

Financial Highlights (Consolidated)

1st Quarter Fiscal Year ends Mar. 2017

Invast Securities Co., Ltd.

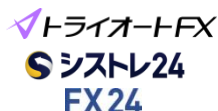
Financial Highlights for the Fiscal Year Ended March 2017

Consolidated results

- Operating income 924 million yen (year-ago period 969 million yen, 95.3%)
- Ordinary income 71 million yen (Ditto 90 million yen, 78.4%)
- Net income 52 million yen (Ditto 28 million yen, 182.6%)

Triauto FX and foreign subsidiaries marked increases in revenue and profit due to a rise in trading volume; Trading volume of ST24 and Click 365 decreased; Decrease in revenue and profit on a consolidated basis due to prior investment in Triauto ETF.

OTC FX



- Operating revenues 515 million yen (Ditto 587 million yen, 87.9%)
- Segment profit or loss 75 million yen (Ditto 120 million yen, 62.4%)

Narrower spread caused the increase in trading volume for Triauto FX, but trading volume of ST 24 and FX 24 declined due to the low-volatility market.

Exchange FX



- Operating revenues 251 million yen (Ditto 283 million yen, 88.8%)
- Segment profit or loss 41 million yen (Ditto 44 million yen, 92.2%)

Trading volume decreased due to the market slump in April and May

Overseas Financial Service



- Operating revenues 144million yen (Ditto 89 million yen, 160.6%)
- Segment profit or loss 10 million yen (Ditto -69 million yen, -%)

Increased trading volume, revenue and profit due to increase in new corporate customers, achieved constant surplus on a single month basis, and quarterly surplus.

Others



- Operating revenues 15 million yen (Ditto 19 million yen, 78.5%)
- Segment profit or loss -52 million yen (Ditto 1.7 million yen, -%)

Deficit due to prior investment in advertising cost for Triauto ETF, etc.



Financial Highlights (Consolidated)

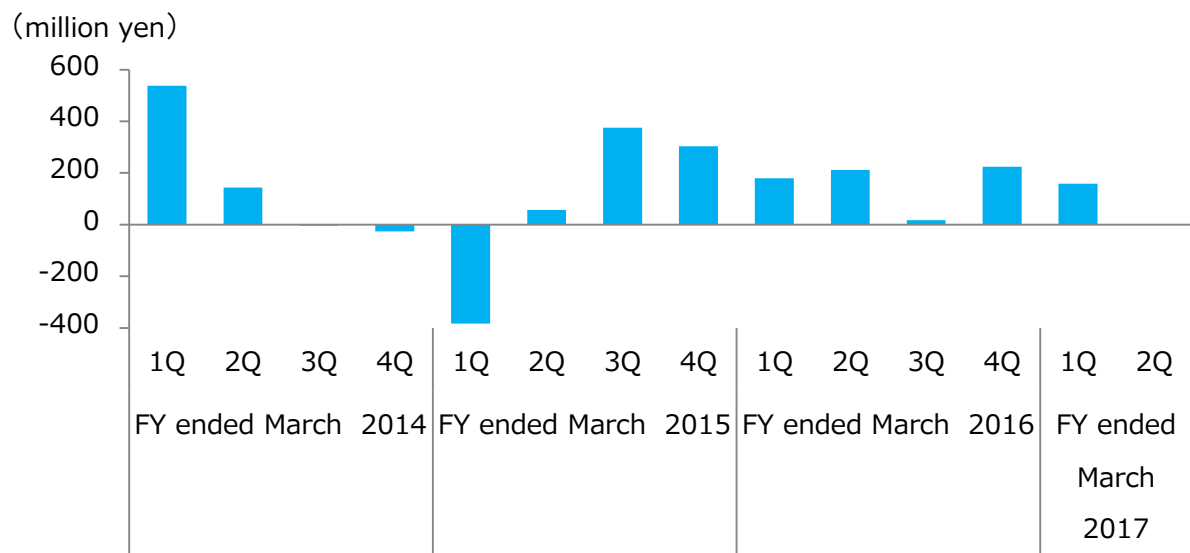
Summary of Financial Results 1Q FY ends Mar. 2017

