

Financial Results of 3Q of Fiscal Year Ending March 31, 2010

This is an English translation of Japanese presentation material prepared for the financial disclosure on the date above; it includes the information on consolidated financial summary under Japanese GAAP. If there is any discrepancy between a statement in English and a statement in Japanese, the Japanese statement is always controlling.

Forward-looking Statements

Statements made at this presentation and in this material include forward-looking statements that are based on our current expectations, assumptions, estimates and projections about our business and the industry. These forward-looking statements are subject to various risks and uncertainties. These statements discuss future expectations and plans, identify strategies, contain projections of results of operations and of our financial condition, and state other “forward-looking” information. Known and unknown risks, uncertainties and other factors could cause the actual results to differ materially from expected results contained in any forward-looking statements. Potential risks and uncertainties include, without limitation, our ability to continue to attract and retain customers and their assets; our ability to make our operations profitable; changes in the demand for brokerage services in Japan; our ability to continue to expand and maintain our computers and electronic systems and to avoid failures of these systems; and our ability to maintain our relationship with our founding shareholders. This does not correspond to US GAAP.



Important Matters Concerning Product-related Risks

This material is explanatory material on the financial results of Monex Group, Inc. (“the Company”). The descriptions herein concerning the products, services, etc. which are handled by the Company’s group companies (“the Group Companies”), are made only for disclosure purposes and are given to describe matters which are required for providing specific explanations concerning the Company. Therefore, this material is not intended to recommend, or conduct solicitation for , any of such products, services, etc.

Any party who wishes to actually purchase products, services, etc. handled by the Group Companies may be required to take necessary advance procedures designated by the relevant group company including opening of an account, and to pay fees and/or expenses as designated by the relevant group company. Each of the traded products may suffer a loss in the invested principal due to fluctuation of price and other factors. In addition, the investors may be required to pledge a designated amount of margin deposits upon conducting margin trading, futures and option transactions or foreign exchange margin trading. There is a risk that the investor may suffer losses exceeding the amount of margin deposits (initial investment) provided for such trading.

For more details concerning important matters such as the products and services offered by the Group Companies and the fees or risks associated with each product, please refer to the website of the relevant group company.

Our Business Principles

1. PURSUE A SPIRIT OF INNOVATION

We will constantly strive to pioneer new fields in finance and propose new approaches to managing money.

2. STAY CUSTOMER FOCUSED

**We believe that the best guide to our corporate activities is the voice of our customers.
With this guide, we will continue to create financial services truly needed by individuals.**

3. CHALLENGE FOR THE BEST

We will continue to provide the best products and services for our customers, always thinking outside the box.

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1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

Major Business Activities for the Third Quarter

◆ Proceeding with the consolidation of Monex, Inc. and ORIX Securities

- Share Exchange Agreement with ORIX Securities was signed on October 28, 2009 and became effective on January 17, 2010 following the approval by the Extraordinary General Meeting of Shareholders held on December 26, 2009
- Promoting integration of systems, businesses and organization of both companies, targeting the consolidation for May 2010.

◆ Progress of “Intelligence Infrastructure”

Changed the system development policy to agile development and completed the development of the initial service of our exclusive portfolio advice tool “MONEX VISION”. Released the beta version on January 12, 2010 aiming its official release after optimization. The 2nd and 3rd service releases to follow.

◆ Trends of major revenue sources

- Due to the change in the FX leverage rate to 1:25 maximum since September 2009 and the market volatility in this quarter, FX trading volume increased and the trading income for this quarter (Oct.-Dec. 2009) amounted to JPY1.0B which is 47% higher than the previous quarter (Jul.-Sep. 2009)
- JPY137M of temporary financial income due to the scheme change of cash in trust
- Consequently Operating Revenue amounted to JPY5.3B, 1.4% up from the 2nd quarter (Jul.-Sep. 2009), and Ordinary Income JPY1.1B, 1.5% up

◆ Continuous cost management

Following the cut of 6.5% for this year’s budget compared to that from the previous fiscal year, we are continuing to carry out further cost management, realizing a 11% decrease for the SG&A in the first 9 months of this fiscal year compared to that of the previous fiscal year.

◆ China business development

Preparation of the joint venture business of financial training in Beijing with SEEC, establishment of the representative office of Monex, Inc. in Beijing and building a collaborative relationship with a major Chinese financial institution were carried out parallely

Financial Overview

■ Financial Overview of 3Q(Oct.- Dec.) of FYE Mar. 31, 2010

Trading valued in major markets took downturn, but FX business expanded smoothly, so net operating revenues decreased by only 3.7%

| | | |
|---|-------------------|--|
| ◆ Net operating revenues | 4,589 million yen | -3.7% from 2Q of FYE Mar. 31, 2010 |
| -Brokerage commissions | 2,073 million yen | -22.3% from 2Q of FYE Mar. 31, 2010 |
| -FX and fixed income business revenue | 1,058 million yen | +41.2% from 2Q of FYE Mar. 31, 2010 |
| -Financial income | 930 million yen | +26.1% from 2Q of FYE Mar. 31, 2010 |
| ◆ SG&A | 3,447 million yen | -3.8% from 2Q of FYE Mar. 31, 2010 |
| -Commissions paid and exchange/association dues | 282 million yen | -25.9% from 2Q of FYE Mar. 31, 2010 |
| ◆ Ordinary income | 1,137 million yen | +1.5% from 2Q of FYE Mar. 31, 2010 |
| ◆ Net income | 803 million yen | +29.1% from 2Q of FYE Mar. 31, 2010 |
| ◆ Key performance indicators | | |
| -ROE | 7.7 % | Annualized ROE in 2Q of FYE Mar. 31, 2010 was 6.0% |
| -Profit margin (Operating income / Net Operating revenues)(*2) | 24.9 % | +0.2 pt from 1Q of FYE Mar. 31, 2010 |

■ Overview of the Japanese Stock Market (as of the end of 3Q of FYE Mar. 2010)

- Nikkei 225 Average +4.1 % from Sep. 30, 2009
- Trading Value(*3) -19.1 % from 2Q of Mar. 31, 2010

(*1) System related costs = Rental and maintenance + Data processing and office supplies + Amortization and depreciation

(*2) Profit margin (stated in this material) is calculated as Operating income / Net operating revenue (not operating revenue)

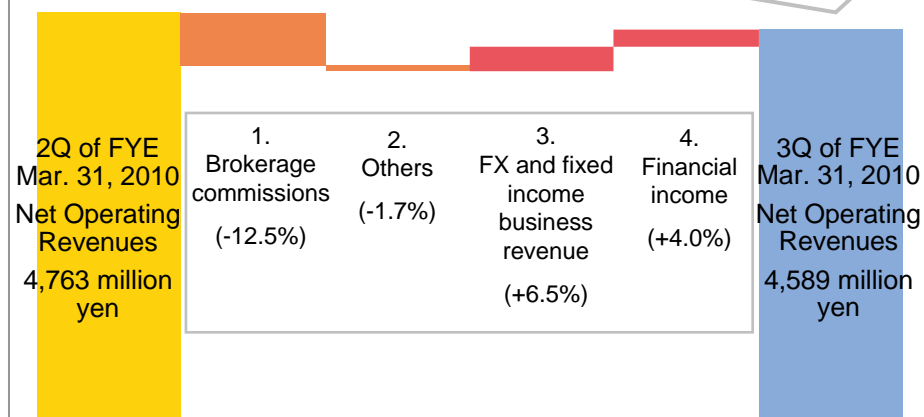
(*3) Total trading value of individual investors in 4 Japanese major markets

Highlights of Revenue (1) Increasing and Decreasing Factors

■ Comparison with 2Q of FYE Mar. 31, 2010

◆ Equity trading values took downturn

Decrease by 174 million yen (-3.7%)
from 2Q of FYE Mar. 31, 2010



◆ Major decreasing factors

1. Brokerage commissions 596 million yen
-Equity trading values decreased

2. Others 79 million yen

◆ Major increasing factors

3. FX and fixed income business revenue 309 million yen
- Revision of FX transaction fees free table and maximum leverage

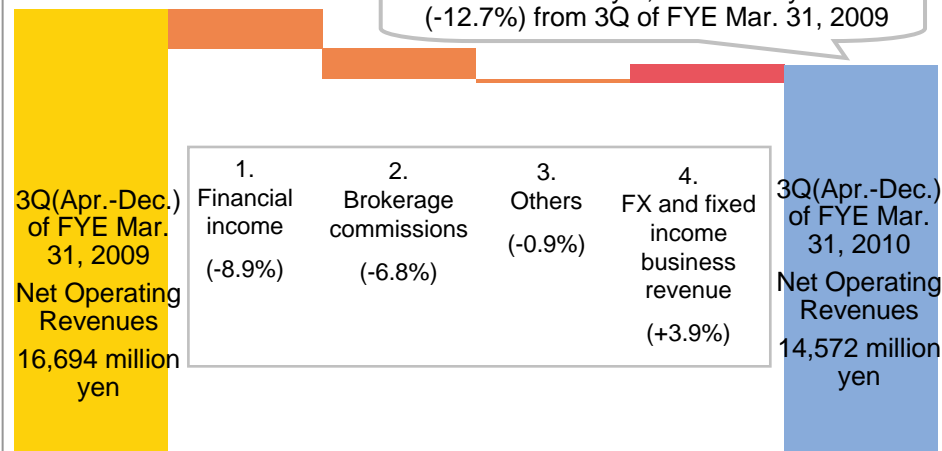
4. Financial income 192 million yen
-Temporary financial income was recognized in 3Q

(Figures are the decreasing/increasing amounts from the previous quarter)

■ Comparison with 3Q(Apr.-Dec) of FYE Mar. 31, 2009

◆ Trading values decreased and temporary financial income was recognized in last 3Q

