

# Press Release



**TOKAI TOKYO FINANCIAL HOLDINGS, INC.**

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(TSE, NSE: 8616)

November 8, 2019

## **Tokai Tokyo Established Smartphone Securities Preparatory Company**

We, Tokai Tokyo Financial Holdings, Inc. (hereinafter “the Company”), are pleased to announce that we decided to launch a smartphone specialized securities company that offers securities investment apps for smartphone users. Consequently, we established a preparatory firm effective today to initiate a series of new operation set-up procedures.

### **1. The background and the purpose of the new company establishment**

Under our business plan, New Age’s Flag Bearer 5, we aim to transform ourselves to an innovative integrated financial group to deal with radical and rapid changes of business environment. We recognize that the changes we must grapple with and prevail over include the customer needs that are getting ever diversified and sophisticated and the widely spreading digital financial services such as FinTech and artificial intelligence (AI).

We understand that massive popularization of smartphones is giving us a benefit of a new communication channel with new potential customers. Accordingly, our idea is to provide financial services from the new company to meet the needs of next-generation asset forming segment of customers. The services made available for smartphone users cover a broad scope ranging from account opening, order placing, account balance inquiring, both account crediting and debiting, and all other operations.

We have been engaging in initiating business relationship with FinTech companies through proactive equity investments and business collaborations. Now, leveraging on the know-how we have acquired through the said exposure to FinTech industry, we are poised to offer products and services that the next-generation asset forming segment of customers may find convenient to use such as the investment products for beginners starting with small investments and the easy apps for assisting stock selections. However, we do not mean to stop there. We aim to become an advanced smartphone investment service provider that can satisfy the digital senior investors who have no reluctance to use smartphones and the affluent double income couples who possess high interest in sophisticated investment opportunities. Our product and service portfolio rich in diversity catering to such customers would include loans secured by securities, foreign stocks, and foreign bonds in addition to Japanese stocks.

This smartphone specialized securities company would offer its services that work under the linkage with *Okane no Compass* (Money Compass), an asset management app that we announced today in a separate press release. We intend to add smartphone brokerage service capabilities to satisfy the customers who are not content with *Okane no Compass* alone in terms of its present investment service assortment offered by FinTech companies.

## **2. The profile of the smartphone specialized securities company**

- (1) Company name: TBD  
(Registered as “3.0 Securities Preparatory Co., Ltd.” effective today)
- (2) Headquarters: 5-1, Nihonbashi 2-chome, Chuo-ku, Tokyo
- (3) Paid-in capital: 100 Million Yen (including legal capital surplus)
- (4) Beginning date of operation: Sometime during the next fiscal year (planned)

## **3. Future prospects**

We will work on details for the new smartphone specialized securities company establishment, and we will update you with no delay on the above mentioned as well as the scope of services the smartphone specialized securities company will offer as they become fixed. We estimate that the impact to be caused by this matter upon the Company’s financial standing for the fiscal year ending March 31, 2020 would be insignificant.

(end)