

# **IR Presentation**

## **for First quarter, year ending March 2023**



Ichiyoshi Securities Co., Ltd.  
July, 2022

## **I : Business Result (Consolidated)**

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- ◆ Operating revenue amounted to 4,344 million yen, a decrease of 819 million yen (down 15.9%) from the year-earlier period.
- ◆ Current income amounted to 399 million yen, a decrease of 538 million yen (down 57.4%) from the year-earlier period.
- ◆ Net income attributable to owners of parent amounted to 262 million yen, a decrease of 522 million yen (down 66.5%) from the year-earlier period.

	(JPY mil.)				(JPY mil.)				
	FY 2021 1Q	FY 2022 1Q	Year-on- year (%)	Year-on- year	FY 2021				FY 2022
					1Q	2Q	3Q	4Q	1Q
Operating revenue	5,164	4,344	-15.9%	-819	5,164	4,956	5,223	4,247	4,344
Net operating revenue	5,151	4,335	-15.8%	-815	5,151	4,945	5,218	4,238	4,335
Operating cost & expenses	4,268	3,952	-7.4%	-316	4,268	3,991	4,085	3,886	3,952
Operating income	882	383	-56.6%	-499	882	953	1,133	351	383
Current income	937	399	-57.4%	-538	937	985	1,150	369	399
Extraordinary income & loss	136	-0	-	-136	136	-5	7	0	-0
Income taxes	288	136	-52.7%	-152	288	263	375	127	136
Net income attributable to owners of parent	785	262	-66.5%	-522	785	715	782	242	262

## 2. Breakdown of Net Operating Revenue

◆ Commissions amounted to 4,243 million yen, a decrease of 761 million yen (down 15.2%) from the year-earlier period, mainly due to a fall in brokerage commissions and distribution fees on investment trusts.

	(JPY mil.)				(JPY mil.)				
	FY 2021 1Q	FY 2022 1Q	Year-on- year (%)	Year-on- year	FY 2021				FY 2022
					1Q	2Q	3Q	4Q	1Q
Commissions	5,004	4,243	-15.2%	-761	5,004	4,799	5,045	4,137	4,243
Gains on trading	28	7	-73.8%	-20	28	48	77	7	7
Other operating balance	73	49	-32.8%	-23	73	50	50	53	49
Interest & dividend income	44	35	-22.0%	-9	44	47	46	39	35
Total	5,151	4,335	-15.8%	-815	5,151	4,945	5,218	4,238	4,335

### 3. Breakdown of Commission Revenue

- ◆ Brokerage commissions on stocks amounted to 1,086 million yen, a decrease of 324 million yen (down 23.0%) from the year-earlier period. Commissions from distribution of investment trusts amounted to 791 million yen, a decrease of 273 million yen (down 25.7%) from the year-earlier period. Commissions from other sources (mainly trailer fees on investment trusts) amounted to 2,048 million yen, a decrease of 88 million yen (down 4.1%) from the year-earlier period.
- ◆ Commissions from underwriting amounted to 121 million yen, a decrease of 91 million yen (down 43.0%) from the year-earlier period, as the Company participated in the management and underwriting of 4 initial public offerings (of which 2 were lead-managed).

(JPY mil.)					(JPY mil.)				
-	FY 2021 1Q	FY 2022 1Q	Year-on-year (%)	Year-on-year	FY 2021				FY 2022
					1Q	2Q	3Q	4Q	1Q
Commissions	5,004	4,243	-15.2%	-761	5,004	4,799	5,045	4,137	4,243
Brokerage (Major item)									
Stocks	1,410	1,086	-23.0%	-324	1,410	1,379	1,376	1,150	1,086
Distribution (Major item)									
Investment trusts	1,064	791	-25.7%	-273	1,064	1,012	931	775	791
Underwriting (Major items)									
IPO	211	121	-42.8%	-90	211	23	270	3	121
PO	0	—	—	-0	0	1	78	1	—
Total	212	121	-43.0%	-91	212	24	349	4	121
Commissions from other sources (Major items)									
Investment trusts (trailer fees, etc.)	2,137	2,048	-4.1%	-88	2,137	2,204	2,194	2,028	2,048
Other than investment trusts	132	138	4.6%	6	132	128	130	121	138
Total	2,269	2,186	-3.6%	-82	2,269	2,333	2,325	2,149	2,186
<Reference>					(JPY 100 mil.)				
Fund distribution	612	558	-8.9%	-54					

\* Including wrap-account fund sales

## 4. Breakdown of Gains or loss on Trading

- ◆ Net gains on trading amounted to 7 million yen, a decrease of 20 million yen (down 73.8%) from the year-earlier period, chiefly as net trading income on stocks decreased.

	(JPY mil.)				(JPY mil.)				
	FY 2021 1Q	FY 2022 1Q	Year-on- year (%)	Year-on- year	FY 2021				FY 2022
					1Q	2Q	3Q	4Q	1Q
Stocks, etc.	25	1	-92.8%	-24	25	43	70	0	1
Bonds ・ Forex, etc.	2	5	139.4%	3	2	4	6	7	5
(Bonds, etc.)	(1)	(1)	11.8%	0	(1)	(2)	(2)	(1)	(1)
(Forex, etc.)	(0)	(3)	521.1%	3	(0)	(2)	(4)	(5)	(3)
Total	28	7	-73.8%	-20	28	48	77	7	7

