

IR Presentation for First quarter, year ending March 2022



Ichiyoshi Securities Co., Ltd.

July, 2021

I : Business Result (Consolidated)

※ Effective as from the first quarter of fiscal 2021, the "Accounting Standards Concerning Revenue Recognition" (Corporate Accounting Standards No.29 dated March 31, 2020) and others have been applied.
Hence, formerly disclosed figures of "operating revenue" are retroactively adjusted in accordance with the said accounting standards.

- ◆ Operating revenue amounted to 5,164 million yen, an increase of 1,352 million yen (up 35.5%) from the year-earlier period.
- ◆ Current income amounted to 937 million yen, an increase of 1,302 million yen from the year-earlier period.
- ◆ Net income attributable to owners of parent amounted to 785 million yen, an increase of 1,186 million yen from the year-earlier period.

	(JPY mil.)				(JPY mil.)				
	FY 2020 1Q	FY 2021 1Q	Year-on- year (%)	Year-on- year	FY 2020				FY 2021
					1Q	2Q	3Q	4Q	1Q
Operating revenue	3,811	5,164	35.5%	1,352	3,811	4,244	4,823	5,391	5,164
Net operating revenue	3,792	5,151	35.8%	1,358	3,792	4,223	4,808	5,375	5,151
Operating cost & expenses	4,174	4,268	2.3%	94	4,174	4,223	4,272	4,266	4,268
Operating income	-381	882	—	1,264	-381	0	535	1,108	882
Current income	-365	937	—	1,302	-365	-12	566	1,111	937
Extraordinary income & loss	103	136	31.9%	32	103	-0	-12	-77	136
Income taxes	139	288	107.0%	149	139	-71	99	144	288
Net income attributable to owners of parent	-401	785	—	1,186	-401	58	454	889	785

2. Breakdown of Net Operating Revenue

◆ Commissions amounted to 5,004 million yen, an increase of 1,315 million yen (up 35.7%) from the year-earlier period, mainly increased in brokerage commissions.

	(JPY mil.)				(JPY mil.)				
	FY 2020 1Q	FY 2021 1Q	Year-on- year (%)	Year-on- year	FY 2020				FY 2021
					1Q	2Q	3Q	4Q	1Q
Commissions	3,689	5,004	35.7%	1,315	3,689	4,136	4,639	5,142	5,004
Gains on trading	28	28	-1.1%	-0	28	24	98	159	28
Other operating balance	43	73	66.5%	29	43	28	34	37	73
Interest & dividend income	31	44	43.1%	13	31	34	35	35	44
Total	3,792	5,151	35.8%	1,358	3,792	4,223	4,808	5,375	5,151

3. Breakdown of Commission Revenue

- ◆ Brokerage commissions on stocks amounted to 1,410 million yen, an increase of 150 million yen (up 11.9%) from the year-earlier period. Commissions from distribution of investment trusts amounted to 1,064 million yen, an increase of 410 million yen (up 62.7%) from the year-earlier period. Commissions from other sources (mainly trailer fees on investment trusts) amounted to 2,137 million yen, an increase of 669 million yen (up 45.6%) from the year-earlier period.
- ◆ Commissions from underwriting amounted to 212 million yen, an increase of 206 million yen from the year-earlier period, as the Company participated in the management and underwriting of 10 initial public offerings (of which 2 was lead-managed).

	(JPY mil.)			
	FY 2020 1Q	FY 2021 1Q	Year-on-year (%)	Year-on-year
Commissions	3,689	5,004	35.7%	1,315
Brokerage (Major item)				
Stocks	1,260	1,410	11.9%	150
Distribution (Major item)				
Investment trusts	654	1,064	62.7%	410
Underwriting (Major items)				
IPO	4	211	—	207
PO	1	0	-62.0%	-1
Total	5	212	—	206
Commissions from other sources (Major items)				
Investment trusts (trailer fees, etc.)	1,467	2,137	45.6%	669
Other than investment trusts	129	132	2.1%	2
Total	1,596	2,269	42.1%	672
<Reference>				
	(JPY 100 mil.)			
Fund distribution	496	612	23.4%	116

* Including wrap-account fund sales

					(JPY mil.)
FY 2020				FY 2021	
1Q	2Q	3Q	4Q	1Q	
3,689	4,136	4,639	5,142	5,004	
1,260	1,353	1,678	1,734	1,410	
654	771	964	1,051	1,064	
4	155	91	128	211	
1	76	10	28	0	
5	231	102	156	212	
1,467	1,593	1,722	1,897	2,137	
129	161	135	266	132	
1,596	1,755	1,858	2,163	2,269	