(Millions of yen)

| | 1Q FY 2016 | | 1Q FY 2017 | | Year-on-year change | |
|--|------------------|--------------|------------------|--------------|---------------------|--------------|
| | Non-consolidated | Consolidated | Non-consolidated | Consolidated | Non-consolidated | Consolidated |
| Operating revenues | | | | | | |
| Commissions earned (exchange FX, etc.) | 889 | 969 | 783 | 924 | 88.0% | 95.3% |
| Trading profit and loss (over-the-counter FX) | 247 | 249 | 208 | 217 | 84.6% | 87.0% |
| Selling, general and administrative expenses | 537 | 608 | 491 | 617 | 91.4% | 101.4% |
| Operating income | 722 | 872 | 718 | 848 | 99.4% | 97.3% |
| Ordinary income | 167 | 97 | 64 | 75 | 38.5% | 77.2% |
| Extraordinary income/loss | 167 | 90 | 66 | 71 | 39.3% | 78.4% |
| Net income | - | - | 6 | 6 | -% | -% |
| Operating revenues | 106 | 28 | 47 | 52 | 45.0% | 182.6% |

EBITDA (Consolidated)

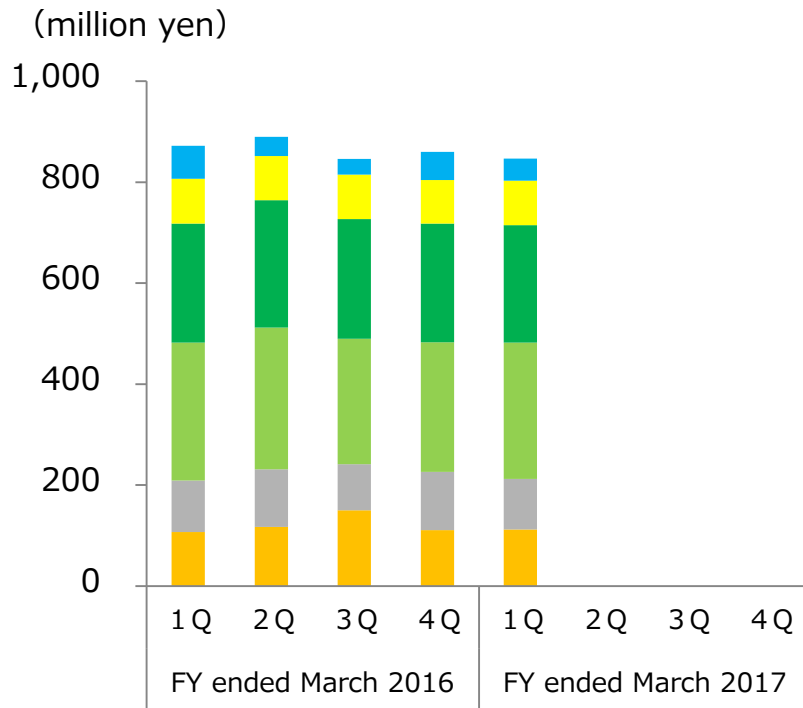
| | FY ended March 2014 [Consolidated] | | | | FY ended March 2015 [Consolidated] | | | | FY ended March 2016 [Consolidated] | | | | FY ended March 2017 [Consolidated] | | | |
|---------------------------|---------------------------------------|-----|-------|-----|---------------------------------------|-----------|------------|------------|---------------------------------------|------------|-----------|------------|---------------------------------------|----|----|----|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q |
| Net income before taxes | 471 | 49 | 3,528 | 6 | 47 | 413 | 277 | 177 | 90 | 124 | -71 | -374 | 77 | | | |
| Extraordinary income/loss | 24 | -0 | 3,635 | 132 | 542 | 470 | 9 | -33 | - | - | -0 | -512 | 6 | | | |
| Interest expense | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| Depreciation | 91 | 93 | 102 | 98 | 111 | 114 | 107 | 93 | 89 | 88 | 88 | 86 | 88 | | | |
| EBITDA | 538 | 143 | -4 | -26 | -383 | 57 | 375 | 304 | 180 | 212 | 17 | 224 | 159 | | | |



Remaining positive for the last consecutive 8 quarters

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

Changes in selling, general and administrative expenses [consolidated]

