

Financial Highlights (Consolidated)

The Fiscal Year ends Mar 2016

Invast Securities Co., Ltd.

Financial Highlights for the Fiscal Year Ended March 2016

Consolidated results

- Operating income 3,785 million yen (3,474 million yen a year ago, 109.0%)
- Ordinary income 282 million yen (Δ 74 million yen a year ago, -%)
- Net income Δ 404 million yen (496 million yen a year ago, -%)

Both operating income and ordinary income grew thanks to higher revenues from TriAuto FX and ST24 services as well as to increased overseas subsidiary revenues, which enabled the Company to achieve profitability for the year under review. Recorded negative net income due to the posting of extraordinary loss in the form of valuation loss on investment securities in the Company's capital and business alliance partner (486 million yen).

OTC FX



- Operating revenues 2,077 million yen (1,950 million yen a year ago, 106.5%)
- Segment profit or loss 281 million yen (Δ 55 million yen a year ago, -%)

Operating revenues grew year on year and achieved profitability as trading volumes increased markedly due to the TriAuto FX service offering the industry's narrowest spread.

Exchange FX



- Operating revenues 1,079 million yen (1,177 million yen a year ago, 91.7%)
- Segment profit or loss 161 million yen (189 million yen, 85.3%)

Revenues performed in tandem with prevailing market conditions although a stable trading volume market share was maintained.

Overseas Financial Service



- Operating revenues 562 million yen (311 million yen a year ago, 180.5%)
- Segment profit or loss Δ 153 million yen (Δ 242 million yen a year ago, -%)

Continued to post single-month profitability under the new organizational structure put in place in November 2015 onwards. Operating revenues grew markedly. Failed to achieve profitability for the year under review.

Others



- Operating revenues 95 million yen (46 million yen a year ago, 204.6%)
- Segment profit or loss 21 million yen (Δ 11 million yen a year ago, -%)

Operating revenues and income grew significantly as the market environment for the Nikkei Average Index improved.

* Numbers in brackets denote year-ago numbers and year-on-year percentage changes.



Financial Highlights(Consolidated)

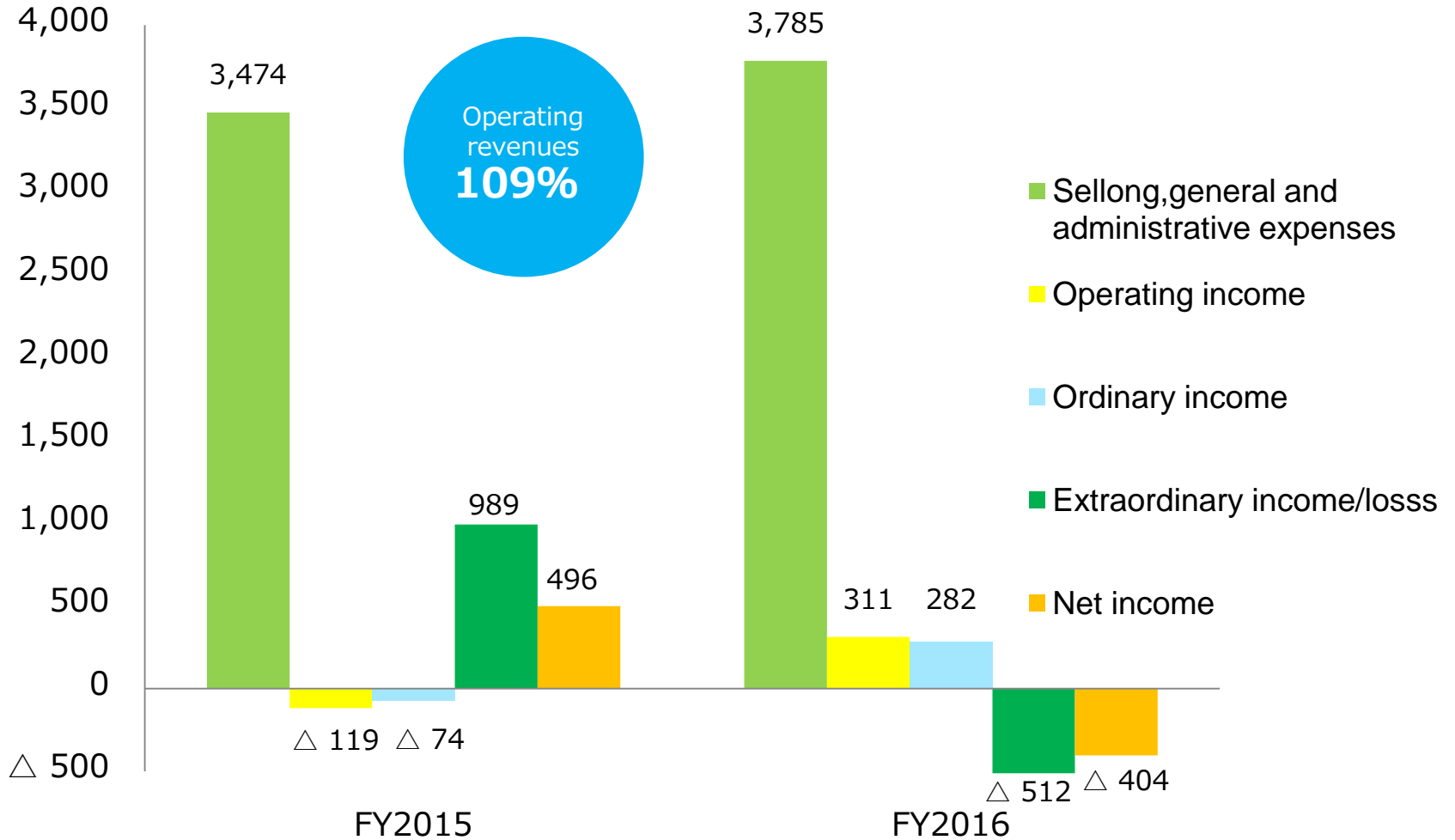
Summary of Financial Results FY ends Mar. 2016