4. Breakdown of Gains or loss on Trading

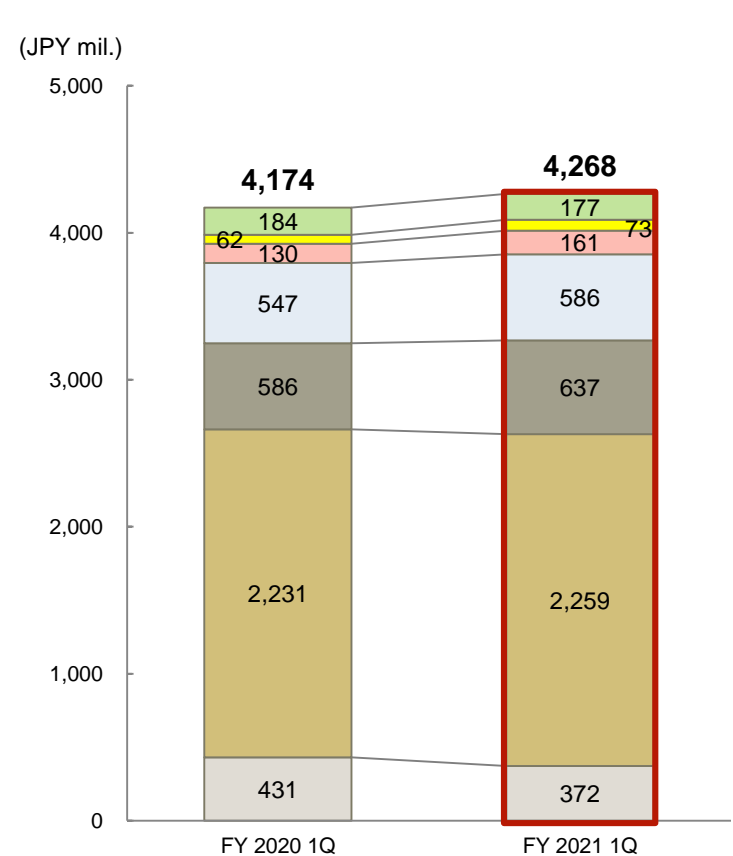
◆ Net gains on trading amounted to 28 million yen, a decrease of 1.1% from the year-earlier period.

	(JPY mil.)				(JPY mil.)				
	FY 2020 1Q	FY 2021 1Q	Year-on- year (%)	Year-on- year	FY 2020				FY 2021
					1Q	2Q	3Q	4Q	1Q
Stocks, etc.	17	25	49.2%	8	17	15	76	62	25
Bonds • Forex, etc.	11	2	-79.3%	-8	11	9	22	96	2
(Bonds, etc.)	(7)	(1)	-76.8%	-5	(7)	(4)	(6)	(5)	(1)
(Forex, etc.)	(3)	(0)	-84.3%	-3	(3)	(4)	(15)	(91)	(0)
Total	28	28	-1.1%	-0	28	24	98	159	28

5. Operating Cost and Expenses

- ◆ Operating cost and expenses amounted to 4,268 million yen, an increase of 94 million yen (up 2.3%) from the year-earlier period, mainly increased in property related expenses.

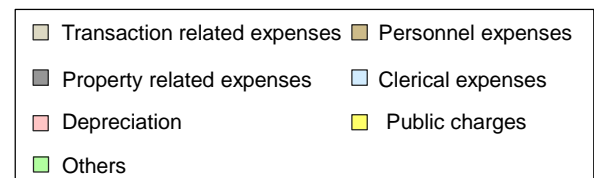
	FY 2020 1Q	FY 2021 1Q	Year-on- year (%)	Year-on- year
Transaction related expenses	431	372	-13.8%	-59
Personnel expenses	2,231	2,259	1.2%	27
Property related expenses	586	637	8.7%	50
Clerical expense	547	586	7.2%	39
Depreciation	130	161	23.6%	30
Public charges	62	73	18.1%	11
Provision of allowance for doubtful accounts	—	0	—	0
Others	184	177	-3.7%	-6
Total	4,174	4,268	2.3%	94



<Reference> FY 2021 1Q fixed cost and variable cost (non-consolidated basis)

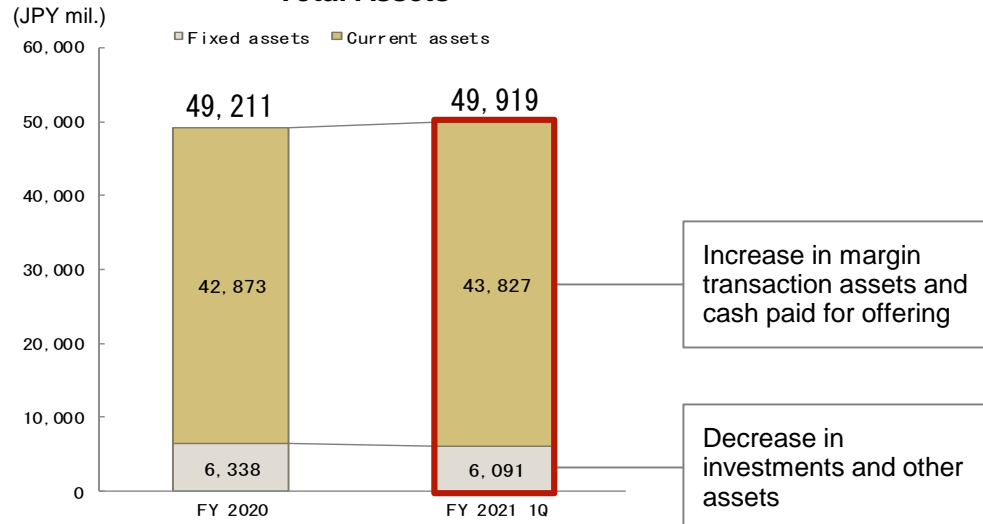
Fixed cost	3,189
Variable cost	863

(JPY mil.)