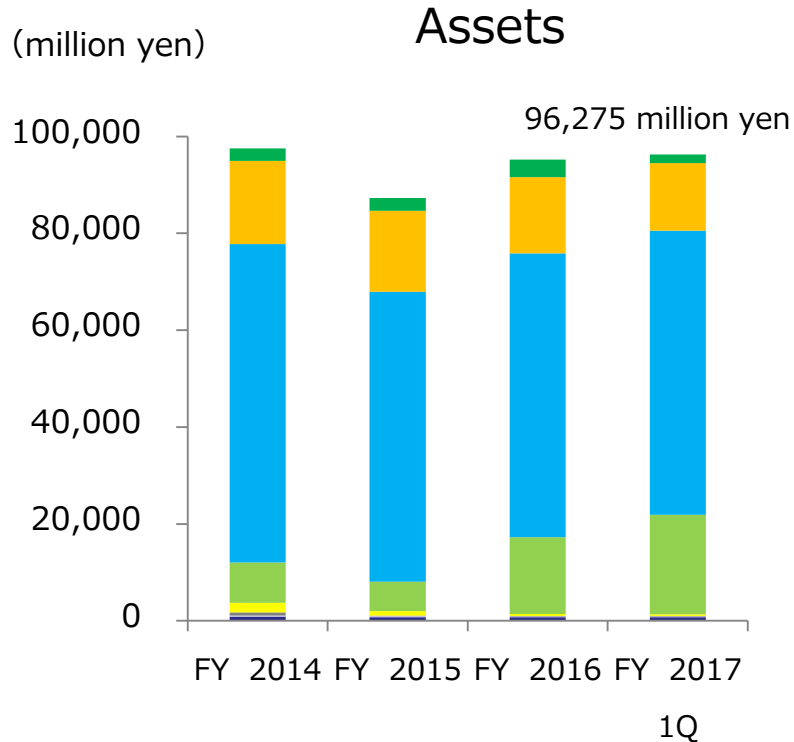


- Advertising expenses
- Exchange market association and other such expenses
- Real estate related expenses
- Labor costs
- Depreciation costs
- Others

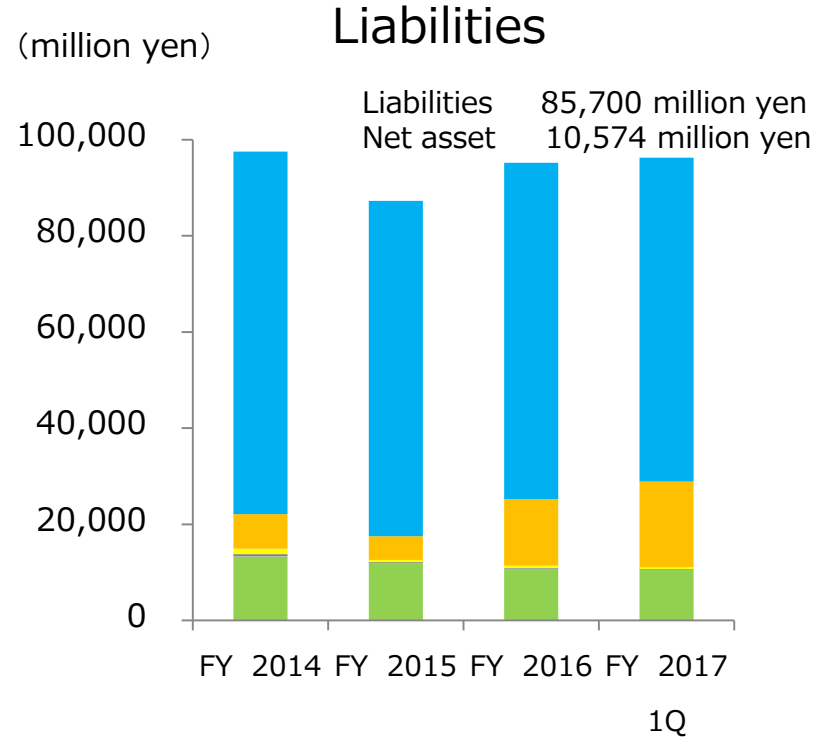
| | FY ended March 2016 | | | | |
|---|---------------------|------------|------------|------------|--------------|
| | 1Q | 2Q | 3Q | 4Q | Total |
| Advertising expenses | 107 | 117 | 150 | 110 | 485 |
| Exchange market association and other such expenses | 102 | 114 | 91 | 115 | 423 |
| Real estate related expenses | 273 | 281 | 249 | 257 | 1,061 |
| Labor costs | 236 | 252 | 237 | 235 | 961 |
| Depreciation costs | 89 | 88 | 88 | 86 | 352 |
| Others | 63 | 36 | 31 | 56 | 187 |
| Total | 872 | 890 | 849 | 862 | 3,474 |

| | FY ended March 2017 | | | | |
|---|---------------------|----|----|----|------------|
| | 1Q | 2Q | 3Q | 4Q | Total |
| Advertising expenses | 112 | | | | 112 |
| Exchange market association and other such expenses | 100 | | | | 100 |
| Real estate related expenses | 270 | | | | 270 |
| Labor costs | 233 | | | | 233 |
| Depreciation costs | 88 | | | | 88 |
| Others | 44 | | | | 44 |
| Total | 848 | | | | 848 |