Decrease by 2,122 million yen
(-12.7%) from 3Q of FYE Mar. 31, 2009



◆ Major decreasing factors

1. Financial income 1,484 million yen
-Temporary financial income (gain on sales of bonds)
was recognized in last 3Q

2. Brokerage commissions 1,139 million yen
-Equity trading values decreased

3. Others 141 million yen

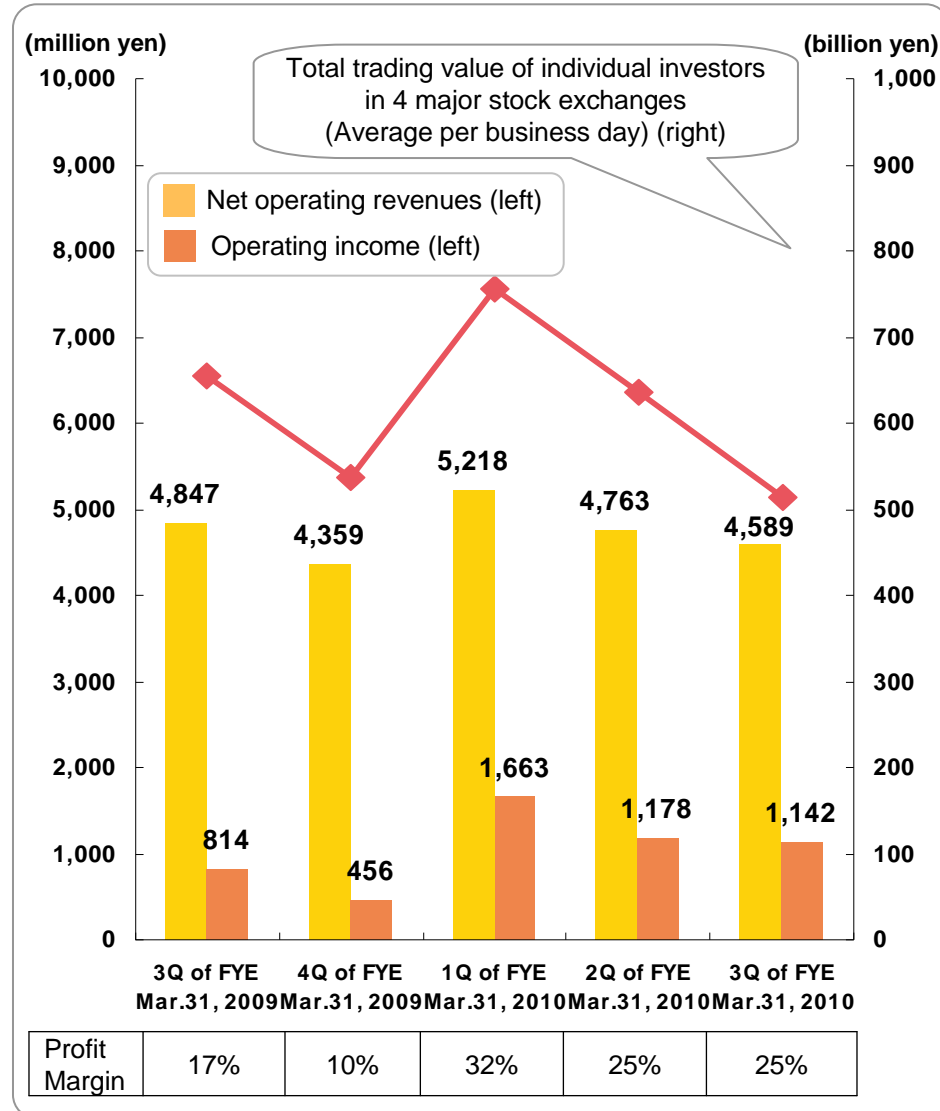
◆ Major increasing factor

4. FX and fixed income business revenue 644 million yen
-Trading revenues in Monex FX increased

(Figures are the decreasing/increasing amounts from the previous quarter)

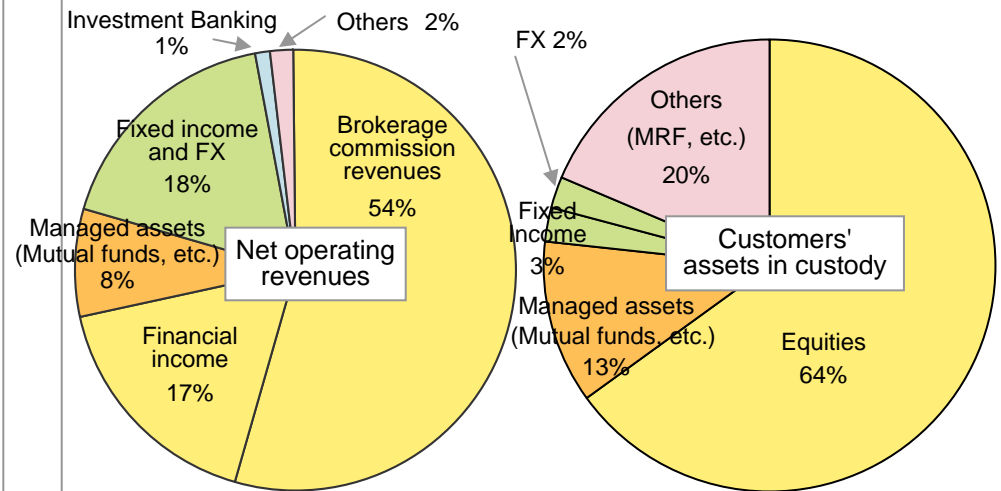
Highlights of Revenue (2) Trends and Structure

Net operating revenues and operating income

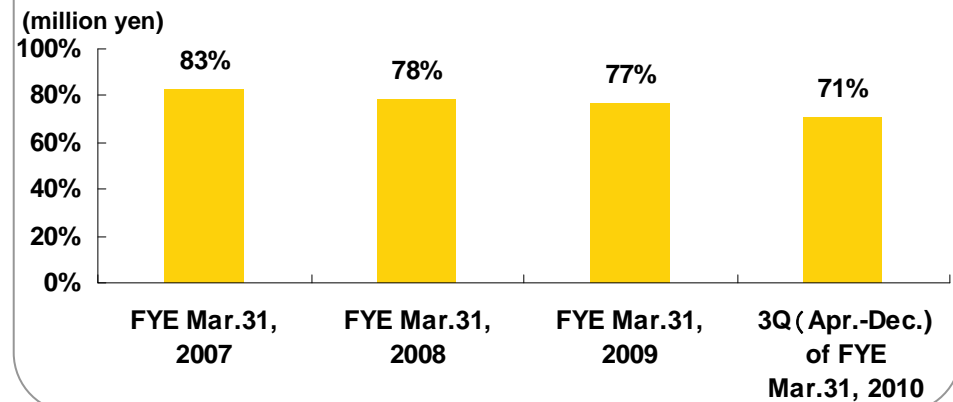


Revenue structure and dependency on brokerage

Revenue and asset in custody 3Q(Apr.-Dec.) of FYE Mar. 2010



Quarterly trend of dependency on brokerage revenue(*)



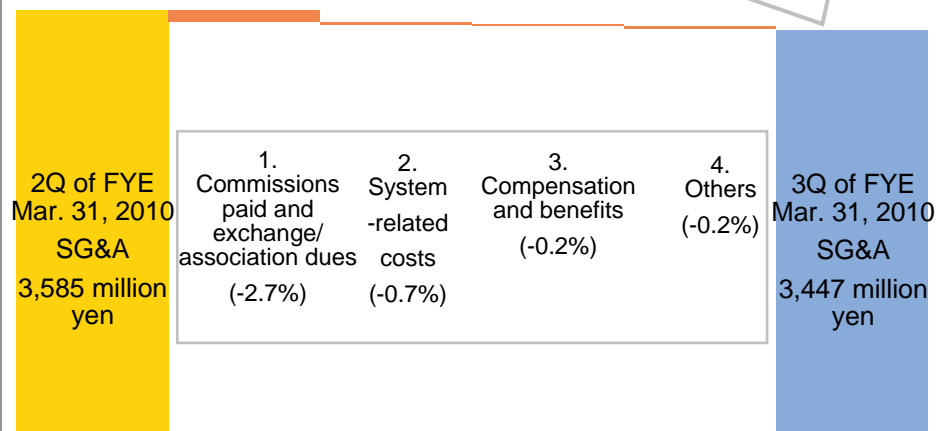
* Dependency on Brokerage revenue = (Brokerage commission + Financial Income) / Net operating revenue x 100

Highlights of SG&A (1) Decreasing Factors

■ Comparison with 2Q of FYE Mar. 31, 2010

◆ Keep low-cost structure

Decrease by 137 million yen (-3.8%)
from 2Q of FYE Mar. 31, 2010



◆ Major decreasing factors

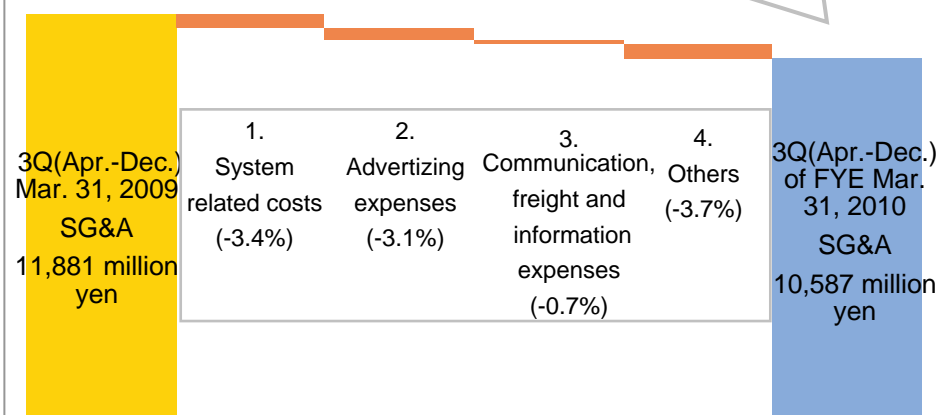
1. Commissions paid and exchange/association dues
- Temporarily increased in 2Q 98 million yen
2. System related costs 26 million yen
- Some system related costs decreased due to trading value decrease
3. Compensation and benefits 7 million yen
4. Others 5 million yen

(Figures are the decreasing/increasing amounts from the previous quarter)