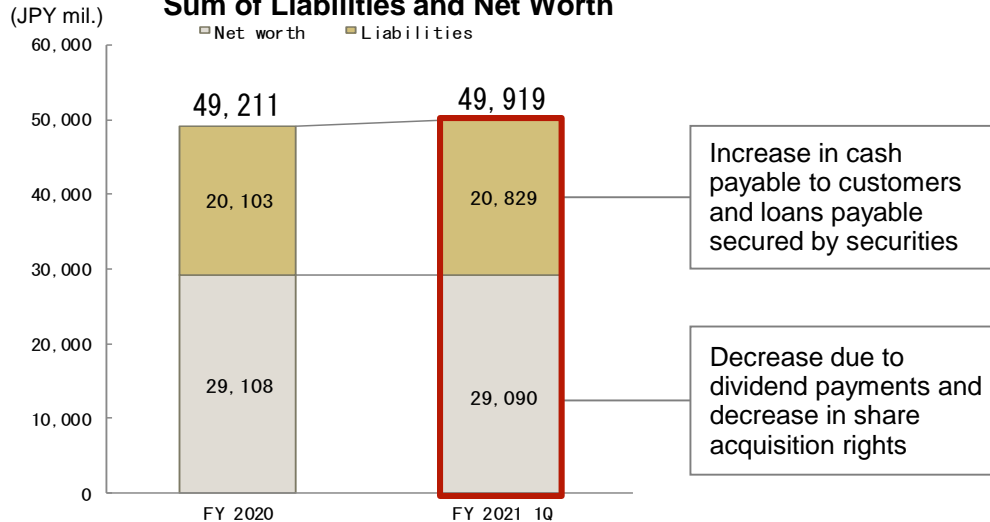


Balance Sheets

Total Assets



Sum of Liabilities and Net Worth



Financial Result

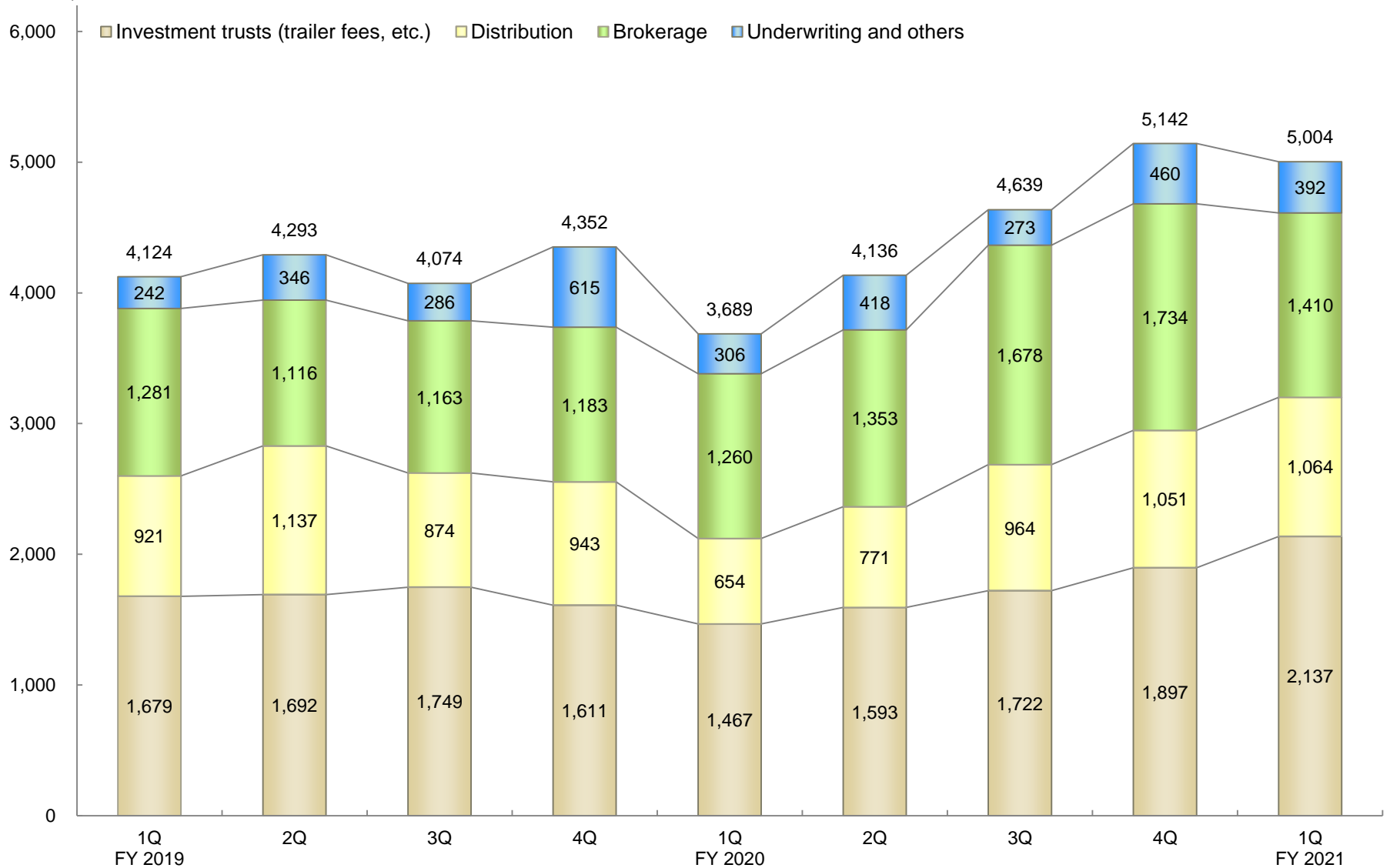
	FY 2021 1Q	Change from FY 2020 end.
Equity ratio (%)	58.2	-0.8
Net worth per share (JPY)	805.30	1.23
Capital adequacy ratio (non-consolidated basis) (%)	483.1	33.0

