

IR Presentation for First Half of Fiscal 2024



Ichiyoshi Securities Co., Ltd.

October 30, 2024

I : Business Result (Consolidated)

- ◆ Operating revenue amounted to 9,725 million yen, an increase of 556 million yen (up 6.1%) from the year-earlier period.
- ◆ Current income amounted to 1,582 million yen, an increase of 347 million yen (up 28.2%) from the year-earlier period.
- ◆ Net income attributable to owners of parent for first half of fiscal 2024 amounted to 1,041 million yen, an increase of 187 million yen (up 21.9%) from the year-earlier period.

| | (JPY mil.) | | | | (JPY mil.) | | | | | |
|--|------------------------------|------------------------------|----------------------|------------------|------------|-------|-------|-------|---------|-------|
| | First half of fiscal 2023 | First half of fiscal 2024 | Year-on- year (%) | Year-on- year | FY 2023 | | | | FY 2024 | |
| | | | | | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| Operating revenue | 9,168 | 9,725 | 6.1% | 556 | 4,580 | 4,587 | 4,336 | 5,332 | 4,998 | 4,726 |
| Net operating revenue | 9,147 | 9,706 | 6.1% | 558 | 4,569 | 4,578 | 4,330 | 5,319 | 4,990 | 4,715 |
| Operating cost & expenses | 7,922 | 8,181 | 3.3% | 258 | 3,946 | 3,976 | 3,972 | 4,099 | 4,108 | 4,073 |
| Operating income | 1,224 | 1,524 | 24.5% | 299 | 622 | 601 | 358 | 1,220 | 882 | 641 |
| Current income | 1,234 | 1,582 | 28.2% | 347 | 642 | 592 | 393 | 1,246 | 900 | 681 |
| Extraordinary income & loss | 47 | 1 | ▲97.1% | ▲46 | 47 | 0 | 20 | ▲25 | 0 | 1 |
| Income taxes | 427 | 542 | 26.7% | 114 | 211 | 216 | 154 | 405 | 310 | 232 |
| Net income attributable to owners of parent | 854 | 1,041 | 21.9% | 187 | 478 | 376 | 259 | 815 | 590 | 451 |

2. Breakdown of Net Operating Revenue

- ◆ Commissions amounted to 9,488 million yen, an increase of 562 million yen (up 6.3%) from the year-earlier period, mainly due to increased in commissions from other sources (mainly trust fees on investment trusts) .

| | (JPY mil.) | | | | (JPY mil.) | | | | | |
|-------------------------------|------------------------------|------------------------------|----------------------|------------------|------------|-------|-------|-------|---------|-------|
| | First half of fiscal 2023 | First half of fiscal 2024 | Year-on- year (%) | Year-on- year | FY 2023 | | | | FY 2024 | |
| | | | | | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| Commissions | 8,926 | 9,488 | 6.3% | 562 | 4,471 | 4,455 | 4,239 | 5,206 | 4,882 | 4,606 |
| Gains on trading | 53 | 25 | ▲52.6% | ▲28 | 20 | 33 | 2 | 34 | 20 | 5 |
| Other operating balance | 102 | 125 | 21.9% | 22 | 44 | 58 | 56 | 55 | 56 | 69 |
| Interest & dividend income | 64 | 66 | 2.5% | 1 | 33 | 31 | 32 | 23 | 31 | 34 |
| Total | 9,147 | 9,706 | 6.1% | 558 | 4,569 | 4,578 | 4,330 | 5,319 | 4,990 | 4,715 |

3. Breakdown of Commission Revenue

- ◆ Brokerage commissions on stocks amounted to 2,291 million yen, a decrease of 339 million yen (down 12.9%) from the year-earlier period.
- ◆ Commissions from distribution of investment trusts amounted to 918 million yen, a decrease of 454 million yen (down 33.1%) from the year-earlier period.
- ◆ Commissions from other sources (mainly trust fees on investment trusts) amounted to 5,931 million yen, an increase of 1,345 million yen (up 29.3%) from the year-earlier period.

| (JPY mil.) | | | | | (JPY mil.) | | | | | |
|--|------------------------------|------------------------------|---------------------|--------------|------------|-------|-------|-------|---------|-------|
| | First half of fiscal 2023 | First half of fiscal 2024 | Year-on-year (%) | Year-on-year | FY 2023 | | | | FY 2024 | |
| | | | | | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| Commissions | 8,926 | 9,488 | 6.3% | 562 | 4,471 | 4,455 | 4,239 | 5,206 | 4,882 | 4,606 |
| Brokerage (Major item) | | | | | | | | | | |
| Stocks | 2,631 | 2,291 | ▲12.9% | ▲339 | 1,383 | 1,247 | 1,170 | 1,535 | 1,180 | 1,110 |
| Distribution (Major item) | | | | | | | | | | |
| Investment trusts | 1,372 | 918 | ▲33.1% | ▲454 | 686 | 685 | 594 | 597 | 519 | 399 |
| Commissions from other sources (Major items) | | | | | | | | | | |
| Investment trusts (trust fees, etc.) | 4,586 | 5,931 | 29.3% | 1,345 | 2,222 | 2,363 | 2,332 | 2,866 | 3,012 | 2,918 |
| Other than investment trusts | 282 | 291 | 3.3% | 9 | 142 | 139 | 110 | 186 | 144 | 147 |
| Total | 4,868 | 6,223 | 27.8% | 1,354 | 2,365 | 2,503 | 2,443 | 3,053 | 3,156 | 3,066 |

