

Results for First Two Quarters of Fiscal 2015, ending September 30, 2015

May 2015

FinTech Global Incorporated

Mothers Stock Code: 8789

<http://www.fgi.co.jp/>

Fiscal 2015 First Two Quarters: Consolidated Performance

(Millions of yen)	Fiscal 2014 First Two Quarters (A)	Fiscal 2015 First Two Quarters (B)	YOY Change (B)-(A)	Fiscal 2014 Full Year	Fiscal 2015 Full Year (Forecast)(Note)
Revenues	1,670	2,400	730	3,911	7,000
Gross profit	1,665	1,026	(639)	2,398	—
Operating income(loss)	841	(61)	(902)	555	1,250
Ordinary income	913	60	(852)	684	1,200
Net income	1,029	71	(958)	923	1,100



Overview of First Two Quarters

Note: Performance forecast has been revised. See page 4 for details.

Point 1 ⇒ Brisk arrangement services for renewable energy projects. Also involved in arrangements and promise of investment for hydroelectric power projects.

- Arrangement activity has remained brisk since fiscal 2014, thanks to joint efforts with EPC (engineering, procurement and construction) providers.
- Booked arrangement fees on invitation activities to source investors for hydroelectric power projects. Capital commitment of ¥300 million into fund to finance small and mid-sized hydroelectric power generation projects. (See next page for details)

Point 2 ⇒ No large investment exits in the first half. Expecting large investment exits from venture capital fund FinTech FIMV Fund (FGF) in the second half.

- Dividends from investment exits were received, based on FGF's December-end fiscal year, but valuation losses also occurred, leading to a loss on the books. The fund plans large investment exits, which should be reflected on FGI's books during the current fiscal year. (Impact already reflected in performance forecast announced in November 2014)

Point 3 ⇒ New developments in asset management and public finance-related businesses

- Entrusted to manage real estate assets using real estate specified joint enterprise project made possible by revisions to law in December 2013. (March 2015)
- Began fiscal reform services for local governments.

Point 4 ⇒ Issued 14th Series of Share Warrants

- Expect to raise ¥2,539 million (estimate based on initial exercise price)

Primary application of funds will be as investment in and loans to renewable energy projects or else venture businesses, including venture funds.

Forward-looking statements, such as performance forecasts, are based on information available to management and on certain reasonable assumptions. Please note that various factors beyond management's control could cause actual results and other developments to be very different than expected.

Business Topics



Involvement in hydroelectric power projects

Capital commitment (¥300 million) to Mirai Hydropower Investment Limited Partnership

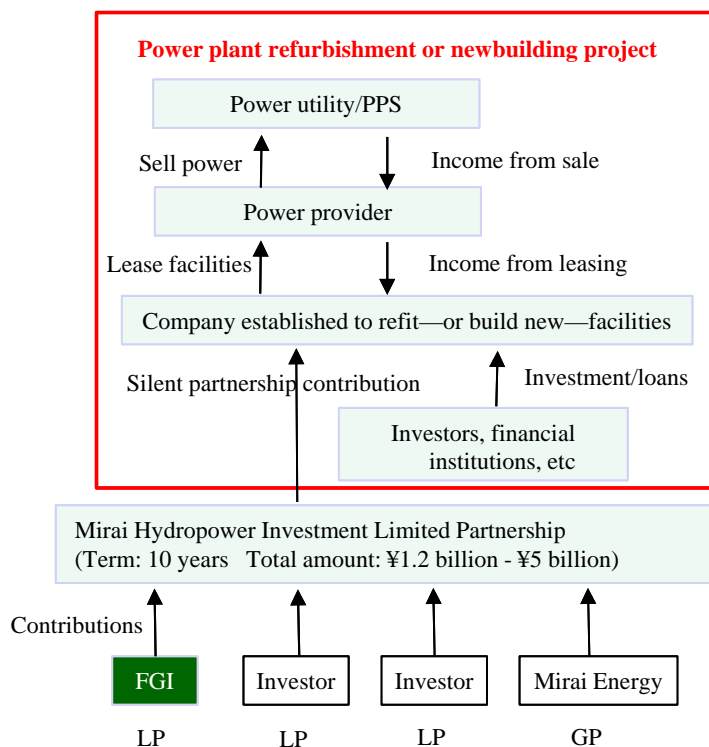
On March 31, 2015, FGI committed ¥300 million to a fund that invests in projects to upgrade or build new hydroelectric power facilities. Through this capital contribution, FGI will achieve stable investment returns and also promote arrangement services for funds that invest in hydroelectric power projects.

Investment Target 1: Upgrades at hydroelectric power facilities

Projects to refit aging hydroelectric power facilities in need of large-scale refurbishment into a modern facilities that can take advantage of the feed-in tariff system for renewable energy.

Investment Target 2: New hydroelectric power facilities utilizing dam installations

New hydroelectric power facilities using local government dams and agricultural-use dams with hydropower resource potential not currently harnessed.