	FY 2021 1Q	Year-on-year
EPS (JPY)	21.75	32.90
ROE (%)	2.7	—

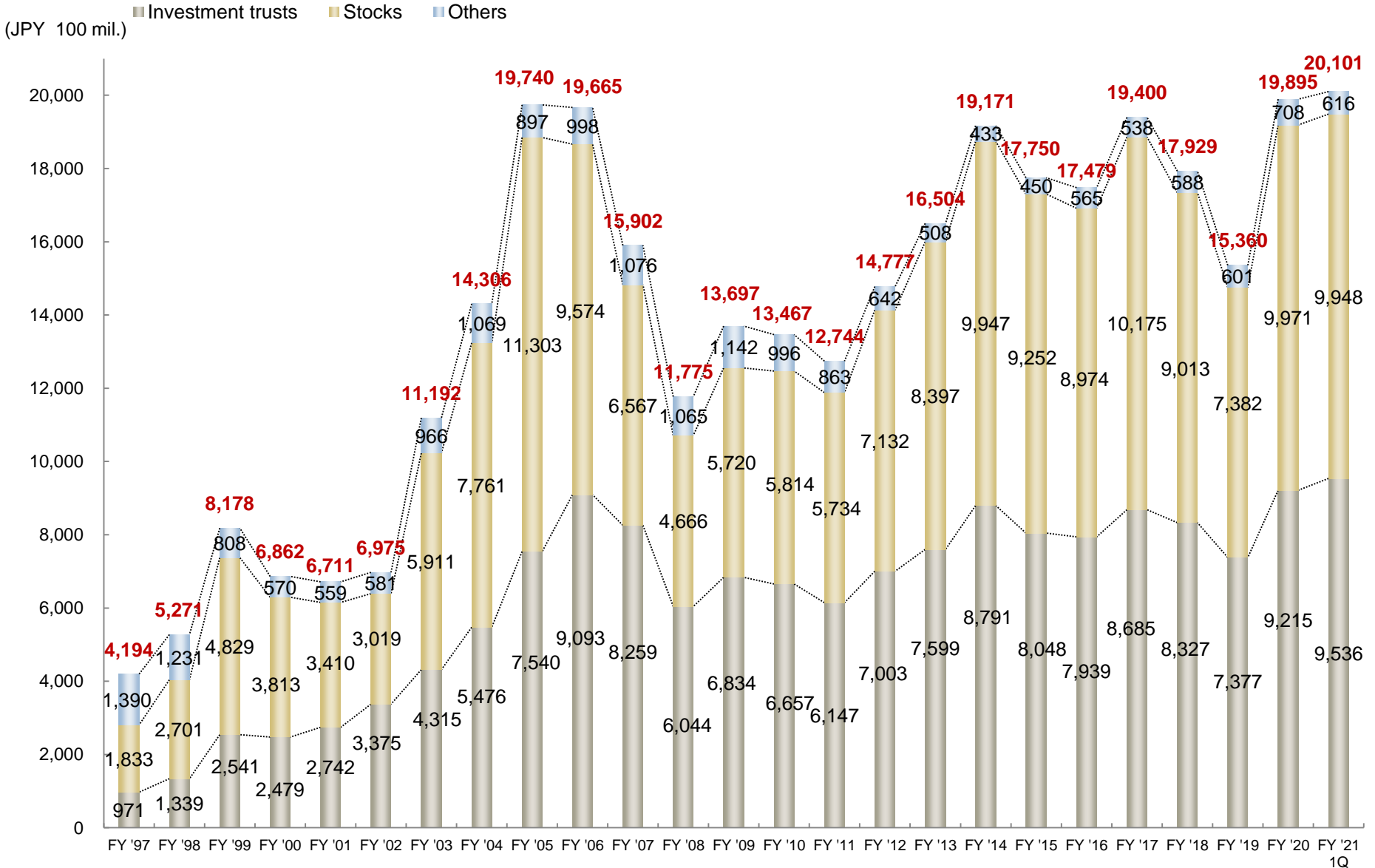
II : Business Circumstances

1. Commission Revenue

(JPY mil.)