4. Breakdown of Gains or loss on Trading

- ◆ Net gains on trading amounted to 25 million yen, a decrease of 28 million yen (down 52.6%) from the year-earlier period, chiefly as net trading income on stocks decreased.

| | (JPY mil.) | | | | (JPY mil.) | | | | | |
|---------------------|------------------------------|------------------------------|----------------------|------------------|------------|-----|-----|-----|---------|-----|
| | First half of fiscal 2023 | First half of fiscal 2024 | Year-on- year (%) | Year-on- year | FY 2023 | | | | FY 2024 | |
| | | | | | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| Stocks, etc. | 44 | 18 | ▲59.2% | ▲26 | 15 | 28 | 0 | 31 | 16 | 1 |
| Bonds ・ Forex, etc. | 9 | 7 | ▲21.7% | ▲2 | 4 | 4 | 2 | 3 | 3 | 4 |
| (Bonds, etc.) | (0) | (0) | (1.9%) | (0) | (0) | (0) | (0) | (0) | (0) | (0) |
| (Forex, etc.) | (8) | (6) | (▲24.2%) | (▲2) | (4) | (3) | (1) | (2) | (2) | (3) |
| Total | 53 | 25 | ▲52.6% | ▲28 | 20 | 33 | 2 | 34 | 20 | 5 |

5. Operating Cost and Expenses

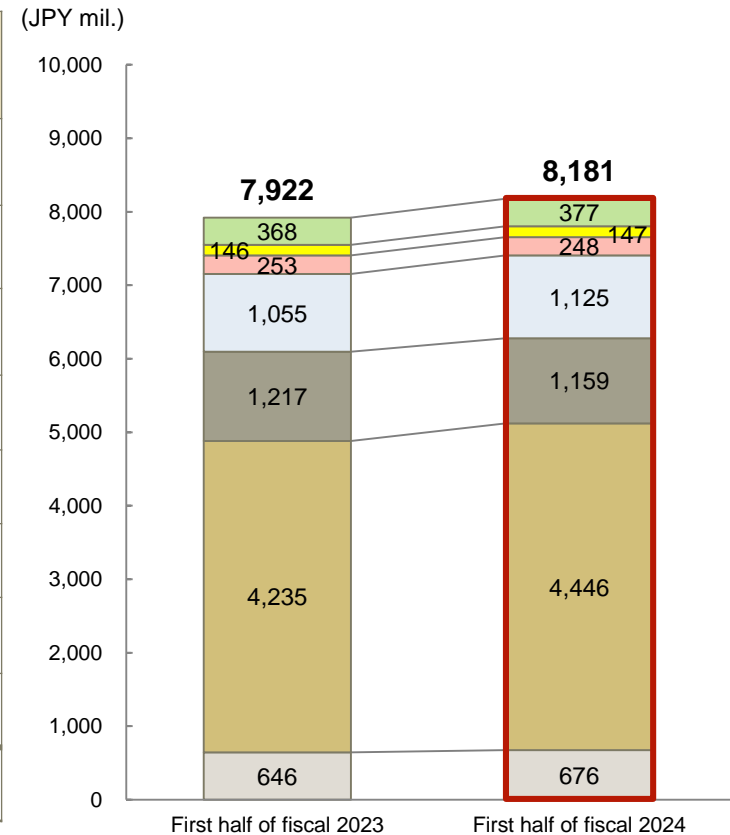
- ◆ Operating cost and expenses amounted to 8,181 million yen, an increase of 258 million yen (up 3.3%) from the year-earlier period, mainly increased in personnel expenses.

| | (JPY mil.) | | | |
|--|---------------------------|---------------------------|------------------|--------------|
| | First half of fiscal 2023 | First half of fiscal 2024 | Year-on-year (%) | Year-on-year |
| Transaction related expenses | 646 | 676 | 4.6% | 29 |
| Personnel expenses | 4,235 | 4,446 | 5.0% | 211 |
| Property related expenses | 1,217 | 1,159 | ▲4.8% | ▲58 |
| Clerical expense | 1,055 | 1,125 | 6.7% | 70 |
| Depreciation | 253 | 248 | ▲1.9% | ▲4 |
| Public charges | 146 | 147 | 1.1% | 1 |
| Provision of allowance for doubtful accounts | 0 | 0 | — | 0 |
| Others | 368 | 377 | 2.3% | 8 |
| Total | 7,922 | 8,181 | 3.3% | 258 |