■ Comparison with 3Q(Apr.-Dec.) of FYE Mar. 31, 2009

◆ 10.9% cost reduction, compared to last 3Q

Decrease by 1,294 million yen (-10.9%)
from 3Q(Apr.-Dec.) of FYE Mar. 31, 2009



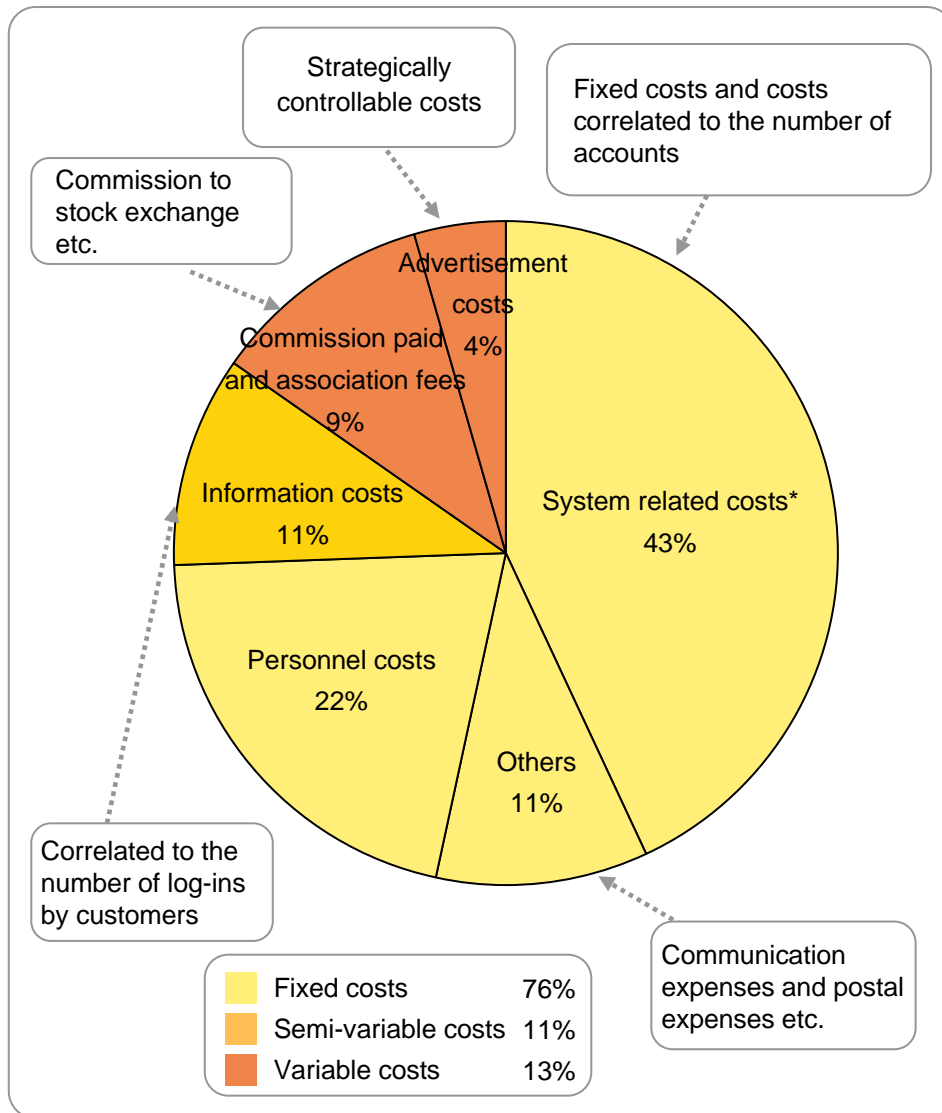
◆ Major decreasing factors

1. System related costs 403 million yen
- Compressing fixed costs through the reduction of outsourcing costs
2. Advertizing expenses 366 million yen
- Revision of some marketing strategies
3. Communication, freight and information expenses
- Due to the decrease of trading values 83 million yen
4. Others 440 million yen
- Consulting fees decreased, etc.

(Figures are the decreasing/increasing amounts from the previous quarter)

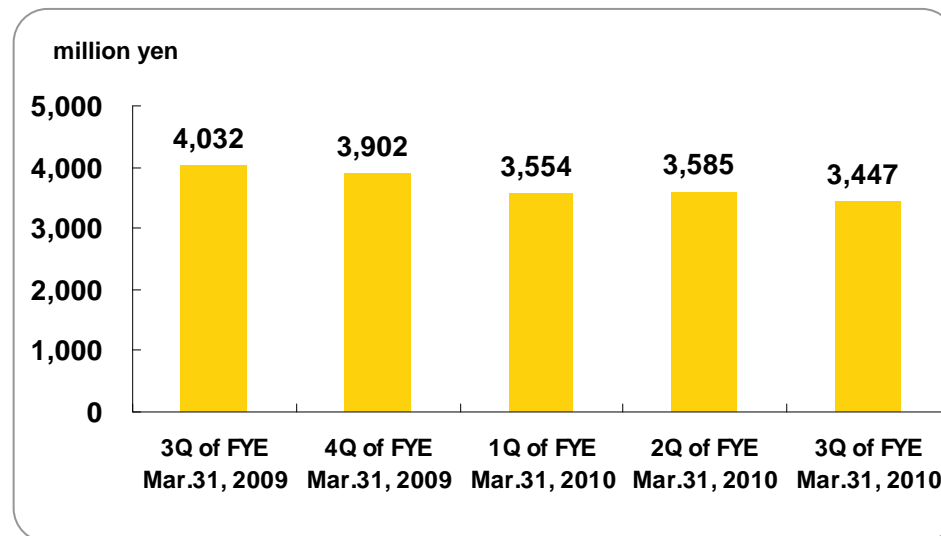
Highlights of SG&A (2) Cost Structure and Trends

■ Cost Structure (Apr. 2009 - Dec. 2009)



*System related costs = Rental and maintenance + Data processing and office supplies + Amortization and depreciation

■ Quarterly trends



■ Indicators per share

| | FYE March 2006 | FYE March 2007 | FYE March 2008 | FYE March 2009 | 3Q FYE March 2010 |
|----------------------------|----------------|----------------|----------------|----------------|-------------------|
| Book-value Per Share (BPS) | JPY 17,606 | JPY 20,253 | JPY 19,664 | JPY 17,235 | JPY 17,912 |
| Earnings Per Share (EPS) | JPY 5,677 | JPY 4,066 | JPY 3,080 | -JPY 928 | JPY 1,633 |
| Return On Equity (ROE) | 38.1% | 21.4% | 15.5% | -5.0% | 9.3% |
| Dividend Per Share | JPY 1,500 | JPY 2,900 | JPY 1,550 | JPY 400 | (Interim) JPY400 |

*EPS and ROE of 3Q, FYE March 2010 are multiplied by 4/3 of 9 month data

Balance Sheet

■ Maintain a safe financial structure by maintaining liquidity and credit trust, and by controlling risk assets

(in billion yen)

[Segregated cash trust]

| | |
|--------------|-------------|
| Monex, Inc. | 96.0 |
| Monex FX | 2.3 |
| Total | 98.4 |

[Cash margin from customers (minimum requirement)]

| | |
|--------------|-------------|
| Monex, Inc. | 91.0 |
| Monex FX | 2.2 |
| Total | 93.3 |

(*3) Non-current assets (investment value of risk assets)

| | | |
|------------------------------|------------|------------------------------|
| Property/equipment | 0.4 | (Facilities, equipment, etc) |
| Software | 1.2 | (Assets to provide service) |
| Goodwill | 0.6 | (Premium of Monex FX) |
| Guarantee deposits, etc | 0.9 | (Real estate deposit, etc) |
| <u>Investment securities</u> | <u>5.9</u> | (See *4 below) |
| Total | 9.3 | |

[Operation of investments]

| | |
|-------------------------|-------------|
| Deposits | 18.3 |
| Net margin assets(*1) | 51.4 |
| <u>Short-term loans</u> | <u>25.0</u> |
| Investment total | 94.8 |

[Financing]

| | |
|------------------------------------|-------------|
| Call Loans | 5.0 |
| Bank Loans | 30.3 |
| Short-term Notes | 9.8 |
| Cash collateral from stock lending | |
| <u>(*2)</u> | <u>21.2</u> |
| Financing total | 66.3 |

JGB as collateral 2.1

Non-current assets (*3) 9.3

Total net assets 41.6

(*4) Value of main investment securities (billion yen)

| Name of securities (Purpose for acquisition) | Book value | Estimated value(*5) | Premium |
|--|------------|---------------------|---------|
| LIFENET INSURANCE (Incubation) | 2.0 | 1.9 | -0.0 |
| Asia Focus (Maintenance of products) | 1.2 | 1.2 | — |
| Alphadyne Int. Fund (Enhancement of products) | 0.4 | 0.4 | — |
| eBANK (For business partnership) | 0.9 | 0.9 | — |
| Triangle Partners (Support of Chinese IPO) | 0.4 | 0.5 | — |
| Tokyo Stock Exchange Group | 0.3 | 0.9 | 0.6 |
| Others (*6) | 0.5 | — | — |
| Total | 5.9 | | |

(*1) Margin transaction assets – Margin transaction liabilities

(*2) Including collateral from securities financial firms

(*5) Estimated value is calculated using the market or latest net asset value

(*6) Investment per security: 71 million yen maximum

Financial Summary : 2Q of FYE Mar. 31, 2010 vs. 3Q of FYE Mar. 31, 2010 (in 3 months)

(in million yen, %)

| | 2Q of FYE Mar. 31, 2010 (Jul. 2009-Sep. 2009) | 3Q of FYE Mar. 31, 2010 (Oct. 2009-Dec. 2009) | Change |
|------------------------|---|---|--------|
| Operating Revenues | 5,242 | 5,317 | 1.4 % |
| Net Operating Revenues | 4,763 | 4,589 | -3.7 % |
| SG&A | 3,585 | 3,447 | -3.8 % |
| Operating Income | 1,178 | 1,142 | -3.1 % |
| Ordinary Income | 1,120 | 1,137 | 1.5 % |
| Net Income | 622 | 803 | 29.1 % |
| EBITDA* | 1,315 | 1,357 | 3.2 % |