(Millions of yen)

	The Fiscal Year Ended March 2015		The Fiscal Year Ended March 2016		Year-on-year change	
	Non- consolidated	Consolidated	Non- consolidated	Consolidated	Non- consolidated	Consolidated
Operating revenues	3,174	3,474	3,252	3,785	102.5%	109.0%
Commissions earned (exchange FX, etc.)	864	863	926	969	107.1%	112.3%
Trading profit and loss (over-the-counter FX)	1,862	2,140	1,921	2,376	103.1%	111.0%
Selling, general and administrative expenses	3,051	3,594	2,787	3,474	91.3%	96.7%
Operating income	122	△119	464	311	380.1%	-%
Ordinary income	157	△74	475	282	300.8%	-%
Extraordinary income/loss	989	989	△512	△512	-%	-%
Net income	728	496	△211	△404	-%	-%

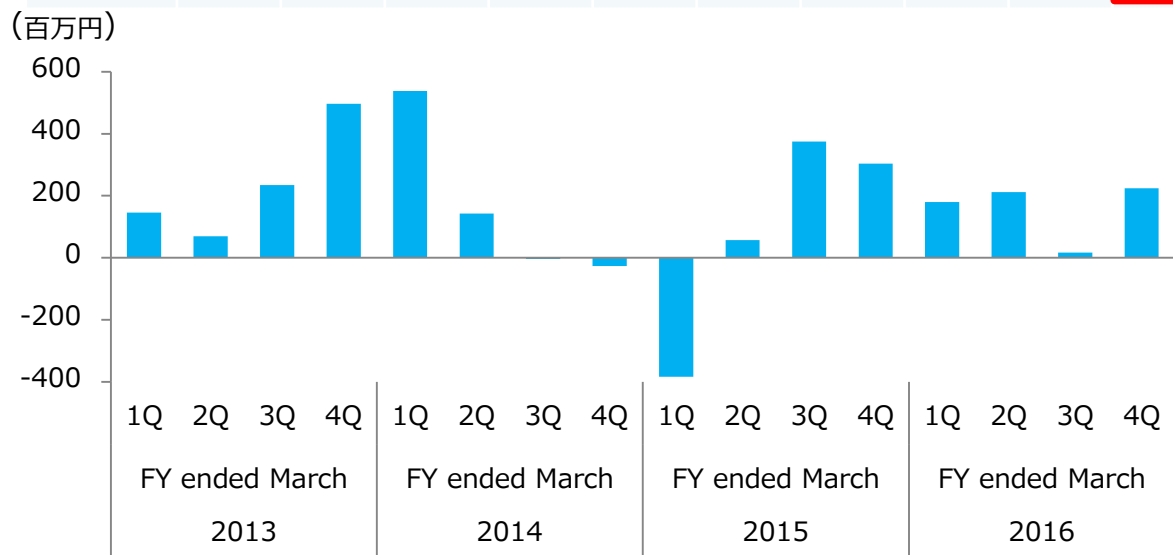
Comparison of Financial Results (Consolidated)