<Reference> First half of fiscal 2024 fixed cost and variable cost (non-consolidated basis)

| | |
|---------------|-------|
| Fixed cost | 5,848 |
| Variable cost | 1,837 |

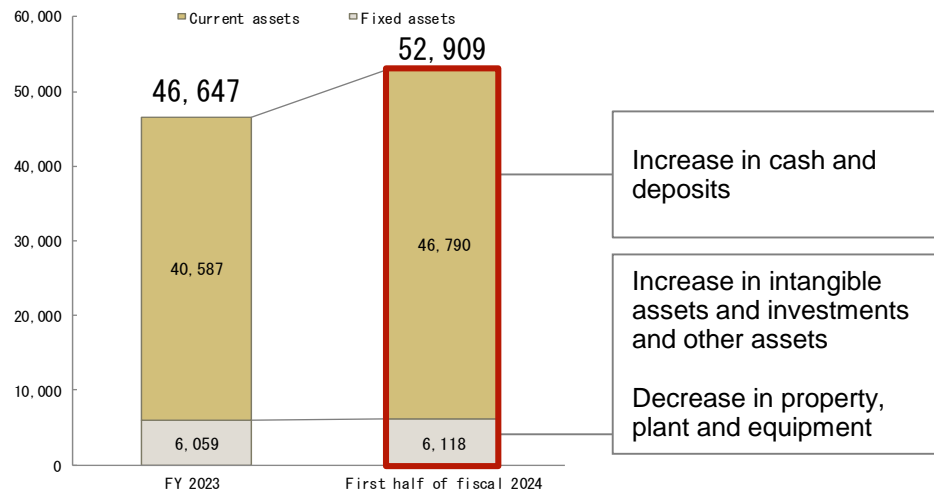
(JPY mil.)



Balance Sheets

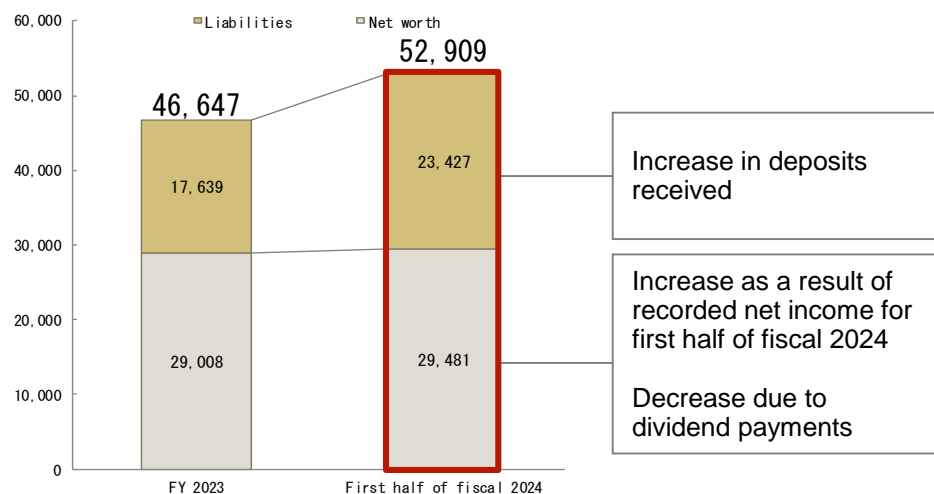
Total Assets

(JPY mil.)



Sum of Liabilities and Net Worth

(JPY mil.)



Financial Result

| | First half of fiscal 2024 | Change from FY 2023 end. |
|---|---------------------------|--------------------------|
| Equity ratio (%) | 55.7 | ▲6.4 |
| Net assets per share (JPY) | 869.96 | 13.37 |
| Capital adequacy ratio (non-consolidated basis) (%) | 513.9 | ▲4.1 |