*EBITDA : Net Income + Interest (excluding financial expenses related to margin trading business) + Taxes + Depreciation and Amortization +
Devaluation loss of investment securities + Disposal loss of fixed assets

(in million yen, %)

| | 2Q of FYE Mar. 31, 2010 (as of Sep. 30, 2009) | 3Q of FYE Mar. 31, 2010 (as of Dec. 31, 2009) | Change |
|----------------------|---|---|--------|
| Total Assets | 229,847 | 239,976 | 4.4 % |
| Shareholders' Equity | 41,703 | 41,522 | -0.4 % |

(For reference : Monex, Inc.)

| | | | |
|------------------------|--------|--------|---|
| Capital Adequacy Ratio | 423.7% | 424.0% | - |
|------------------------|--------|--------|---|

Financial Summary : 3Q of FYE Mar. 31, 2009 vs. 3Q of FYE Mar. 31, 2010 (in 9 months)

(in million yen, %)

| | 3Q of FYE Mar. 31, 2009 (Apr. 2008-Dec. 2008) | 3Q of FYE Mar. 31, 2010 (Apr. 2009-Dec. 2009) | Change |
|------------------------|---|---|---------|
| Operating Revenues | 19,884 | 16,698 | -16.0 % |
| Net Operating Revenues | 16,694 | 14,572 | -12.7 % |
| SG&A | 11,881 | 10,587 | -10.9 % |
| Operating Income | 4,813 | 3,984 | -17.2 % |
| Ordinary Income | 4,812 | 4,067 | -15.5 % |
| Net Income | 687 | 2,840 | 312.9 % |
| EBITDA* | 6,414 | 5,029 | -21.6 % |

*EBITDA : Net Income + Interest (excluding financial expenses related to margin trading business) + Taxes + Depreciation and Amortization +
Devaluation loss of investment securities + Disposal loss of fixed assets

(in million yen, %)

| | 3Q of FYE Mar. 31, 2009 (as of Dec. 31, 2008) | 3Q of FYE Mar. 31, 2010 (as of Dec. 31, 2009) | Change |
|----------------------|---|---|---------|
| Total Assets | 271,427 | 239,976 | -11.6 % |
| Shareholders' Equity | 42,901 | 41,522 | -3.2 % |

(For reference : Monex, Inc.)

| | | | |
|------------------------|--------|--------|---|
| Capital Adequacy Ratio | 418.6% | 424.0% | - |
|------------------------|--------|--------|---|

Financial Summary: Quarterly trends in income statement

(in million yen)

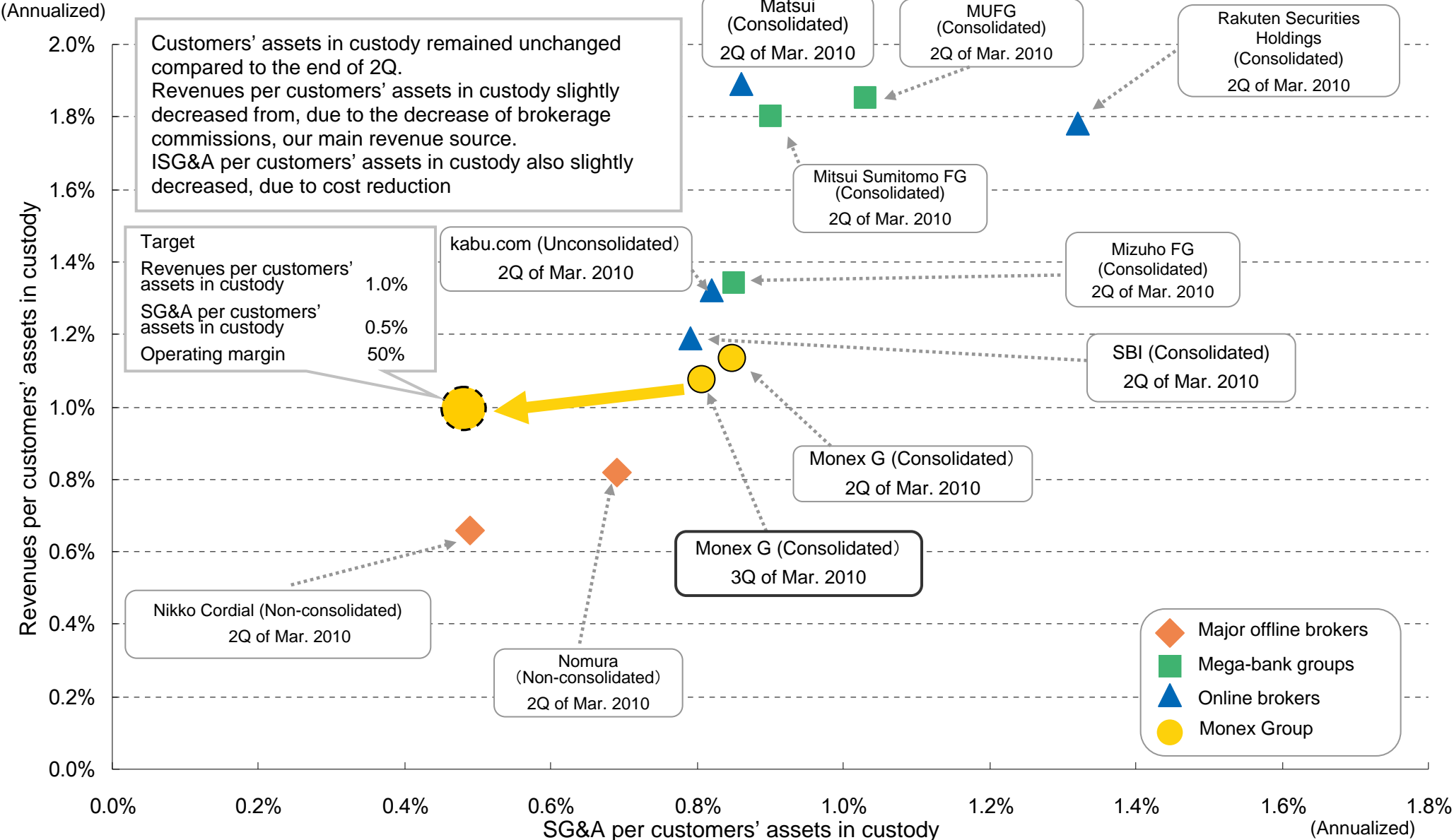
| | FYE Mar.31, 2008 | | | | FYE Mar.31,2009 | | | | FYE Mar.31,2010 | | |
|--|------------------|-------|-------|-------|-----------------|--------|-------|--------|-----------------|-------|-------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
| Brokerage commissions | 4,228 | 4,160 | 4,022 | 3,692 | 3,505 | 2,612 | 2,911 | 2,342 | 3,145 | 2,670 | 2,073 |
| Underwriting and distribution commissions | 19 | 77 | 5 | 9 | 1 | 0 | 1 | 2 | 1 | 3 | 3 |
| Subscription and distribution commissions | 322 | 302 | 222 | 227 | 113 | 57 | 88 | 75 | 136 | 125 | 129 |
| Other commissions | 886 | 1,180 | 1,104 | 1,083 | 945 | 875 | 807 | 560 | 543 | 471 | 363 |
| Margin forex trades commissions | 398 | 631 | 514 | 597 | 438 | 388 | 476 | 286 | 238 | 30 | 0 |
| Mutual funds agency commissions | 353 | 395 | 414 | 360 | 369 | 341 | 229 | 176 | 215 | 247 | 264 |
| Others | 134 | 153 | 175 | 125 | 137 | 145 | 101 | 97 | 89 | 193 | 98 |
| Net gain on trading account | 32 | 9 | 107 | -5 | 195 | 155 | 295 | 454 | 558 | 715 | 1,051 |
| Net gain on operating investments | - | -14 | -20 | -4 | 9 | 0 | -27 | 21 | -45 | -0 | -0 |
| Financial income | 2,479 | 1,947 | 2,447 | 1,702 | 2,542 | 2,834 | 1,805 | 1,429 | 1,758 | 1,216 | 1,658 |
| Other operating revenues | 61 | 52 | 89 | 67 | 56 | 45 | 50 | 42 | 38 | 40 | 37 |
| Operating revenues | 8,029 | 7,716 | 7,979 | 6,771 | 7,370 | 6,581 | 5,932 | 4,927 | 6,138 | 5,242 | 5,317 |
| Financial expenses | 1,158 | 656 | 1,041 | 653 | 1,382 | 722 | 1,085 | 568 | 919 | 478 | 728 |
| Net operating revenues | 6,871 | 7,059 | 6,937 | 6,118 | 5,987 | 5,859 | 4,847 | 4,359 | 5,218 | 4,763 | 4,589 |
| Selling, general and administrative expenses | 3,554 | 3,558 | 3,471 | 3,387 | 3,933 | 3,915 | 4,032 | 3,902 | 3,554 | 3,585 | 3,447 |
| Operating income | 3,317 | 3,501 | 3,466 | 2,731 | 2,054 | 1,944 | 814 | 456 | 1,663 | 1,178 | 1,142 |
| Ordinary income | 3,354 | 3,433 | 3,441 | 2,582 | 2,125 | 1,887 | 799 | 419 | 1,808 | 1,120 | 1,137 |
| Quarterly net income | 1,902 | 1,953 | 1,902 | 1,448 | 2,152 | -1,908 | 443 | -2,832 | 1,413 | 622 | 803 |