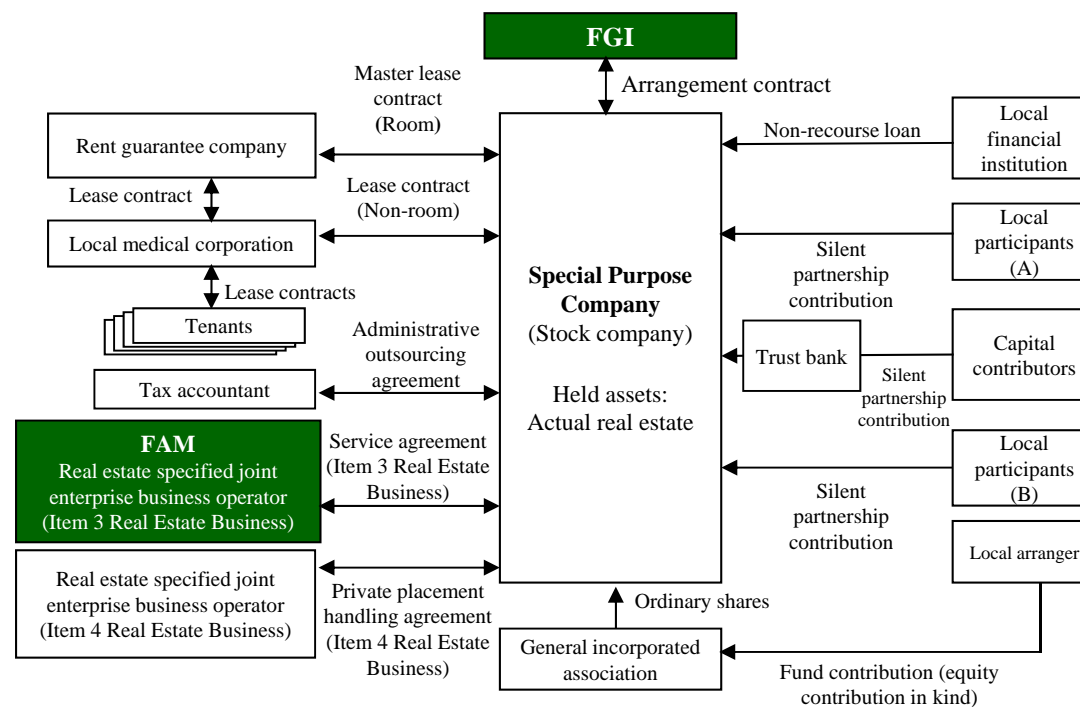
Real estate securitization using real estate joint enterprise project

FinTech Asset Management Incorporated (FAM) acquired permission from the Financial Services Agency and the Ministry of Land, Infrastructure, Transport and Tourism, effective March 18, 2015, for services (Item 3 Real Estate Business) related to Article 2, Paragraph 4-3 of the Real Estate Specified Joint Enterprise Law. As of March 31, 2015, only seven companies had been approved for Item 3 Real Estate Business.

Duly authorized, FAM was entrusted with a project by a special purpose company with assisted-living housing for seniors. FGI was entrusted with arrangement transaction services to support scheme formation.

The FGI Group will promote Item 3 Real Estate Business, under the Real Estate Specified Joint Enterprise Law, for deals where other real estate securitization schemes create hassles, such as deals hit by double-taxation and deals involving small buildings that are difficult to put into a trust scheme.

Framework of Scheme Entrusted to FAM for Assisted-Living Housing for Seniors



Business Summary by Segment

Note: Revenues include inter-segment transactions.

	(Millions of yen)	Fiscal 2014 First Two Quarters	Fiscal 2015 First Two Quarters	YOY Change	Principal Consolidated Subsidiaries
1	Investment Banking Business	Revenue 1,424 Operating income (loss) 1,230	671 405	(752) (824)	FGI, FinTech Global Trading(FGT) FinTech Asset Management Inc.(FAM)
2	Real Estate Business	Revenue 209 Operating income (loss) (13)	1,281 (54)	1,072 (41)	Better Life Support Co., Ltd. (BELS) Unihouse Co.,Ltd, Better Life House Co.,Ltd. Jonan Development Co.,Ltd.,Three Oak Co.,Ltd.
3	Construction Business	Revenue 0 Operating income (loss) (2)	423 (0)	423 1	Okayama Corporation
4	Others	Revenue 0 Operating income (loss) 1	33 (26)	(5) (28)	Moomin Monogatari Ltd., Adacotech Incorporated Public Management Consulting Corporation(PMC)(Note)
	Adjustment	Revenue 0 Operating income (loss) (375)	(9) (385)	(7) (9)	
	Amount Booked on Consolidated Statement of Income	Revenue 1,670 Operating income (loss) 841	2,400 (61)	730 (902)	

Note: Moomin Monogatari and Adacotech fall under the scope of consolidation from the second quarter of fiscal 2015, while PMC is excluded as of December 31, 2014.

1 • FGI continued to benefit from favorable interest in arrangement transaction services, mainly for renewable energy projects. The Company gained access to excellent projects, through cooperation with prominent EPC (engineering, procurement and construction) providers and through loans to finance development of power production facilities, and was able to offer higher-quality investment opportunities to power providers. Segment revenue was further enhanced by investment arrangement services to attract investors to hydroelectric power generation projects.