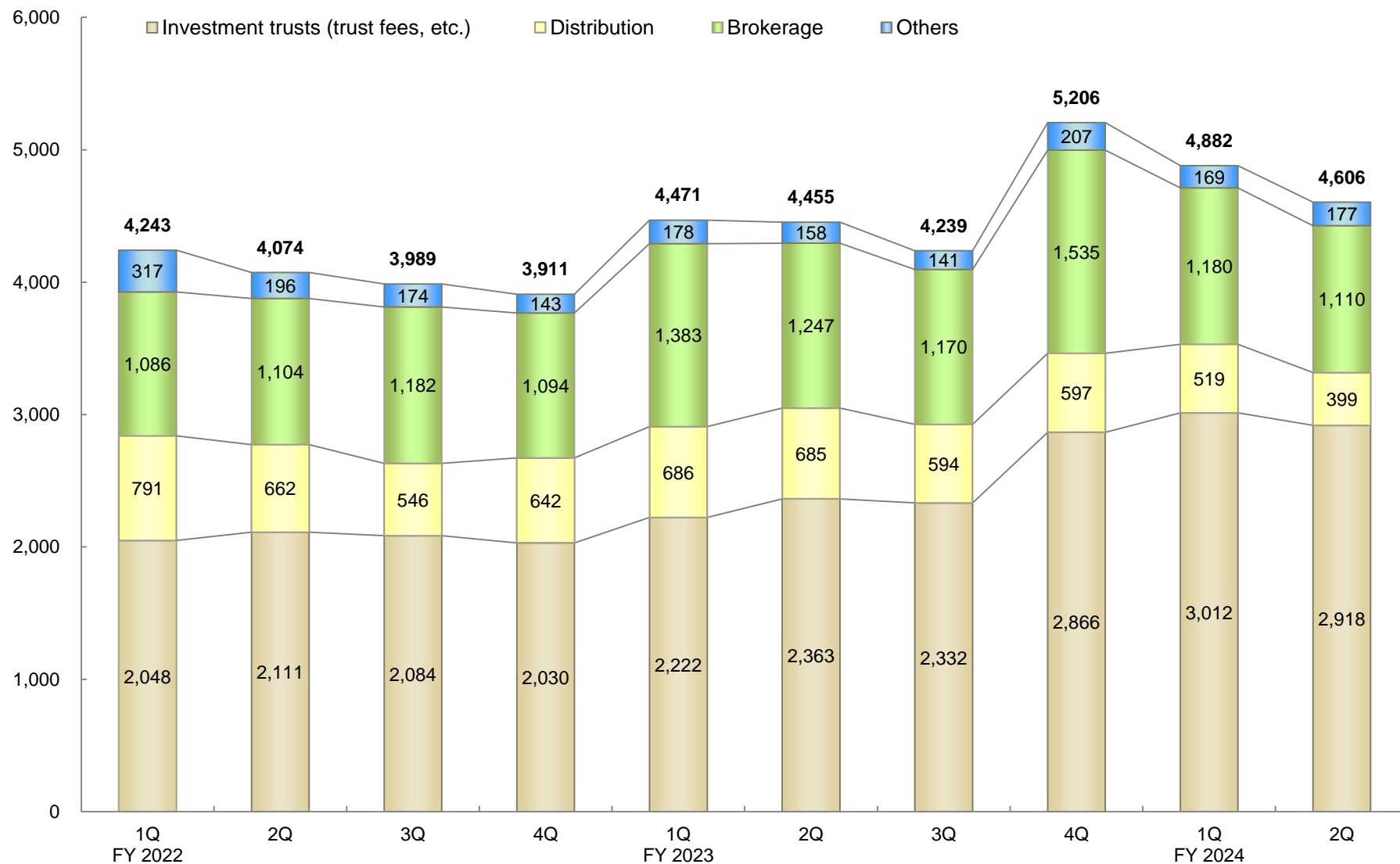
| | First half of fiscal 2024 | Year-on-year |
|-----------|---------------------------|--------------|
| EPS (JPY) | 30.77 | 5.46 |
| ROE (%) | 3.6 | 0.5 |

II : Business Circumstances

1. Commission Revenue

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(JPY mil.)