## 5. Operating Cost and Expenses

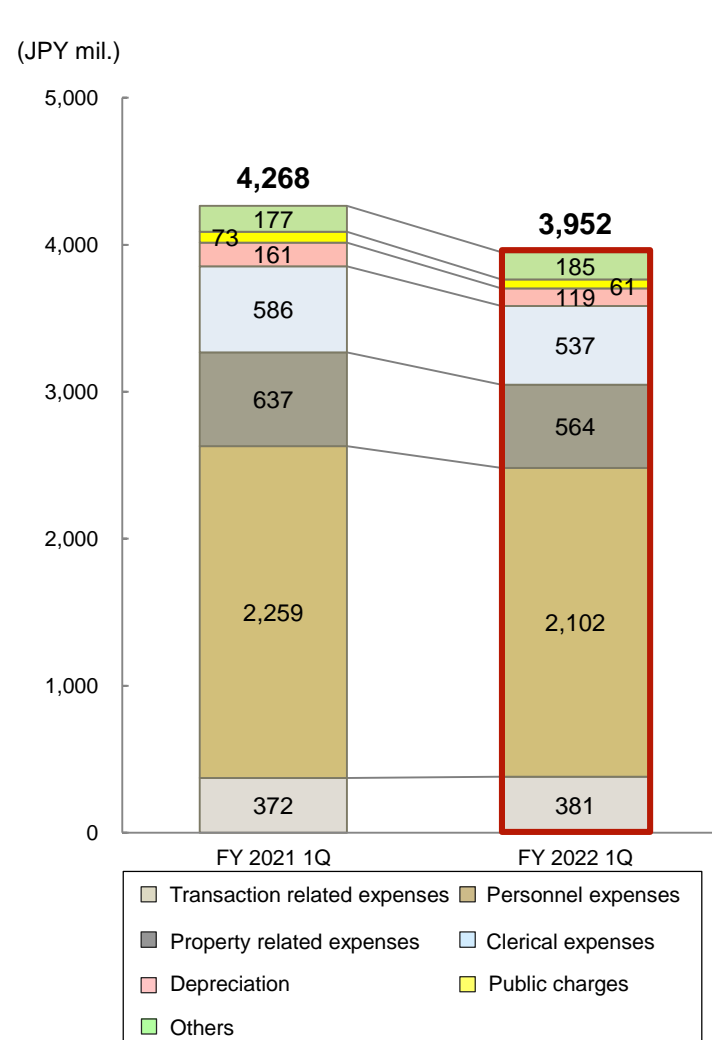
- ◆ Operating cost and expenses amounted to 3,952 million yen, a decrease of 316 million yen (down 7.4%) from the year-earlier period, mainly decreased in personnel expenses and property related expenses.

	FY 2021 1Q	FY 2022 1Q	Year-on- year (%)	Year-on- year
Transaction related expenses	372	381	2.4%	8
Personnel expenses	2,259	2,102	-6.9%	-156
Property related expenses	637	564	-11.5%	-73
Clerical expense	586	537	-8.4%	-49
Depreciation	161	119	-25.7%	-41
Public charges	73	61	-16.2%	-11
Provision of allowance for doubtful accounts	0	0	-85.1%	-0
Others	177	185	4.5%	8
<b>Total</b>	<b>4,268</b>	<b>3,952</b>	<b>-7.4%</b>	<b>-316</b>

<Reference> FY 2022 1Q fixed cost and variable cost (non-consolidated basis)

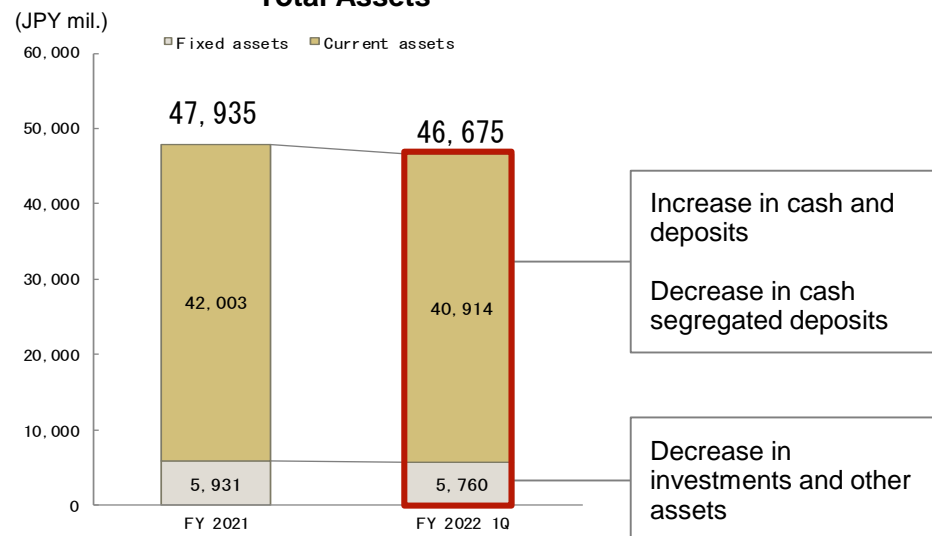
Fixed cost	2,955
Variable cost	784

(JPY mil.)