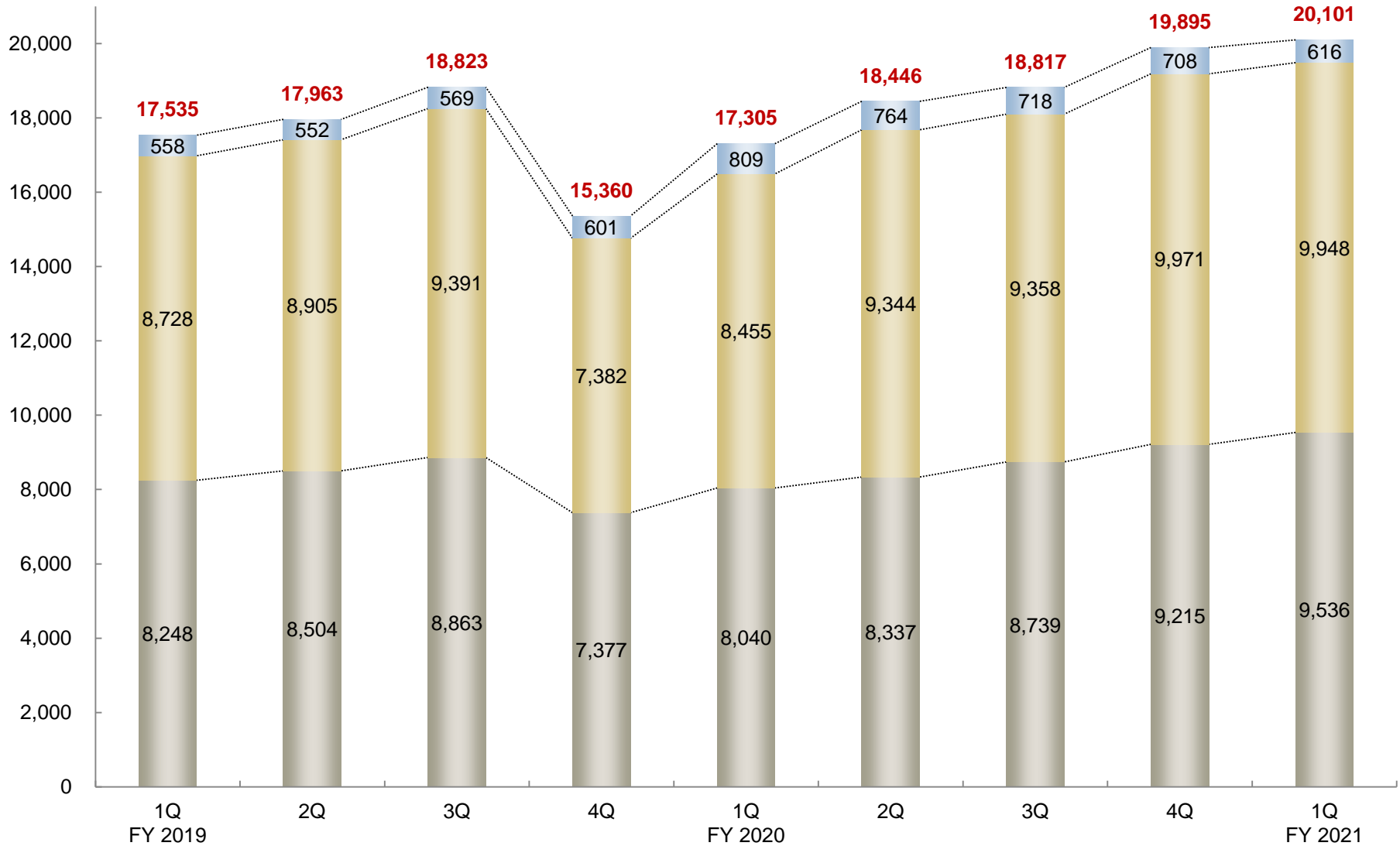
2. Customer Assets in Custody



3. Quarterly Customer Assets in Custody

(JPY 100 mil.)

