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(English translation for reference purposes only)

EARNINGS REPORT FOR FIRST THREE QUARTERS OF FISCAL 2020

(April 1 to December 31, 2020)

(Consolidated under Japanese GAAP)

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

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

Corporate representative: Mr. Hirofumi Tamada, President & Representative Executive Officer

Inquiry to: Mr. Shoichi Yamazaki, Executive Officer & Chief Supervisor for Finance and Management

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Date of filing First Three Quarters Report: February 12, 2021 (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 2020 (from April 1 to December 31, 2020)

(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, 2020 | 13,969 | +0.1 | 12,825 | +0.4 | 155 | (---) | 188 | (---) |
| Nine months ended Dec. 31, 2019 | 13,951 | (-17.5) | 12,777 | (-19.4) | -588 | (---) | -560 | (---) |

| | Net income attributable to owners of parent | (%) | Net income per share | Net income per share- fully diluted |
|------------------------------------|------------------------------------------------|---------|----------------------|----------------------------------------|
| Nine months ended Dec. 31, 2020 | 111 | (---) | 3.11yen | --- |
| Nine months ended Dec. 31, 2019 | -691 | (---) | -16.69yen | --- |

Notes: Comprehensive income for the first three quarters of fiscal 2020: 212 million yen (---%)

Comprehensive income for the first three quarters of fiscal 2019: -648 million yen (---%)

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

| | Total assets | Net assets | Equity ratio |
|---------------------|--------------|------------|--------------|
| As of Dec. 31, 2020 | 48,879 | 27,914 | 57.0% |
| As of Mar. 31, 2020 | 43,530 | 28,772 | 65.9% |

Notes: Shareholders' equity as of Dec. 31, 2020: 27,837 million yen

Shareholders' equity as of Mar. 31, 2020: 28,694 million yen

2. Dividends

| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Annual total |
|-------------------------------------|-------------------|--------------------|-------------------|-----------------|--------------|
| Fiscal 2019 ended Mar. 31, 2020 | — | 16.00yen | — | 16.00yen | 32.00yen |
| Fiscal 2020 ending Mar. 31, 2021 | — | 15.00yen | — | **** | **** |

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. Outlook for Business Result for Fiscal 2020 (from April 1, 2020 to March 31, 2021)

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 resulting from a change in special subsidiaries) during the quarterly consolidating period: None.
- (2) Application of an accounting treatment unique to the preparation of quarterly financial statements: None.
- (3) Changes in accounting policies and estimates and restatements 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) Restatements of modifications: None.
- (4) Number of shares issued (common stock):
 - (i) Number of shares issued as of December 31, 2020: 42,431,386 shares (including treasury shares)
Number of shares issued as of March 31, 2020: 42,431,386 shares (including treasury shares)
 - (ii) Number of treasury shares as of December 31, 2020: 6,327,504 shares.
Number of treasury shares as of March 31, 2020 : 6,434,008 shares.
 - (iii) Average number of shares outstanding during the first three quarters of fiscal 2020:
36,015,173 shares.
Average number of shares outstanding during the first three quarters of fiscal 2019:
41,407,917 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. Outlook for Business Result for Fiscal 2020 (from April 1, 2020 to March 31, 2021)” on page 2, 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 2020

During the first three quarters of fiscal 2020, the Japanese economy showed signs of pick-up from the effects of spreading novel coronavirus. While consumer spending paused in some sectors, there were bright signs seen in corporate production activities. Hence, moderate economic recovery was seen towards the end of the period. The global economy, which was severely battered by the pandemic of the novel coronavirus, also exhibited signs of recovery generally thanks to countermeasures taken by leading nations,.

