	357	367	303	348
Net operating revenue	5,491	6,208	6,993	6,375	5,551	5,335	4,974
Selling, general and administrative expenses	4,347	4,361	4,746	4,473	4,568	4,481	4,504
Trading related expenses	430	448	528	446	460	406	512
Personnel expenses	2,470	2,516	2,758	2,551	2,615	2,546	2,447
Real estate expenses	484	472	500	496	530	544	572
Office cost	601	577	612	600	582	595	602
Depreciation	102	106	100	121	117	126	137
Taxes and dues	79	93	95	89	73	85	70
Provision of allowance for doubtful accounts	0	0	0	1	—	—	—
Other	180	145	150	165	188	177	162
Operating profit	1,143	1,847	2,247	1,902	982	853	469
Non-operating income	22	29	49	17	86	69	16
Non-operating expenses	0	4	0	25	2	3	1
Ordinary profit	1,165	1,872	2,296	1,895	1,067	919	484
Extraordinary income	60	4	23	2	31	20	231
Extraordinary losses	65	11	3	66	11	1	4
Profit before income taxes	1,160	1,865	2,316	1,831	1,087	939	711
Income taxes - current	281	796	592	692	98	444	51
Income taxes - deferred	89	184	133	245	341	189	226
Profit	789	1,253	1,589	1,384	647	683	537
Profit attributable to non-controlling interests	3	4	5	8	6	7	6
Profit attributable to owners of parent	785	1,249	1,583	1,376	641	676	531

(END)