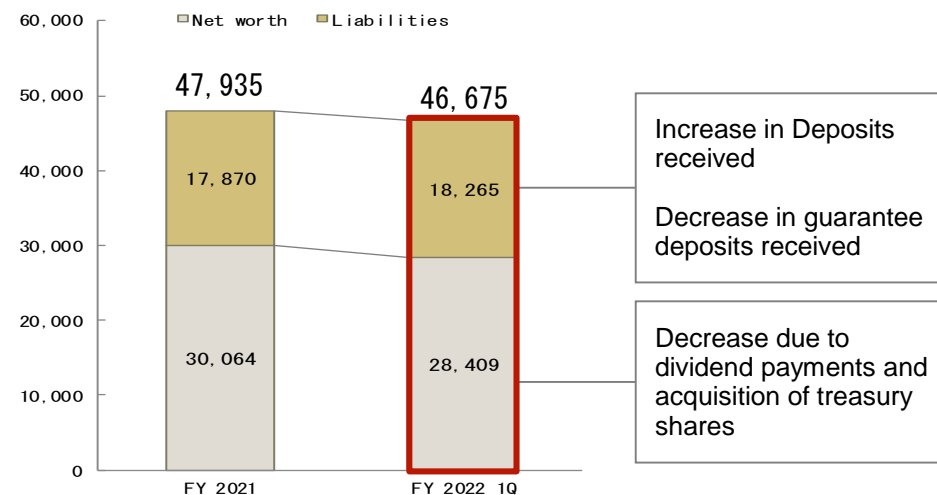


## Balance Sheets

### Total Assets



### Sum of Liabilities and Net Worth



## Financial Result

	FY 2022 1Q	Change from FY 2021 end.
Equity ratio (%)	60.8	-1.9
Net worth per share (JPY)	830.08	-2.04
Capital adequacy ratio (non-consolidated basis) (%)	518.4	12.6

	FY 2022 1Q	Year-on-year
EPS (JPY)	7.39	-14.36
ROE (%)	0.9	-1.8

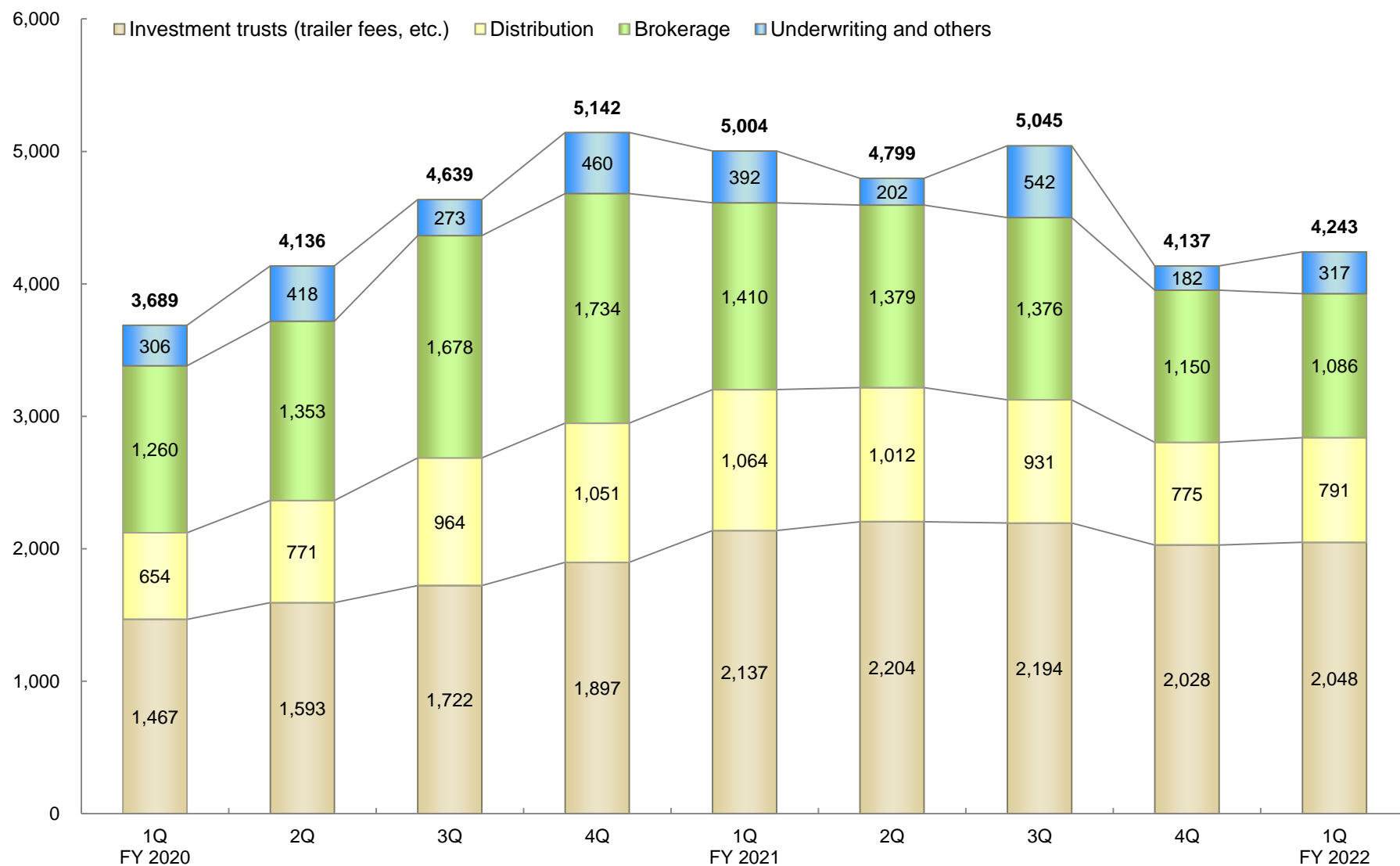
## **II : Business Circumstances**

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# 1. Commission Revenue

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(JPY mil.)