(Millions of yen)



EBITDA (Consolidated)

	FY ended March 2013 [Non-consolidated]				FY ended March 2014 [Consolidated]				FY ended March 2015 [Consolidated]				FY ended March 2016 [Consolidated]			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net income before taxes	100	0	158	389	471	49	3,528	6	47	413	277	177	90	124	△71	△374
Extraordinary income/loss	23	0	0	△13	24	0	3,635	132	542	470	9	△33	0	0	0	△512
Interest expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation	69	69	76	93	91	93	102	98	111	114	107	93	89	88	88	86
EBITDA	146	69	235	497	538	143	△4	△26	△383	57	375	304	180	212	17	224

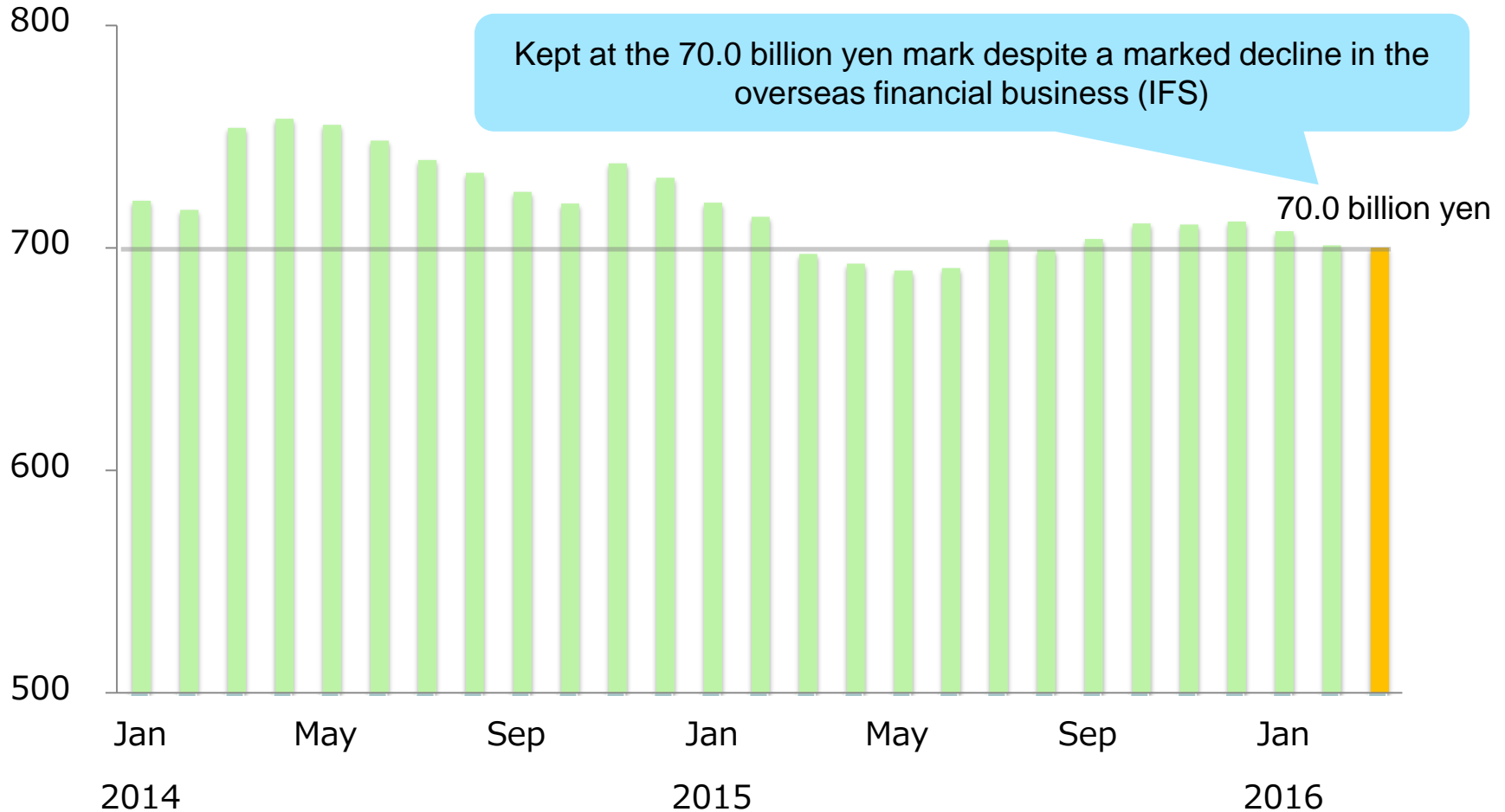


Remaining positive for the last consecutive 7 quarters
FY ended March 2016 634million yen

