

Business Result for Fiscal Year to March 31, 2022

(Consolidated under Japanese GAAP)

Released on April 28, 2022

(English translation for reference purposes only)

Name of Company: Ichiyoshi Securities Co., Ltd.

Listed on: Prime Section of Tokyo Stock Exchange (Stock code: 8624)

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

Date of annual shareholders' meeting: June 25, 2022 (scheduled)

Payment of final dividends starts: on May 31, 2022 (scheduled)

Filing date of annual securities report: June 28, 2022 (scheduled)

Supplemental information on business result: Provided.

Business result-reporting meeting: Planned for institutional investors and analysts.

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1. Consolidated Business Result for Fiscal Year Ended March 31, 2022

(Figures less than 1 million yen discarded)

(1) Highlights of consolidated business result (in millions of yen except for per-share figures)

(% indicates year-to-year changes)

	Operating revenue (%)	Net operating revenue (%)	Operating income (%)	Current income (%)	Net income attributable to owners of parent (%)
Fiscal year ended Mar. 31, 2022	19,591 (+7.2)	19,553 (+7.4)	3,321 (+162.7)	3,443 (+164.7)	2,526 (+152.2)
Fiscal year ended Mar. 31, 2021	18,270 ---	18,200 (+5.6)	1,264 ---	1,300 ---	1,001 ---

Notes: Comprehensive income for fiscal year ended March 31, 2022: 2,384 million yen (+69.7%)

Comprehensive income for fiscal year ended March 31, 2021: 1,405 million yen (---%)

	Earnings per share	Earnings per share adjusted for shares potentially issuable	Return on equity	Operating income as % of operating revenue
Fiscal year ended Mar. 31, 2022	69.97yen	69.72yen	8.6%	17.0%
Fiscal year ended Mar. 31, 2021	27.79yen	27.79yen	3.5%	6.9%

Notes: (i) Investment gains on equity method for fiscal year ended March 31, 2022: ---million yen

Investment gains on equity method for fiscal year ended March 31, 2021: --- million yen.

(ii) Effective as from the beginning of the first quarter of fiscal 2021, "Accounting Standards Concerning Revenue Recognition" (Corporate Accounting Standards No. 29, dated March 31, 2020) has been applied. Figures relating to operating revenue for fiscal 2020 in the table above are retroactively adjusted in accordance with the said accounting standards. Hence, there are no year-to-year changes mentioned on those figures.

With respect to operating income as % of operating revenue, changes are based on figures adjusted for the said accounting standards.

(2) Consolidated financial condition (in millions of yen except for per-share figures)

	Total assets	Net assets	Equity ratio	Net assets per share
As of Mar. 31, 2022	47,935	30,064	62.7%	832.12yen
As of Mar. 31, 2021	49,211	29,108	59.0%	804.07yen

Notes: Shareholders' equity as of March 31, 2022: 30,042 million yen

Shareholders' equity as of March 31, 2021: 29,030 million yen

(3) Consolidated cash flow (in millions of yen with figures)

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of fiscal year
Fiscal year ended Mar. 31, 2022	2,092	-169	-1,375	16,892
Fiscal year ended Mar. 31, 2021	4,860	-44	-1,123	16,345

2.Dividends

	Dividend per share for 1 st quarter	Dividend per share for 2 nd quarter	Dividend per share for 3 rd quarter	Dividend per share for end of fiscal year	Annual total of dividend per share
Fiscal year ended Mar. 31, 2021	---	15.00yen	---	19.00yen	34.00yen
Fiscal year ended Mar. 31, 2022	---	19.00yen	---	19.00yen	38.00yen

	Aggregate amount of dividends paid (in millions of yen*)	Payout ratio on a consolidated basis	Rate of dividends as % of net assets on a consolidated basis
Fiscal year ended Mar. 31, 2021	1,225 million yen	122.3%	4.2%
Fiscal year ended Mar. 31, 2022	1,371 million yen	54.3%	4.6%

Note: (1) Dividend per share for 2nd quarter of fiscal year ended March 31, 2022 was calculated on the basis of the payout ratio measure and dividend per share for the end of the same fiscal year was calculated on the basis of the DOE measure (namely, as percent of the consolidated equity per share).

(2) Ichiyoshi Securities Co., Ltd. (the “**Company**” or “**Ichiyoshi**” as the case may be) does not provide earnings forecast nor dividend forecast.

3.Forecast of Business Result for Fiscal 2022 (from April 1, 2022 to March 31, 2023)

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 quarterly and annual business term. Instead, the Company intends to release preliminary figures after the end of each quarterly and annual business term as and when such figures become available.

※Points to note:

- (1) Changes in material subsidiaries (changes in special subsidiaries resulting in a change in scope of consolidation): None.
- (2) Changes in accounting policies and estimates and restatements of modifications
 - (i) Changes in accounting policies resulting from revisions to accounting standards: Yes.
 - (ii) Changes in accounting policies other than those in (i) above: None.
 - (iii) Changes in accounting estimates: None.
 - (iv) Restatements of modifications: None.
- (3) Number of issued shares (common stock)
 - (i) Number of issued shares at the end of each fiscal year (including treasury shares):
42,431,386 shares at March 31, 2022.
42,431,386 shares at March 31, 2021.
 - (ii) Number of treasury shares at the end of each fiscal year:
6,327,697 shares at March 31, 2022.
6,327,577 shares at March 31, 2021.
 - (iii) Average number of shares outstanding during each fiscal year:
36,103,743 shares for the fiscal year ended March 31, 2022.
36,037,043 shares for the fiscal year ended March 31, 2021.

