

Consolidated Financial Summary (for the nine months ended December 31, 2015)

January 29, 2016

Company Name: Tokai Tokyo Financial Holdings, Inc.
 Stock Listings: First sections of the Tokyo Stock Exchange and Nagoya Stock Exchange
 Stock Code: 8616 URL <http://www.tokaitokyo-fh.jp/>
 Representative: Tateaki Ishida, President & CEO
 Contact: Tetsuji Oono
 General Manager - Finance Planning Department
 Telephone: (03) 3517-8391

Expected date for submission of quarterly report: February 9, 2016

Scheduled day of commencing dividend payment: —

Quarterly earnings supplementary explanatory documents: Available

Quarterly results briefing planned: None

(Figures are rounded down to the nearest one million yen and those in parentheses are negative figures.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2015**(1) Consolidated Results of Operation**

(Percentage represents comparison change to the corresponding previous quarterly period.)

| | Operating revenue | | Net operating revenue | | Operating income | | Ordinary income | | Profit attributable to owners of parent | |
|-------------------|-------------------|--------|-----------------------|--------|------------------|--------|-----------------|--------|---|--------|
| | million yen | % | million yen | % | million yen | % | million yen | % | million yen | % |
| Nine months ended | | | | | | | | | | |
| December 31, 2015 | 53,087 | (15.3) | 52,098 | (15.4) | 11,446 | (42.3) | 13,555 | (39.1) | 10,649 | (26.6) |
| December 31, 2014 | 62,697 | (12.6) | 61,602 | (12.3) | 19,841 | (22.0) | 22,246 | (20.2) | 14,500 | (25.2) |

(Note) Comprehensive income Nine-month period ended December 31, 2015 9,774 million yen [(38.0%)]

Nine-month period ended December 31, 2014 15,767 million yen [(26.2%)]

| | Net income per share | Diluted net income per share |
|-------------------|----------------------|------------------------------|
| | yen | yen |
| Nine months ended | | |
| December 31, 2015 | 40.17 | 40.13 |
| December 31, 2014 | 54.51 | 54.36 |

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|-------------------|--------------|-------------|--------------|----------------------|
| | million yen | million yen | % | yen |
| As of | | | | |
| December 31, 2015 | 681,057 | 154,698 | 22.4 | 577.76 |
| March 31, 2015 | 458,106 | 157,351 | 33.8 | 579.91 |

(Reference) Shareholders' equity December 31, 2015: 152,432 million yen March 31, 2015: 154,633 million yen

2. Dividends

| (Base date) | Dividend per share | | | | |
|----------------------------------|----------------------|-----------------------|----------------------|-------------|--------|
| | End of first quarter | End of second quarter | End of third quarter | End of year | Annual |
| Fiscal year | yen | yen | yen | yen | yen |
| Ended March 31, 2015 | — | 14.00 | — | 20.00 | 34.00 |
| Ending March 31, 2016 | — | 14.00 | — | | |
| Ending March 31, 2016 (Forecast) | | | | — | — |

(Note) 1) Revision to the dividend forecast that has been disclosed lastly: None

2) Dividend of 20.00 yen per share for the fiscal year ended March 31, 2015 includes commemorative dividend of 4.00 yen.

3) Dividend forecast for the fiscal year ending March 31, 2016 has not been determined.

3. Forecast of Consolidated Operating Results for Fiscal 2015 (from April 1, 2015 to March 31, 2016)

The Group operates principally in the financial instruments business, and its operating results are likely to be affected by market fluctuations. Due to such nature of its business and consequential difficulty in predicting its performance, the Group does not disclose the forecast of operating results.