Financial Summary: Quarterly trends in SG&A

(in million yen)

| | FYE Mar.31, 2008 | | | | FYE Mar.31,2009 | | | | FYE Mar.31,2010 | | |
|--|------------------|-------|-------|-------|-----------------|-------|-------|-------|-----------------|-------|-------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
| Transaction-related expenses | 1,361 | 1,310 | 1,151 | 1,099 | 1,182 | 1,172 | 1,188 | 1,095 | 979 | 1,044 | 948 |
| Commissions paid | 231 | 248 | 245 | 233 | 238 | 214 | 240 | 190 | 196 | 263 | 181 |
| Exchange and association dues | 180 | 168 | 178 | 132 | 157 | 111 | 109 | 92 | 128 | 117 | 100 |
| Communication, freight and information expenses | 597 | 608 | 522 | 531 | 519 | 513 | 522 | 526 | 494 | 480 | 484 |
| Advertizing expenses | 333 | 264 | 176 | 181 | 243 | 299 | 292 | 268 | 145 | 161 | 161 |
| Others | 18 | 21 | 28 | 20 | 24 | 33 | 23 | 16 | 14 | 21 | 19 |
| Compensation and benefits | 657 | 647 | 692 | 652 | 766 | 698 | 744 | 698 | 777 | 751 | 744 |
| Rental and maintenance | 262 | 235 | 371 | 371 | 441 | 489 | 457 | 489 | 395 | 438 | 406 |
| Data processing and office supplies | 1,007 | 1,075 | 981 | 966 | 1,073 | 1,057 | 1,092 | 1,037 | 962 | 952 | 958 |
| Data processing | 979 | 1,027 | 950 | 940 | 1,045 | 1,029 | 1,064 | 1,016 | 946 | 935 | 942 |
| Office supplies | 28 | 47 | 31 | 25 | 27 | 28 | 27 | 20 | 15 | 17 | 15 |
| Amortization and depreciation | 56 | 61 | 73 | 78 | 95 | 106 | 150 | 152 | 143 | 150 | 151 |
| Taxes other than income taxes | 62 | 60 | 60 | 58 | 64 | 57 | 48 | 66 | 54 | 38 | 44 |
| Provision for allowance for doubtful receivables | 0 | 1 | 1 | -3 | 4 | -4 | - | - | - | - | - |
| Other operating expenses | 146 | 165 | 138 | 163 | 305 | 337 | 350 | 362 | 241 | 208 | 194 |
| Selling, general and administrative expenses | 3,554 | 3,558 | 3,471 | 3,387 | 3,933 | 3,915 | 4,032 | 3,902 | 3,554 | 3,585 | 3,447 |

Comparison Analysis : Revenues/SG&A per Customers' Assets in Custody



MUFG, Mizuho FG and SMBC : Customers' assets in custody = Total assets, Operating revenues = Gross profits, SG&A = General and administrative expenses

Source : Each company's IR data

1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

Mission Statement

- ◆ **Take the position as an online integrated financial service provider for individual investors**
- ◆ **Provide individual investors with institutional investor level investment opportunities**
- ◆ **Offer comprehensive products and services with “world class quality”**
- ◆ **Empower investors education and enhance financial literacy**
- ◆ **Realize an “Intelligence Infrastructure” that provides advice on investments in addition to stable system infrastructure and wide product/service lineup**
- ◆ **Strengthen “Products Origination Capability”**
- ◆ **Pursue less operating costs and establish a portfolio management-oriented business**
- ◆ **Be ready for deregulations such as removal of barriers on financial sectors by leveraging the holding company structure**
- ◆ **Pursue business globally, not limiting our business boundaries to Japan**

The Monex Group

Holding Company

Monex Group, Inc.

(As of January 27, 2010)

[Financial products and services for individual investors]

[Overseas subsidiary and office]

Securities Company

FX Business

Overseas Businesses



Premium online financial institution
(Investment Ratio) Monex G: 100%



ORIX Securities Corp.

Became a group company as of Jan. 17, 2010 and to be integrated with Monex, Inc. in May 2010
(Investment Ratio) Monex G: 100%



Monex FX, Inc.
Specialized for FX trading
(Investment Ratio) Monex G: 100%

MBH America, Inc.

Research in the global financial industry
(Investment Ratio) Monex G: 100%

Beijing Representative Office

(Monex Group)
Developing business opportunities in China

JV in China

(In preparation to establish in Beijing)
Financial training
(Investment Ratio) Monex G: 49%
SEEC Investment: 51%

[Business development for exclusive products and services]

Investment Education

Asset Management

M&A Advisory



Investor education for all individuals
(Investment Ratio) Monex G: 100%



Monex Alternative Investments, Inc.
Providing the best alternative investment products to individual investors
(Investment Ratio) Monex G: 55%
Asuka Asset Management: 45%



(To be changed to Monex Hambrecht, Inc. from Feb. 1, 2010)
M&A advisory service
Aspiring to introduce a new IPO
(Investment Ratio) Monex G: 78.6%
ZenShin Capital Partners II: 7.9%
Hambrecht Partners Holdings: 5.5%
Development Bank of Japan: 5.5%

R&D of Program Trading

Business Incubation



Trade Science Corporation
Next generation asset management utilizing artificial intelligence
(Investment Ratio) Monex G: 100%



Monex Business Incubation, Inc.
Discovery and incubation of new businesses
(Investment Ratio) Monex G: 100%

[Incubation]



LIFENET INSURANCE COMPANY
New type of life insurance service through the internet
(Investment Ratio) Monex G: 18.5%

Leadership and Originality of Monex

◆ Brokerage business

- Monex Night Time Trading Jan. 2001: The first PTS (proprietary trading system) offered to retail investors in Japan
- Stock lending service Jan. 2003: First to offer to retail investors in Japan

◆ Mutual fund business

- Top class online sales Keeping the top-class position among online securities and major banks
- Alternative investment products 4 exclusive alternative investment products originated by Monex Alternative Investments
- Kabu-robo* project *Kabu-robo* Fund, managed by the automated trading program *Kabu-robo* developed by Trade Science

◆ Investment banking business

- IPO Jun. 2005: The first online brokerage to serve as the sole lead manager for IPO
- M&A advisory Collaboration of Monex, Inc.'s investment banking dep. and WRHambrecht Japan

◆ Intelligence Infrastructure

- Investment education Leading track record of online/offline seminars, providing knowledge through e-learning and books
- Institutional investor level information Offering analyst reports by JPMorgan and professional reports by our in-house economist and strategist
- Investment advice tool Creating an advanced and leading online investment advice tool integrating financial engineering

◆ Overseas business

- Business development in China Preparing to establish a JV in Beijing for financial education business as a bridgehead of the first overseas business development among online securities. Building a new base for retail financial business

Roadmap

■ Long-term goal: Aim for overseas business to contribute 1/3 of the total revenue

◆ Our goal is to become a GLOBAL TECHNOLOGY-BASED RETAIL financial services provider

◆ Future growth and management policy

Online Trading

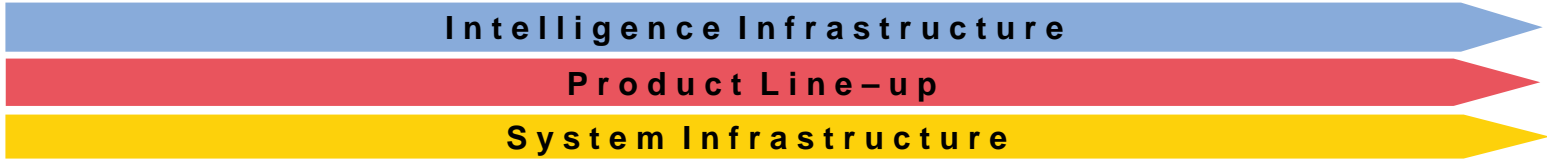
- Expand active trader customer segment
- Strengthen FX business segment

Asset Management Business

- Strengthen fixed income business (including structured notes)
- Offer full global product line-up
- Acquire customer assets through offering investment advisory tools

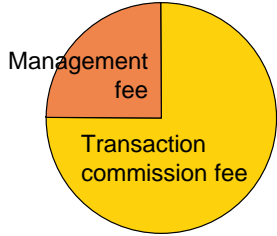
International Markets

• Revenue contribution by overseas businesses in such countries as China and India

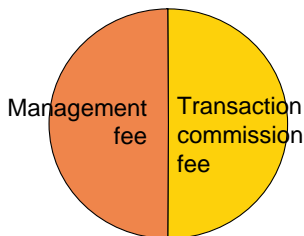


◆ Image of total revenue contribution

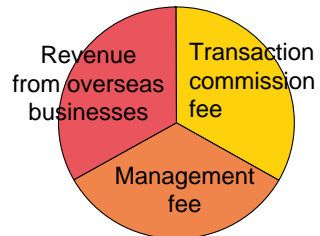
Short-term (Present)



Mid-term (5yrs time span)



Long-term (7-10yrs time span)

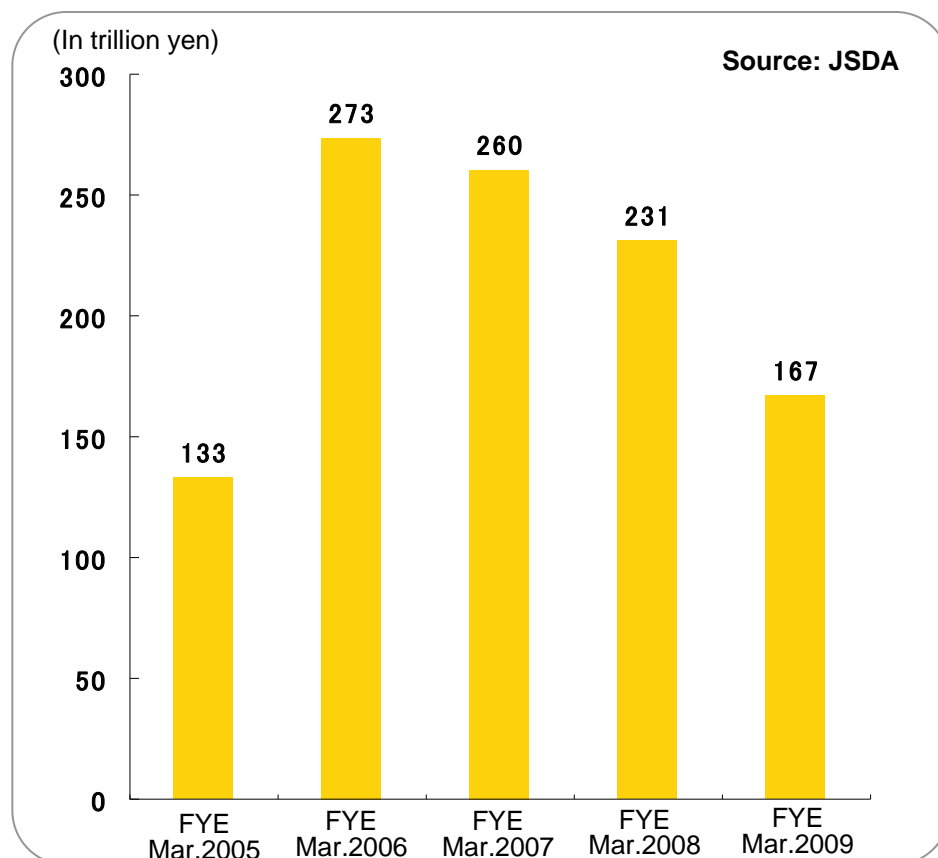


Rising Importance of Business Scale and Cost Efficiency in Online Securities Industry