[Referential information]

1. Outline of Non-consolidated Business Result (parent company basis)

(1) Business result for fiscal year ended March 31, 2022 (in millions of yen except for per-share figures)

(% indicates year-over-year changes)

	Operating Revenue (%)	Net operating Revenue (%)	Operating Income (%)	Current income (%)	Net income (%)
Fiscal year ended Mar. 31, 2022	17,302 (+5.3)	17,264 (+5.5)	1,876 (+685.8)	3,362 (+225.3)	2,889 (+178.9)
Fiscal year ended Mar. 31, 2021	16,434 (+5.9)	16,365 (+6.3)	238 ---	1,033 ---	1,035 ---

	Earnings per share	Earnings per share adjusted for shares potentially issuable	Return on equity
Fiscal year ended Mar. 31, 2022	80.03yen	79.74yen	10.6%
Fiscal year ended Mar. 31, 2021	28.74yen	28.74yen	3.9%

(2) Financial condition (in millions of yen except for per-share figures)

	Total assets	Net assets	Equity ratio	Net assets per share	Capital adequacy ratio
Fiscal year ended Mar. 31, 2022	45,205	28,060	62.0%	776.61yen	505.8%
Fiscal year ended Mar. 31, 2021	46,037	26,635	57.7%	735.59yen	450.1%

Notes: Shareholders' equity at the end of each fiscal year:

28,038 million yen as of March 31, 2022.

26,557 million yen as of March 31, 2021.

2. Forecast of Business Result for Fiscal 2022 (from April 1, 2022 to March 31, 2023)

Since the forecast of earnings in financial-instruments trading is hard to make due to changes in securities market conditions, the Company does not provide such forecast prior to the end of each quarterly and annual business term.

Additional points to note:

1. The financial figures contained herein are released without being audited by certified

- public accountants as required by the Financial Instruments and Exchange Law.
2. For the same reason that the Company does not provide earnings forecast prior to the end of each quarterly and annual business term as stated in “3. Forecast of Business Result for Fiscal 2022 (from April 1, 2022 to March 31, 2023)” on page 3, the Company does not provide a dividend forecast.
 3. The Company plans to hold a business result-reporting meeting for institutional investors and analysts on May 24, 2022, Tuesday, (at 3:30 pm). Supplementary documents for business result to be distributed at the meeting will be forthwith disclosed and posted on the Company’s website.

I. Outline of Business Result, Etc.

1. Outline of Business Result for the Fiscal Year Ended March 31, 2022

During the fiscal year ended March 31, 2022, the Japanese economy showed signs of pick-up while the effects of spreading novel coronavirus were felt in some quarters. While consumer spending slightly weakened, there appeared signs of recovery in corporate production activities, which were reflected on generally better sustained business earnings. From the beginning of the year, the murky cloud of the Ukrainian situation hung over, causing caution over potential rises in raw materials. Amid such conditions, however, the global economy remained on an improving trend.

The Nikkei Stock Average on the Tokyo Stock Exchange (the “TSE”) exceeded its 30,000yen mark in early April, but thereafter underwent corrective periods through mid-August due to various negative factors, including the re-declaration of the state of emergency and concerns over the monetary tightening in the U.S. The stock average then recorded 30,795yen on September 14, the highest in about 31 years, in expectation of changes in the Japanese political scene. Thereafter, however, the stock average went below the 28,000yen mark in early October on concerns over rises in U.S. interest rates and financial troubles at a major Chinese real estate company. Towards mid-November, the stock average recovered close to the 30,000yen mark supported by strong business earnings. Then, the infection spread of “Omicron” strain, a variant of the novel corona-virus, and the rising U.S. interest rates weighed on the market. As the new year started, the U.S. monetary tightening accelerated and the Ukrainian situation became further tense, pushing the stock average down to 24,681yen on March 9. Soon thereafter, however, the stock average recorded a reactionary gain as the excessive sense of caution receded. As the Fed decided its policy on interest rate hikes at its FOMC meeting on March 15-16 and indicated its intension of reducing the scale of its asset holdings at its next meeting, clearing the sense of uncertainty on U.S. monetary tightening policy, the stock average recovered to 27,821yen at the end of the fiscal year, or 1,357yen below the stock average recorded at the end of the previous fiscal year.

On the foreign currency market, the yen registered 107.47yen per 1 U.S. dollar on April 23, 2021, and thereafter weakened against the U.S. dollar. Towards the end of the fiscal year, U.S. interest rates rose in anticipation of further tightening of the U.S. monetary policy to ward off an inflationary pressure, accelerating the weakening of the yen against the U.S. dollar. Consequently, the yen closed the fiscal year at the 121yen per 1 U.S. dollar level.

As regards the Japanese emerging stock markets, the Nikkei JASDAQ Average recorded 4,113yen on September 14, and then went through corrections, ending the fiscal year at 3,659yen. The TSE Mothers Index also underwent corrections, ending the fiscal year at 790.

The average daily turnover on the First Section of the TSE during the fiscal year was 3,168.7 billion yen, up 12.8% over the previous fiscal year. The average daily turnover on the TSE Mothers was 157.7 billion yen, down 25.0%, and that on the JASDAQ market was 59.1 billion yen, down 10.6%.

In such circumstances, the Company aims to achieve the Medium-Term Management Plan “Attack 3,” while proceeding with its “Decisive Action for Reform” initiated three years ago to further promote its customer-focused “Stock Type Business Model” (asset-accumulation type business model). As activities on stocks during the fiscal period, the Company proposed to customers asset-backed stocks with stress placed on stability and dividends and small- and medium-cap growth stocks. Thus, the Company recommended to customers equity investment for medium- and long-term asset-building.

With regard to “Dream Collection,” a fund wrap account vehicle, it continued to enjoy an increase in continuous need for customers’ conservative investment vehicles for medium- to long-term asset management. Its outstanding balance as of March 31, 2022, registered 189.0 billion yen, up 21.2% from the previous fiscal year.

With respect to investment trust funds (other than the wrap-account vehicle), the Company placed in the center of its promotion investment trust funds investing in small- and medium-cap stocks (both domestic and foreign) selected and managed by the Company’s strength in research and fund-management, funds investing in global public utility stocks and customer-needs-matching funds, such as high-visibility SDG-related funds. All these funds contributed to an increase in the outstanding balances of the Company’s investment trust funds, which stood at 777.1 billion yen as of the end of the fiscal year, up 1.4% from the previous fiscal year.

With respect to Ichiyoshi Asset Management Co., Ltd. the net asset values of funds under its management recorded a continuous increase and registered 423.1 billion yen as of March 31, 2022, up 13.6% from the previous fiscal year.