* Notes

(1) Important Changes in Subsidiaries during the Term (Changes Pursuant to the Subsidiaries that Lead to a Change in the Scope of Consolidation): None

New : None

Exclusion : None

(2) Application of Special Accounting Treatments in Preparing Quarterly Consolidated Financial Statements: None

(3) Changes in Accounting Policies or Estimates and Retrospective Restatements

1) Changes in accounting policies in accordance with revision of accounting standards: Yes

2) Changes in accounting policies other than item 1) above: None

3) Change in accounting estimates: None

4) Retrospective restatements: None

(4) Number of Shares Issued (Common Stock)

1) Number of shares issued at the end of the term including treasury stock (shares)

| | | | |
|--------------------------|-------------|-----------------------|-------------|
| As of December 31, 2015: | 280,582,115 | As of March 31, 2015: | 280,582,115 |
|--------------------------|-------------|-----------------------|-------------|

2) Number of treasury stock at the end of the term (shares)

| | | | |
|--------------------------|------------|-----------------------|------------|
| As of December 31, 2015: | 16,747,974 | As of March 31, 2015: | 13,929,529 |
|--------------------------|------------|-----------------------|------------|

3) Average number of shares outstanding (for the Nine months)

| | | | |
|--------------------------------------|-------------|--------------------------------------|-------------|
| Nine months ended December 31, 2015: | 265,104,509 | Nine months ended December 31, 2014: | 266,023,254 |
|--------------------------------------|-------------|--------------------------------------|-------------|

* Quarterly review procedure implementation progress status

This quarterly earnings report is exempt from the quarterly review procedure that is required under the Financial Instruments and Exchanges Act. At the time of the disclosure of this Consolidated Financial Summary, we have not finished the review procedure process.

* Note to proper use of forecast of operating results and other special remarks

Dividends for the fiscal year ending March 31, 2016 have not been determined because it is difficult to forecast operating results, as described similarly in "3.Forecast of Consolidated Operating Results for fiscal 2015."

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: million yen)

| | As of March 31, 2015 | As of December 31, 2015 |
|---|-------------------------|----------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 56,528 | 44,558 |
| Cash segregated as deposits | 26,267 | 32,011 |
| Cash segregated as deposits for customers | 25,105 | 31,305 |
| Cash segregated as deposits for others | 1,161 | 705 |
| Trading products | 198,053 | 335,321 |
| Trading securities and other | 195,803 | 331,998 |
| Derivatives | 2,250 | 3,322 |
| Margin transaction assets | 38,758 | 58,421 |
| Loans on margin transactions | 35,985 | 43,869 |
| Cash collateral pledged for securities borrowing on margin transactions | 2,773 | 14,552 |
| Loans secured by securities | 79,468 | 153,120 |
| Cash collateral pledged for securities borrowed | 79,468 | 153,120 |
| Advances paid | 95 | 85 |
| Short-term guarantee deposits | 9,675 | 9,807 |
| Short-term loans receivable | 98 | 139 |
| Short-term investment securities | 10 | — |
| Accrued income | 1,744 | 1,914 |
| Deferred tax assets | 1,283 | — |
| Other | 3,378 | 3,216 |
| Allowance for doubtful accounts | (35) | (43) |
| Total current assets | 415,327 | 638,554 |
| Noncurrent assets | | |
| Property, plant and equipment | 8,841 | 8,819 |
| Intangible assets | 2,130 | 1,967 |
| Investments and other assets | 31,806 | 31,716 |
| Investment securities | 26,786 | 26,464 |
| Long-term guarantee deposits | 1,969 | 1,994 |
| Net defined benefit asset | 2,411 | 2,607 |
| Other | 1,988 | 1,984 |
| Allowance for doubtful accounts | (1,349) | (1,334) |
| Total noncurrent assets | 42,778 | 42,503 |
| Total assets | 458,106 | 681,057 |

(Unit: million yen)