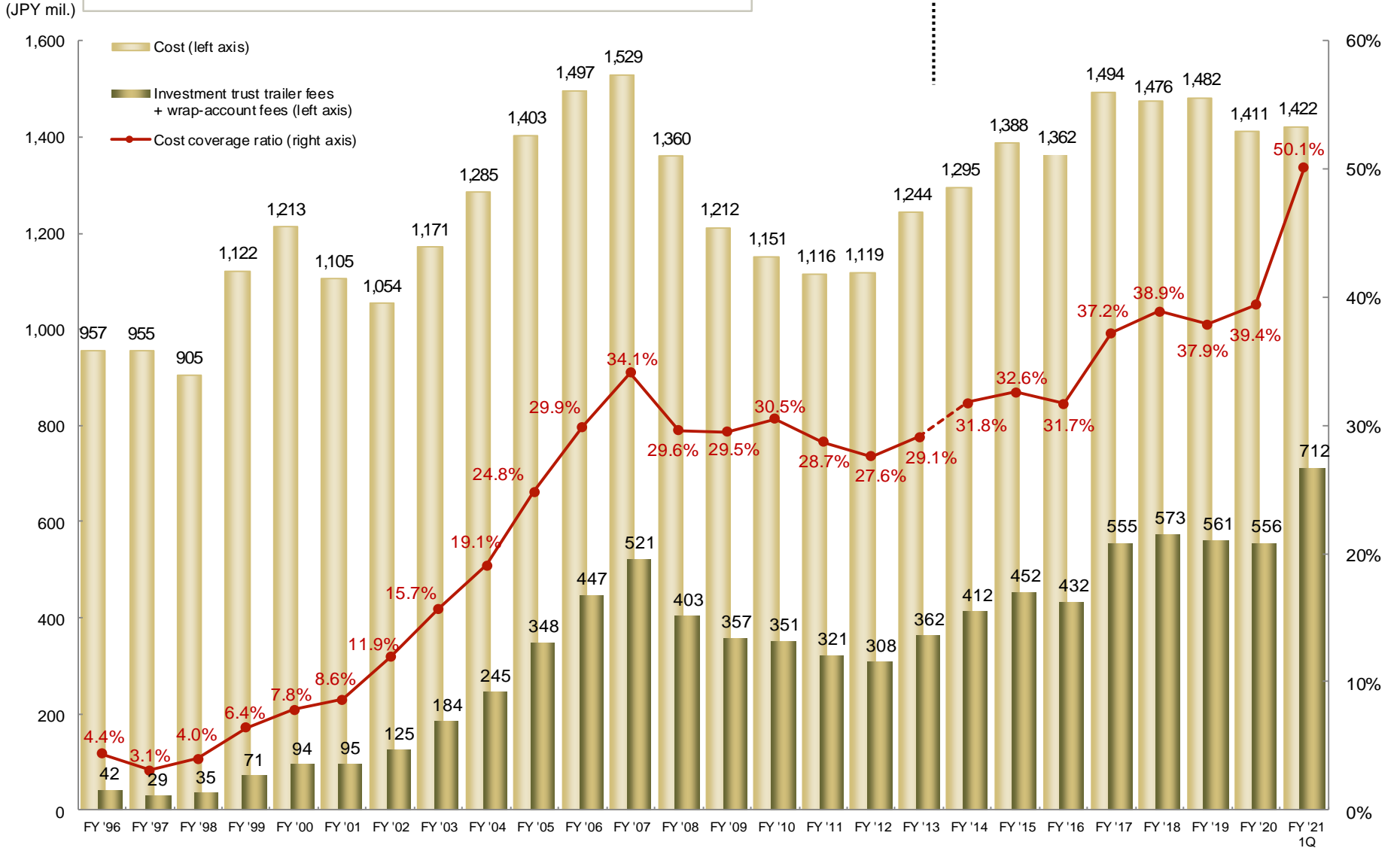
■ Investment trusts ■ Stocks ■ Others



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

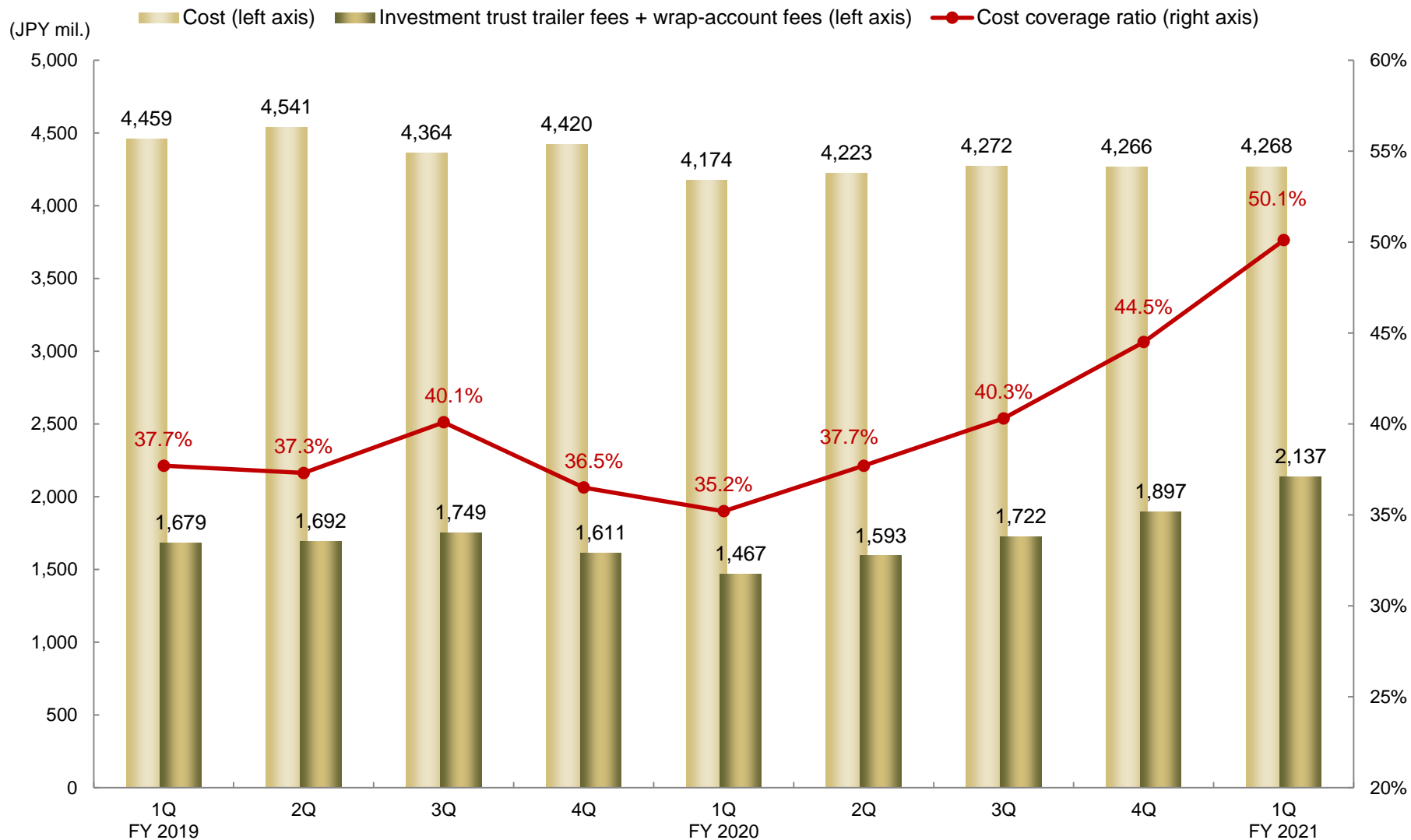
Note: Cost coverage ratio = $\frac{\text{Investment trust trailer fees} + \text{wrap-account fees}}{\text{Cost (operating cost \& expenses)}} \times 100 (\%)$