Resultantly, net operating revenue recorded 19,553 million yen, up 7.4% from the previous fiscal year. Operating cost and expenses decreased 4.2% to 16,232 million yen. As a result, operating income registered 3,321 million yen, an increase of 2,057 million yen from the previous fiscal year.

The cost coverage ratio, by which the sum of management and trailer fees and wrap-account fees covers operating cost and expenses, registered 52.8%.

Customers’ assets under custody as of March 31, 2022, amounted to 1,951.7 billion yen, down 1.9% from the end of the previous fiscal year.

Set forth below are details of revenue sources, cost and expenses, cash flow and financial

condition.

(1)Commissions

Total commissions for the fiscal year ended March 31, 2022 amounted to 18,986million yen, up 7.8% from the previous fiscal year.

(i) Brokerage commissions

Total brokerage commissions on stocks fell 11.8% to 5,318 million yen. Those on small- and mid-cap stocks (consisting of stocks listed on the Second Section of the TSE, JASDAQ Market and TSE Mothers) amounted to 869 million yen, down 39.5%, accounting for 16.4% of total brokerage commissions.

(ii) Commissions from underwriting and solicitation to specified investors

In the primary market, the Company participated in the management and underwriting of 39 initial public offerings (IPOs) (of which the Company lead-managed 3), as against 31 IPOs (of which the Company lead-managed 4) in the previous fiscal year. In the secondary market, the Company participated in 6 deals on a management or underwriting basis, as against 6 deals in the previous fiscal year. As a result, total commissions from underwriting and solicitation to specified investors recorded 591 million yen, up 19.0% from the previous fiscal year.

The cumulative number of companies whose offerings were lead- or co-managed by the Company stood at 1,190 (of which 64 were lead-managed) as of March 31, 2022.

(iii) Commissions from distribution and solicitation to specified investors

Commissions from distribution and solicitation to specified investors rose 7.8% to 3,832 million yen as commissions from distribution of investment trust funds rose 10.0 % to 3,784 million yen.

(iv) Commissions from other sources

The trailer fees on investment trust funds increased 14.0% to 4,133 million yen and trustee fees for fund management by Ichiyoshi Asset Management Co., Ltd. rose 39.0% to 1,830 million yen. With the addition of fund-wrap accounts fees of 2,599 million yen (up 49.5%),etc. total commissions from other sources amounted to 9,076 million yen, up 23.1%.

(2)Gains or loss on trading

Trading on stocks, etc. recorded gains of 140 million yen, down 18.4%, and trading on bonds, foreign exchange, etc. registered gains of 21 million yen, down 84.6%. Consequently, total gains on trading amounted to 161 million yen, down 48.0%.

(3)Net financial revenue

Net financial revenue increased 30.4% to 177 million yen chiefly as financial revenue rose 4.6% to 216 million yen as a result of a rise in the average balance of loans on margin transactions while interest expenses decreased by 45.4% to 38

million yen.

Hence, net operating revenue for the fiscal year ended March 31, 2022 recorded 19,553 million yen, up 7.4%.

(4) Operating Cost and Expenses

Operating cost and expenses recorded 16,232 million yen, down 4.2%, as trade-related expenses and personnel expenses decreased.

(5) Non-operating Income and Expenses

The Company registered non-operating income of 131 million yen, mainly consisting of investment profit of 66 million yen at investment partnerships. Thus, net non-operating income amounted to 121 million yen, an increase of 85 million yen from the previous fiscal year.

Hence, current income for the fiscal year ended March 31, 2022 amounted to 3,443 million yen, up 164.7% from the previous fiscal year.

(6) Extraordinary Income and Loss

The Company registered extraordinary income of 162 million yen, mainly consisting of gains on sales of investment securities, while the Company recorded extraordinary loss of 24 million yen, mainly in the form of valuation loss on investment securities. As a result, net extraordinary income amounted to 138 million yen, an increase of 124 million yen from the previous fiscal year.

Consequently, income before taxes and tax adjustments for the fiscal year ended March 31, 2022 recorded 3,581 million yen, up 172.6% and net income attributable to owners of parent (after deduction of corporate income taxes, resident's taxes and enterprise taxes, totaling 901 million yen, and after deduction of corporate tax adjustments of 154 million yen) registered 2,526 million yen, up 152.2%.

2. General Review of Financial Condition

(a) Assets

Assets amounted to 47,935 million yen as of March 31, 2022, a decline of 1,276 million yen (down 2.6%) from March 31, 2021, mainly as cash segregated as deposits increased by 1,090 million yen while margin transaction assets decreased by 3,194 million yen.

(b) Liabilities

Liabilities stood at 17,870 million yen as of March 31 2022, a decline of 2,232 million yen (down 11.1%) as guarantee deposits received increased by 1,386 million yen while margin transaction liabilities 3,089 million yen, respectively.

(c) Net worth

Net worth amounted to 30,064 million yen as of March 31, 2022, a rise of 956 million yen (up 3.3%) from March 31, 2021. The increase resulted mainly from recording of net income (attributable to owners of parent) of 2,526 million yen for the fiscal year while the Company paid dividends in the amount of 1,371 million yen.

3. Cash Flow

Cash flow from operating activities for the fiscal year ended March 31, 2022 recorded a positive figure of 2,092 million yen, a decrease of 2,768 million yen from the previous fiscal year as income before taxes and tax adjustments recorded 3,581 million yen, cash segregated as deposits for customers fell by 1,090 million yen and cash paid for subscription fell by 882 million yen. Cash flow from investing activities registered a negative figure of 169 million yen, a fall of 124 million yen, mainly due to payment for the acquisition of tangible fixed assets and intangible fixed assets, payment for purchases of investment securities and receipt of revenue from sales of investment securities. Cash flow from financing activities recorded a negative figure of 1,375 million yen, a fall of 251 million yen, chiefly as a result of dividend payments in the amount of 1,368 million yen.

Consequently, the amount of cash and cash equivalents as of March 31, 2022, stood at 16,892 million yen, an increase of 547 million yen from the end of the previous fiscal year.

4. Basic Policy on Earnings Distribution and Dividends for the Fiscal Year ended March 31, 2022.

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

Specifically, the Company has adopted the payout ratio of approximately 50% and the DOE of approximately 2%, the both measures being calculated semiannually on a consolidated basis and the larger result of the calculation between the two measures being chosen.