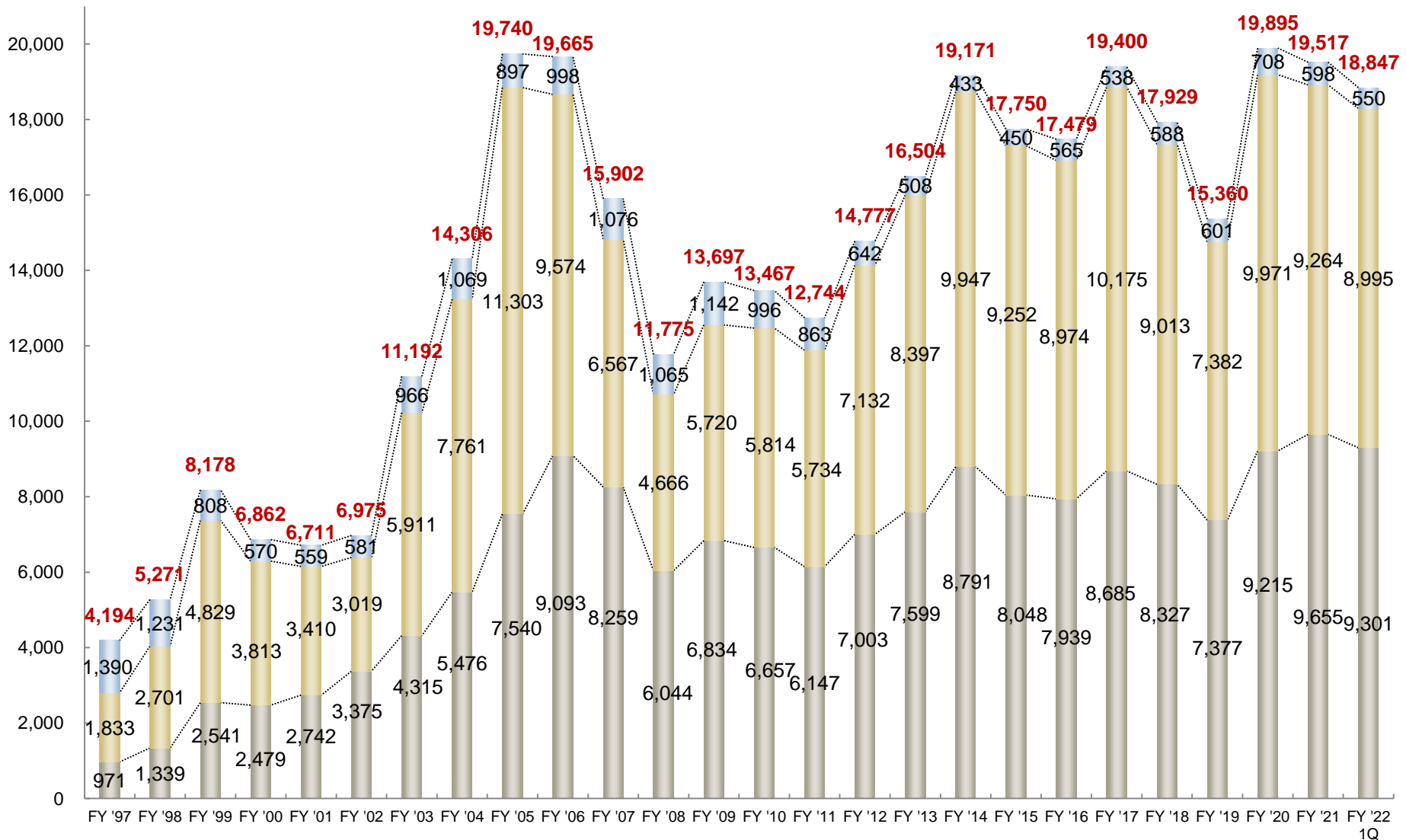


## 2. Customer Assets in Custody

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(JPY 100 mil.)