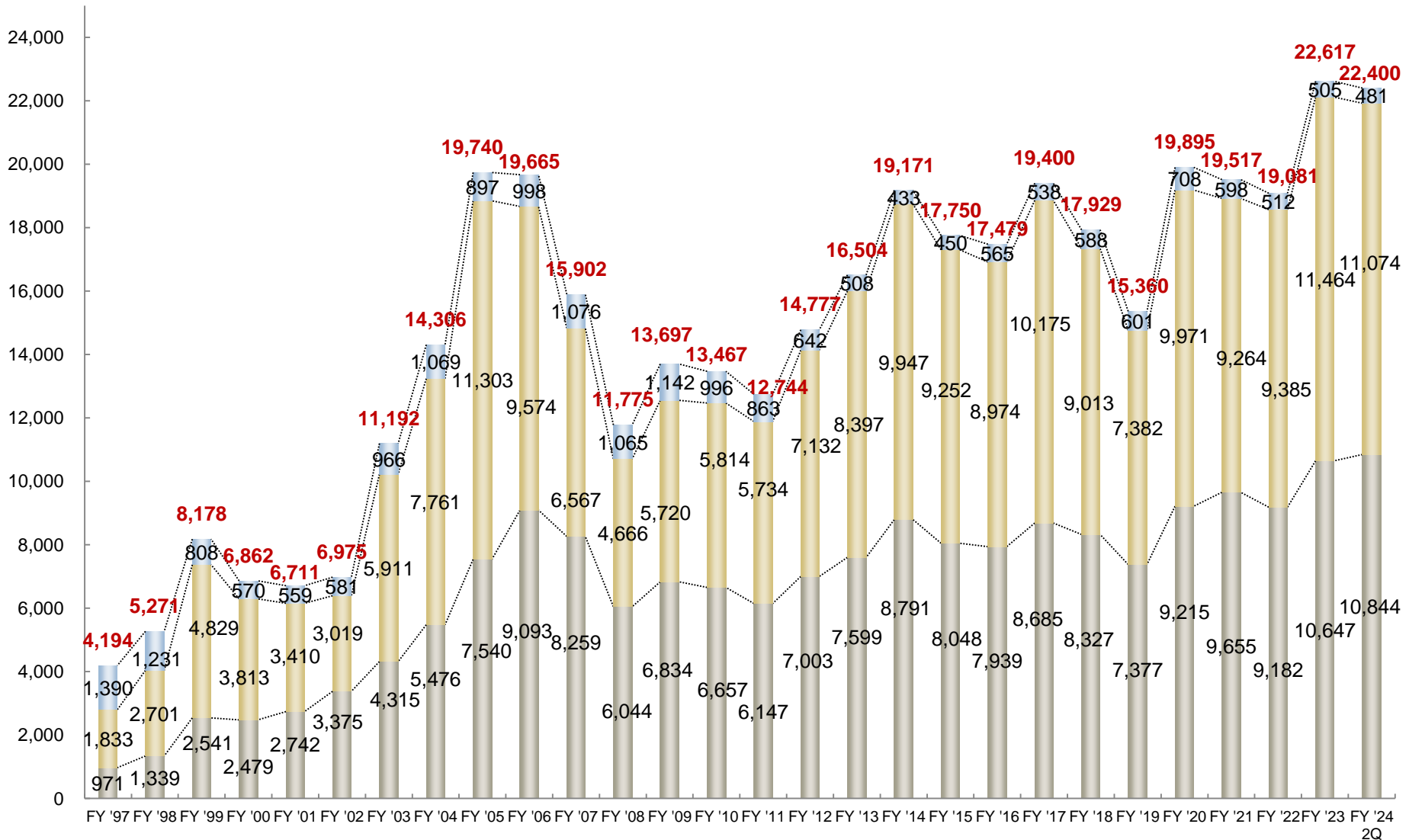


2. Customer Assets in Custody

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■ Investment trusts ■ Stocks ■ Others

(JPY 100 mil.)