In the meantime, the Japanese stock market exhibited relatively strong performances from the beginning of the period as sell-offs sparked by concerns over the shrinking of economic activities due to the spread of the novel coronavirus infections subsided. As the declaration of the state of emergency, which was expanded to cover all prefectures on April 16, 2020, was lifted step by step towards the end of May, there arose expectations for the resurgence of economic activities, causing the Nikkei Stock Average on the Tokyo Stock Exchange (the TSE) to recorded 23,185yen, a year-to-date high, on June 9, 2020. The Nikkei Stock Average went temporarily below the 22,000yen levels in mid-June and at the end of July, but thereafter bounced back over expectations for the developments of vaccines for the novel coronavirus. Recording hiccups at the news of the mid-term resignation of the former Prime Minister Mr. Shinzo Abe during the trading hours on August 28, 2020, the Nikkei Stock Average went through seesawing movements upon and after the inauguration of the new Suga cabinet on September 16, 2020. As November came, however, market conditions became bullish. Namely, the United States passed through the presidential election, and there were a cascade of announcements of developments of new vaccines for the novel coronavirus, altogether raising hopes for the normalization of the global economy and pushing up the Nikkei Stock Average by 3,456yen for November, the third highest monthly rise ever. In December, the actual vaccination started in certain foreign countries, the UK and EU reached the trade agreement, and the US decided on additional economic stimulus packages, all brightening up market sentiments. The Nikkei Stock Average logged 27,602yen during the trading hours on December 29, 2020, a year high and the highest in 30 years and 4 months, and closed the period at 27,444yen.

On the foreign currency market, the yen recorded 109.84yen per 1 U.S. dollar on June 5, 2020, in tandem with rising stock prices. Thereafter, however, amid the outlook for the longer zero-interest rate policy by the FRB, the yen went on strengthening and ended the period at the lower side of 103yen per 1 US dollar level.

As regards the Japanese emerging stock markets, the Nikkei JASDAQ Stock Average continued its recovery pattern while the TSE Mothers recorded a year high in mid-October with a limited upward movement thereafter. The Nikkei JASDAQ Stock Average ended the period at 3,719yen and the TSE Mothers closed the period at 1,196.

The average daily turnover on the First Section of the TSE for the first three quarters of fiscal 2020 was 2,636.8 billion yen, up 8.4% from the comparable period of fiscal 2019, that on the TSE Mothers Market was 212.6 billion yen, up 124.5%, and that on the JASDAQ Stock Market was 64.3 billion yen, up 44.2%.

In such circumstances, in order to achieve the Medium-Term Management Plan “Attack 3,” with respect to stocks, the Company placed in its proposals to customers asset-backed stocks with stress on stability and dividends under low interest-rate environments, taking advantage of the Company’s strength in research on small-and medium-cap growth stocks. The Company thus continued to take various measures to meet with customers’ needs.

With regard to “Dream Collection,” a fund wrap account vehicle, it enjoyed an increase in continuous need for conservative investment vehicles for customers’ medium- to long-term asset management. Its outstanding balance as of December 2020, registered 145.0 billion yen, up 18.9% from December 31, 2019.

With respect to investment trust funds, the Company placed in the center of its promotion customer-needs-matching funds, such as high-visibility SDG-related funds, investment funds investing in Japanese diversified small- and medium-cap growth stocks, those investing in high-yielding stocks in the world, and privately-placed funds targeted for regional financial institutions.

With respect to Ichiyoshi Asset Management Co. Ltd. the net asset values of funds under its management were on a recovery trend and their outstanding balances at the end of the period registered 339.0 billion yen, down 0.9% from December 31, 2019.

Under such environment, net operating revenue for the first three quarters of fiscal 2020 amounted to 12,825 million yen, up 0.4% from the first three quarters of fiscal 2019. Operating cost and expenses amounted to 12,669 million yen, down 5.2%. Hence, operating income registered 155 million yen.

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

i. Commissions

Total commissions for the first three quarters of fiscal 2020 amounted to 12,465 million yen, down 0.2 % from the year-earlier period.

(a) Brokerage commissions

Total brokerage commissions on stocks rose 20.5% to 4,292 million yen. Brokerage commissions on small- and medium-cap stocks (stocks listed on Second Section of the TSE, JASDAQ and TSE Mothers) registered 1,113 million yen, up 61.9%, accounting for 26.0% of total brokerage commissions on stocks.

(b) Commissions from underwriting and solicitation to specified investors

In the primary market, the Company participated in 23 initial public offerings on a management and underwriting basis (of which 3 were lead-managed by the Company) as against 22 participations (of which 1 was 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 5 deals on a management and underwriting basis as against 5 deals in the year-earlier period.

As a result, commissions from underwriting and solicitation to specified investors amounted to 339 million yen, up 72.0% from the comparable period of fiscal 2019.

The cumulative number of companies whose offerings were lead- or co-managed by the Company stood at 1,142 (of which 59 were lead-managed) as of December 31, 2020.