Status of assets and liabilities [Consolidated]



- Intangible fixed assets
- Tangible fixed assets
- Other current assets
- Investments and other assets
- Foreign exchange trade accounts receivable
- Guarantee deposits
- Deposits

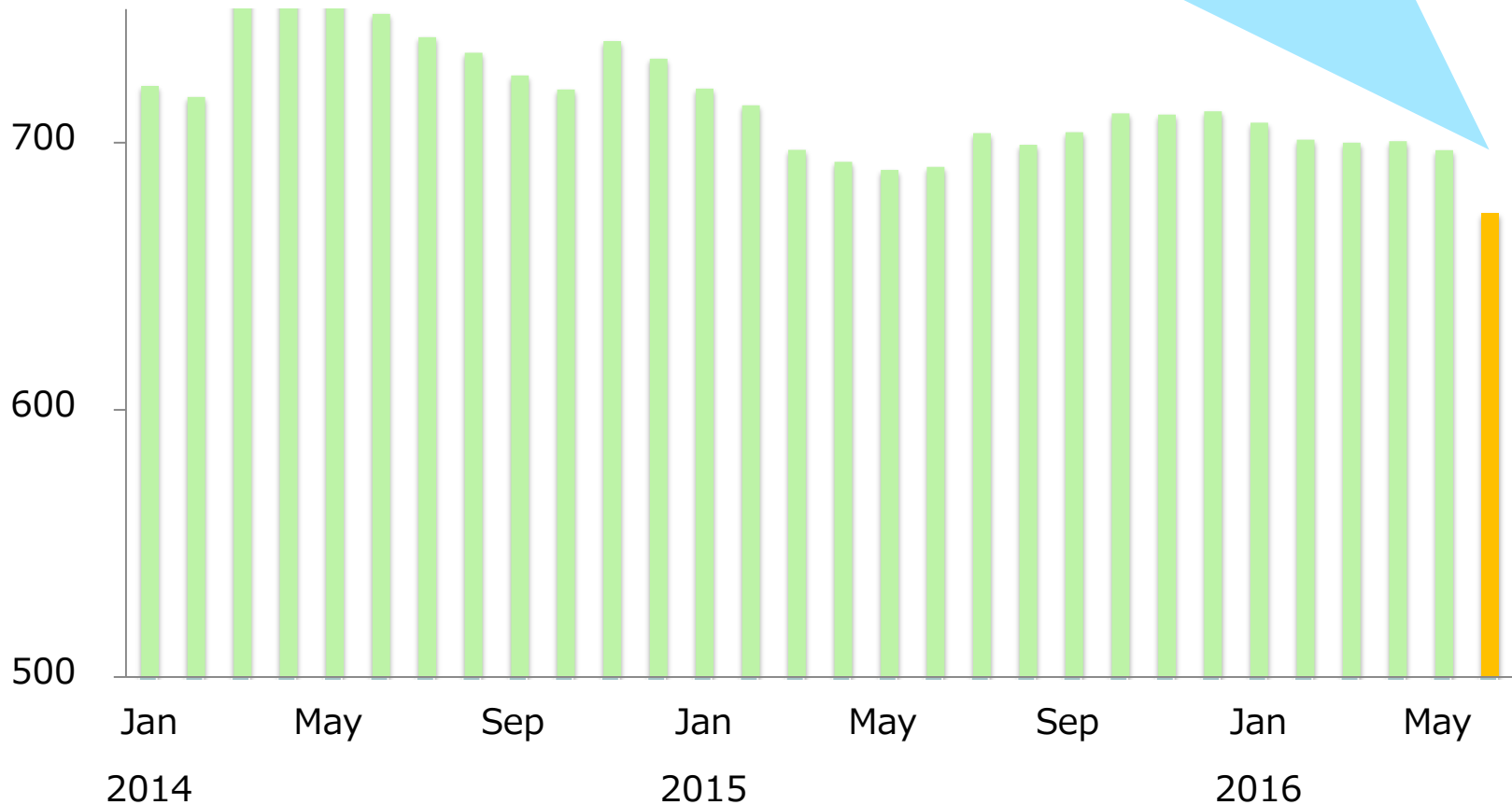


- Net assets
- Reserves under special laws
- Fixed liabilities
- Other current liabilities
- Foreign exchange trade accounts payable
- Deposits received