1 • Investment in venture capital fund FGF delivered returns through investment exits but some portfolio companies showed losses, leading to a valuation loss of ¥49 million on the books.
• Absence of large investment exits from investment business limited partnerships on the scale recorded in the corresponding period a year ago—which added ¥1.2 billion to revenues and operating income in that period—led to a year-on-year drop in income for the first two quarters of fiscal 2015.

2 • At BELS, real estate services made sluggish progress as did homeowner services, exacerbated by reduced advertising following a postponement in sales of detached buildings that were to be handled by the company. In the second half, BELS plans to provide homeowner services to a membership organization in the range of 300,000 people, and will introduce employee-oriented rental services at client companies.

2 • At Unihouse, efforts were made to enhance the corporate network for building introductions in the real estate brokerage services division. To expand the base of alliance companies, Unihouse will reinforce its corporate division and plans to revise its website.

2 • At Better Life House, the real estate sales division purchased more land for homes. Some acquired property was sold, with revenue booked. Construction of homes started, and sales will begin from May 2015 as the homes are completed.

3 • In the construction business, a large-scale project applicable under the percentage of completion method got started during the first two-quarters of fiscal 2015, while another large-scale project applicable under the completed contract method wrapped up.

4 • Moomin Monogatari is pursuing negotiations with relevant parties on the selection of a candidate site for the theme park.
• Adacotech develops and markets software for autocorrelation/prediction and detection systems based on pattern recognition technology from the independently administered National Institute of Advanced Industrial Science and Technology. Increased inquiry activity from big corporations because the software has wide-ranging applications in such areas as production processes, crime-prevention, and medicine and nursing care.

Fiscal 2015: Revised Performance Forecast (Consolidated)

(Millions of yen)	Previous Fiscal 2015 Forecast (A)	New Fiscal 2015 Forecast (B)	(B)-(A)	Fiscal 2014 Results
Revenue	7,900	7,000	(900)	3,911
Operating income	1,250	1,250	0	555
Ordinary income	1,200	1,200	0	684
Net income	1,100	1,100	0	923



Reasons for Revision

Anticipated results by subsidiary Okayama Corporation removed from forecast due to transfer of all shares in this company

- All shares were transferred in response to management buyout by executives and employees of Okayama on May 1, 2015. The company was removed from the scope of consolidation, from the third quarter, and anticipated results were removed from the consolidated forecast.

No change to full-year forecasts for investment banking business and real estate business

- In the investment banking business, efforts moving steadily toward large investment exits in the current fiscal year, as originally planned.
- In the real estate business, sales of detached homes, under construction since last year, will be sold as work is completed, beginning in May 2015. This will contribute to enhanced profitability.