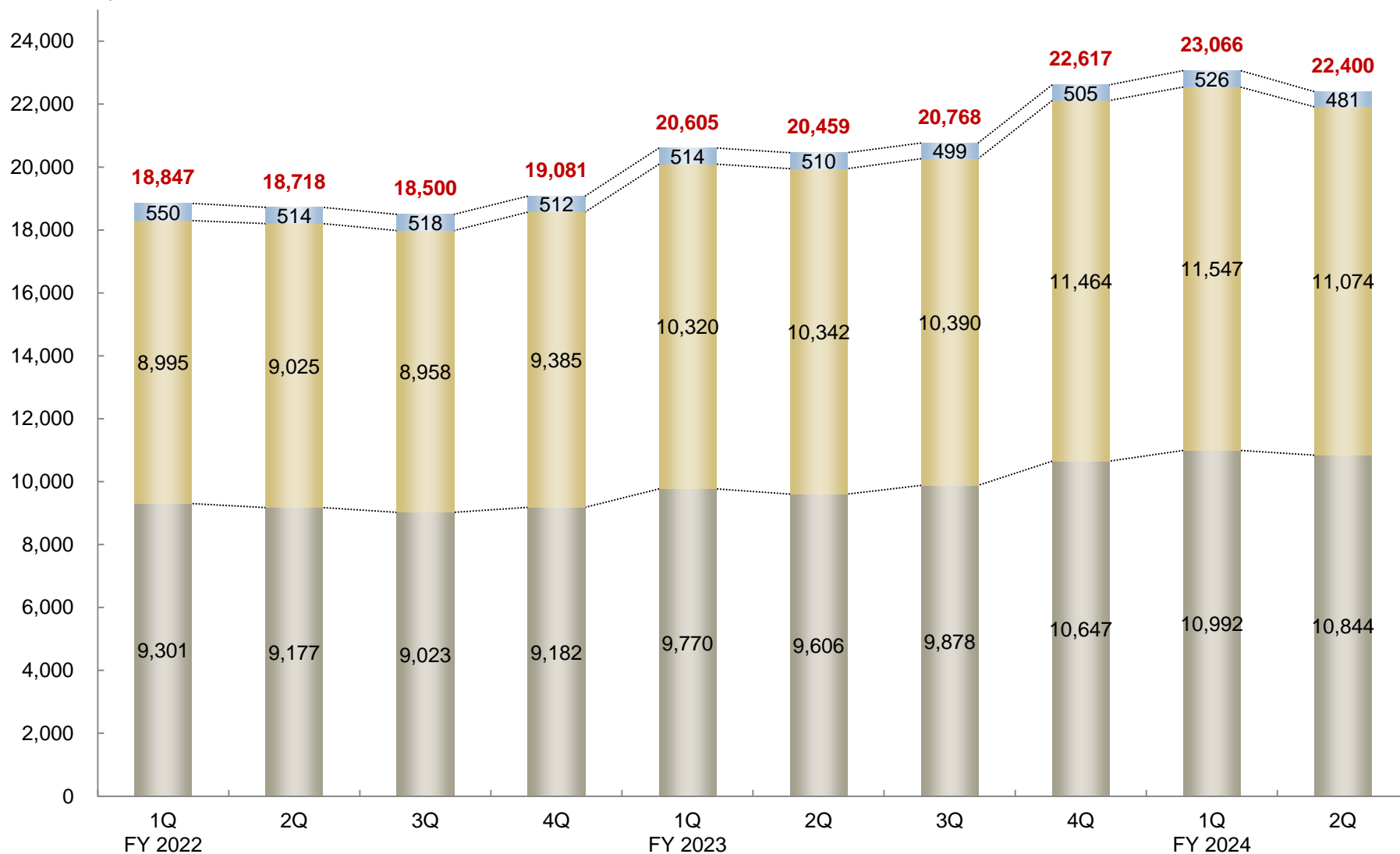


3. Quarterly Customer Assets in Custody

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■ Investment trusts ■ Stocks ■ Others

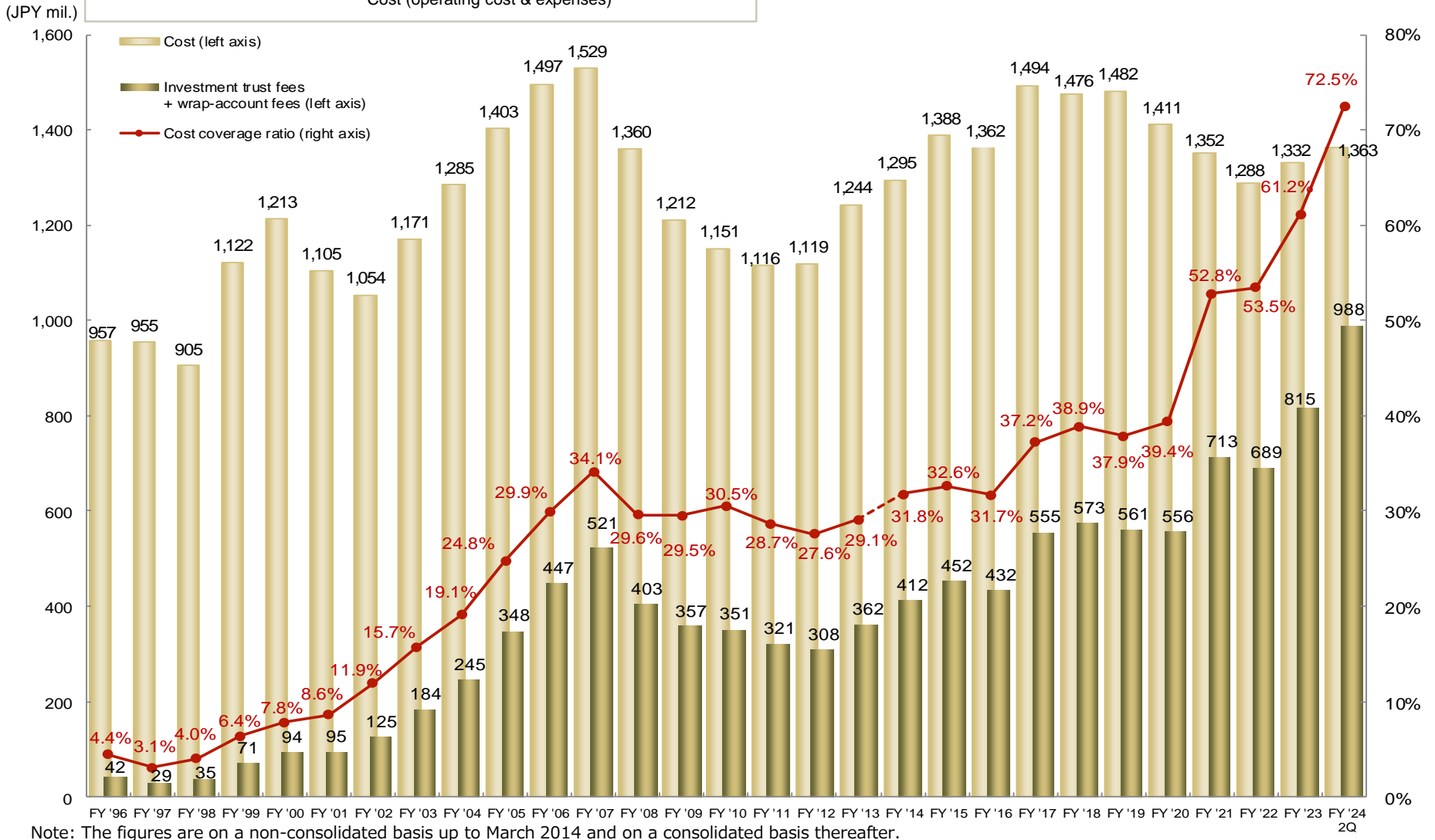
(JPY 100 mil.)