Note: EBITDA was calculated by the formula of:
Net income before taxes – extraordinary income/loss + Interest expense + Depreciation = EBITDA. This represents an income metric that illustrates what level of cash flow was generated by capital including borrowed capital


Total deposited margin

(Hundreds of millions of yen)





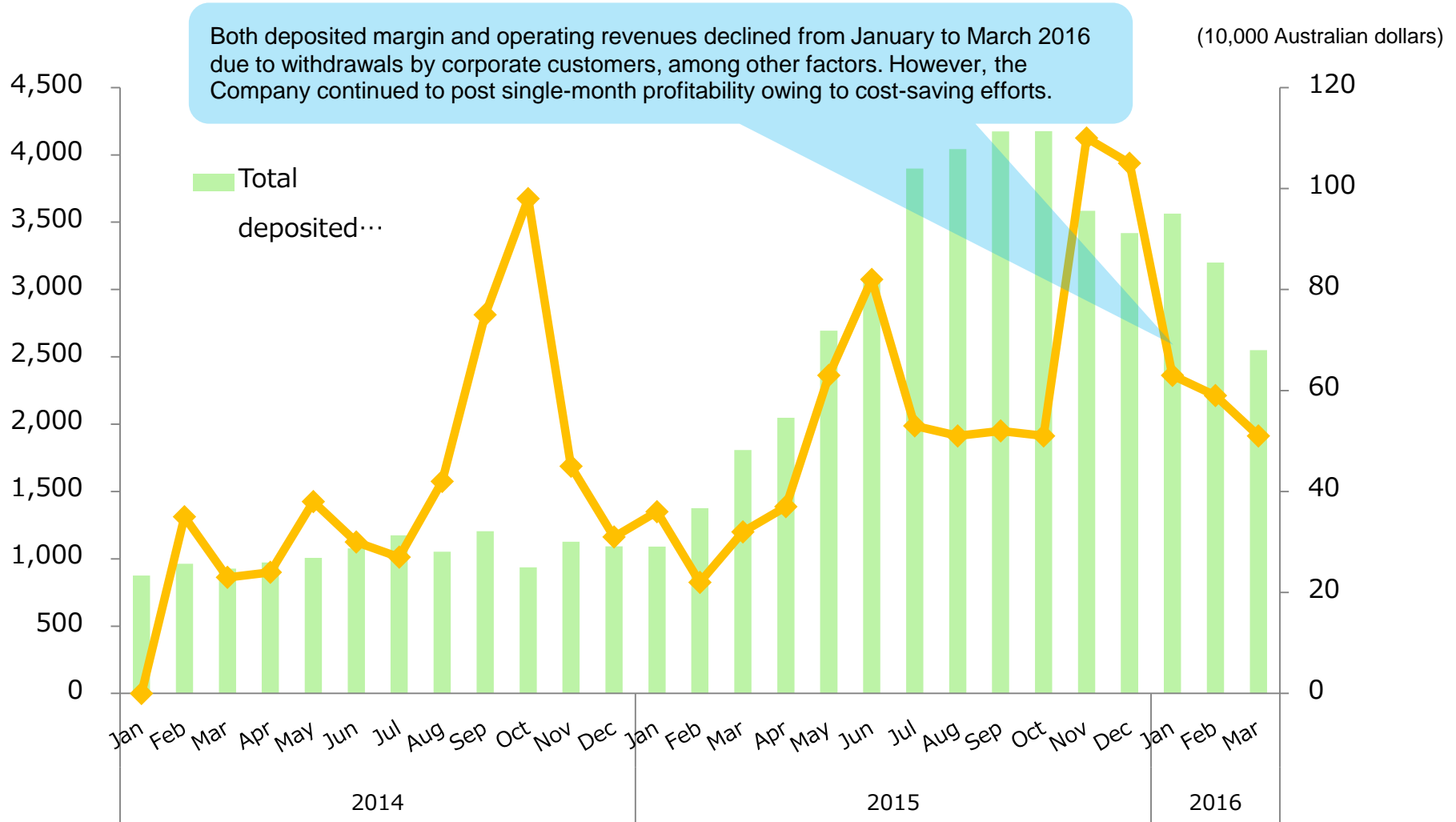
INVEST FINANCIAL SERVICES PTY LTD.