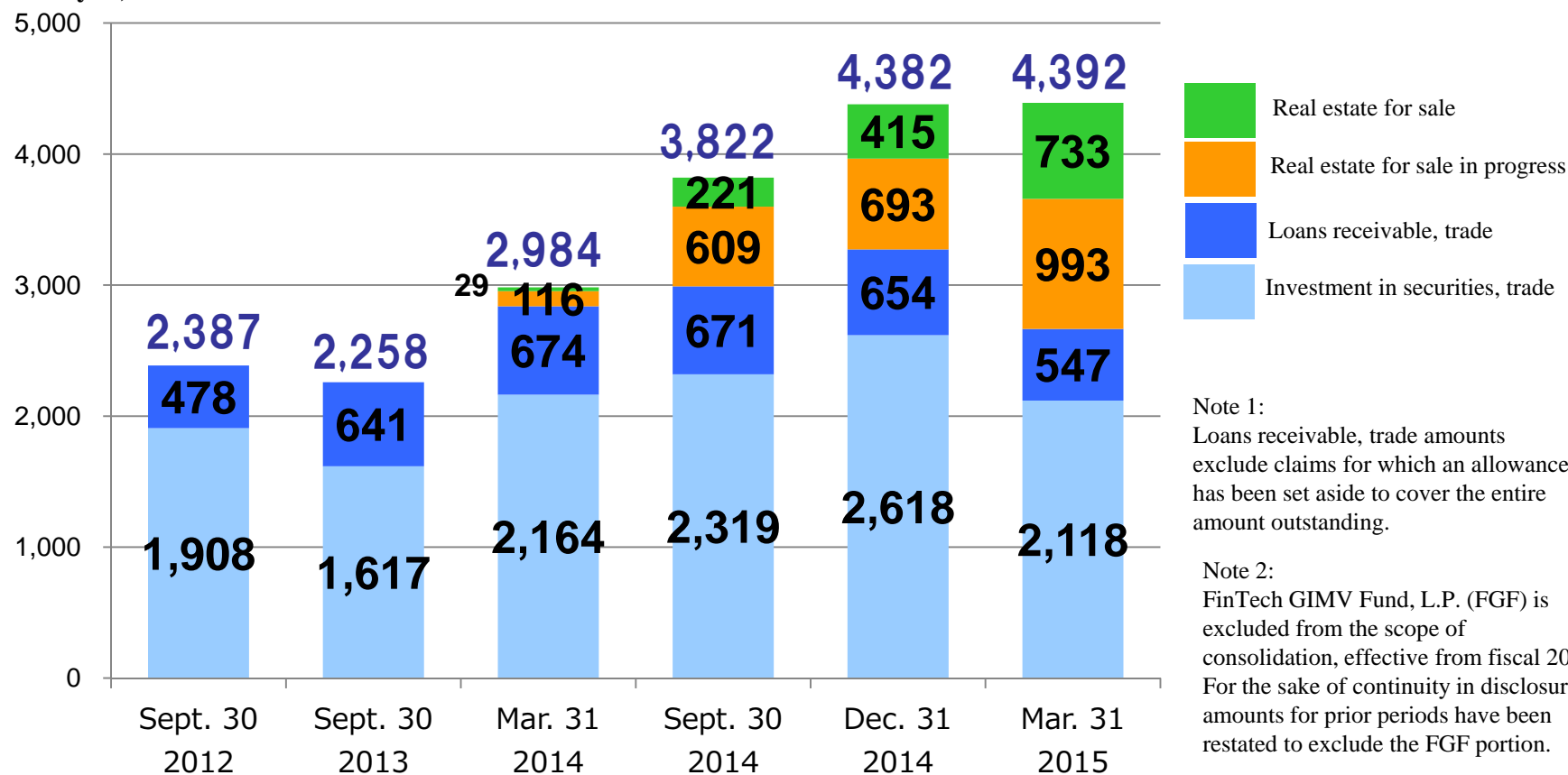
Business Development, Issues Ahead

- ☑ Selection of candidate site for Moomin theme park (Moomin Monogatari under consolidation from second quarter).
 - Firm up theme park business plan assuming final negotiations, including conditions on candidate site, are successful.
- ☑ Implement more arrangement services for renewable energy projects.
 - Promote arrangements for investment into fund to finance small and mid-sized hydroelectric power facilities.
- ☑ Promote investment exits from venture capital fund FGF.
- ☑ Promote expansion of real estate asset management using real estate specified joint enterprise projects.
- ☑ Build and sell homes in the real estate business (Home sales planned start in May 2015).

Changes in Investment in Securities, Trade, Real Estate for Sale and Others

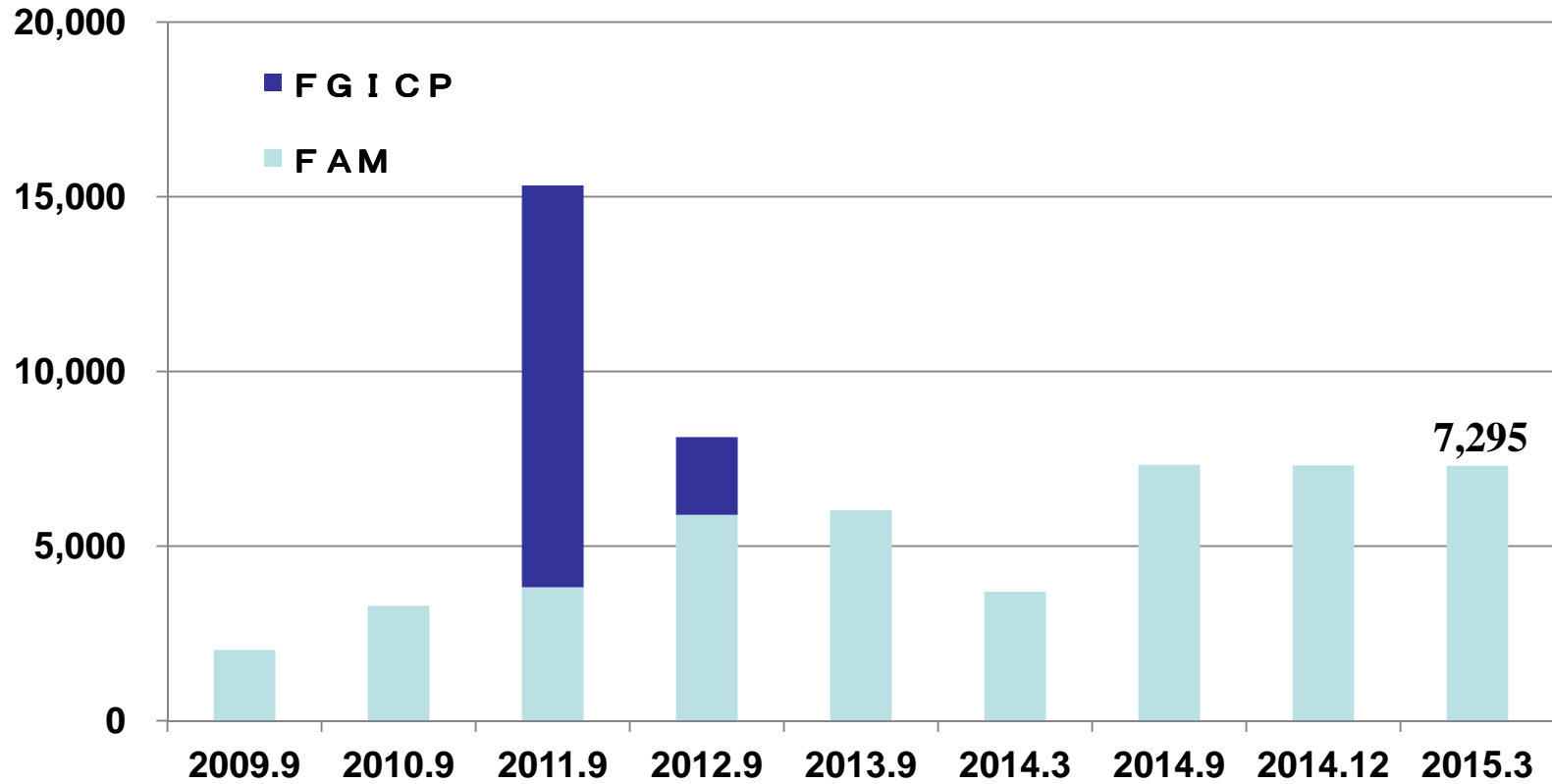
- Investments in securities, trade
Balance at March 31, 2015, was down ¥499 million, compared with the level at December 31, 2014.
- Investment up in FGF (IT- and life science-focused fund; dollar-denominated), but dividends received, valuation losses and foreign exchange difference led to net decrease.
- Change in the status of Moomin Monogatari to consolidated subsidiary turned shares in the company into shares in subsidiaries and affiliates, on a non-consolidated basis, causing a decrease.
- Total for purchase of land for building homes, real estate for sale and real estate for sale in progress rose ¥617 million over December 31, 2014. Additional purchases of land for building homes will be made.