| | As of March 31, 2015 | As of December 31, 2015 |
|---|-------------------------|----------------------------|
| Liabilities | | |
| Current liabilities | | |
| Trading products | 70,125 | 164,590 |
| Trading securities and other | 63,271 | 159,059 |
| Derivatives | 6,854 | 5,531 |
| Trade date accrual | 10,901 | 1,515 |
| Margin transaction liabilities | 10,674 | 11,848 |
| Borrowings on margin transactions | 7,810 | 9,959 |
| Cash received for securities lending on margin transactions | 2,864 | 1,889 |
| Loans payable secured by securities | 4,805 | 142,044 |
| Cash received on debt credit transaction of securities | 3,805 | 142,044 |
| Borrowings on Gensaki transaction | 999 | — |
| Deposits received | 24,468 | 37,361 |
| Guarantee deposits received | 7,230 | 10,414 |
| Short-term loans payable | 98,228 | 96,778 |
| Short-term bonds payable | 8,300 | 10,300 |
| Current portion of bonds payable | 37,701 | 32,636 |
| Income taxes payable | 2,558 | 129 |
| Provision for bonuses | 3,807 | 976 |
| Provision for directors' bonuses | 101 | 30 |
| Deferred tax liabilities | — | 387 |
| Other | 4,082 | 3,859 |
| Total current liabilities | 282,986 | 512,874 |
| Noncurrent liabilities | | |
| Bonds payable | 6,103 | 2,065 |
| Long-term loans payable | 7,800 | 8,000 |
| Deferred tax liabilities | 1,792 | 1,401 |
| Provision for directors' retirement benefits | 104 | 89 |
| Net defined benefit liability | 547 | 501 |
| Other | 1,031 | 987 |
| Total noncurrent liabilities | 17,379 | 13,044 |
| Reserves under the special laws | | |
| Reserve for financial products transaction liabilities | 388 | 440 |
| Total reserves under the special laws | 388 | 440 |
| Total liabilities | 300,755 | 526,359 |
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 36,000 | 36,000 |
| Capital Surplus | 33,469 | 33,473 |
| Retained earnings | 82,140 | 83,763 |
| Treasury stock | (3,639) | (6,406) |
| Total shareholders' equity | 147,970 | 146,830 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 3,978 | 3,150 |
| Foreign currency translation adjustment | 69 | 13 |
| Remeasurements of defined benefit plans | 2,614 | 2,437 |
| Total accumulated other comprehensive income | 6,663 | 5,601 |
| Subscription rights to shares | 196 | 297 |
| Non-controlling interests | 2,522 | 1,968 |
| Total net assets | 157,351 | 154,698 |
| Total liabilities and net assets | 458,106 | 681,057 |

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Nine months ended December 31)

(Unit: million yen)

| | Nine months ended December 31, 2014 | Nine months ended December 31, 2015 |
|--|--|--|
| Operating revenue | | |
| Commission received | 33,482 | 27,133 |
| Commission to consignees | 14,308 | 13,288 |
| Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors | 525 | 555 |
| Fee for offering, secondary distribution and solicitation for selling and others for professional investors | 14,012 | 8,486 |
| Other fees received | 4,635 | 4,802 |
| Net trading income | 26,568 | 23,596 |
| Financial revenue | 2,645 | 2,356 |
| Total operating revenue | 62,697 | 53,087 |
| Financial expenses | 1,095 | 989 |
| Net operating revenue | 61,602 | 52,098 |
| Selling, general and administrative expenses | | |
| Trading related expenses | 8,786 | 9,117 |
| Personal expenses | 21,019 | 18,963 |
| Real estate expenses | 4,457 | 4,445 |
| Office cost | 4,482 | 4,938 |
| Depreciation | 1,380 | 1,386 |
| Taxes and dues | 503 | 667 |
| Other | 1,130 | 1,133 |
| Total selling, general and administrative expenses | 41,761 | 40,652 |
| Operating income | 19,841 | 11,446 |
| Non-operating income | | |
| Dividends income | 507 | 401 |
| Rent income | 449 | 466 |
| Equity in earnings of affiliates | 1,242 | 957 |
| Gain on investments in partnership | 84 | 257 |
| Other | 173 | 101 |
| Total non-operating income | 2,457 | 2,184 |
| Non-operating expenses | | |
| Loss on investments in partnership | 24 | 41 |
| Loss on abandonment of noncurrent assets | 17 | — |
| Foreign exchange losses | — | 24 |
| Other | 10 | 9 |
| Total non-operating expenses | 52 | 75 |
| Ordinary income | 22,246 | 13,555 |