Under this dividend policy, an interim dividend per share paid out of the Company's retained earnings to shareholders of record as of September 30, 2021 was 19yen (calculated on the basis of the payout ratio measure), and a final dividend per share payable to shareholders of record as of March 31, 2022 is to be 19yen (calculated on the basis of the DOE measure), thus an annual total dividend per share being 38yen.

II.State of Ichiyoshi Group

The Ichiyoshi group, consisting of Ichiyoshi Securities Co., Ltd. (the “Company”) and its four consolidated subsidiaries, is principally engaged in investment and financial services chiefly associated with financial instruments.

The Company is directly engaged in buying and selling of, and dealing in, securities (such buying and selling of, and dealing in, securities are called hereinafter as “securities transactions”), acting as agent or broker for securities transactions, underwriting and distributing publicly-offered or privately-placed securities and carrying out other securities-related businesses. Thus, the Company provides wide-ranging services matching varying needs of its customers relating to securities and investments.

In conjunction with the above-mentioned activities by the Company, the four consolidated subsidiaries perform their respective functions:

Ichiyoshi Research Institute Inc. undertakes research and data/information collection relating to small- and mid-cap growth companies and provides investment advices and agency services;

Ichiyoshi Asset Management Co., Ltd. provides management of investment trust funds, discretionary-investment and asset-management advices and services for institutional investors and investment trusts;

Ichiyoshi Business Service Co., Ltd. undertakes peripheral services for the Ichiyoshi group, provides real estate renting/broking/management services and agencies, deals in office supplies and goods and acts as agent for financial-instruments trading; and

Ichiyoshi IFA Co., Ltd. acts as agent for transactions of financial instruments.

List of Major Ichiyoshi Group Companies

Parent company: Ichiyoshi Securities Co., Ltd. — financial-instruments trading business

Consolidated subsidiaries:

Ichiyoshi Research Institute Inc. — information services, investment advices and agencies
(100.0% owned)

Ichiyoshi Asset Management Co., Ltd. — investment trust management, investment advisories and agencies
(100.0% owned)

Ichiyoshi Business Service Co., Ltd. — property renting/broking/management, sales of office supplies and financial-instruments trading agency.
(100.0% owned)

Ichiyoshi IFA Co., Ltd. — agent for transactions of financial instruments
(100% owned)

III. Management Policy

1. Basic Policy

The Company's management philosophy focuses on "Remaining a Firm of Customers' Trust and Choice." Under this philosophy, the Company aims to become a "Name-brand Boutique House in the Finance and Securities Industry" with the motto of "Becoming a Securities Company Like No Other in Japan." In its efforts for management policy realization, the Company intends to heighten the fairness and transparency of management along its credo (corporate philosophy) and to promote flexible and relevant decision-making, thereby maximizing earnings and corporate value while bolstering its corporate governance. Taking advantage of the company-with-committees system and its executive officer system, the Company aims to raise the promptitude and effectiveness of business executions and toughen its surveillance over business executions.

The Company's credo (corporate philosophy):

- Management philosophy: To remain a company of customers' trust and choice
- Management objective: Name-brand boutique house in finance and securities industry
- Action guidelines: Gratitude, Integrity, Courage, Responsiveness, Continuity and Long-Term Good Relation.

2. Triangular Pyramid Management

The Company is promoting "Triangular Pyramid Management" --- with the research division forming the base of the pyramid, and the retail, wholesale and support/products divisions forming their respective facets of the pyramid, and the pyramid itself is firmly supported by the headquarters' divisions and the subsidiaries. This management style is intended to maximize the capability of each division/subsidiary and enhance the co-working synergy of all the divisions/subsidiaries. This synergistic process will also raise the quality of the Company's products, information and customer services, thereby further satisfying the Company's retail customers' needs for asset-building and corporate customers' requirements.

3. "Decisive Action for Reform"-First Reformative Action in 20 years

The Company aims to build a "Name-brand Boutique House in Finance and Securities Industry" as its management object to realize its management philosophy based on "Ichiyoshi Credo."

Regarding "Customers' Assets under Custody" as a barometer of "Customers' Trust" and "Ichiyoshi's Basic Corporate Strength" and also as the management's overriding indicator, the Company intends to continue its efforts to expand customers' assets and realize its sustainable growth.

While the Company has long continued to provide services to customers with first priority placed on trust relationship with customers, the Company has decided to

carry out “Decisive Action for Reform,” the first reformative action in 20 years, in order to cope with fast-changing circumstances wracked by the novel corona-virus and to further advance its customer-focused operations.

“Decisive Action for Reform” aims to further promote the transfer to customer-focused “Stock-type Business Model” (asset-accumulation-type business model) by expanding “customers’ assets in custody,” an overriding management index.

In time with the “Decisive Action on Reform,” the Company has added one business principle of “Belief in provision of custom-made products for each customer,” in addition to the existing principles of “We do not deal in structured bonds,” “We do not solicit for foreign stocks,” “We do not sell products simply because they are popular,” etc. based on its “Ichiyoshi’s 7 Standards” ,which stresses the Company’s belief in “Not dealing in products unsuitable to customers.” Thus, the Company is engaged in proposing custom-made products matching needs of each individual customer.

[Ichiyoshi Basic Strategies for Growth]

- Execution of “Ichiyoshi Credo”

Management philosophy as basis for everlasting corporate growth.

- Expansion of Customers’ Assets

Customers’ assets in custody as most important indicator of management

Customers’ assets in custody as barometer of customers’ trust in Ichiyoshi
and barometer of Ichiyoshi’s underlying strength

- Continuous Improvement on Revenue-Cost Structure

Fostering of revenue-cost structure insusceptible to market fluctuations

“Stable revenue,” “Cost-coverage by revenue from other than stocks,”

“Promotion of investment into growth areas,” “Efficiency promotion, cost reduction, leaner head office.”

- Comprehensive Power of Ichiyoshi Group

“Triangular Pyramid Management”

“Specialization in small- and mi-cap growth stocks,” “Focus on high net-worth customers”

- Practical observance of compliance

Compliance is a source and power of competitiveness.