Highlights of the Account Settlement for the period from January to December 2015: IFS

- ❑ Earnings for the period from January to December 2015 grew significantly year on year. **Operating revenues rose substantially to 562 million yen, or 180.5% of the year-ago level.**
 - ❑ **The Company failed to achieve operating profitability** for the period under review as **operating income stood at a negative 153 million yen.**
 - ❑ Gavin White took office as new CEO in November 2015.
 - Achieved single-month profitability continuously from November 2015.
 - Expanded the business to provide liquidity to financial services companies
 - ⇒ Pure Prime (service name).
 - Stepped up new customer acquisition sales activities targeting financial services companies.
 - Saved fixed costs by reducing retail headcount, among other measures.
 - ❑ Continued to post single-month profitability from January to March 2016 despite depressed market trading volumes.
-

Grow the overseas financial business: IFS





Recording of valuation loss on investment securities

Recording of valuation loss on investment securities

The Company recorded **486 million yen in valuation loss on investment securities** as a result of applying mark-to-market valuation to shares it had held in Tradency Inc. (“Tradency”) since the capital and business alliance entered into between both companies in September 2014.

Reason

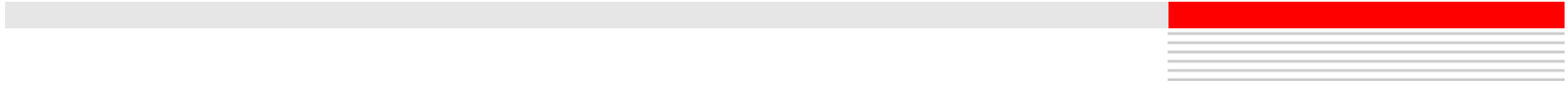
The Company recorded as extraordinary loss a portion of the share value that diminished due to Tradency’s business plan lagging behind its schedule.

Future action

Tradency’s Mirror Trader service is used by Invast Securities as the platform for ST24, an automatic FX trading service. The latest recording of extraordinary loss is one conforming to Japanese generally accepted accounting principles (“JGAAP”), and it will not have any effect on the Company’s business alliance with Tradency. Going forward, **both companies will continue to jointly develop systems of higher quality and value-added** by maximally leveraging synergistic effects to be achieved through an amalgamation of Tradency’s superior technological expertise and Invast Securities’ FX business operational know-how.

About Tradency

- Founded in 2005 and equipped with an Israel-based development site, Tradency is a FinTech service company that, since early 2015, has been providing innovative trading solutions that are compatible with Robo-advisor service, a type of service attracting much attention of late.
- Automatic trading platform service Mirror Trader has been supported by users in Japan and the world’s five continents for a long period of time as a leading service offering in the field of selection-based system trading.



Measures for Returning Profits to Stockholders

Dividend Policy

□ Dividend policy

- ◆ Dividends **twice a year**: interim and year-end dividends
- ◆ Consolidated dividend payout ratio of **30%** or
Consolidated dividend on equity ratio (DOE) of **4%** (annually)

□ Actual result and estimation for the year ending March 2016

- Interim dividend **40 yen (actual result)**
- Year-end dividend **40 yen (estimation)**
- Total **80 yen (estimation)**

□ Dividend Yield in the FY ended March 2016 (estimate)

5.89%

*Stock price: calculated with the closing price (1,356 yen) on March 31, 2016



Development of Service Going Forward



Steps taken in the 4th quarter (from January to March 2016)

□ TriAuto FX service

- Reduced the **minimum trade units** for manual trading to **“1,000 currency units”**
- Launched the provision of **the industry’s narrowest spreads**
(USD/JPY 0.03 yen, EUR/USD 0.3 pips, and AUD/JPY 0.06 yen)
- Equipped **smartphone application with “Shikake Ranking”** as a new feature
- Overhauled **chart functions**

Launched **“TriAuto ETF,”** a new overseas trading service,
on April 25, 2016

The world’s first **ETF-dedicated margin trading service**
(as identified by Invest Securities)