Parent company basis ← → Consolidated basis



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

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

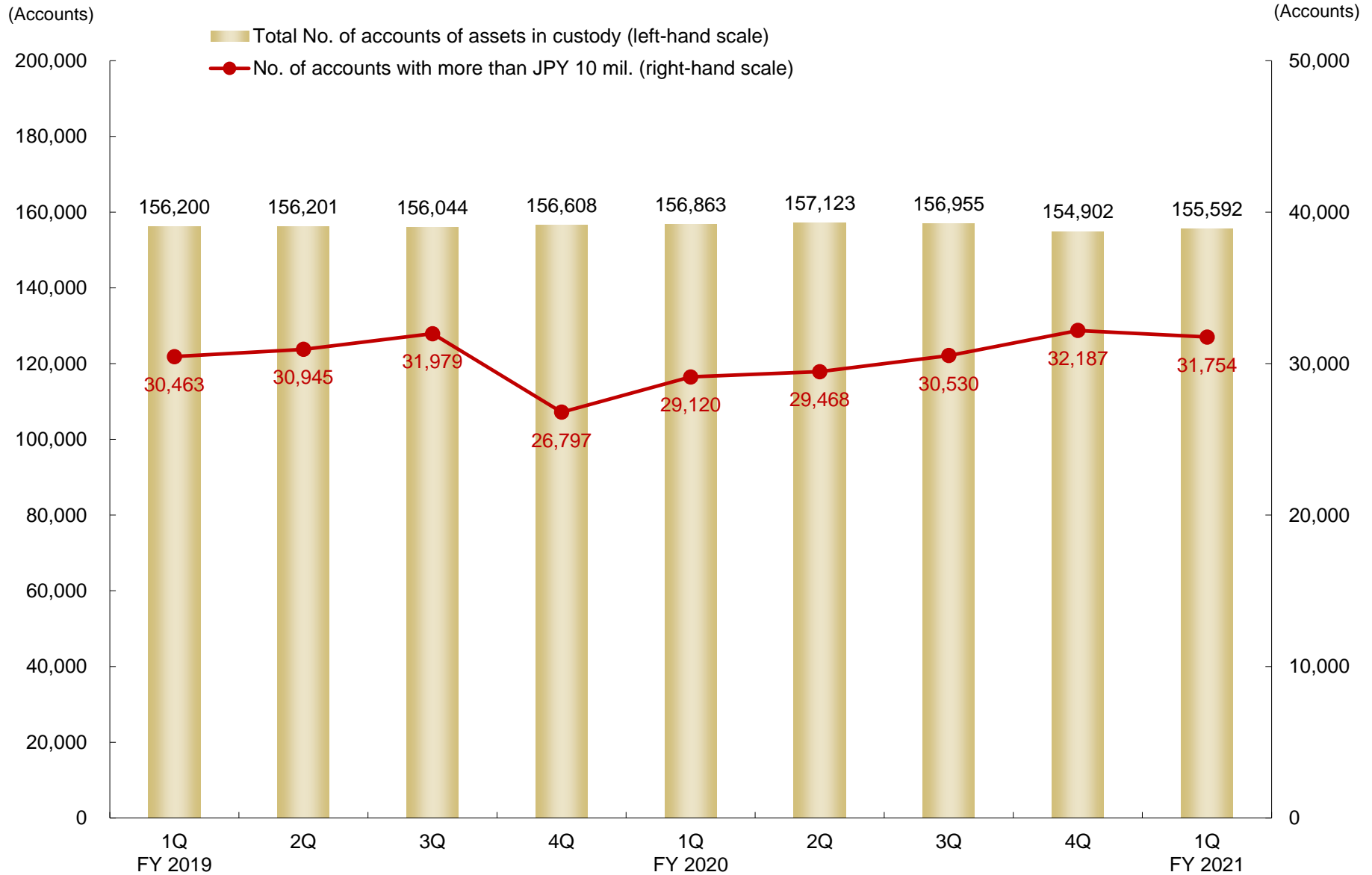


6. Top 5 Best Selling Investment Trust Funds (Total Amounts of 3 Months)

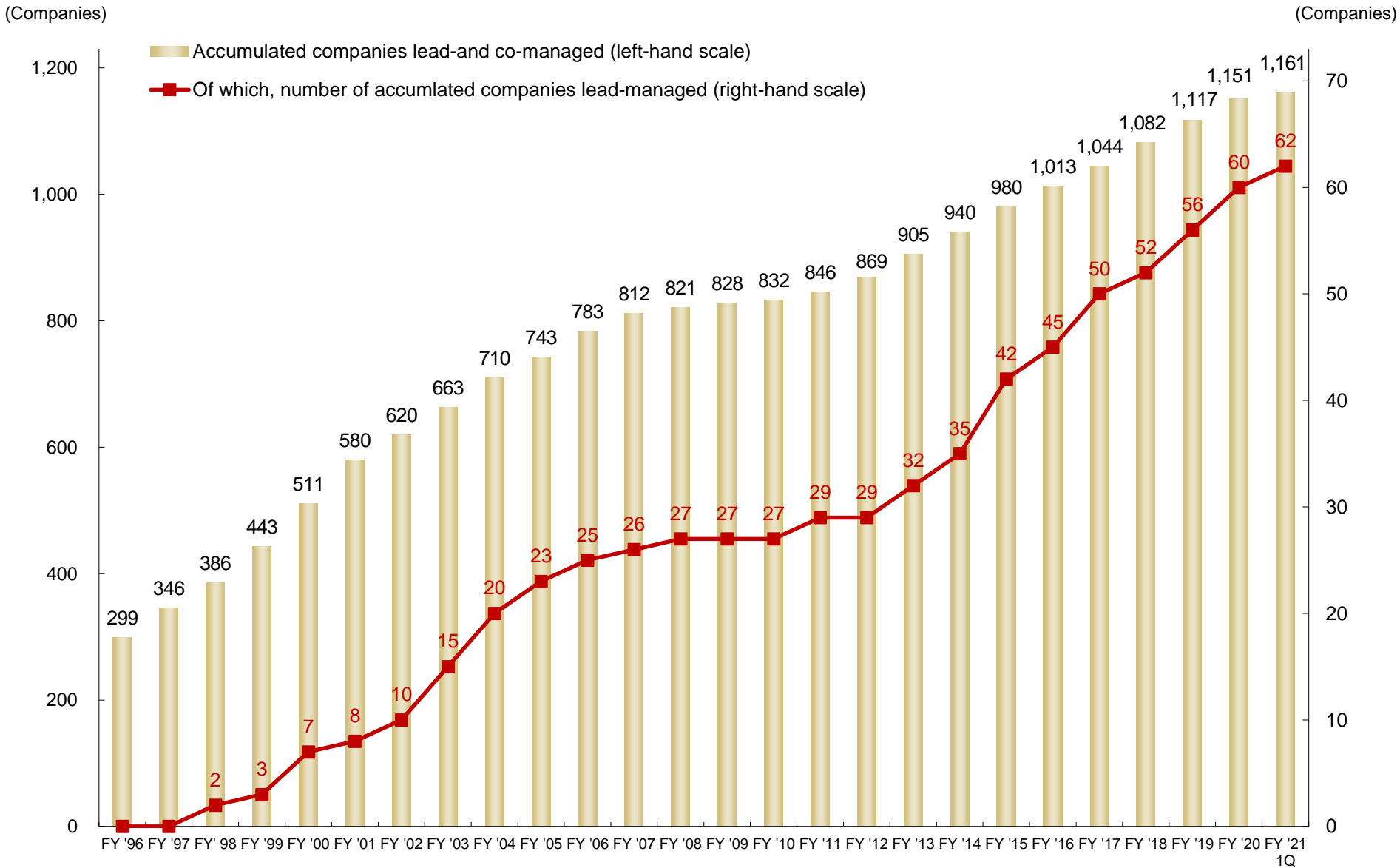
(JPY 100 mil.)