(Millions of yen)



Changes in the FGI Group's Assets under Management Balance

(Millions of yen)



↑
FAM becomes a subsidiary

↑
FGICP becomes a subsidiary

⏟
Fiscal 2014

⏟
Fiscal 2015
First Two Quarters

Assets in FinTech GIMV Fund contributed by FGI (\$27 million as of December 31, 2014) are excluded.

Consolidated Balance Sheets

		Assets		
		Fiscal 2014	Fiscal 2015 First Two Quarters	Change
Current assets		6,591,999	7,973,736	1,381,737
Cash and time deposits		2,034,917	1,975,306	(59,611)
1	Notes and accounts receivable, trade	255,142	533,194	278,052
Completed construction contracts, accounts receivable		247,275	421,486	174,211
2	Investments in securities, trade	2,319,357	2,118,599	(200,758)
Loans receivable, trade		857,021	732,212	(124,809)
3	Real estate for sale	221,332	733,564	512,232
3	Real estate for sale in progress	609,460	993,007	383,546
Costs on uncompleted construction contracts		2,387	140,275	137,888
4	Short-term loans receivable	153,412	396,530	243,117
Other current assets		175,720	193,493	17,773
Allowance for doubtful assets		(284,028)	(263,934)	20,093
Noncurrent assets		860,247	673,194	(187,053)
Property, plant and equipment		121,373	119,839	(1,534)
Intangible fixed assets		164,331	169,734	5,402
Investments and other assets		574,541	383,620	(190,921)
Total assets		7,452,246	8,646,930	1,194,684

1 Increase due to revenue on arrangement services for renewable energy projects

2 Additional investment in venture capital fund FGF and higher gain on foreign exchange led to increase, but dividends and valuation losses caused net decrease

Decrease due to Moomin Monogatari becoming a consolidated subsidiary

3 Increase mainly due to acquisition of land by the real estate business for building homes

4 Increase in loans to unconsolidated subsidiary involved in solar power projects

5 Increase in advances in construction business

6 Increase due to loans in the real estate business and bond issuance

		Liabilities		
		(Thousands of yen)		
		Fiscal 2014	Fiscal 2015 First Two Quarters	Change
Current liabilities		1,459,524	2,765,360	1,305,835
Notes and accounts payable, trade		254,826	158,171	(96,655)
Accounts payable for construction contracts		65,396	107,692	42,296
6	Short-term loans payable	628,100	1,437,525	809,425
6	Current portion of bonds	16,000	46,000	30,000
6	Current portion of long-term loans payable	13,068	146,552	133,484
5	Advances received on uncompleted construction	55,867	516,059	460,192
Deposits received		187,038	84,122	(102,915)
Other current liabilities		239,228	269,237	30,009
Noncurrent liabilities		457,877	419,083	(38,794)
6	Bonds payable	24,000	136,000	112,000
6	Long-term loans payable	226,591	81,336	(145,255)
Net defined benefit liability		148,926	153,237	4,310
Deferred tax liability		45,797	36,075	(9,721)
Other noncurrent liabilities		12,562	12,434	(127)
Total liabilities		1,917,402	3,184,444	1,267,041

Net Assets

Shareholders' equity		5,507,738	5,395,469	(112,269)
Common stock		3,351,561	3,351,788	226
Additional paid-in capital		929,373	929,600	226
Retained earnings		1,226,803	1,114,080	(112,722)
Accumulated other comprehensive income		(573)	(573)	0
Subscription rights to shares		4,168	9,072	4,904
Minority interests		23,510	58,518	35,007
Total net assets		5,534,844	5,462,486	(72,357)
Total liabilities and net assets		7,452,246	8,646,930	1,194,684

