

Press Release



TOKAI TOKYO FINANCIAL HOLDINGS, INC.

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

(Securities Code 8616)

January 4, 2017

**Re: The notice of the business commencement of
“Hokuhoku Tokai Tokyo Securities Co., Ltd.”**

As per the notice dated October 21, 2016, Hokuhoku Tokai Tokyo Securities Co., Ltd. (“Hokuhoku TT Securities”) starts its operation today on January 4, 2017.

Hokuhoku TT Securities was founded in the form of joint investment by the Company and Hokuhoku Financial Group, Inc. (the “Hokuhoku FG”) of which Representative Director is Mr. Eishin Ihori. The new company, Hokuhoku TT Securities, is led by Mr. Takashi Nakano, President and Representative

Hokuhoku TT Securities is the first joint venture entity in Hokuriku-Hokkaido region that the Company operates together with regional bank and it starts providing its service today by taking over a part of the business operation of our wholly-owned subsidiary, Tokai Tokyo Securities Co., Ltd., and the operation to be transferred include those of Toyama, Sapporo and Kanazawa Branches.

Hokuhoku TT Securities will deploy in its home market of Hokuriku-Hokkaido a new business model made possible by combining the essence of banking and stock brokerage businesses, and it offers diverse and highly specialized services that meet exactly the wide spectrum of customer needs, with an aim to become the number one securities firm based in the home market in terms of the customer confidence.

The Company as a group will assist Hokuhoku TT Securities with the business development process by providing resources that are essential to run securities company such as products and services, operational functions, information and personnel training. One additional notice we request you to take at this time is that Hokuhoku TT Securities now comes off the list of the Company’s consolidated subsidiaries and becomes instead an affiliated company as a consequence of its receiving the capital contribution from Hokuhoku FG effective today.

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Now, we are pleased to give you below the profile of the new company.

(1) Corporate name	Hokuhoku Tokai Tokyo Securities Co., Ltd. <ul style="list-style-type: none"> · Financial Instrument Business Operator Hokuriku Local Finance Bureau(FIBO) No.24 · A member of Japan Securities Dealers Association
(2) Headquarters Location	8-10, Marunouchi 1 chome, Toyama City, Toyama Prefecture
(3) Representatives	<ul style="list-style-type: none"> · Takashi Nakano, President & CEO (Representative Director) (Currently Director of Hokuhoku FG and formerly Senior Managing Executive Officer of The Hokuriku Bank, Ltd.) · Masaru Kato, Deputy President (Representative Director) (Formerly Senior Managing Operating Officer, Tokai Tokyo Securities Co., Ltd.) · Ikuo Takada, Deputy President (Representative Director) (Formerly President & CEO (Representative Director), Dogin Card Co., Ltd.)
(4) Operating Outlets	<ul style="list-style-type: none"> · Main Office: 8-10, Marunouchi 1 chome, Toyama City, Toyama Prefecture · Sapporo Office: 1-4, Kita Sanjyo Nishi 4 chome, Chuo-Ku, Sapporo City, Hokkaido · Kanazawa Office: 5-28 Minamicho, Kanazawa City, Ishikawa Prefecture (At the premise of Kanazawa Branch of Hokuriku Bank, Ltd.)
(5) Paid-in capital	1,250 million yen
(6) Shareholders and Shareholding ratio	Hokuhoku FG: 60% Tokai Tokyo Financial Holdings: 40%
(7) Number of Employees	103
(8) Date of establishment	April 21, 2016
(9) Telephone	Head Office Switchboard +81-76-471-8277

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