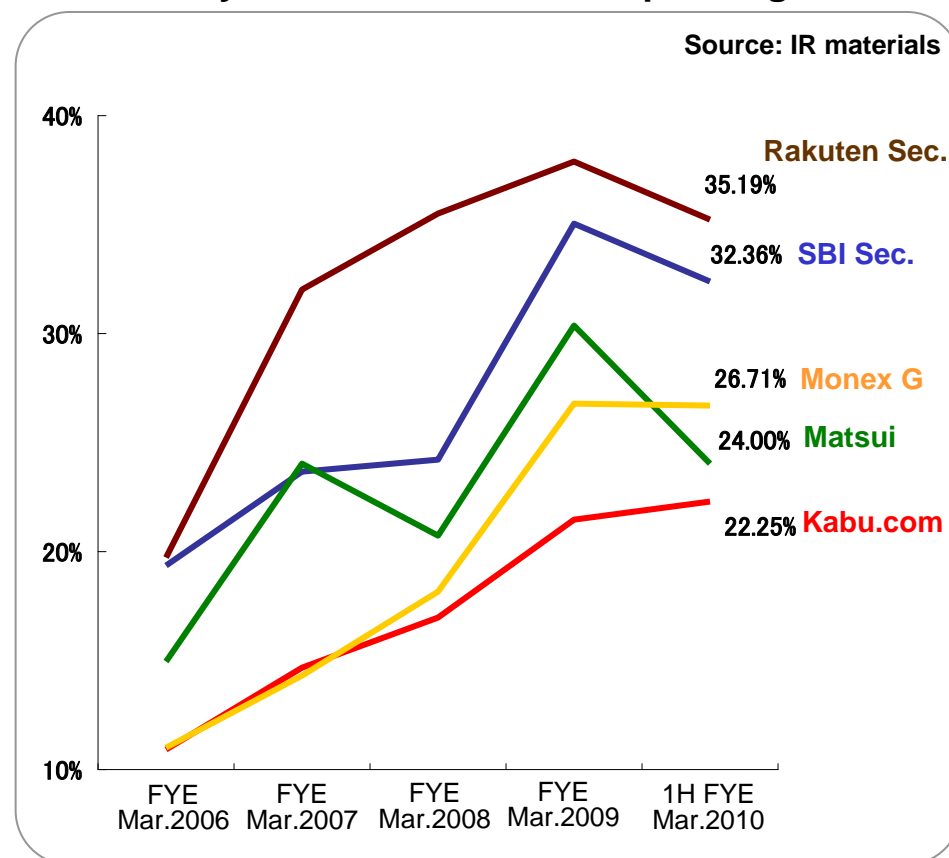
■ Status of online securities industry

Grew rapidly after brokerage commission liberalized in 1999, but trading volume depressed since 2006
 Competition for customer accounts through price discount intensified, with no growth in total trading value and revenues
 → Importance in raising market share and improving cost efficiency in areas such as system and marketing

■ Trend of online trading value



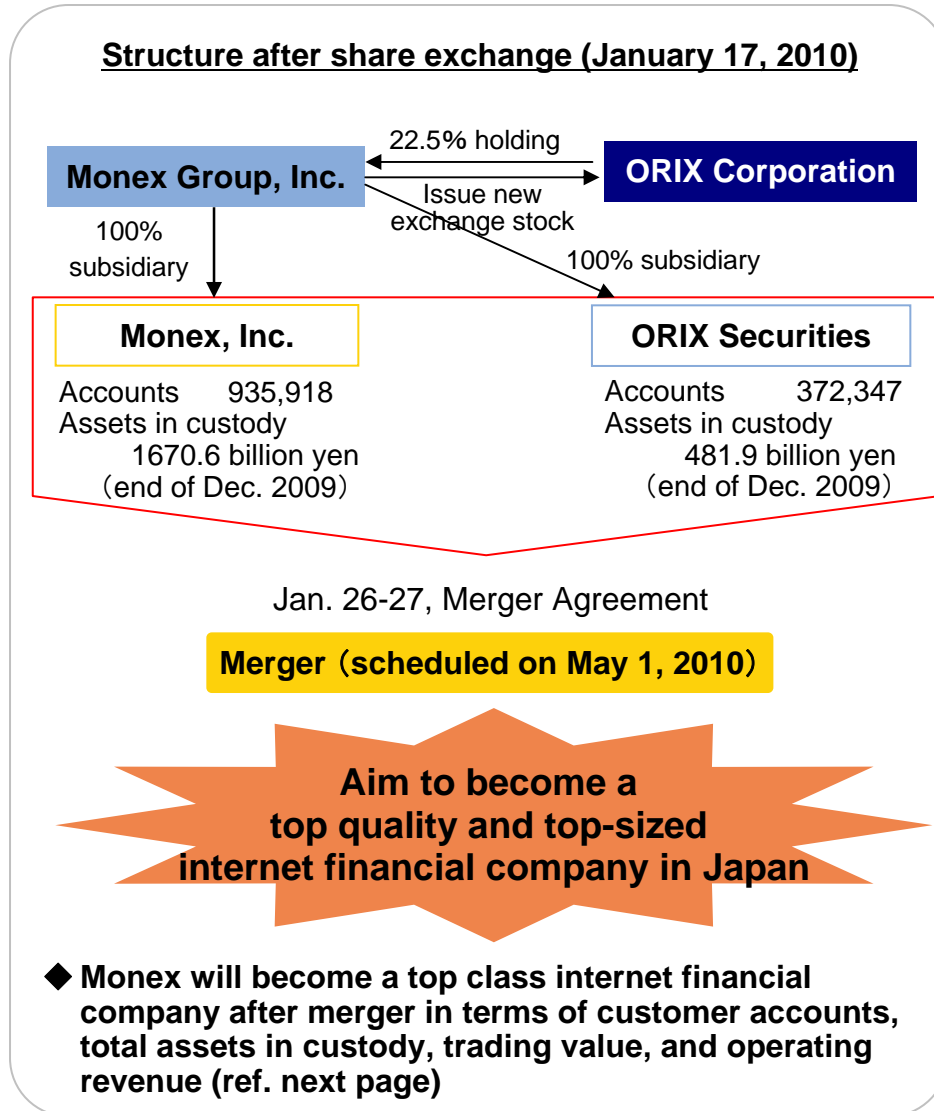
■ Ratio of system related costs in operating revenues



*System related costs = Rental and maintenance + Data processing and office supplies + Amortization and depreciation

Short-term Strategy: Merger to Achieve Expansion of Scale and Obtain Cost Synergy

■ Structure and purpose of merger



■ Outlook after share exchange and capital alliance

◆ System

- The infrastructure system is to be integrated into Monex's current system
- Will sustain services and popular trading tools only provided by ORIX Securities as much as practical
- Support as much as possible to progress the function

◆ Operations

- Streamline overlapping services, aim for more enhanced and efficient operating structure

◆ Customers

- Maintain revenue by sustaining current products and services at both firms as much as practical, and aim for higher growth

◆ Cost

- Temporary cost:

Estimated approx. JPY3.7B (est. 1.4B in FYE2010/03 and 2.3B in FYE2011/03)

Items are: system cancellation, data transition, organization and office restructuring, merger-related marketing & customer management, extraordinary shareholder's meeting, etc.

- Cost cut after merger:

Estimated running cost decrease by JPY3.5B per annum (Decreasing factors) System outsourcing, depreciation, lease, office, personnel, etc.

(Increasing factors) Goodwill, new system, new information service, increasing capacity, etc.

⇒ Increasing factors excluding goodwill are positive spending "to become a top quality and top-sized internet financial company in Japan"

Short-term Strategy: Outlook of Online Securities Companies

◆Numbers of accounts(end of December 2009)

| | |
|----------------------------------|------------------|
| SBI | 2,001,660 |
| (assumption) Monex + ORIX | 1,308,265 |
| Monex | 935,918 |
| Rakuten | 913,016 |
| Matsui | 791,940 |
| Kabu.com | 690,015 |
| ORIX | 372,347 |

◆Assets in custody (end of December 2009)

| | |
|----------------------------------|------------------|
| | (in billion yen) |
| SBI | 3,714.3 |
| (assumption) Monex + ORIX | 2,152.5 |
| Monex | 1,670.6 |
| Matsui | 1,295.9 |
| Rakuten | 1,277.9 |
| Kabu.com | 1,047.1 |
| ORIX | 481.9 |

(SBI as of end of September 2009)

◆Trading value share in major 3 and JQ markets(Dec. 2009)

| | |
|----------------------------------|-------------|
| SBI | 35.7% |
| Rakuten | 14.3% |
| (assumption) Monex + ORIX | 9.1% |
| Matsui | 7.7% |
| Kabu.com | 6.2% |
| Monex | 5.4% |
| ORIX | 3.7% |

◆Net operating revenue (FYE March 2009)

| | |
|--|------------------|
| | (in million yen) |
| SBI (consolidated) | 42,190 |
| (assumption) Monex Group + ORIX | 27,500 |
| Matsui (consolidated) | 24,464 |
| Monex Group (consolidated) | 21,053 |
| Rakuten (consolidated) | 20,612 |
| Kabu.com (non-consolidated) | 14,988 |
| ORIX (non-consolidated) | 6,447 |

Short-term Strategy: Basic Policy to Integrate Products and Services

■ Products and services

Will build based upon the current Monex, Inc. system, and the current products and services of Monex, Inc. will be continued

◆ **Stock brokerage (Cash/Margin)**

Maintain the current securities trading transaction fees of ORIX Securities customers for at least 2 years after the merger

◆ **Foreign exchange margin trading (FX)**

Meet the diverse needs of customers by continuing to offer the services of OSE-FX and ORIX FX of ORIX Securities in the post-merger Monex, Inc. as well as FX PLUS, the current service for Monex, Inc.