■ Investment trusts ■ Stocks ■ Others

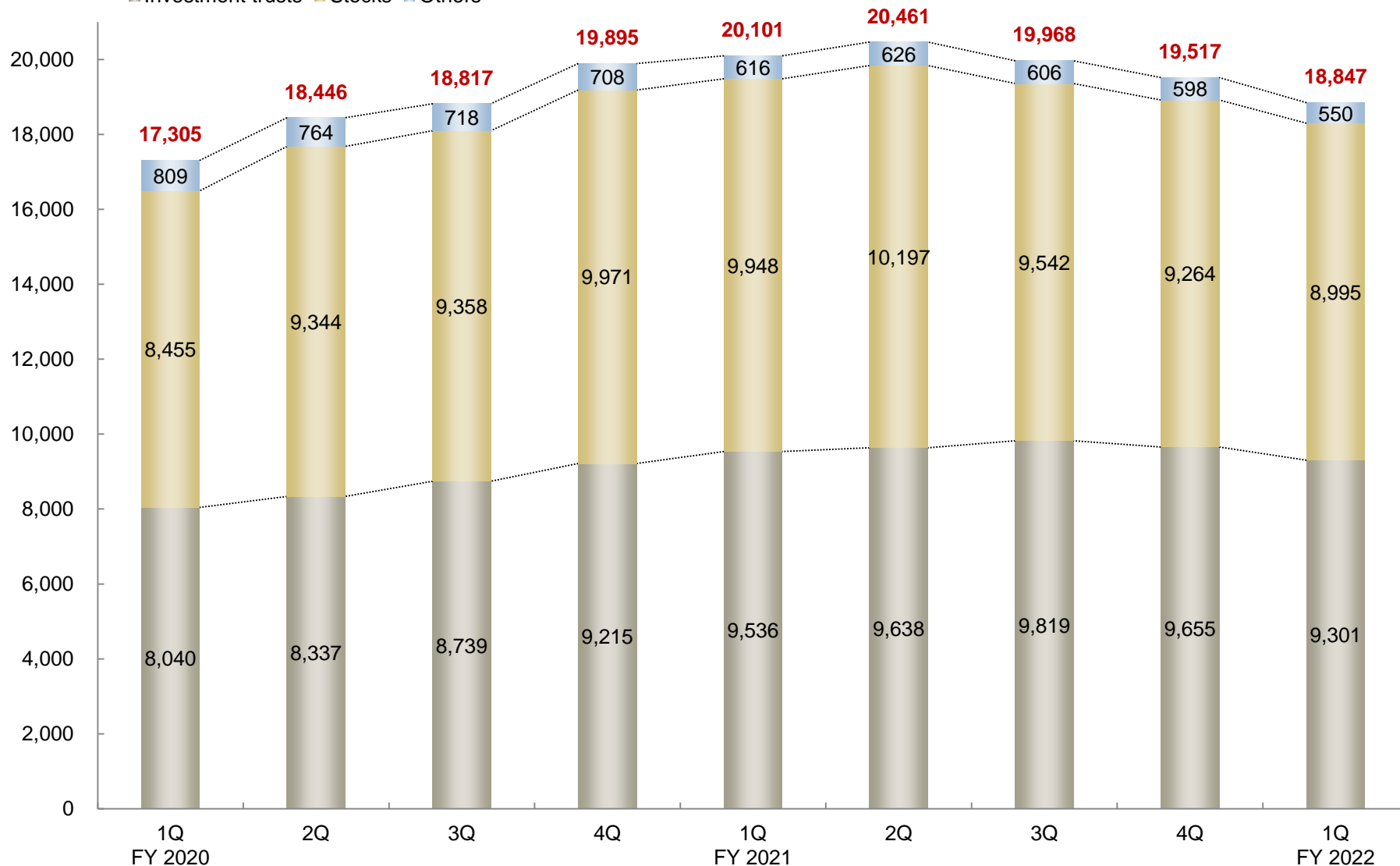


### 3. Quarterly Customer Assets in Custody

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(JPY 100 mil.)

■ Investment trusts ■ Stocks ■ Others



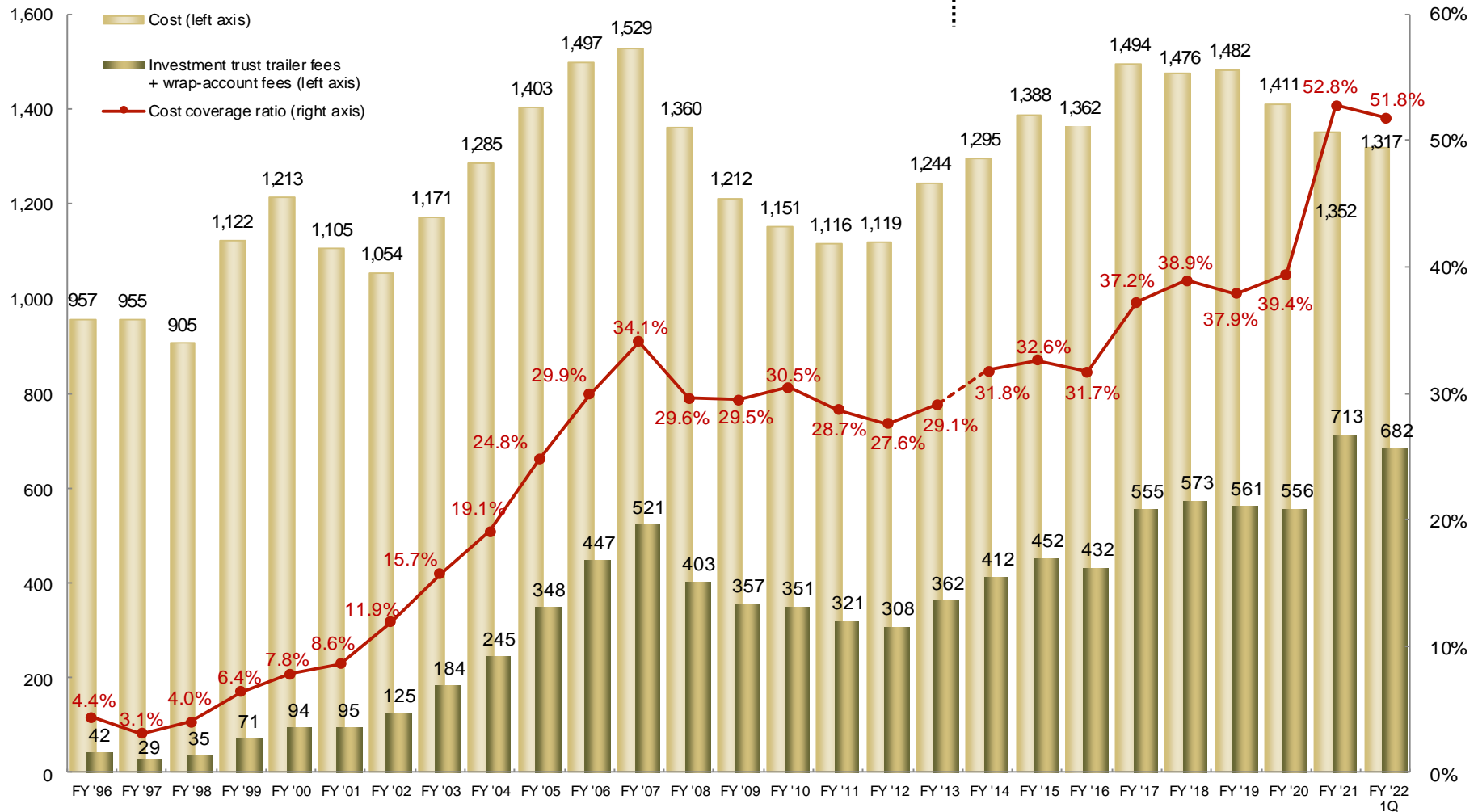
## 4. Trend of Investment Trust Trailer Fees and Its Cost Coverage (Month-end Average)

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Note: Cost coverage ratio =  $\frac{\text{Investment trust trailer fees} + \text{wrap-account fees}}{\text{Cost (operating cost \& expenses)}} \times 100 (\%)$