Total deposited margin

(Hundreds of millions of yen)

The deposit margin decreased due to stronger yen and a loss-cut increase as a result of the referendum in U.K.





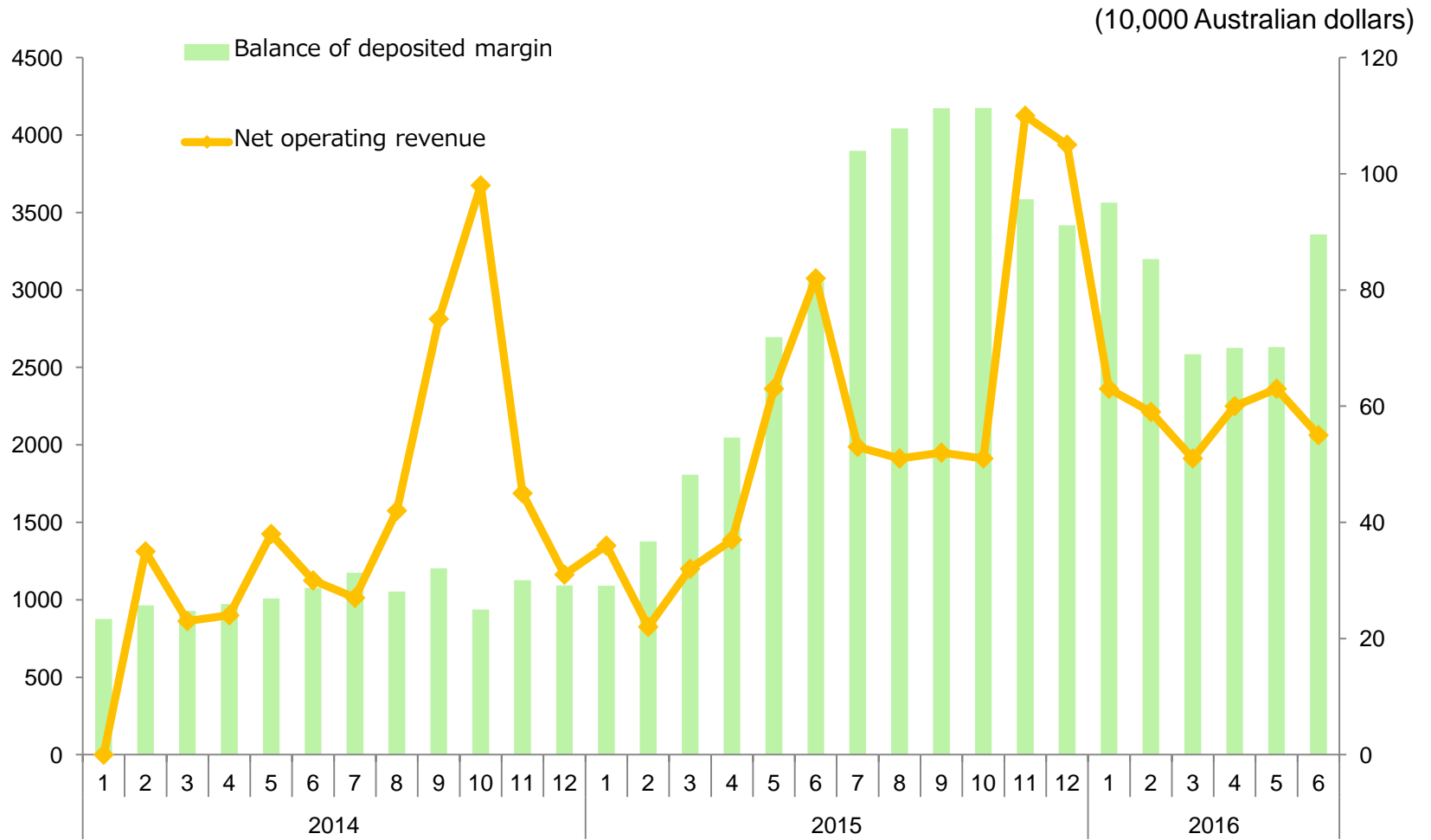
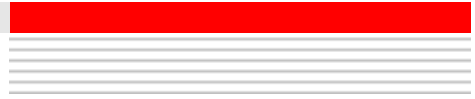
INVEST FINANCIAL SERVICES PTY LTD.