Up-graded compliance focused on customers

“Absoluteness of Compliance,” “Stress on compliance from client perspective”

- Cultivation of human resources

Growth lies in personnel.

“Up-grading of advisers,” “Nurturing of young-age advisers and potential managerial staff.” “Positive use and promotion of female personnel,” “Up-grading of professionalism of head office staff.”

- Setting up of “worker-friendly and worthwhile office”

Promotion of staff motivation

Company worthy of staying for willful workers

“Furtherance of communication vertically and horizontally,” “Review of personnel system and evaluation,” “Improvement on working environment,” “Review of working practices.”

4. Medium-Term Management Plan “Attack 3”

In order to carry out “Decisive Action for Reform,” the Company formulated its Medium-Term Management Plan “Attack 3” for the period from April 1, 2020 to March 31, 2023.

Under “Attack 3,” the Company aims to expand customers’ assets under custody to 3 trillion yen during the 3-year period. About 20 years ago, the Company changed its business model from “flow-based type” chiefly based on brokerage commissions to “asset-accumulation type” mainly based on fund management and trailer fees and wrap-account fees, for which the “cost-coverage ratio” is a main indicator of change in business model. The Company has now set a new target of 60% for the cost-coverage ratio.

The following are numerical targets in the Medium-Term Management Plan “Attack 3” as compared to their positions as of March 31, 2022:

Items	Targets	Positions
	(Final date: Mar. 31, 2023)	(As of Mar. 31, 2022)
Customers’ assets in custody	3 trillion yen	1.9517 trillion yen
Return on equity	Approx. 15%	8.6%
No. of lead-managed companies(cumulative)	80	64
Cost coverage ratio *	60%	52.8%

*= Ratio at which the sum of investment trust management and trailer fees and wrap-account fees covers operating cost and expenses.

5. Challenges to Be Tackled

As the governmental promotion of capital flow “From Savings to Investments” and then that of “From Savings to Asset-building” are being advocated against the backdrop of prolonged low-interest rates and 100-year life expectancy, securities companies in Japan are urged more than ever to develop customer-based businesses. The Company believes that the novel corona virus which started to rage since last year will further facilitate changes in circumstances surrounding the securities industry.

The Company has long provided customers with products and services prioritizing the relationship of trust with customers under “Ichiyoshi” Credo. In order to quickly cope with corona-virus-stained changes in circumstances surrounding the securities industry, the Company has embarked on its “Decisive Action for Reform” since 2020 to

further promote the “asset-accumulation type” business model with customer-first attitude.

Thus, as part of “Decisive Action on Reform,” the Company rejuvenated and streamlined its management staff, abolished the conventional system of regional advisors headquarters and adopted the system of each branch-led sales operations. Thus, without providing country-wide uniform sales policies supplied by headquarters staff, branches now can use their discretion and idea to meet needs of customers in their own communities, which will further advance customer-focused relationship.

For the past 20 years, the Company has observed its “Ichiyoshi Standards” consisting of 7 principles which stress the Company’s attitude of not dealing in products unsuitable to customers, such as complex risk-return combined products difficult to understand and moved from “Flow-type Business Model” chiefly based on stock brokerage commissions to “Asset-accumulation-type Business Model” mainly based on investment trust fund management and trailer fees. “Decisive Action for Reform” aims to expand customers’ assets in custody, an overriding management index, under the Medium-Term Management Plan “Attack 3” and further advance the transfer to “Asset-accumulation-Type Business Model. As stated hereinbefore, the Company has adopted another principle of “Belief in provision of custom-made products for each customer” to “Ichiyoshi Standards” and as another item of what it should do for customers.

Also as part of its reform, the Company has decided to discontinue its underwriting business which has been underperforming and losing its relative weight toward December 2022 and further concentrate on advisories on asset management and investment.

In order to further advance customers’ convenience, the Company has been sub-dividing its inner-city offices in Tokyo metropolitan areas in the form of planet-plazas. The Company will continue to enhance its branch network so that the network will become more friendly and accessible to customers.

The Company has for some time has regarded employees’ working condition and environment, personnel system and human resource development as its important challenges to be tackled. Thus, the Company has positioned “human resource reinforcement and development” and “worker-friendly and worthwhile offices” as part of “Decisive Action for Reform” and will take concrete measure for further promotion thereof.

The Company believes that it has climbed to the 6th station of the mountain of “Decisive Action for Reform” in terms of building a “Name-brand Boutique House in Finance and Securities Industry.” The Company will continue its climbing to the top of the mountain by taking advantage of the group’s capabilities (namely, the advice capability of Ichiyoshi Securities, the research capability of Ichiyoshi Research Institute and the asset management capability of Ichiyoshi Asset Management) and compliance capability (which leads to customers’ satisfaction), and expanding customers’ assets in custody as part of basic strategy under the Medium-Term Management Plan.

VI. Basic Policy on Choice of Accounting Standards

The Company and its group companies prepare financial statements in compliance with generally-accepted accounting standards in Japan. The Company has no plan to consider applying IFRS (International Financial Reporting Standards).

V. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(in millions of yen)