Consolidated Statements of Income

(Thousands of yen)

	Fiscal 2014 First Two Quarters	Fiscal 2015 First Two Quarters	Change
Revenue	1,670,130	2,400,850	730,719
Cost of revenue	4,863	1,374,820	1,369,957
Gross profit	1,665,267	1,026,029	(639,237)
Selling, general and administrative expenses	824,227	1,087,395	263,167
Operating income/(loss)	841,040	(61,365)	(902,405)
Other income	74,889	144,141	69,252
Other expenses	2,532	21,990	19,457
Ordinary profit/(loss)	913,396	60,785	(852,610)
Extraordinary profit	178,200	13,410	(164,789)
Extraordinary loss	6,161	2,280	(3,881)
Income before income taxes	1,085,435	71,915	(1,013,519)
Income taxes	49,729	6,843	(42,886)
Income before minority interests	1,035,705	65,072	(970,633)
Minority interests/(loss)	5,726	(6,891)	(12,618)
Net income/(loss)	1,029,979	71,964	(958,014)

1

Revenue up, thanks to favorable investment banking operations (arrangement transaction services)

Higher revenue and cost of revenue, stemming from real estate and construction operations. (Increase in subsidiaries in both segments (one company in second quarter of fiscal 2014; six companies from third quarter onward).

2

No arbitration costs were booked in the first two quarter of 2015, whereas such costs existed in the first two quarter of fiscal 2014. Nevertheless, efforts to strengthen personnel as well as an increase in subsidiaries under consolidation led to higher personnel costs and rent. In addition, advertising and promotions in the real estate business were up.

3

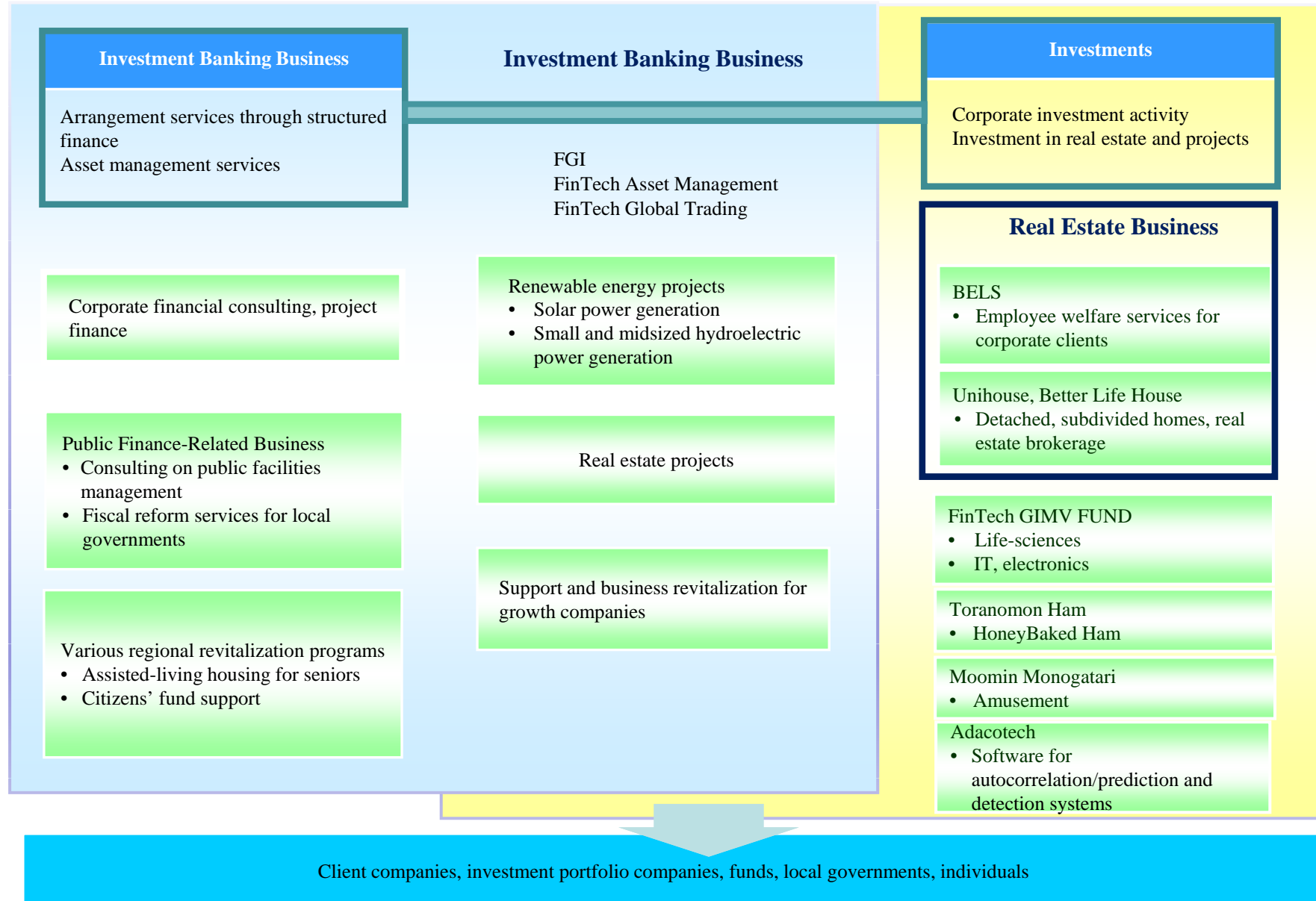
Booked ¥133 million in gain on foreign exchange. Mainly from investment in dollar-denominated FGI venture capital fund.