(Unit: million yen)

| | Nine months ended December 31, 2014 | Nine months ended December 31, 2015 |
|---|--|--|
| Extraordinary income | | |
| Gain on sales of noncurrent assets | — | 0 |
| Gain on sales of investment securities | 6 | 2,233 |
| Gain on reversal of subscription rights to shares | 0 | — |
| Total extraordinary income | 7 | 2,233 |
| Extraordinary loss | | |
| Loss on sales of investment securities | 5 | 4 |
| Loss on valuation of securities | 3 | — |
| Loss on valuation of golf club membership | 0 | — |
| Provision of reserve for financial products transaction liabilities | 72 | 51 |
| Total extraordinary loss | 81 | 55 |
| Income before income taxes | 22,172 | 15,733 |
| Income taxes-current | 5,981 | 3,104 |
| Income taxes-deferred | 1,453 | 1,793 |
| Total income taxes | 7,435 | 4,898 |
| Profit | 14,737 | 10,835 |
| Profit attributable to non-controlling interests | 237 | 185 |
| Profit attributable to owners of parent | 14,500 | 10,649 |

Consolidated Statements of Comprehensive Income
(Nine months ended December 31)

(Unit: million yen)

| | Nine months ended December 31, 2014 | Nine months ended December 31, 2015 |
|---|--|--|
| Profit | 14,737 | 10,835 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1,036 | (827) |
| Foreign currency translation adjustment | 80 | (56) |
| Remeasurements of defined benefit plans | (86) | (176) |
| Total other comprehensive income | 1,030 | (1,060) |
| Comprehensive income | 15,767 | 9,774 |
| (Comprehensive income attributable to) | | |
| Owners of parent | 15,530 | 9,587 |
| Non-controlling interests | 237 | 186 |

Supplementary Information

(1) Breakdown of Commissions and Trading profit and loss

① Commission received

(i) By item

(Unit: million yen)

| | Nine months ended December 31, 2014 | Nine months ended December 31, 2015 | Yr/Yr | |
|--|---|---|------------------------|---------------|
| | | | Increase (Decrease) | % change |
| Commission to consignees | 14,308 | 13,288 | (1,020) | (7.1) % |
| Stocks | 13,863 | 12,300 | (1,563) | (11.3) |
| Bonds | 15 | 21 | 6 | 40.7 |
| Beneficiary certificates | 429 | 965 | 536 | 124.8 |
| Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors | 525 | 555 | 30 | 5.9 |
| Stocks | 240 | 317 | 76 | 31.7 |
| Bonds | 284 | 238 | (45) | (16.0) |
| Fee for offering, secondary distribution and solicitation for selling and others for professional investors | 14,012 | 8,486 | (5,526) | (39.4) |
| Beneficiary certificates | 13,964 | 8,453 | (5,510) | (39.5) |
| Other fees received | 4,635 | 4,802 | 166 | 3.6 |
| Beneficiary certificates | 3,487 | 3,510 | 23 | 0.7 |
| Total | 33,482 | 27,133 | (6,348) | (19.0) |

(ii) By product

(Unit: million yen)

| | Nine months ended December 31, 2014 | Nine months ended December 31, 2015 | Yr/Yr | |
|--------------------------|---|---|------------------------|---------------|
| | | | Increase (Decrease) | % change |
| Stocks | 14,195 | 12,680 | (1,515) | (10.7) % |
| Bonds | 362 | 301 | (60) | (16.8) |
| Beneficiary certificates | 17,882 | 12,930 | (4,951) | (27.7) |
| Others | 1,042 | 1,221 | 179 | 17.2 |
| Total | 33,482 | 27,133 | (6,348) | (19.0) |

② Net trading income

(Unit: million yen)

| | Nine months ended December 31, 2014 | Nine months ended December 31, 2015 | Yr/Yr | |
|-----------------|---|---|------------------------|---------------|
| | | | Increase (Decrease) | % change |
| Stocks | 11,947 | 10,650 | (1,296) | (10.8) % |
| Bonds and Forex | 14,621 | 12,946 | (1,675) | (11.5) |
| Total | 26,568 | 23,596 | (2,971) | (11.2) |