	As of March 31 2021	As of March 31 2022
Assets		
Current assets		
Cash and deposits	16,196	16,714
Segregated deposits	7,799	8,890
Trading products	112	23
Trading securities and other	112	23
Derivatives	-	0
Margin transaction assets	13,309	10,114
Margin loans	13,099	9,919
Cash collateral provided for securities borrowed in margin transactions	209	195
Loans secured by securities	2	-
Cash collateral provided for securities borrowed	2	-
Advances paid	93	68
Deposits paid for underwritten offering, etc.	2,423	3,305
Short-term loans receivable	0	3
Securities	1,000	1,000
Accrued revenue	1,745	1,766
Other current assets	193	121
Allowance for doubtful accounts	△3	△3
Total current assets	42,873	42,003
Non-current assets		
Property, plant and equipment	3,068	3,162
Buildings, net	1,069	1,192
Equipment	662	619
Land	1,333	1,333
Leased assets, net	3	16
Intangible assets	691	528
Software	688	527
Other	2	1
Investments and other assets	2,578	2,239
Investment securities	1,011	871
Long-term loans receivable	19	25
Long-term guarantee deposits	978	914
Retirement benefit asset	363	339
Deferred tax assets	198	91
Other	86	78
Allowance for doubtful accounts	△79	△79
Total non-current assets	6,338	5,931
Total assets	49,211	47,935
Liabilities		
Current liabilities		
Trading products	0	-
Derivatives	0	-
Trade date accrual	25	7
Margin transaction liabilities	6,233	3,144
Margin borrowings	5,791	2,869
Cash received for securities sold in margin transactions	442	275
Borrowings secured by securities	130	221
Cash collateral received for securities lent	130	221
Deposits received	10,169	9,296
Guarantee deposits received	1,022	2,408
Short-term borrowings	213	230
Lease liabilities	1	4
Income taxes payable	157	706
Provision for bonuses	518	390
Other current liabilities	1,250	1,106
Total current liabilities	19,724	17,516
Non-current liabilities		
Long-term borrowings	146	126
Lease liabilities	1	11
Deferred tax liabilities for land revaluation	7	7
Other noncurrent liabilities	40	37
Total non-current liabilities	197	183
Reserves under special laws		
Reserve for financial instruments transaction liabilities	181	170
Total reserves under special laws	181	170
Total liabilities	20,103	17,870
Net assets		
Shareholders' equity		
Share capital	14,577	14,577
Capital surplus	6,885	6,885
Retained earnings	12,516	13,670
Treasury shares	△4,098	△4,098
Total shareholders' equity	29,881	31,035
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	85	43
Revaluation reserve for land	△1,125	△1,125
Remeasurements of defined benefit plans	189	89
Total accumulated other comprehensive income	△851	△992
Share acquisition rights	78	22
Total net assets	29,108	30,064
Total liabilities and net assets	49,211	47,935

(2) Consolidated Income Statements and Comprehensive Income Statements

Consolidated Income Statements

(in millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Operating revenue		
Commission received	17,608	18,986
Brokerage commission	6,182	5,486
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	496	591
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	3,554	3,832
Other commission received	7,374	9,076
Net trading income	310	161
Financial revenue	206	216
Other operating revenue	144	227
Total operating revenue	18,270	19,591
Financial expenses	70	38
Net operating revenue	18,200	19,553
Selling, general and administrative expenses		
Trading related expenses	1,532	1,390
Personnel expenses	9,224	8,709
Real estate expenses	2,417	2,371
Office expenses	2,290	2,234
Depreciation	528	544
Taxes and dues	274	292
Other	668	688
Total selling, general and administrative expenses	16,935	16,232
Operating profit	1,264	3,321
Non-operating income		
Dividends from investment securities	17	18
Gain on investments in investment partnerships	4	66
Insurance claim and dividend income	23	16
Other	16	29
Total non-operating income	62	131
Non-operating expenses		
Loss on investments in investment partnerships	22	6
Loss on cancellation of leases	-	1
Other	3	2
Total non-operating expenses	26	9
Ordinary profit	1,300	3,443
Extraordinary income		
Gain on sale of investment securities	93	85
Gain on sale of non-current assets	0	-
Gain on reversal of share acquisition rights	10	65
Reversal of reserve for financial instruments transaction liabilities	29	11
Total extraordinary income	134	162
Extraordinary losses		
Loss on retirement of non-current assets	4	0
Loss on sale of non-current assets	-	5
Loss on sale of investment securities	0	5
Loss on valuation of investment securities	-	13
Loss on valuation of golf club membership	9	-
Settlement payments	0	-
Impairment losses	106	-
Total extraordinary losses	121	24
Profit before income taxes	1,313	3,581
Income taxes - current	280	901
Income taxes - deferred	32	154
Total income taxes	312	1,055
Profit	1,001	2,526
Profit attributable to owners of parent	1,001	2,526

Comprehensive Income Statements

(in millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	1,001	2,526
Other comprehensive income		
Valuation difference on available-for-sale securities	128	△41
Remeasurements of defined benefit plans, net of tax	274	△100
Total other comprehensive income	403	△141
Comprehensive income	1,405	2,384
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,405	2,384

(3) Consolidated Statement of changes in equity

for the fiscal year ended March 31, 2021

(in millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,577	6,907	12,631	△4,167	29,948
Changes during period					
Dividends of surplus			△1,115		△1,115
Profit attributable to owners of parent			1,001		1,001
Purchase of treasury shares				△0	△0
Disposal of treasury shares		△22		69	46
Net changes in items other than shareholders' equity					
Total changes during period	—	△22	△114	68	△67
Balance at end of period	14,577	6,885	12,516	△4,098	29,881

	Total accumulated other comprehensive income			
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance at beginning of period	△43	△1,125	△85	△1,254
Changes during period				
Dividends of surplus				
Profit attributable to owners of parent				
Purchase of treasury shares				
Disposal of treasury shares				
Net changes in items other than shareholders' equity	128	—	274	403
Total changes during period	128	—	274	403
Balance at end of period	85	△1,125	189	△851

	Share acquisition rights	Total net assets
Balance at beginning of period	78	28,772
Changes during period		
Dividends of surplus		△1,115
Profit attributable to owners of parent		1,001
Purchase of treasury shares		△0
Disposal of treasury shares		46
Net changes in items other than shareholders' equity	△0	403
Total changes during period	△0	335
Balance at end of period	78	29,108

for the fiscal year ended March 31, 2022

(in millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,577	6,885	12,516	△4,098	29,881
Changes during period					
Dividends of surplus			△1,371		△1,371
Profit attributable to owners of parent			2,526		2,526
Purchase of treasury shares				△0	△0
Disposal of treasury shares					—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	1,154	△0	1,154
Balance at end of period	14,577	6,885	13,670	△4,098	31,035

	Total accumulated other comprehensive income			
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance at beginning of period	85	△1,125	189	△851
Changes during period				
Dividends of surplus				
Profit attributable to owners of parent				
Purchase of treasury shares				
Disposal of treasury shares				
Net changes in items other than shareholders' equity	△41	—	△100	△141
Total changes during period	△41	—	△100	△141
Balance at end of period	43	△1,125	89	△992