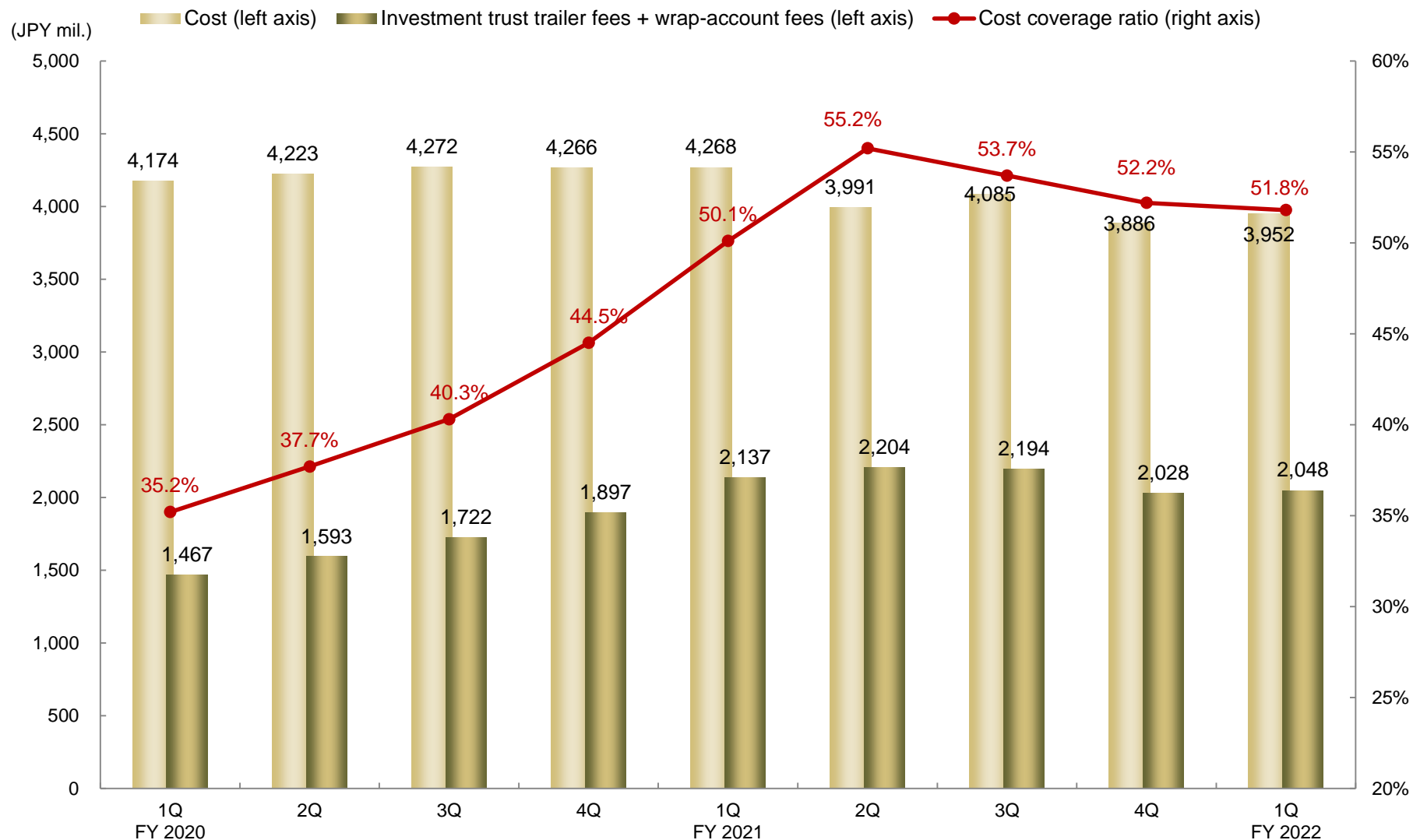
Parent company basis ← Consolidated basis

(JPY mil.)



## 5. Quarterly Trend of Investment Trust Trailer Fees and Its Cost Coverage

Note: Cost coverage ratio =  $\frac{\text{Investment trust trailer fees} + \text{wrap-account fees}}{\text{Cost (operating cost \& expenses)}} \times 100 (\%)$