銘柄名	ティッカー	取引時間 (東市場)	チャート(年)	必要証拠金 1倍	残高(円)	1年比	配当利回り	総合レーティング*
エネルギー・セレクト・セクター-SPDR® フォンド【1株1-株】 アメリカのエネルギー関連ETFで最大規模のETFです。 エタノンモービ、シェブロン等の地味とした石油関連銘柄も含まれており、近年資源や原油価格の動向に注目が高まっている中、アメリカのセクター別ETFの中でも、変動率、出来高ともに注目を集めています。	XLE	22:35~翌4:55 NYSE自動取引		7,000円	66,860円/L 前日比:850	-14.99%	3.20%	S
公益事業セレクト・セクター-SPDR® フォンド【公共事業株】 米国公益事業関連の大型株で構成されるETFで、電力、ガス、水道企業のほか、独立系送電事業等を行う企業で構成されています。主として必須品関連ディフェンシブセクターとして知られており中下層投資家層から注目を集めています。	XLU	22:35~翌4:55 NYSE自動取引		5,500円	47,200円/L 前日比:440	+2.15%	3.24%	S
TOPIX連動型上場投資信託【TOPIX連動ETF】 TOPIX連動ETFでTOPIX連動型ETFです。東証1部に上場している全銘柄を対象にした指数「トピックス指数」に連動しており、「東証」に上場しているため、連動は日本円表記、日本時間で行うことができます。	1306	9:05~11:25・12:35~14:55 東京証券取引所		15,000円	1,453円 前日比:11.0	-213.0	1.65%	S
日経225連動型上場投資信託【日経225ETF】 日経225連動ETFで日経225連動型ETFです。東証1部に上場する225銘柄で構成される日経平均株価指数に連動しており東証に上場しているため、連動は日本円表記、日本時間で行うことができます。	1321	9:05~11:25・12:35~14:55 東京証券取引所		18,500円	18,092円 前日比:180.0	-2,439.0	1.33%	S
(NEXT FUNDS) 日経ダブルインバース上場投資信託【日経WDI】 日経平均株価連動型に対して2倍の動きになるように設計されたETFです。前営業日と比較するとその変動率は日経平均の2倍となりませんが、2重目以上離れた日との比較においては、有利不利により変動率の変動率の2倍又は半減となる場合があります。	1357	9:05~11:25・12:35~14:55 東京証券取引所		3,000円	2,736円 前日比:56.0	-50.0	-	S
(NEXT FUNDS) 日経平均レバレッジ上場投資信託【日経M】 日経平均株価連動型に対して2倍の動きになるように設計されたETFです。前営業日と比較するとその変動率は日経平均の2倍となりませんが、2重目以上離れた日との比較においては、有利不利により変動率の変動率の2倍又は半減となる場合があります。	1570	9:05~11:25・12:35~14:55 東京証券取引所		12,500円	12,458円 前日比:240.0	-4,842.0	-	S

The features of “TriAutoETF”

- **Allows one single account to oversee ETFs selected globally from among those** in Japan and abroad.
- **Offers zero foreign exchange risk for the principal of an overseas ETF** through the introduction of a contract for difference (CFD) scheme.
- Low cost

Free of charge for all the following items

- **Commission on manual trading**

* Auto pilot order: 0.3% of the order value (incl. taxes), free of charge until July 31, 2016

- **Exchange commission**
- **Trading tool use fee**
- **Account administration fee**

➤ Interest adjustments

Long interest = ETF closing price (mid price) Number of units held x (1.25%+Libor) x Number of days assigned/365

- Minimum initial trading value of **10,000 yen**

ST24 new function release schedule

The Full Auto Function service, offering a fully automatic FX trading function.

Automated trading and strategy replacement done according to certain conditions. The user just needs to select a preferred choice from among those contained in the Full Auto Fund, a pool of packages that are created by combining multiple strategies according to conditions set by the Company independently (selection criteria and replacement frequency, among others).

PC version



Smartphone version



Invast Securities Co., Ltd. (as of March 31th 2015)

■ Company name	:	INVEST SECURITIES CO., LTD.
■ Head office	:	NBF Toranomom Building 1-6-21 Nishishinbashi, Minato-ku, Tokyo Japan
■ Established	:	August 10, 1960
■ Paid in capital	:	5,965,080,000 yen
■ Market listing	:	JASDAQ (Code: 8709) (*1) Listed on March 6, 2006
■ President	:	President and CEO Takeshi Kawaji
■ Employees	:	52[Non-consolidated] 71[Consolidated]
■ Licenses	:	Financial Instruments Business Operators (Type 1/ Type 2), Investment Advisory and Agency Business Director-General of Kanto Local Finance Bureau (Kinsho) No. 26
■ Membership	:	Tokyo Financial Exchange