	Share acquisition rights	Total net assets
Balance at beginning of period	78	29,108
Changes during period		
Dividends of surplus		△1,371
Profit attributable to owners of parent		2,526
Purchase of treasury shares		△0
Disposal of treasury shares		—
Net changes in items other than shareholders' equity	△55	△197
Total changes during period	△55	956
Balance at end of period	22	30,064

(4) Consolidated Cash Flow Statements

(in millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	1,313	3,581
Depreciation	528	544
Increase (decrease) in provision for bonuses	△136	△127
Decrease (increase) in retirement benefit asset	△363	23
Increase (decrease) in retirement benefit liability	△62	-
Increase (decrease) in allowance for doubtful accounts	0	△0
Interest and dividend income	△39	△31
Interest expenses	7	3
Impairment losses	106	-
Loss (gain) on sale of investment securities	△93	△79
Loss (gain) on valuation of investment securities	-	13
Loss (gain) on sale of non-current assets	△0	5
Loss on retirement of non-current assets	4	0
Loss on valuation of golf club membership	9	-
Settlement payments	0	-
Gain on reversal of share acquisition rights	△10	△65
Increase (decrease) in reserve for financial instruments transaction liabilities	△29	△11
Decrease (increase) in cash segregated as deposits for customers	△80	△1,090
Increase (decrease) in deposits and guarantee deposits received	1,855	513
Decrease (increase) in short-term loans receivable	2	△2
Decrease (increase) in trading products - assets (liabilities)	45	89
Decrease/increase in margin transaction assets/liabilities	△104	105
Decrease (increase) in deposits paid for underwritten offering, etc.	1,303	△882
Other, net	799	△223
Subtotal	5,057	2,365
Interest and dividends received	39	31
Interest paid	△7	△3
Income taxes paid	△228	△300
Net cash provided by (used in) operating activities	4,860	2,092
Cash flows from investing activities		
Purchase of property, plant and equipment	△212	△373
Proceeds from sale of property, plant and equipment	6	0
Purchase of intangible assets	△230	△66
Purchase of investment securities	△66	△68
Proceeds from sale of investment securities	443	291
Long-term loan advances	△8	△20
Proceeds from collection of long-term loans receivable	22	14
Other, net	0	52
Net cash provided by (used in) investing activities	△44	△169
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	△6	-
Repayments of long-term borrowings	-	△3
Repayments of lease liabilities	△4	△3
Purchase of treasury shares	△0	△0
Proceeds from sale of treasury shares	0	-
Dividends paid	△1,112	△1,368
Net cash provided by (used in) financing activities	△1,123	△1,375
Effect of exchange rate change on cash and cash equivalents	5	0
Net increase (decrease) in cash and cash equivalents	3,697	547
Cash and cash equivalents at beginning of period	12,647	16,345
Cash and cash equivalents at end of period	16,345	16,892

(5) Notes to Consolidated Financial Statements

(There is no note to premises for continuing business.)

(Changes to accounting policies)

(Application of accounting standards concerning revenue recognition)

“Accounting Standards Concerning Revenue Recognition” (Corporate Accounting Standards No.29, dated March 31, 2020) has been applied effective from the beginning of the first quarter of fiscal 2021. Accordingly, at the time when the control of promised goods or services has been transferred to a customer, an amount receivable as compensation for such transfer of goods or services is recognized as revenue.

Thus, with respect to transactions on goods or services which the Company has carried out as agent, a net amount of compensation, after deduction of a payment to a third party, is recognized as revenue while previously a whole amount of compensation was recognized as revenue. Figures relating to figures for fiscal 2020 are also retroactively adjusted in principle in accordance with the new accounting standards.

As a result, other operating revenue and other operating expenses in fiscal 2020 decreased respectively by the amount of 1,476 million yen as compared with when the new accounting standards were not applied. There is no change to income figures mentioned below net operating revenue in the consolidated income statements.

(Application of accounting standards concerning computation of market prices)

“Accounting Standards Concerning Computation of Market Prices” (Corporate Accounting Standards No. 30, dated July 7, 2019) has been adopted effective from the beginning of the first quarter of fiscal 2021. Following the transitional application of Item 19 of the Accounting Standards Concerning Computation of Market Price and Article 44-2 of Accounting Standards Concerning Financial Products (Corporate Accounting Standards No. 10, dated July 4, 2019), the Company hereafter applies new accounting policies as defined by Accounting Standards Concerning Market Prices. These application have no effect on the consolidated financial statements.

(Segment Information)

1. Segment information

(For the fiscal year ended March 31, 2022)

Since the Company and its group companies are engaged in one single segment of business defined as “investment and financial services”, the description of segment information is omitted.

2. Related information

(For the fiscal year ended March 31, 2022)

(1) Information by product and service:

Since investment and financial services defined as one single segment accounted for more than 90% of operating revenue on the consolidated income statement, the description of information by product and service is omitted.

(2) Information by area:

(a) Operating revenue:

Since operating revenue derived from domestic customers accounted for more than 90% of operating revenue on the consolidated income statement, the description of operating revenue by area is omitted.

(b) Tangible fixed assets:

Since there is no tangible fixed asset outside Japan, the description of tangible fixed assets by area is omitted.

(c) Information by main customers:

Since there is no customer who accounts for more than 10% of operating revenue, the description of main customers is omitted.

(3) Information on impairment loss on tangible fixed asset by described segment:

For the fiscal year ended March 31, 2022 (From April 1, 2021 to March 31, 2022):

Since the Company and its group companies are engaged in one single segment of business defined as "investment and financial services," the description of impairment loss on tangible asset by segment is omitted.

(4) Information on amortized amount or unamortized balance of goodwill by described segment:

For the fiscal year ended March 31, 2022 (From April 1, 2021 to March 31, 2022):

Since the Company and its group companies are engaged in one single segment of business defined as "investment and financial services," the description of amortized amount or unamortized balance of goodwill by segment is omitted.

(5) Information on gains from negative goodwill by described segment:

For the fiscal year ended March 31, 2022 (From April 1, 2021, to March 31, 2022):

Since the Company and its group companies are engaged in one single segment of business defined as "investment and financial services," the description of gains from negative goodwill by segment is omitted.