◆ **Futures, options**

Further increase shares and aim to become number one in market shares by having the lowest transaction fees in the industry, and making use of the expansion of the customer base due to the merger

◆ **CFD (Contract For Difference)**

Planning on launching the service in March, 2010 ahead of the merger

◆ **Trading tools**

ORIX Securities' "ORIX Market Station", popular with users as a valuable tool, will be incorporated

◆ **Mutual funds**

The maximum price for buying commissions for mutual funds currently overlapping at Monex, Inc. and ORIX Securities will principally be set to the lower level, and post-merger, the number of mutual funds handled at Monex, Inc. will be increased from 203 to approximately 250

■ Investment information

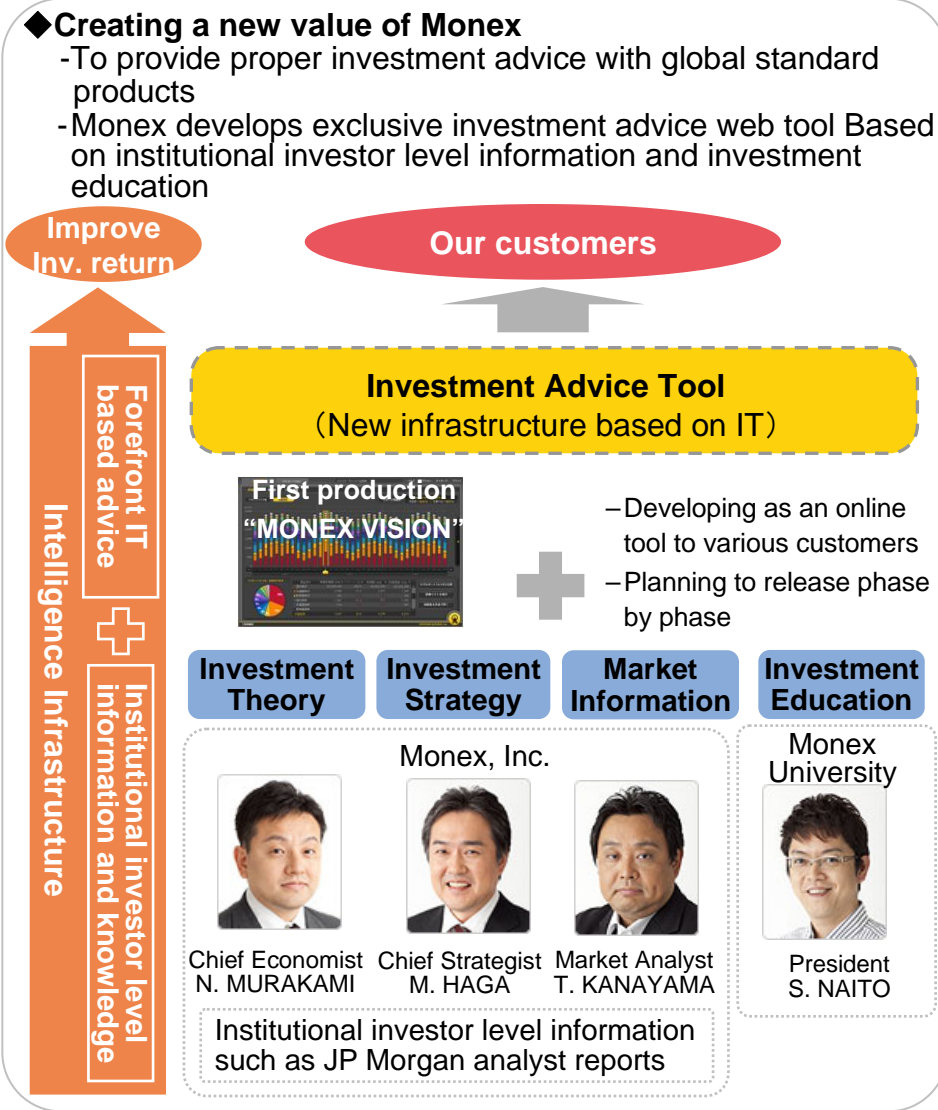
◆ Planning to review the information service currently provided by ORIX Securities and Monex, Inc., and comprehensively restructure/enhance investment information

◆ Convenient investment information tools from ORIX Securities will be incorporated into Monex, Inc. after the merger

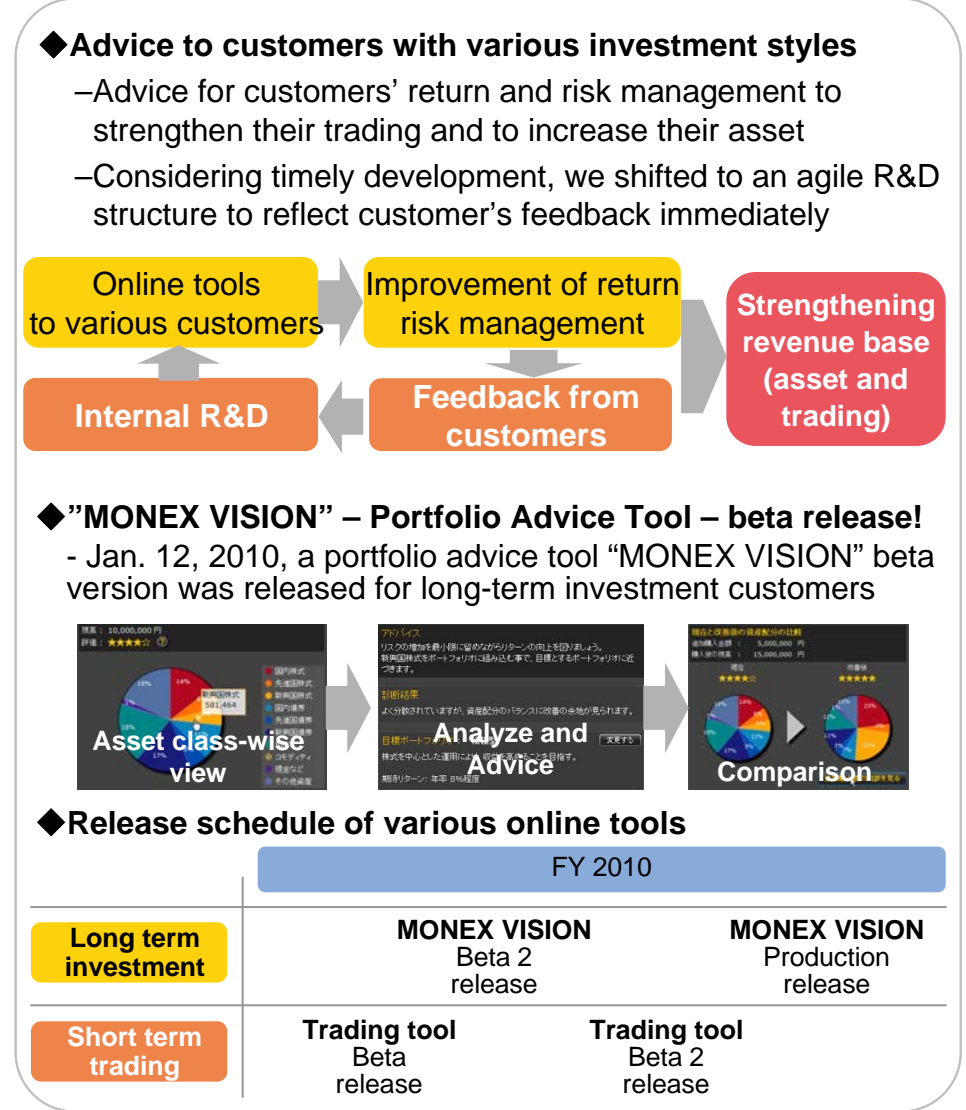
◆ Will strengthen overseas information with information service provided by Thomson Reuters

Mid-term Strategy: Intelligence Infrastructure

■ "Intelligence Infrastructure"



■ Online tool to provide various customers with advice

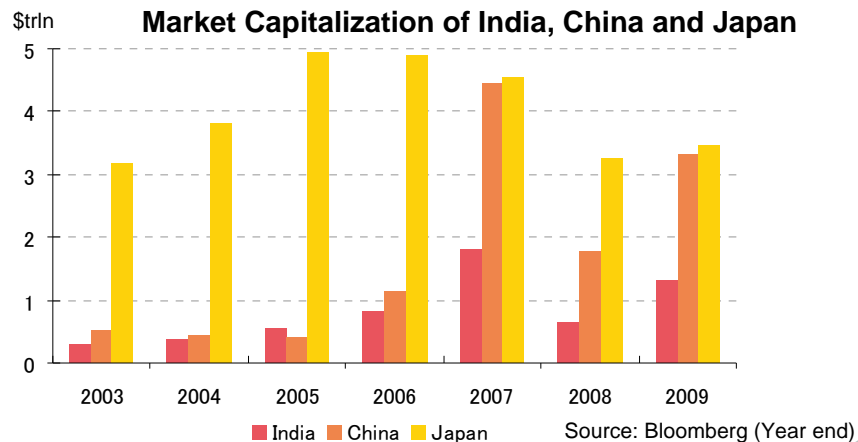
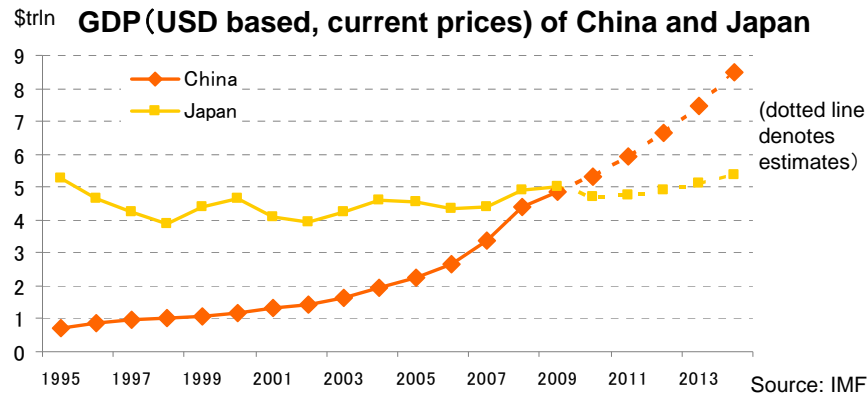


Overseas Business Development

Business development and areas of growth

Overseas markets with high growth potential

The population with material financial assets is increasing in emerging countries such as BRICs, with their extraordinary levels of economic growth. We target these markets as the area for our growth where the interest in personal wealth management is increasing.



