

# Press Release



## TOKAI TOKYO FINANCIAL HOLDINGS, INC.

6-2, NIHONBASHI 3-CHOME, CHUO-KU, TOKYO 103-0027 JAPAN

(Securities Code 8616)

September 5, 2016

### **Re: The notice of partial acquisition of the shares of Ace Securities Co., Ltd. from their existing shareholders, and the subsequent addition of the subject company as our equity method affiliate**

We, Tokai Tokyo Financial Holdings, Inc., are pleased to announce that we acquired part of the shares of Ace Securities Co., Ltd. of which President is Mr. Yutaka Inui in the form of share transfer. Subsequent to this share acquisition, the subject became the entity that is treated as the equity method affiliate for accounting purpose as we own 29.2 % of voting right of the subject.

#### **1. The objective of the share acquisition**

We are driving forward “Alliance & Platform Strategy” as one of the strategies to flesh out our management plan, “Ambitious 5”. We grow business foundation aggressively under the strategy by promoting joint partnership operation with regional banks and offering peer securities houses new services and products on wholesaling basis. We aim ultimately to expand the foundation and profit generating capacity to become a unique and comprehensive financial group.

Ace Securities Co., Ltd., founded in 1914, is operating its business under the network of 12 offices with primary geographic operating base in western Japan clustered around *Kansai* area. One distinct resource of the Company is that they make financial advisory service available by retaining Independent Financial Advisors (IFAs) who are independent financial instruments intermediary service providers all across Japan. The Company ranks number one in the industry in terms of the number of the retained registered IFAs. Further, the Company owns Maruhachi Securities Co., Ltd. as its consolidated subsidiary with primary operating base in Aichi Prefecture and the Subsidiary is listed on Tokyo Stock Exchange JASDAQ (Standard) with the stock code: 8700.

Tokai Tokyo Financial Holdings, Inc. and Ace Securities Co., Ltd. will make the resources and the competence available for each other and enhance business cooperation under the close business relationship as good partners. As such, we, Tokai Tokyo and the partner will both exert utmost efforts to raise respective corporate value from now onward.

#### **2. The profile of Ace Securities Co., Ltd.**

1.	Name of the Company	Ace Securities Co., Ltd.
2.	Headquarters Location	2-6-11 Honmachi, Chuo-ku, Osaka, Japan
3.	Description of the Representative	Mr. Yutaka Inui, President
4.	Line of Business	Financial Instruments Business
5.	Capital	¥8,831Million as of March 31, 2016
6.	Date of Incorporation	February 21, 1931

#### **3. Estimated impact of this move on the Tokai Tokyo Financial Holdings, Inc.**

We estimate that the impact on our financial standing for the fiscal year ending in March 2017 would be insignificant.

(end)