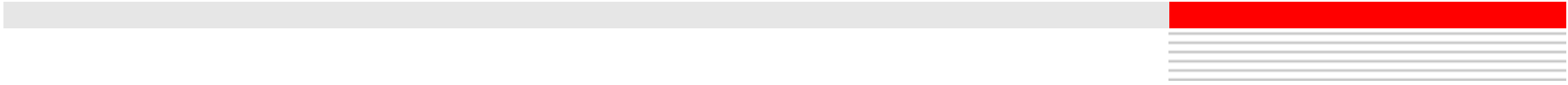
Highlights of the Account Settlement

- ❑ “Pure prime” launched in February (enhanced-liquidity business for financial business corporations). **The campaign was successful and the customer base expanded.**
- ❑ Investment banks have canceled their prime services due to the Basel Capital Accord, which allowed the opportunity to provide to brokers and small and medium size hedge funds around the world.
- ❑ Trading volume in the January-March period was **about 3 times more than the year before (323%).**
- ❑ The total in the January-June period marks a healthy increase **of 189% from the year before.**
- ❑ Factors that slowed down trading volume growth in the April-June period:
 - Trading volume decreased due to the volatility of stock market.
 - Trading volume decreased due to careful risk management in preparation for the referendum in U.K.



Grow the overseas financial business:IFS





Measures for Returning Profits to Stockholders

□ 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)

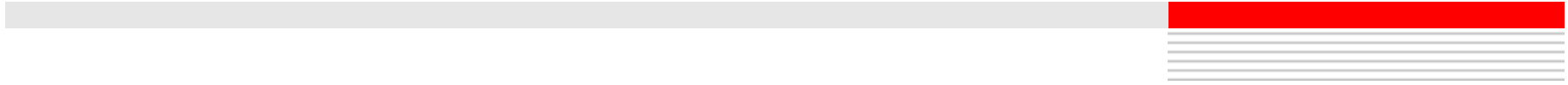
□ Actual result and estimation for the year ending March 2017

- Interim dividend **36yen (actual result)**
- Year-end dividend **36 yen (estimation)**
- Total **72 yen (estimation)**

□ Dividend Yield (estimate)

5.87%

*Stock price:calculated with the closing price (1,226 yen) on July 28, 2016



Business circumstances

Steps taken in the 1th quarter (from January to March 2017)

 トライオートETF

Triauto ETF

- Started as the world's first *ETF-specialized margin trading.
- Like "Triauto FX," automatic trades are available.

 トライオートFX

Triauto FX

- Added new feature "Range Trailing", which enables continuous orders with a target trading term of 1 year to be prepared with order settings that take less than 5 minutes, causing large increase of AP orders.
- From February to April, "Real trade! Triauto FX Grand Prix" was held. "Manual traders" and "automatic traders" competed for profit. & loss.

 シストレ24

ST24

- "U.S. dollar/Canadian dollar" was added to available currency pairs. You can choose a strategy suitable for the market from all 27 currency pairs.

取引所株価指数証拠金取引

 クリック株365

Click Stock 365

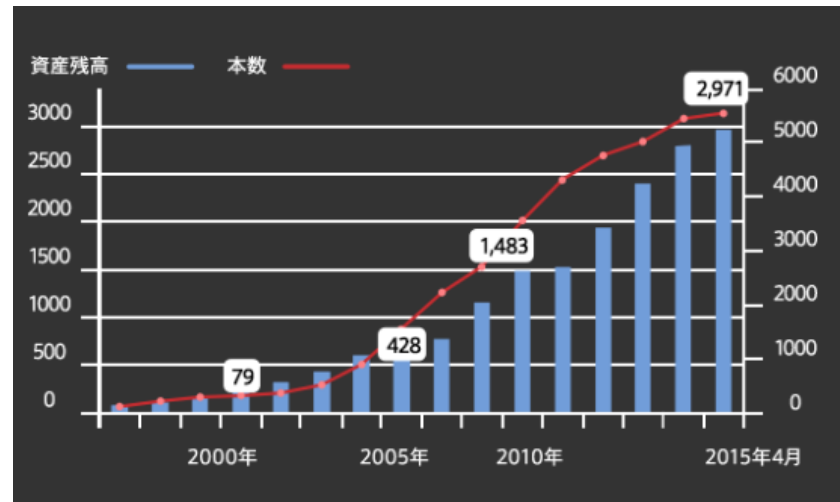
- Began offering New York Dow Jones transactions from June 27.