(c) Commissions from distribution and solicitation to specified investors

As commissions from distribution of investment trust funds recorded 2,390 million yen, down 18.5% from the year-earlier period, total commissions from distribution and solicitation to specified investors registered 2,497 million yen, down 17.2%.

(d) Commissions from other sources

Trailer fees slid 8.5% to 2,674 million yen. Management fees on investment trust funds managed by Ichiyoshi Asset Management recorded 945 million yen, down 12.3%. Fees from fund wrap accounts registered 1,163 million yen, up 3.9%. 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 5,210 million yen, down 7.3%.

ii. Gains or loss on trading

Trading in stocks, etc. recorded net gains of 108 million yen, up 849.7% from the year-earlier period. Trading in bonds and foreign exchange, etc. registered net gains of 42 million yen, down 5.1%. As a result, total net gains on trading amounted to 151 million yen, up 169.3%.

iii. Net financial revenue

Interest and dividend income fell 31.1% to 155 million yen, chiefly due to a decrease in the average outstanding balance of advances for margin transactions during the term. Interest expenses slid 45.3% to 54 million yen. As a result, net financial revenue recorded 101 million yen, down 20.0%.

Resultantly, net operating revenue for the first three quarters of fiscal 2020 stood at 12,825 million yen, up 0.4% from the year-earlier period.

iv. Operating cost and expenses

Operating cost and expenses declined 5.2% to 12,669 million yen chiefly as trading-related expenses, personnel expenses and real estate-related expenses (including one-off expenses relating to the relocations of the head office) decreased.

v. Non-operating income and expenses

The Company recorded non-operating income of 54 million yen, including 23 million yen in the form of insurance proceeds and dividends, and non-operating loss of 20 million yen, including a loss of 17 million yen on investments in investment partnerships. As a result, net non-operating income amounted to 33 million yen.

Resultantly, current income for the first three quarters of fiscal 2020 amounted to 188 million yen.

vi Extraordinary income and loss

Extraordinary income registered 130 million yen mainly in the form of gains on sales of investment securities of 91 million yen, and extraordinary loss amounted to 40 million yen mainly in the form of an impairment loss of 35 million yen. As a result, net extraordinary income recorded 90 million yen.

Resultantly, income before taxes and tax adjustments for the first three quarters of fiscal 2020 registered 279 million yen, 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 70 million yen and corporate tax adjustments of 97 million yen) recorded 111 million yen.

Customers' assets under custody as of December 31, 2020 amounted to 1,881.7 billion yen, up 22.5% from March 31, 2020.

(2)Outline on financial condition for the first three quarters of fiscal 2020

(a) Assets

Assets amounted to 48,879 million yen as of December 31, 2020, an increase of 5,348 million yen (up 12,3%) from March 31, 2020, mainly as cash and deposits swelled by 5,053 million yen and margin transaction assets rose by 1,763 million yen while cash paid for offering decreased by 1,253 million yen.

(b) Liabilities

Liabilities stood at 20,964 million yen as of December 31, 2020, a rise of 6,206 million yen (up 42.1%) as cash payable to customers swelled by 4,633 million yen.

(c) Net worth

Net worth amounted to 27,914 million yen as of December 31, 2020, a fall of 858 million yen (down 3.0%) from March 31, 2020. The fall resulted mainly as the Company registered net income (payable to owners of parent) of 111 million yen while the Company paid dividends in the amount of 1,115 million yen.

II. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(in millions of yen)