## 6. Top 5 Best Selling Investment Trust Funds (Total Amounts of 3 Months)

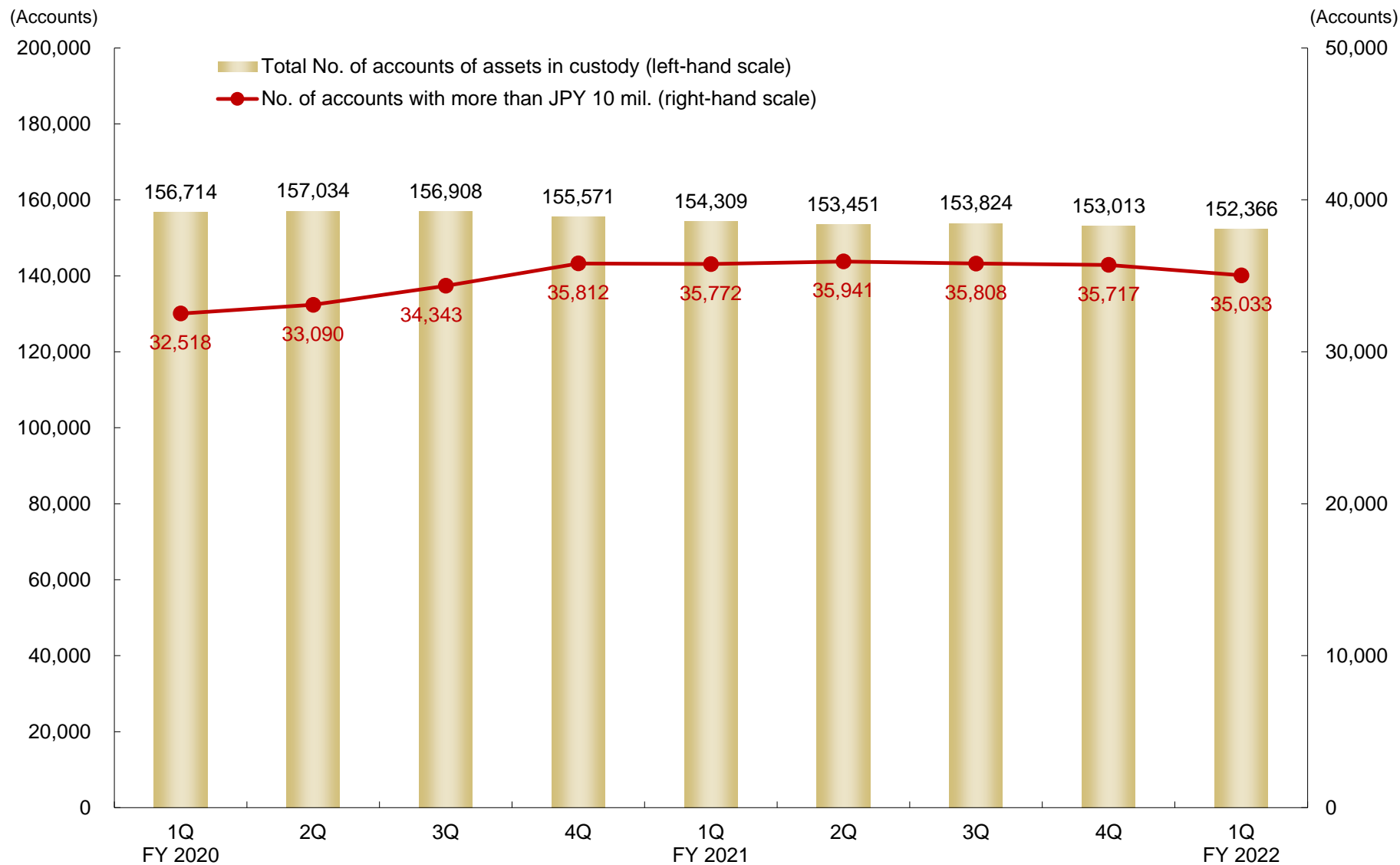
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(JPY 100 mil.)

	FY 2020				FY 2021				FY 2022
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Pictet Global Income Equity Fund (Monthly Dividend)	43	35	44	31	32	26	20	47	60
Ichiyoshi Japan Select Dividend Equity & J-REIT Fund (Quarterly Settlement Type/Asset Growth Type)								16	35
Fidelity US REIT Fund (A / B / C / D)	20	25	25	31	27				25
GS US Growth Equity Concentrate Investment Fund (Monthly Settlement / Quarterly Settlement / Semi-Annual Settlement)	23	13		31	55	92	94	44	21
Ichiyoshi Global Equity Fund									17
Ichiyoshi Small and mid cap Growth Companies Fund				54	92	71	56	31	
Ichiyoshi Japan Growth Equities Fund			55			27	30	27	
Ichiyoshi SDGs Small Medium Size Equity Fund		84	76	43	34	23	28		
US NASDAQ Open (A / B)	26	36	22						
Shinko J-REIT Open	32								

## 7. Number of Customer Accounts 【Retail】

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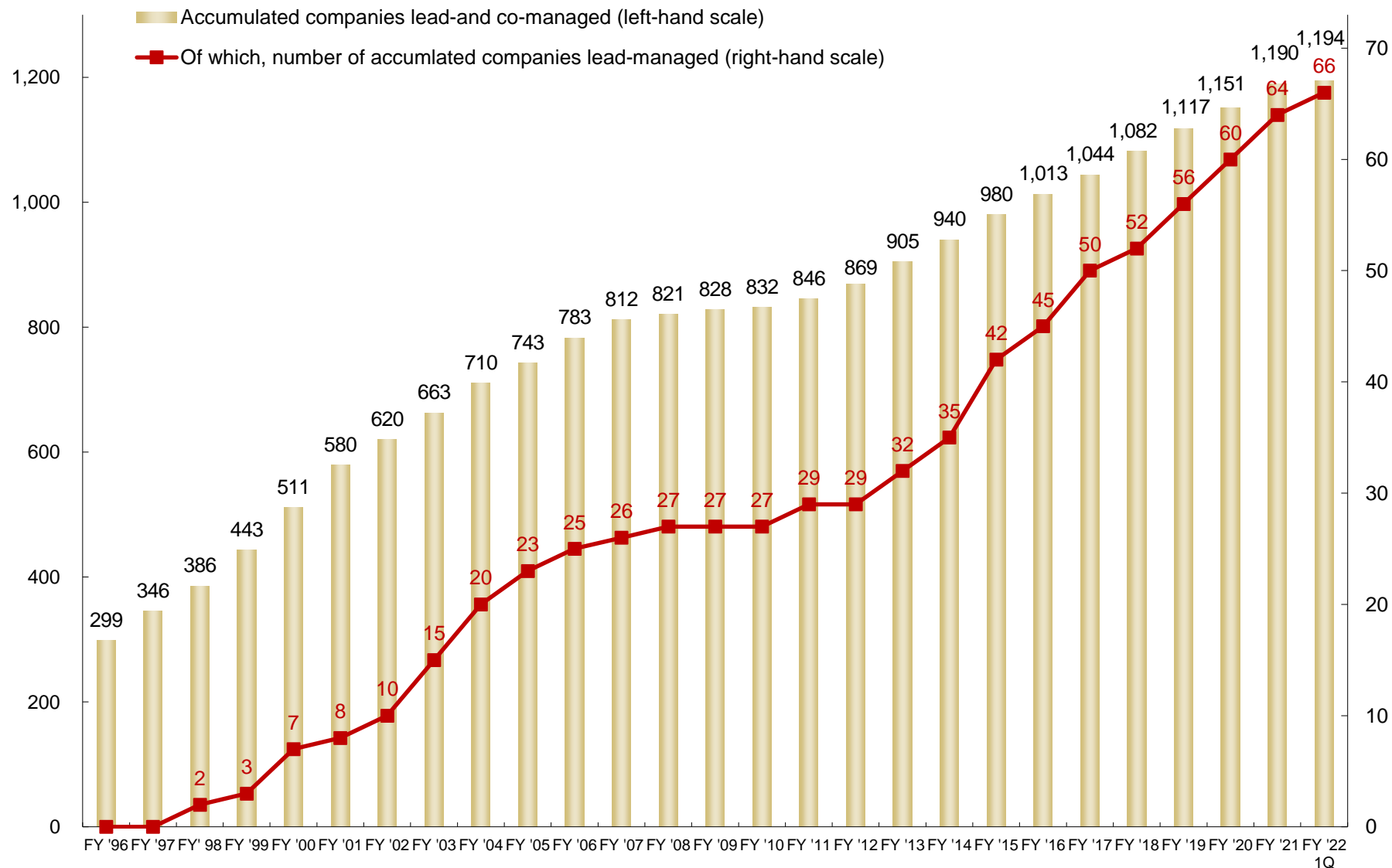
※Each number of accounts in the table above is revised from the one previously reported as the method of account compilation is changed.