Reference Materials

- **FGI Group Business Domains**
- **Quarterly Non-Consolidated Financial Statements (Balance Sheets and Statements of Income)**
- **Changes in Financial Indicators (Consolidated)**
- **Summary of Subsidiary Results**

FGI Group Business Domains

FGI got its start in arrangement services using structured finance and has expanded its scope of business activity to cover asset management, corporate investment and investment in real estate.



Quarterly Non-Consolidated Balance Sheets

(Thousands of yen)

Assets			
	Fiscal 2014	Fiscal 2015 First Two Quarters	Change
Current Assets	4,837,705	4,851,458	13,753
Cash and time deposits	1,172,656	839,931	(332,724)
Accounts receivable, trade	205,826	501,698	295,871
Investment in securities, trade	2,313,509	2,011,242	(302,267)
Loans receivable, trade	877,981	753,172	(124,809)
Short-term loans	443,504	936,981	493,477
Other current assets	104,211	85,750	(18,460)
Allowance for doubtful accounts	(279,984)	(277,318)	2,666
Noncurrent assets	905,930	1,066,180	160,250
Property, plant and equipment	107,451	102,827	(4,623)
Intangible assets	1,961	10,306	8,345
Investments and other assets	796,517	953,046	156,528
Total assets	5,743,636	5,917,639	174,003

Liabilities			
	Fiscal 2014	Fiscal 2015 First Two Quarters	Change
Current liabilities	548,909	708,722	159,812
Accounts payable-trade	46,938	85,076	38,137
Short-term loans payable	265,100	475,100	210,000
Current portion of long-term debt	—	16,668	16,668
Accounts payable-others	25,525	30,706	5,180
Deposits received	163,728	47,736	(115,992)
Accrued employee bonuses	18,721	22,928	4,207
Others	28,896	30,507	1,611
Long-term liabilities	100,095	135,855	35,759
Long-term loans payable	—	31,943	31,943
Lease obligations	1,254	811	(442)
Provision for retirement benefits	69,925	74,405	4,479
Others	28,914	28,694	(220)
Total liabilities	649,004	844,577	195,572

Net Assets			
Shareholders' equity	5,091,706	5,065,223	(26,483)
Capital stock	3,351,561	3,351,788	226
Additional paid-in capital	916,784	917,010	226
Retained earnings	823,361	796,423	(26,937)
Valuation difference on available-for-sale securities	(1,243)	(1,233)	9
Subscription rights to shares	4,168	9,072	4,904
Total net assets	5,094,631	5,073,061	(21,569)
Total liabilities and net assets	5,743,636	5,917,639	174,003

Quarterly Non-Consolidated Statement of Income

(Thousands of yen)

	Fiscal 2014 First Two Quarters	Fiscal 2015 First Two Quarters	Change
Revenue	1,310,180	531,180	(779,000)
Cost of revenue	131,204	155,141	23,936
Gross profit	1,178,975	376,038	(802,937)
Selling, general and administrative expenses	445,362	490,570	45,208
Operating income/(loss)	733,613	(114,531)	(848,145)
Other income	97,932	193,684	95,751
Other expenses	40,890	50,535	9,644
Ordinary income/(loss)	790,655	28,617	(762,037)
Extraordinary profit	137	203	65
Extraordinary loss	—	10,930	8,802
Income before income taxes	788,665	17,890	(770,774)
Income taxes	20,579	(28,770)	(49,349)
Net income/(loss)	768,086	46,661	(721,425)