| | As of March 31 2020 | As of December 31 2020 |
|-------------------------------------------------------------------------|------------------------|---------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 13,499 | 18,553 |
| Cash segregated as deposits | 7,719 | 8,319 |
| Trading products | 158 | 141 |
| Trading securities and other | 158 | 141 |
| Trade date accrual | 2 | 0 |
| Margin transaction assets | 9,899 | 11,663 |
| Loans on margin transactions | 9,604 | 11,340 |
| Cash collateral pledged for securities borrowing on margin transactions | 294 | 322 |
| Advances paid | 112 | 16 |
| Cash paid for offering | 3,727 | 2,473 |
| Short-term loans receivable | 2 | 7 |
| Accrued income | 1,531 | 1,163 |
| Other current assets | 213 | 365 |
| Allowance for doubtful accounts | △2 | △3 |
| Total current assets | 36,862 | 42,700 |
| Non-current assets | | |
| Property, plant and equipment | 3,239 | 3,201 |
| Buildings, net | 1,006 | 1,160 |
| Equipment | 750 | 702 |
| Land | 1,339 | 1,333 |
| Leased assets, net | 10 | 4 |
| Construction in progress | 132 | - |
| Intangible assets | 834 | 733 |
| Software | 831 | 731 |
| Other | 2 | 1 |
| Investments and other assets | 2,594 | 2,245 |
| Investment securities | 1,163 | 1,003 |
| Long-term loans receivable | 32 | 17 |
| Long-term guarantee deposits | 1,008 | 951 |
| Deferred tax assets | 383 | 266 |
| Other | 86 | 84 |
| Allowance for doubtful accounts | △79 | △79 |
| Total non-current assets | 6,668 | 6,179 |
| Total assets | 43,530 | 48,879 |
| Liabilities | | |
| Current liabilities | | |
| Trading products | 0 | - |
| Derivatives | 0 | - |
| Margin transaction liabilities | 2,927 | 4,997 |
| Borrowings on margin transactions | 2,532 | 4,592 |
| Cash received for securities lending on margin transactions | 395 | 405 |
| Borrowings secured by securities | 67 | 296 |
| Cash received on debt credit transaction of securities | 67 | 296 |
| Deposits received | 7,993 | 12,626 |
| Guarantee deposits received | 1,343 | 937 |
| Short-term borrowings | 216 | 210 |
| Lease obligations | 4 | 1 |
| Income taxes payable | 38 | 56 |
| Provision for bonuses | 654 | 275 |
| Other current liabilities | 1,031 | 1,129 |
| Total current liabilities | 14,279 | 20,531 |
| Non-current liabilities | | |
| Long-term borrowings | 150 | 150 |
| Lease obligations | 5 | 2 |
| Deferred tax liabilities for land revaluation | 7 | 7 |
| Retirement benefit liability | 62 | 50 |
| Other noncurrent liabilities | 40 | 40 |
| Total non-current liabilities | 266 | 251 |
| Reserves under special laws | | |
| Reserve for financial instruments transaction liabilities | 211 | 181 |
| Total reserves under special laws | 211 | 181 |
| Total liabilities | 14,757 | 20,964 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 14,577 | 14,577 |
| Capital surplus | 6,907 | 6,885 |
| Retained earnings | 12,631 | 11,627 |
| Treasury shares | △4,167 | △4,098 |
| Total shareholders' equity | 29,948 | 28,991 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | △43 | 64 |
| Revaluation reserve for land | △1,125 | △1,125 |
| Remeasurements of defined benefit plans | △85 | △93 |
| Total accumulated other comprehensive income | △1,254 | △1,154 |
| Share acquisition rights | 78 | 77 |
| Total net assets | 28,772 | 27,914 |
| Total liabilities and net assets | 43,530 | 48,879 |

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

Quarterly Consolidated Income Statements

(in millions of yen)