(2) Comparative Quarterly Consolidated Statements of Income

(Unit: million yen)

| | Fiscal 2014 | | Fiscal 2015 | | |
|--|--|--|--|--|---|
| | 3rd quarter Oct. 1, 2014 - Dec. 31, 2014 | 4th quarter Jan. 1, 2015 - Mar. 31, 2015 | 1st quarter Apr. 1, 2015 - Jun. 30, 2015 | 2nd quarter Jul. 1, 2015 - Sep. 30, 2015 | 3rd quarter Oct. 1, 2015- Dec. 31, 2015 |
| Operating revenue | | | | | |
| Commission received | 11,844 | 10,599 | 11,046 | 7,962 | 8,125 |
| Commission to consignees | 4,840 | 4,707 | 5,078 | 4,047 | 4,162 |
| (Stocks) | 4,626 | 4,454 | 4,848 | 3,694 | 3,757 |
| Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors | 223 | 254 | 116 | 116 | 323 |
| Fee for offering, secondary distribution and solicitation for selling and others for professional investors | 5,269 | 4,092 | 4,270 | 2,190 | 2,026 |
| (Beneficiary certificates) | 5,262 | 4,084 | 4,258 | 2,181 | 2,013 |
| Other fees received | 1,510 | 1,544 | 1,581 | 1,607 | 1,613 |
| (Beneficiary certificates) | 1,167 | 1,168 | 1,201 | 1,184 | 1,124 |
| Net trading income | 11,035 | 8,858 | 8,719 | 7,300 | 7,576 |
| (Stocks) | 5,761 | 4,785 | 4,828 | 2,678 | 3,143 |
| (Bonds and Forex) | 5,273 | 4,073 | 3,890 | 4,621 | 4,433 |
| Financial revenue | 827 | 544 | 936 | 655 | 764 |
| Total operating revenue | 23,707 | 20,003 | 20,702 | 15,918 | 16,467 |
| Financial expenses | 309 | 230 | 306 | 276 | 406 |
| Net operating revenue | 23,398 | 19,772 | 20,395 | 15,642 | 16,060 |
| Selling, general and administrative expenses | | | | | |
| Trading related expenses | 3,451 | 3,407 | 3,419 | 2,903 | 2,794 |
| Personal expenses | 7,391 | 6,982 | 6,983 | 5,817 | 6,162 |
| Real estate expenses | 1,468 | 1,500 | 1,485 | 1,487 | 1,471 |
| Office cost | 1,500 | 1,603 | 1,578 | 1,709 | 1,650 |
| Depreciation | 471 | 477 | 448 | 470 | 466 |
| Taxes and dues | 187 | 182 | 233 | 217 | 216 |
| Provision of allowance for doubtful accounts | - | 26 | 0 | 8 | (8) |
| Other | 336 | 361 | 448 | 377 | 307 |
| Total selling, general and administrative expenses | 14,808 | 14,542 | 14,597 | 12,991 | 13,062 |
| Operating income | 8,590 | 5,230 | 5,797 | 2,650 | 2,997 |
| Non-operating income | 731 | 1,065 | 851 | 829 | 503 |
| Equity in earnings of affiliates | 497 | 427 | 465 | 248 | 242 |
| Other | 234 | 638 | 385 | 581 | 260 |
| Non-operating expenses | 5 | 17 | 23 | 43 | 7 |
| Other | 5 | 17 | 23 | 43 | 7 |
| Ordinary income | 9,317 | 6,277 | 6,625 | 3,436 | 3,493 |
| Extraordinary income | - | 702 | 794 | 677 | 761 |
| Extraordinary loss | 27 | 257 | 31 | 21 | 2 |
| Income before income taxes | 9,289 | 6,723 | 7,388 | 4,092 | 4,252 |
| Income taxes-current | 2,376 | 3,347 | 890 | 1,655 | 559 |
| Income taxes-deferred | 784 | (640) | 1,211 | (254) | 837 |
| Profit | 6,128 | 4,016 | 5,287 | 2,691 | 2,856 |
| Profit attributable to non-controlling interests | 126 | 17 | 131 | (8) | 62 |
| Profit attributable to owners of parent | 6,002 | 3,998 | 5,155 | 2,700 | 2,793 |