Changes in Key Financial Data

Fiscal Year		Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014	First two quarters Fiscal 2015
Net Revenue	(millions of yen)	3,465	6,988	2,038	1,603	3,911	2,400
Gross profit	(millions of yen)	935	3,509	908	1,468	2,398	1,026
Ordinary income (loss)	(millions of yen)	(2,604)	1,220	(915)	88	684	60
Net income (loss)	(millions of yen)	(2,172)	1,404	(1,274)	182	923	71
Net assets	(millions of yen)	3,164	4,870	3,632	2,716	5,534	5,462
Total assets	(millions of yen)	7,352	7,682	6,417	4,770	7,452	8,646
Net assets per share	(yen)	20.25	31.52	19.82	22.23	37.41	36.65
Net income (loss) per share	(yen)	(17.99)	11.69	(10.70)	1.52	6.92	0.49
Diluted net income (loss) per share	(yen)	—	11.68	—	1.52	6.89	0.49
Equity to total asset ratio	(%)	33.3	48.9	36.8	56.4	73.9	62.4
Equity to net income ratio	(%)	(61.2)	45.3	(41.7)	7.2	22.5	—
Price earning ratio (PER)	(times)	—	2.6	—	21.9	9.2	—
Cash flow from operating activities	(millions of yen)	626	1,953	959	(464)	(2,208)	(1,112)
Cash flow from investing activities	(millions of yen)	(2,281)	(631)	80	85	509	△ 51
Cash flow from financing activities	(millions of yen)	(3,376)	(413)	(233)	(128)	2,065	852
Cash and cash equivalents at the end	(millions of yen)	829	1,711	2,522	1,644	2,024	1,975
Number of employees (consolidated) (part-time employees)	(employees)	72 (13)	70 (17)	60 (19)	51 (13)	109 (7)	121 (10)
Number of employees (non- consolidated) (part-time employees)	(employees)	40 (2)	15 (2)	20 (3)	26 (3)	24 (3)	28 (2)

FGI executed a stock split on April 1, 2014, that split each share into 100 shares. Consequently, net assets per share, net income (loss) per share and net income per share after adjustment for diluted shares have been calculated as if the aforementioned stock split had occurred at the beginning of fiscal 2010.

Summary of Subsidiary Results

(Millions of yen)

Segment : Investbanking Business

FinTech Asset Management (FAM)	Fiscal 2013			Fiscal 2014			Fiscal 2015
	1st half	2nd half	Full year	1st half	2nd half	Full year	2nd half
Revenue	118	73	191	179	86	265	30
Gross profit	117	73	191	179	80	260	30
Ordinary income (loss)	36	(7)	29	105	21	126	(1)

Segment : Investbanking Business

FinTech Global Trading (FGT) (Note1)	Fiscal 2015
	2Q (Jan 2015 ~Mar 2015)
Revenue	161
Gross profit	161
Ordinary income (loss)	133

Segment : Construction Business

Okayama Corporation (Note) 2	Fiscal 2014
	2nd half
Revenue	979
Gross profit	83
Ordinary income (loss)	26

Segment : Real Estate Business

Better Life Support	Fiscal 2013			Fiscal 2014			Fiscal 2015
	1st half	2nd half	Full year	1st half	2nd half	Full year	2nd half
Revenue	248	256	505	209	233	442	204
Gross profit	207	216	424	169	192	362	136
Ordinary income (loss)	2	3	5	(9)	13	3	(44)

Segment : Real Estate Business

Unihouse (Note)3 (Note)4	Fiscal 2014	Fiscal 2015
		2nd half
Revenue	39	221
Gross profit	39	221
Ordinary income (loss)	(63)	(22)

Segment : Real Estate Business

Jonan Development (Note)3 (Note)5	Fiscal 2014
	2nd half
Revenue	152
Gross profit	152
Ordinary income (loss)	23

Segment : Real Estate Business

Better Life House (Note)3	Fiscal 2014	Fiscal 2015	Three Ork (Note)3	Fiscal 2014	Fiscal 2015
	2nd half	1st half		2nd half	1st half
Revenue	20	670	Revenue	321	239
Gross profit	17	56	Gross profit	30	8
Ordinary income (loss)	(11)	(12)	Ordinary income (loss)	8	6

Segment : Real Estate Business

Segment : Other

Moomin Monogatari (Note)1	Fiscal 2015
	2Q (Jan 2015 ~Mar 2015)
Revenue	0
Gross profit	0
Ordinary income (loss)	(22)

Segment : Other

Adacotech (Note)1	Fiscal 2015
	2Q (Jan 2015 ~Mar 2015)
Revenue	13
Gross profit	13
Ordinary income (loss)	4

(Note) 1 The performances of these companies are included in consolidated results from January 2015.

(Note) 2 The performance of this company is included in consolidated results from March 2014.

(Note) 3 The performances of these companies are included in consolidated results from April 2014.

(Note) 4 On June 30, 2014, operations, including trade name, of Jonan Development (formerly, Unihouse) were transferred to Unihouse Holdings, and the trade name was changed to

(Note) 5 Unihouse changed its name to Jonan Development on June 30, 2014.

Disclaimer

Certain statements made in these materials, including some management targets, may contain forward-looking statements which reflect management's views and assumptions. Management targets represent goals that management will strive to achieve through the successful implementation of business strategies for the FGI Group. The Group may not be successful in implementing its business strategies, and management may fail to achieve its targets. Management targets and other forward-looking statements involve current assumptions of future events as well as risks and uncertainties that could significantly affect expected results, including adverse economic conditions in Japan, the United States or other countries; declining real estate and/or stock prices; additional corporate bankruptcies or additional problems in business sectors to which Group companies lend; difficulties or delays in integrating businesses and achieving desired cost savings; increased competitive pressures; changes in laws and regulations applicable to the Group's businesses; and adverse changes in Japanese economic policies.

To the extent materials containing forward-looking statements remain in available documents, we have no obligation nor the intent to update such forward-looking statements.