| | Fiscal year ended December 31, 2019 | Fiscal year ended December 31, 2020 |
|-----------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Operating revenue | | |
| Commission received | 12,492 | 12,465 |
| Net trading income | 56 | 151 |
| Financial revenue | 225 | 155 |
| Other operating revenue | 1,176 | 1,197 |
| Total operating revenue | 13,951 | 13,969 |
| Financial expenses | 99 | 54 |
| Other operating expenses | 1,074 | 1,090 |
| Net operating revenue | 12,777 | 12,825 |
| Selling, general and administrative expenses | | |
| Trading related expenses | 1,463 | 1,188 |
| Personnel expenses | 7,147 | 6,902 |
| Real estate expenses | 1,948 | 1,778 |
| Office expenses | 1,701 | 1,702 |
| Depreciation | 398 | 395 |
| Taxes and dues | 195 | 199 |
| Other | 511 | 502 |
| Total selling, general and administrative expenses | 13,365 | 12,669 |
| Operating profit (loss) | △588 | 155 |
| Non-operating income | | |
| Dividends from investment securities | 20 | 17 |
| Gain on investments in investment partnerships | 5 | 0 |
| Insurance claim and dividend income | 51 | 23 |
| Other | 30 | 12 |
| Total non-operating income | 108 | 54 |
| Non-operating expenses | | |
| Loss on investments in investment partnerships | 4 | 17 |
| Loss on cancellation of leases | 0 | - |
| Provision of allowance for doubtful accounts | 75 | - |
| Other | 0 | 3 |
| Total non-operating expenses | 80 | 20 |
| Ordinary profit (loss) | △560 | 188 |
| Extraordinary income | | |
| Gain on sales of investment securities | 82 | 91 |
| Gain on sales of non-current assets | - | 0 |
| Gain on reversal of share acquisition rights | 2 | 8 |
| Reversal of reserve for financial instruments transaction liabilities | - | 29 |
| Total extraordinary income | 84 | 130 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 8 | 4 |
| Loss on sales of investment securities | 0 | - |
| Settlement package | 6 | - |
| Impairment loss | - | 35 |
| Total extraordinary losses | 15 | 40 |
| Profit (loss) before income taxes | △491 | 279 |
| Income taxes - current | 254 | 70 |
| Income taxes - deferred | △65 | 97 |
| Total income taxes | 189 | 167 |
| Profit (loss) | △680 | 111 |
| Profit attributable to non-controlling interests | 10 | - |
| Profit (loss) attributable to owners of parent | △691 | 111 |

Quarterly Consolidated Comprehensive Income Statements

(in millions of yen)

| | Fiscal year ended December 31, 2019 | Fiscal year ended December 31, 2020 |
|----------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Profit (loss) | △680 | 111 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 52 | 108 |
| Remeasurements of defined benefit plans, net of tax | △20 | △7 |
| Total other comprehensive income | 31 | 100 |
| Comprehensive income | △648 | 212 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | △659 | 212 |
| Comprehensive income attributable to non-controlling interests | 10 | - |

(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/restatement of accounting estimates)

None.

III. Supplementary Information For First Three Quarter of Fiscal 2020

1. Commissions

| (1) Commissions by sources | -- First Three quarters of -- | | Change (%) | (in millions of yen) |
|--------------------------------------------------------------------------------|-------------------------------|----------------|--------------|-------------------------------------|
| | Fiscal 2019(a) | Fiscal 2020(b) | (b) over (a) | Fiscal year ended March 31, 2020 |
| Brokerage commissions | 3,661 | 4,417 | 20.7 | 4,913 |
| (Stocks) | (3,562) | (4,292) | (20.5) | (4,745) |
| (Beneficiary certificates) | (98) | (124) | (26.2) | (168) |
| Commissions from underwriting and solicitation to specified investors | 197 | 339 | 72.0 | 557 |
| (Stocks) | (197) | (339) | (72.0) | (557) |
| Commissions from distribution and solicitation to specified investors | 3,015 | 2,497 | -17.2 | 3,980 |
| (Beneficiary certificates) | (2,933) | (2,390) | (-18.5) | (3,876) |
| Commissions from other Sources | 5,618 | 5,210 | -7.3 | 7,394 |
| (Beneficiary certificates*) | (5,121) | (4,783) | (-6.6) | (6,733) |
| Total | 12,492 | 12,465 | -0.2 | 16,845 |

| *Breakdown of (Beneficiary certificates) | -- First Three quarters of -- | | Change (%) | (in millions of yen) |
|-----------------------------------------------|-------------------------------|----------------|--------------|-------------------------------------|
| | Fiscal 2019(a) | Fiscal 2020(b) | (b) over (a) | Fiscal year ended March 31, 2020 |
| Trailer fees relating to balances of funds | 2,922 | 2,674 | -8.5 | 3,862 |
| Trustee fees for fund Management | 1,078 | 945 | -12.3 | 1,395 |
| Fees from wrap-accounts | 1,119 | 1,163 | 3.9 | 1,475 |
| Total | 5,121 | 4,783 | -6.6 | 6,733 |