* Survey by our company

Investment that only 6% of Japanese know



However, the world's ETF market size
has increased approximately 7 times in the last 10 years.
Will be mainstream in the future



Source: Survey by BlackRock Investment Institute (end of March, 2015) based on data of The Investment Trusts Association, Japan
*1 Source: Japan Securities Dealers Association "2015 Opinion Survey Report concerning Securities Investments by Individual Investors"

□ **Opening of "ETF GateWay"** [Click here for details](#)

An exclusive website introducing extensive financial knowledge mainly on ETF.

□ **"Triaoto ETF" blog opened** [Click here for details](#)

Provides introductions on how to use, as well as stocks, market forecasts, trade status, etc.

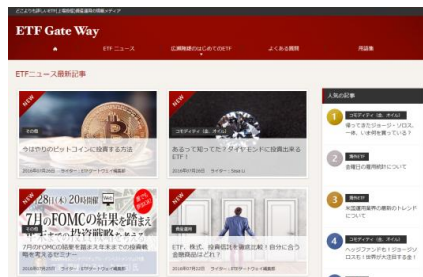
□ **Holding "ETF Startup Seminars"** [Click here for details](#)

For beginners and those about to start ETF. Held every week in our company's demonstration room.

□ **"Triaoto ETF" introductory video** [Click here for details](#)

Q&A on ETFs, how to use them, and information about stocks for beginners.

ETF GateWay



"Triaoto ETF" introduction movie



□ What is a "range trailing"?

A method for using the same settings to place a buy trailing and a sell trailing across a wide (price) range

□ Merits of range trailing

- You don't need market outlook on whether to sell or buy.
- Even if a trend goes to one direction, realized profit reduces valuation loss.
- In a range-trading market, the return is larger.
- Margin is calculated on a MAX basis. So, you can trade only with a margin amount for one-direction.

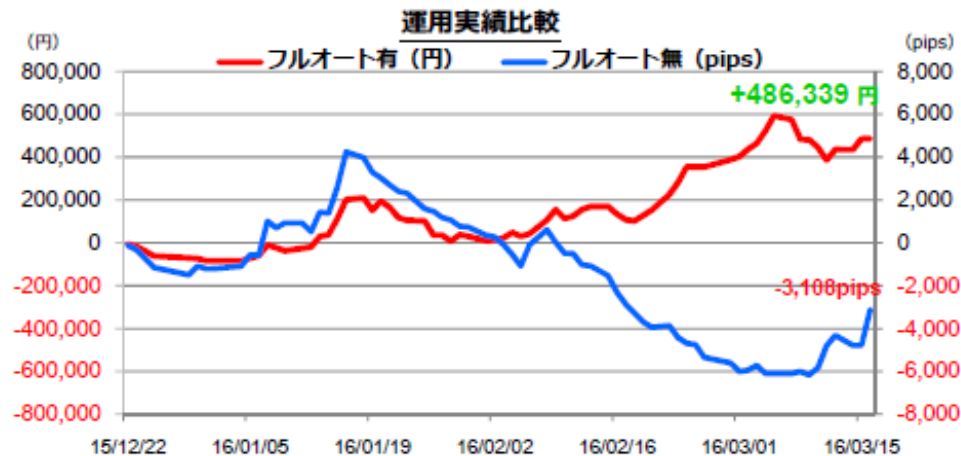


AP orders (auto-pilot) largely increase

[Click here for details](#)

□ A new feature "full-auto function" automates the switching of strategies

- By simply selecting conditions from the full-auto function, you can automatically operate and switch strategies, and execute trades without being worried about when to switch
- Our operational test showed the full-auto function improved trade performance as follows:
 - * This is our investment performance in the past and does not warrant any performance result in future