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

“Cost coverage ratio” is the best index to measure the progress of the Ichiyoshi’s shift to “stock-type (asset-accumulation type) business model”

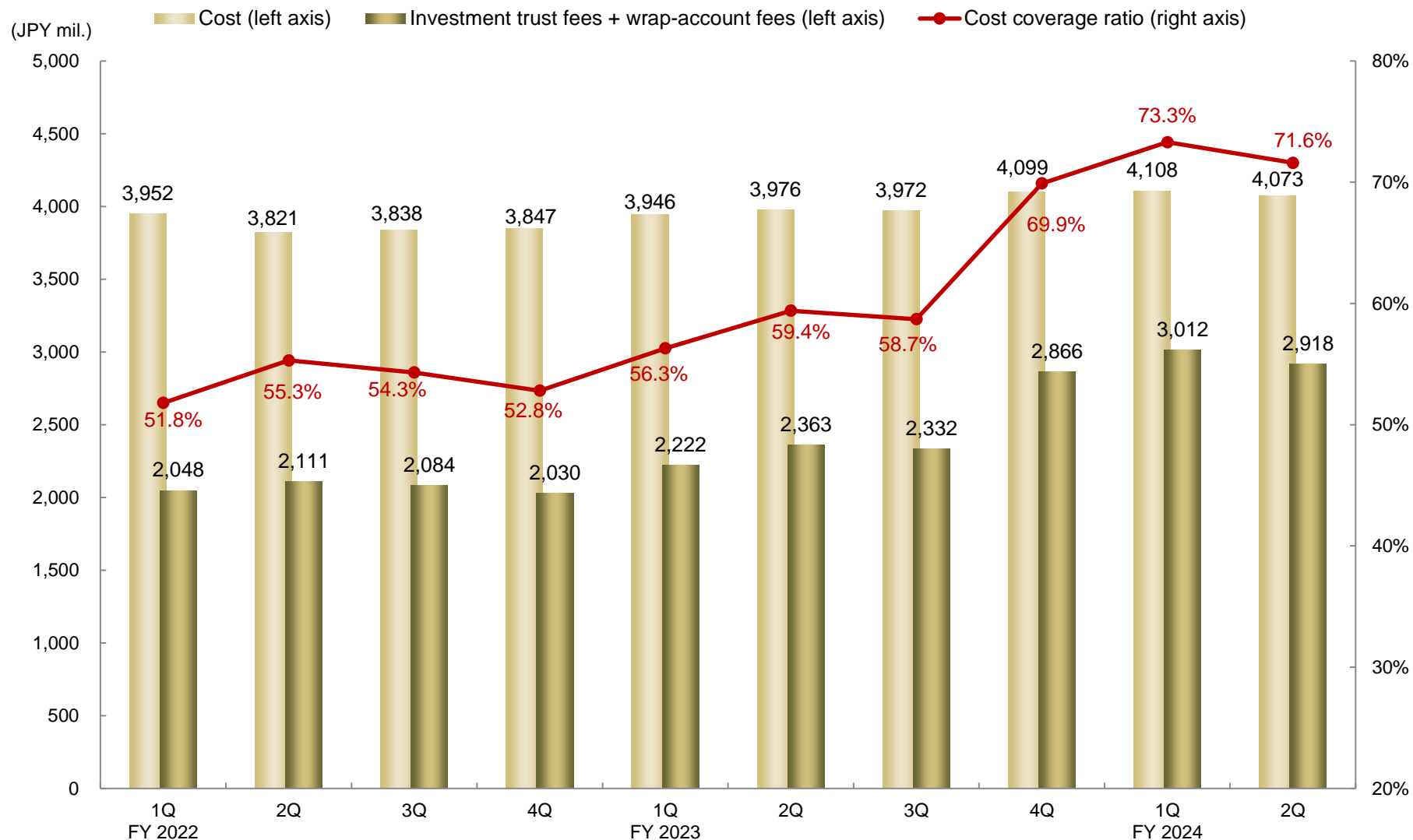
Note: Cost coverage ratio = $\frac{\text{Investment trust fees} + \text{wrap-account fees}}{\text{Cost (operating cost \& expenses)}} \times 100 (\%)$



Note: The figures are on a non-consolidated basis up to March 2014 and on a consolidated basis thereafter.