| (2) Commissions by instruments | | | | (in millions of yen) |
|------------------------------------|-------------------------------|----------------|--------------|----------------------|
| | -- First Three quarters of -- | | Change (%) | Fiscal year ended |
| | Fiscal 2019(a) | Fiscal 2020(b) | (b) over (a) | March 31, 2020 |
| Stocks | 3,779 | 4,652 | 23.1 | 5,327 |
| Bonds | 82 | 106 | 29.9 | 103 |
| Beneficiary certificates | 8,154 | 7,299 | -10.5 | 10,777 |
| Others | 477 | 407 | -14.7 | 636 |
| Total | 12,492 | 12,465 | -0.2 | 16,845 |
| 2. Gains or loss on trading | | | | (in millions of yen) |
| | -- First Three quarters of -- | | Change (%) | Fiscal year ended |
| | Fiscal 2019(a) | Fiscal 2020(b) | (b) over (a) | March 31, 2020 |
| Stocks, etc. | 11 | 108 | 849.7 | 37 |
| Bonds, foreign exchange, etc. | 44 | 42 | -5.1 | 52 |
| (Bonds, etc.) | (21) | (19) | (-12.5) | (27) |
| (Foreign exchange, etc.) | (22) | (23) | (1.9) | (25) |
| Total | 56 | 151 | 169.3 | 89 |

3. Quarterly Consolidated Income Statements for Recent Seven Quarters

(in millions of yen)

| | 1st Q (4-6/'19) | 2nd Q (7-9/'19) | 3rd Q 10-12/'19) | 4th Q (1-3/'20) | 1st Q (4-6/'20) | 2nd Q (7-9/'20) | 3rd Q (10-12/'20) |
|--------------------------------------------------|--------------------|--------------------|---------------------|--------------------|--------------------|--------------------|----------------------|
| Operating revenue | 4,618 | 4,820 | 4,511 | 4,894 | 4,182 | 4,588 | 5,198 |
| Commission received | 4,124 | 4,293 | 4,074 | 4,352 | 3,689 | 4,136 | 4,639 |
| Net trading income | 9 | 16 | 30 | 33 | 28 | 24 | 98 |
| Financial revenue | 77 | 88 | 60 | 53 | 49 | 54 | 51 |
| Other operating revenue | 407 | 422 | 346 | 454 | 414 | 372 | 409 |
| Financial expenses | 23 | 51 | 23 | 16 | 18 | 20 | 15 |
| Other operating expenses | 374 | 373 | 327 | 414 | 371 | 344 | 375 |
| Net operating revenue | 4,220 | 4,396 | 4,160 | 4,463 | 3,792 | 4,223 | 4,808 |
| Selling, general and administrative expenses | 4,459 | 4,541 | 4,364 | 4,420 | 4,174 | 4,223 | 4,272 |
| Trading related expenses | 466 | 496 | 500 | 540 | 431 | 388 | 368 |
| Personnel expenses | 2,427 | 2,376 | 2,343 | 2,341 | 2,231 | 2,322 | 2,348 |
| Real estate expenses | 615 | 727 | 605 | 593 | 586 | 599 | 591 |
| Office expenses | 551 | 586 | 563 | 607 | 547 | 554 | 600 |
| Depreciation | 146 | 128 | 123 | 138 | 130 | 131 | 132 |
| Taxes and dues | 62 | 70 | 63 | 59 | 62 | 67 | 69 |
| Provision of allowance for doubtful accounts | — | — | — | — | — | — | 0 |
| Other | 190 | 155 | 165 | 139 | 184 | 158 | 159 |
| Operating profit | △239 | △145 | △204 | 42 | △381 | 0 | 535 |
| Non-operating income | 21 | 46 | 40 | 55 | 17 | 4 | 32 |
| Non-operating expenses | 0 | 85 | △4 | 7 | 1 | 17 | 1 |
| Ordinary profit | △218 | △183 | △158 | 90 | △365 | △12 | 566 |
| Extraordinary income | 0 | 3 | 81 | 0 | 105 | 1 | 23 |
| Extraordinary losses | 0 | 0 | 14 | 48 | 2 | 2 | 35 |
| Profit before income taxes | △218 | △180 | △91 | 42 | △261 | △12 | 554 |
| Income taxes - current | 90 | 100 | 63 | 24 | 21 | 25 | 23 |
| Income taxes - deferred | △120 | △1 | 56 | 50 | 117 | △96 | 76 |
| Profit | △188 | △279 | △211 | △32 | △401 | 58 | 454 |
| Profit attributable to non-controlling interests | 5 | 5 | — | — | — | — | — |
| Profit attributable to owners of parent | △194 | △285 | △211 | △32 | △401 | 58 | 454 |

(END)