## 8. Accumulated Companies Lead- and Co-managed

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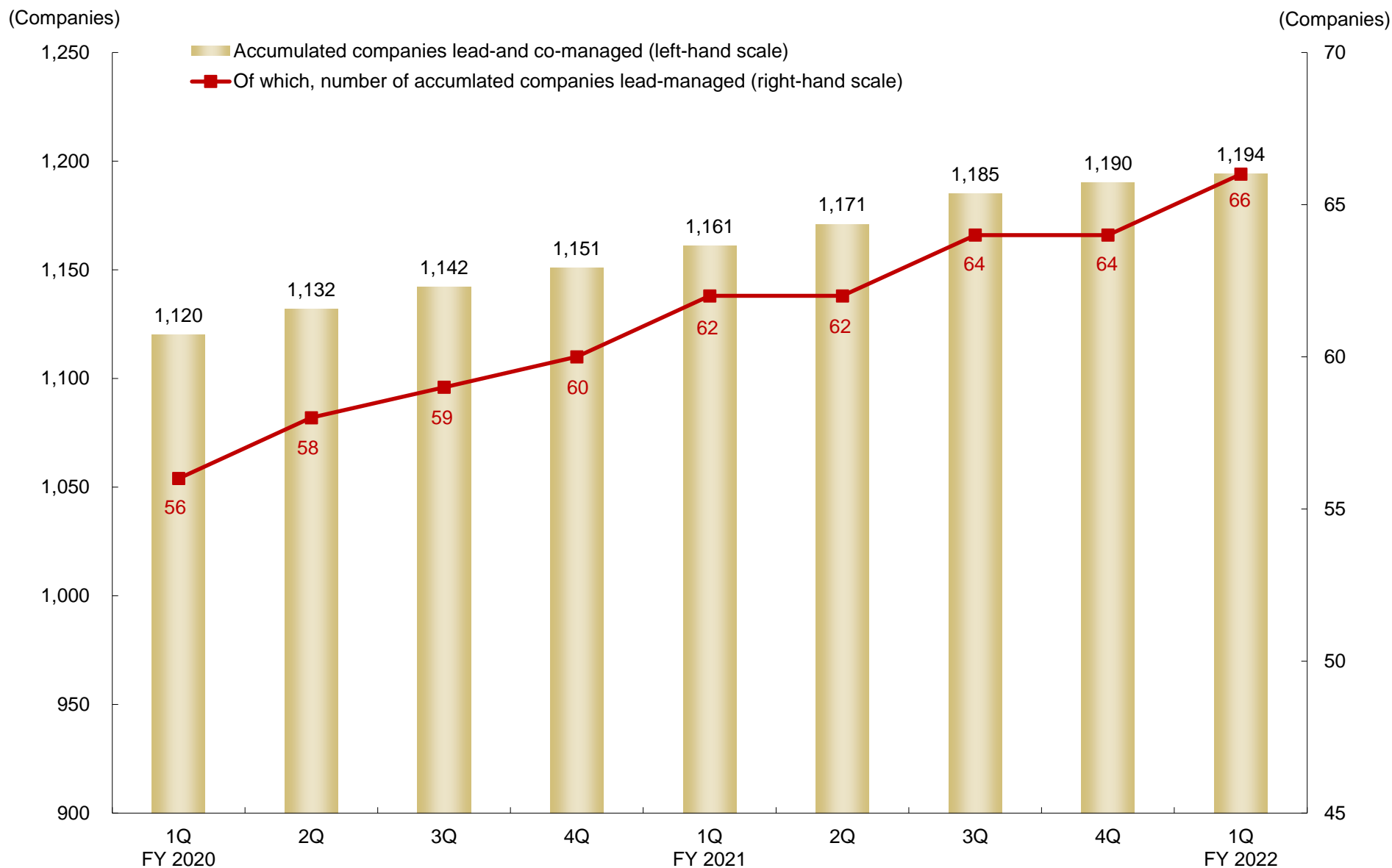
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## 9. Quarterly Accumulated Companies Lead- and Co-managed

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