[Per-share Data on a consolidated basis]

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Per-share net assets	804.07yen	832.12yen
Per-share net income	27.79yen	69.97yen
Per-share net income on a diluted basis (adjusted for shares potentially)	27.79yen	69.72yen

Notes: (1) Bases for computation of per-share net income on non-diluted and diluted basis are as follows:

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Per-share net income:		
Net income attributable to owners of parent	1,001 million yen	2,526 million yen
Amount not attributable to common shareholders	—	—
Net income related to common shares attributable to owners of parent	1,001 million yen	2,526 million yen
Average no. of outstanding common shares during the fiscal year	36,037 thousand	36,103 thousand
Per-share net income on a diluted basis (adjusted for potentially issuable shares):		
Adjusted amount of net income attributable to owners of parent	—	—
No. of common shares increased during the fiscal year	3 thousand	128 thousand
(of which issued upon exercise of stock options)	(3 thousand)	(128 thousand)
Contents of potentially-issuable shares having no diluting effect and thus not included in computation of per-share income on a diluted basis	Stock option-based equity warrants: (1) No of warrants:3,718; No. of shares issuable: 371,800 shares (resolved on May. 17, 2016) (2) No. of warrants:229; No. of shares issuable: 22,900 shares (resolved on Apr. 27, 2018)	Stock option-based equity warrants: (2) No. of warrants:199; No. of shares issuable: 19,900 shares (resolved on Apr. 27, 2018)

Note (2): Basis for computation of per-share net assets is as follows:

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net assets	29,108 million yen	30,064 million yen
Deductions from net assets	78 million yen	22 million yen
(of which due to stock options)	(78 million yen)	(22 million yen)
Net assets related to common shares as of the end of fiscal year	29,030 million yen	30,042 million yen
No. of common shares as of the end of fiscal year used for computation of per-share net assets	36,103 thousand	36,103 thousand

(Subsequent Material Events after March 31, 2022): None

(END)

III. Supplementary Information for the Fiscal Year ended March 31, 2022

(in millions of yen with fractions less than a million yen rounded down)

1. Commission received

(1) Commissions by sources

	Fiscal year ended		year-on-year change
	March 31, 2021	March 31, 2022	
Brokerage commission	6,182	5,486	△11.3 %
(Stocks)	(6,026)	(5,318)	(△11.8)
(Beneficiary certificates)	(155)	(168)	(8.2)
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	496	591	19.0
(Stocks)	(496)	(591)	(19.0)
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	3,554	3,832	7.8
(Beneficiary certificates)	(3,442)	(3,784)	(10.0)
Other commission received	7,374	9,076	23.1
(Beneficiary certificates*)	(6,680)	(8,564)	(28.2)
Total	17,608	18,986	7.8

*Breakdown of Beneficiary certificates

	Fiscal year ended		year-on-year change
	March 31, 2021	March 31, 2022	
Trailer fees relating to balances of funds	3,625	4,133	14.0 %
Trust fees for fund management	1,316	1,830	39.0
Fees from wrap-accounts	1,738	2,599	49.5
Total	6,680	8,564	28.2

(2) Commissions by products

	Fiscal year ended		year-on-year change
	March 31, 2021	March 31, 2022	
Stocks	6,551	5,936	△9.4 %
Bonds	112	47	△57.7
Beneficiary certificates	10,278	12,517	21.8
Others	665	485	△27.0
Total	17,608	18,986	7.8

2. Net trading income

	Fiscal year ended		year-on-year change
	March 31, 2021	March 31, 2022	
Stocks, etc.	171	140	△18.4 %
Bonds, foreign exchange, etc.	138	21	△84.6
(Bonds, etc.)	(24)	(7)	(△68.4)
(Foreign exchange, etc.)	(114)	(13)	(△88.1)
Total	310	161	△48.0

3. Quarterly Consolidated Income Statements for Recent Eight Quarters

(in millions of yen)

	1st Q (4-6/'20)	2nd Q (7-9/'20)	3rd Q (10-12/'20)	4th Q (1-3/'21)	1st Q (4-6/'21)	2nd Q (7-9/'21)	3rd Q (10-12/'21)	4th Q (1-3/'22)
Operating revenue	3,811	4,244	4,823	5,391	5,164	4,956	5,223	4,247
Commission received	3,689	4,136	4,639	5,142	5,004	4,799	5,045	4,137
Net trading income	28	24	98	159	28	48	77	7
Financial revenue	49	54	51	51	57	58	50	49
Other operating revenue	43	28	34	37	73	50	50	53
Financial expenses	18	20	15	16	12	11	4	9
Net operating revenue	3,792	4,223	4,808	5,375	5,151	4,945	5,218	4,238
Selling, general and administrative expenses	4,174	4,223	4,272	4,266	4,268	3,991	4,085	3,886
Trading related expenses	431	388	368	343	372	293	377	347
Personnel expenses	2,231	2,322	2,348	2,321	2,259	2,208	2,211	2,030
Real estate expenses	586	599	591	638	637	585	572	575
Office expenses	547	554	600	588	586	535	555	556
Depreciation	130	131	132	132	161	125	126	130
Taxes and dues	62	67	69	75	73	76	75	67
Provision of allowance for doubtful accounts	—	—	0	0	0	Δ0	0	0
Other	184	158	159	165	177	167	165	178
Operating profit	Δ381	0	535	1,108	882	953	1,133	351
Non-operating income	17	4	32	7	55	35	17	23
Non-operating expenses	1	17	1	5	0	3	0	4
Ordinary profit	Δ365	Δ12	566	1,111	937	985	1,150	369
Extraordinary income	105	1	23	3	154	0	7	0
Extraordinary losses	2	2	35	80	18	5	0	0
Profit before income taxes	Δ261	Δ12	554	1,034	1,073	979	1,158	370
Income taxes - current	21	25	23	209	99	351	264	186
Income taxes - deferred	117	Δ96	76	Δ64	189	Δ87	111	Δ59
Profit	Δ401	58	454	889	785	715	782	242
Profit attributable to owners of parent	Δ401	58	454	889	785	715	782	242

(END)