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

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



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

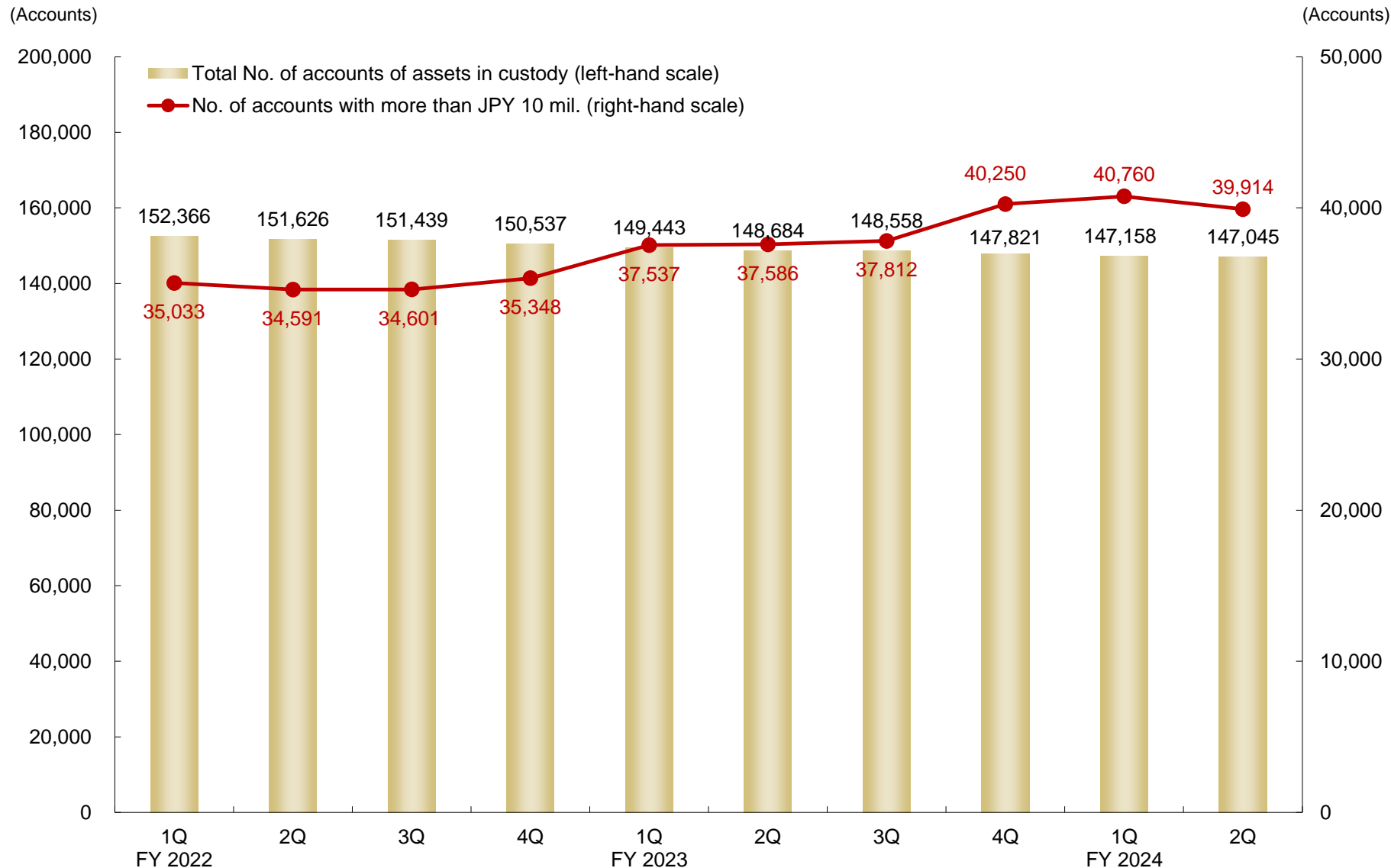
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(JPY 100 mil.)

| | FY 2022 | | | | FY 2023 | | | | FY 2024 | |
|---|---------|----|----|----|---------|----|----|----|---------|----|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| Ichiyoshi Global High Dividend Strategy Fund (Bi-monthly) | | | | | | | | | 61 | 48 |
| Ichiyoshi Japan Select Dividend Equity & J-REIT Fund (Quarterly Settlement Type/Asset Growth Type) | 35 | 34 | 26 | 22 | 40 | 58 | 51 | 51 | 60 | 40 |
| Ichiyoshi Global Equity Fund | 17 | 41 | | 11 | 33 | 92 | 45 | 76 | 52 | 38 |
| Fidelity US REIT Fund (A / B / C / D / F) | 25 | 32 | 30 | 26 | 23 | 20 | 14 | | | 25 |
| BlackRock World High Dividend Equity Open | | | | 66 | 58 | 52 | 54 | 38 | 27 | 19 |
| HSBC India Infrastructure Equity Open | | | | | | | | | 18 | |
| Ichiyoshi Small and mid cap Growth Companies Fund | | | 18 | | | | | 23 | | |
| GS US Growth Equity Concentrate Investment Fund (Monthly Settlement / Quarterly Settlement / Semi-Annual Settlement) | 21 | | | | | | | | | |
| Pictet Global Income Equity Fund (Monthly Dividend) | 60 | 33 | 22 | 22 | | | | | | |
| US Manufacturing Equity Fund US Manufacturing Equity Fund (Quarterly Closing Type) | | | | | | | | 16 | | |
| Ichiyoshi Japan Growth Equities Fund | | | | | 19 | | 13 | | | |
| Ichiyoshi Invesco World Mid & Small Cap Growth Equity Fund | | | | | | 12 | | | | |
| JREIT Asia Mix Open (Monthly Settlement / Asset Growth Type) | | 30 | 24 | | | | | | | |

7. Number of Customer Accounts 【Retail】

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