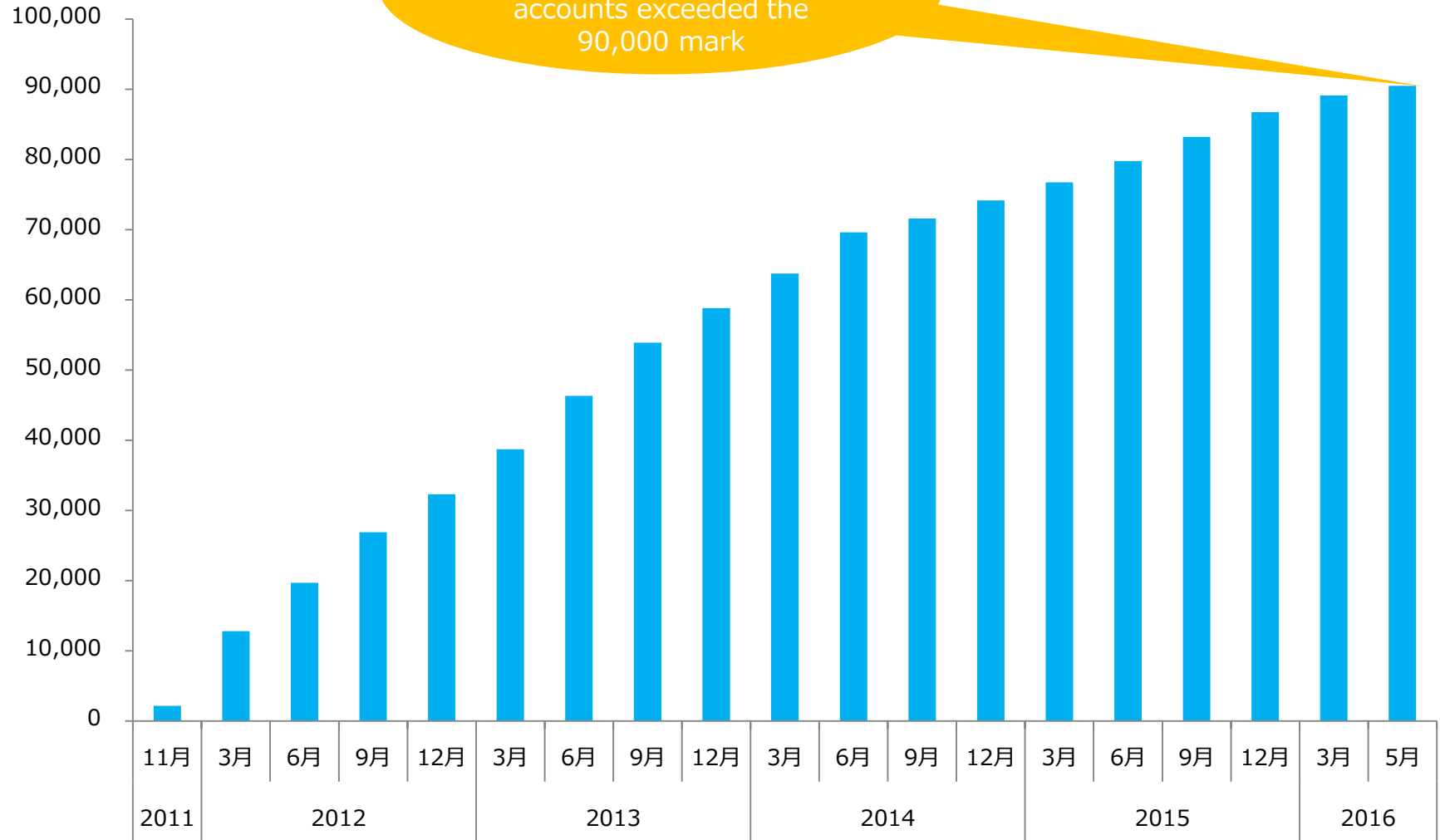


* The release of SysTrade 24 "full-auto function" is being delayed for various reasons.

The total number of "SysTrade 24" accounts exceeded the 90,000 mark.



(Number of accounts)



In May 2016
The total number of
accounts exceeded the
90,000 mark

Invast Securities Co., Ltd. (as of June 30th 2016)

| | | |
|-------------------|---|--|
| ■ 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 | : | 55[Non-consolidated] 77[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 |