	FY 2019				FY 2020				FY 2021
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Ichiyoshi Small and mid cap Growth Companies Fund	20							54	92
GS US Growth Equity Concentrate Investment Fund (Monthly Settlement / Quarterly Settlement / Semi-Annual Settlement)				36	23	13		31	55
Ichiyoshi SDGs Small Medium Size Equity Fund						84	76	43	34
Pictet Global Income Equity Fund (Monthly Dividend)	78	116	93	80	43	35	44	31	32
Fidelity US REIT Fund (A / B / C / D)		34	29		20	25	25	31	27
Ichiyoshi Japan Growth Equities Fund							55		
US NASDAQ Open (A / B)					26	36	22		
Shinko J-REIT Open	77	71	37		32				
Tokio Marine JPY Asset Balance Fund (Monthly Settlement / Yearly Settlement)		95	125	80					
LM Australia High Yield Equity Fund (Monthly Dividend)	25	42	28	32					
Ichiyoshi Japan Venture Fund				31					
US Micro Cap Equity Fund	40								

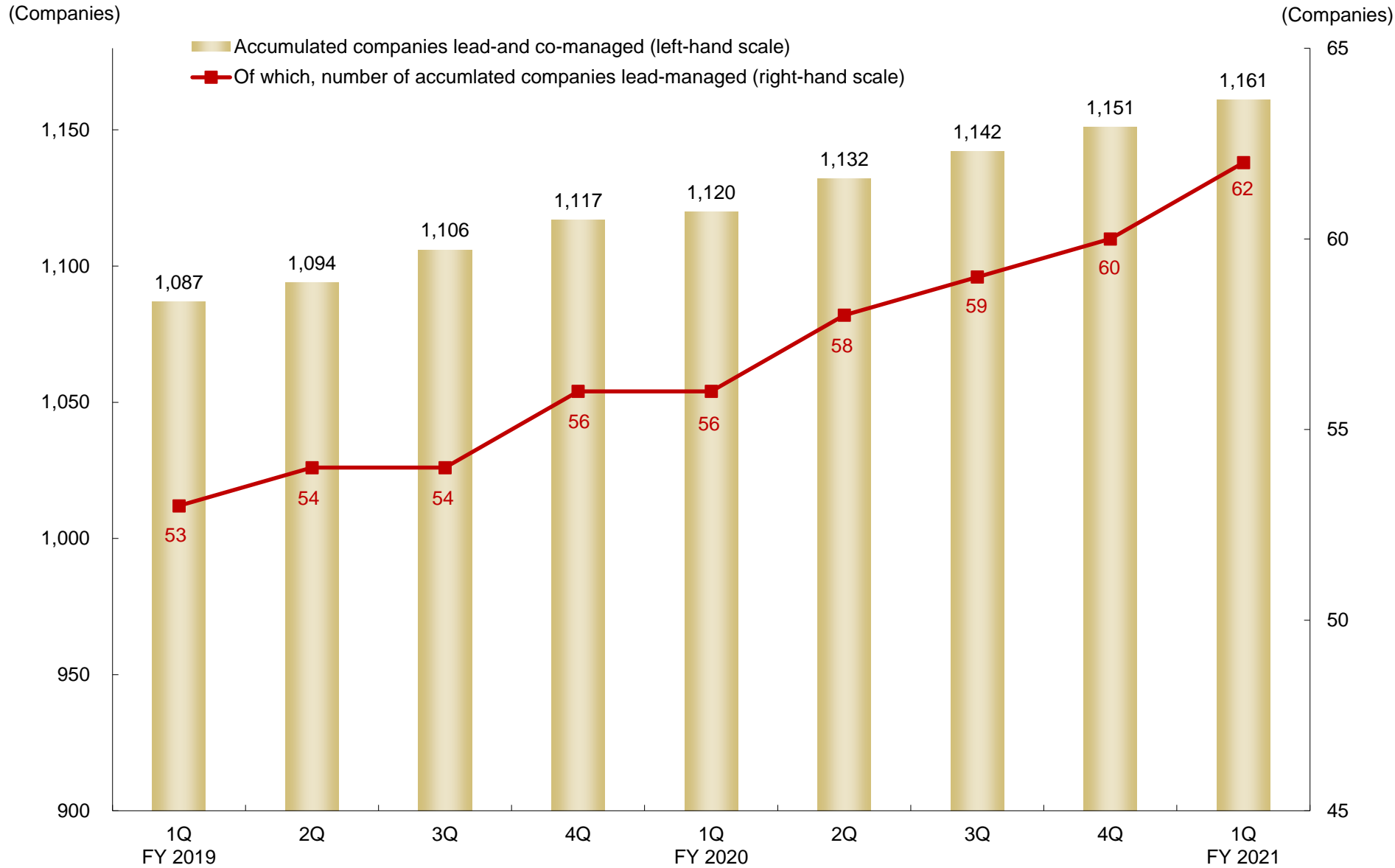
7. Number of Customer Accounts 【Retail】



8. Accumulated Companies Lead- and Co-managed



9. Quarterly Accumulated Companies Lead- and Co-managed



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- This document is based on the data as of June 30, 2021. (Figures less than one million yen are rounded down)

Ichiyoshi Securities Co., Ltd.

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