Update on overseas business development

China

March 2008 - Established Beijing Representative Office and commenced full-scale business research

- Full-scale research of financial markets, trends of individual investors and online trading, etc. in China.

March 2009 - Agreed to establish JV in the PRC

- Agreement reached to establish a joint venture company with the group companies of Stock Exchange Executive Council ('SEEC'). SEEC has been deeply involved in the creation and development of capital markets in the PRC and is one of the largest financial media groups in China.
- JV project is positioned as a bridgehead toward building a presence in the PRC. It is now in preparation stage for full business development.

September 2009 - Monex, Inc. filed preliminary application documents to CSRC for the establishment of Beijing Representative Office

- To further research on the development of securities business in PRC, preliminary application documents for the establishment of Beijing Representative Office for Monex, Inc. have been filed to and received by CSRC (China Securities regulatory Commission).

October 2009 - Monex, Inc. in Japan started discussion on the development of financial products with a leading financial group in China

India

- Monex targets India as another market for its potential growth and is currently conducting research for business development.

1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

Breakdown of Net Operating Revenues

■3Q(Apr.-Dec.) of FYE Mar. 31, 2010

(in million yen)

| Business category | Entity | Management Fee | Transaction Commission Fee | Total | % | Refer to |
|------------------------|--|---|---------------------------------|--------|------|-----------|
| Brokerage | Monex, Inc. | 2,507 (Interest income from margin business) | 7,889 (Commissions) | 10,397 | 71% | p. 30 |
| FX business | Monex, Inc. Monex FX, Inc. | — | 2,367 (Trading income, etc.) | 2,367 | 16% | p. 30 |
| Managed asset | Monex, Inc Monex Alternative Investments, Inc. Trade Science Corp. | 794 (Agency commissions, management fee, etc.) | 387 (Selling commissions) | 1,182 | 8% | pp. 31-32 |
| Fixed income | Monex, Inc. | — | 239 | 239 | 2% | p. 32 |
| Investment banking | Monex, Inc. WR Hambrecht & CO Japan | — | 127 | 127 | 1% | p. 33 |
| Total | | 3,302 | 11,011 | 14,313 | 98% | |
| Others | | | | 258 | 2% | |
| Net Operating Revenues | | | | 14,572 | 100% | |

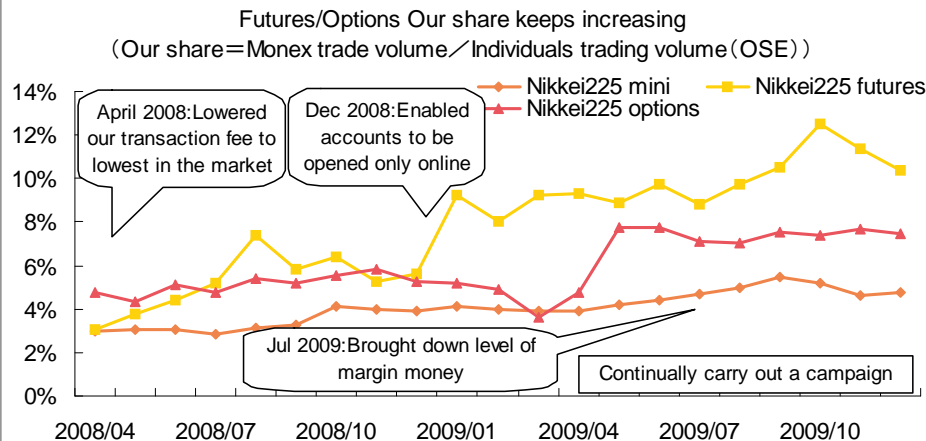
We aim to increase the ratio of management fees, as transaction/commission fees are largely affected by market conditions

Equity Business / FX Business

Equity business

◆ Self-manufacture of Futures/Options for further growth

- Our trading share of Nikkei225(Large) exceeded 10%
- Trading volume of other Futures/Options also growing
- Usability improved by self-manufacture since Jan. 2010
- Aiming for further growth by self-manufacture and merger



◆ Corresponded to TSE's next-generation trading system "arrowhead"

- Over 2,500 users started to use the new tool for "arrowhead" in the first 2 days → Now about 5,000 users

For further growth

- ◆ Plan more competitive products and fee table after merger
- ◆ Review of existing products (ex : ministock)
- ◆ Plan to add more US ETFs and stocks
- ◆ Introduction of CFD (Contract for Difference)

FX business: Expanding profit in a growing market

◆ Monex, Inc. FX PLUS

Activities in 3Q:

Spreads of 5 currency pairs were reduced in Nov. 2009

For further growth:

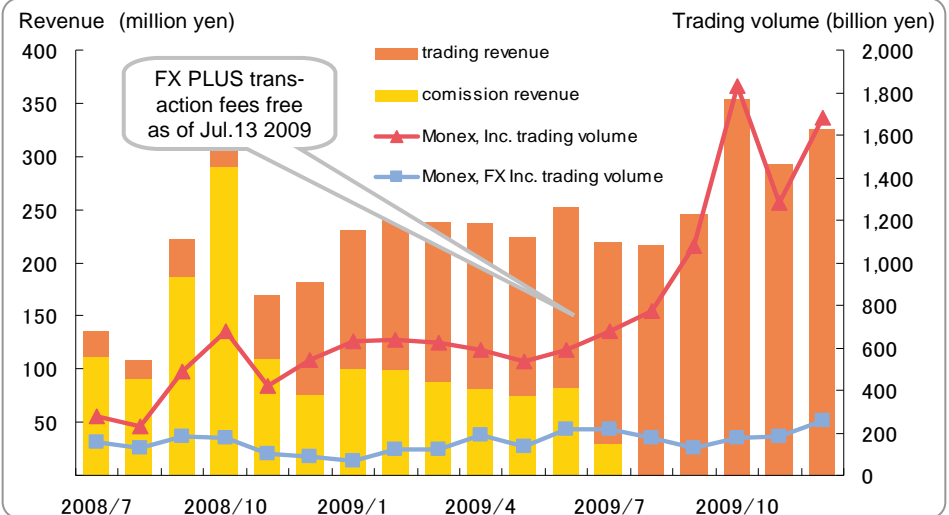
Preparing to participate in OSE-FX in May 2010

◆ Monex FX Inc,

Activities in 3Q: Trading value recovered by the active accounts, even after MFX made the order unit smaller and the order size became smaller / Started to reduce spread of 9 currency pairs from Oct. and Nov. 2009

For further growth: Jan: added new online seminar for FX beginners / Feb: planning to release new version of "Monex Joo", trading tool for active traders / Mar: introducing new product

Changed the FX profit structure



Mutual Fund Business (1)

Strengthen product lines and services to expand mutual fund asset

Purchase by monthly auto-investment program increases by 10% in 2009

- December 2009: Approx. 58,000 purchases
- Actively promote the program to bring in new customers

Lower minimum subscription price of index funds from 10,000 yen to 1,000 yen to support customers' asset allocation

- Number of applications for auto-investment program doubled

Added 15 new funds to our selected line-up from Sep.2009

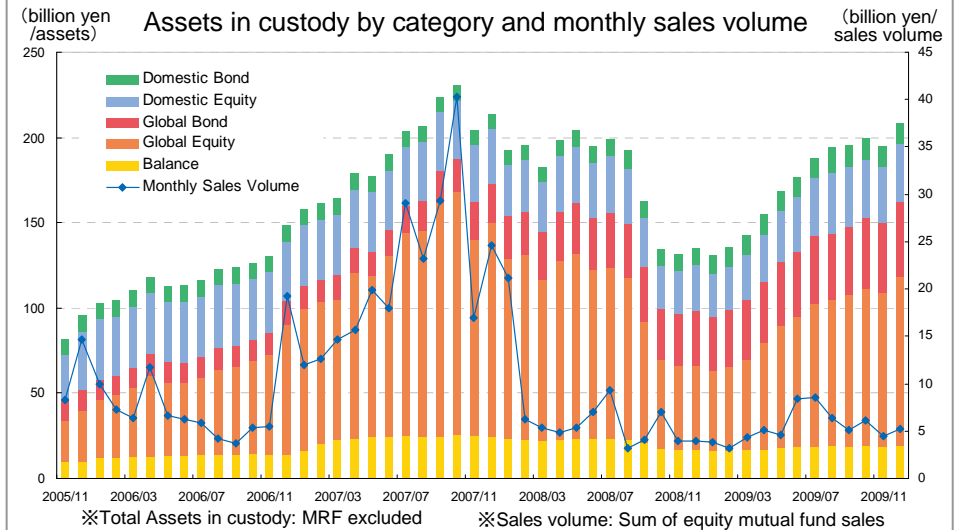
- Introduce various categories of funds such as commodities, leveraged type, new index series and Brazil stock
- Total number of funds: **203** as of January 2010

For further growth

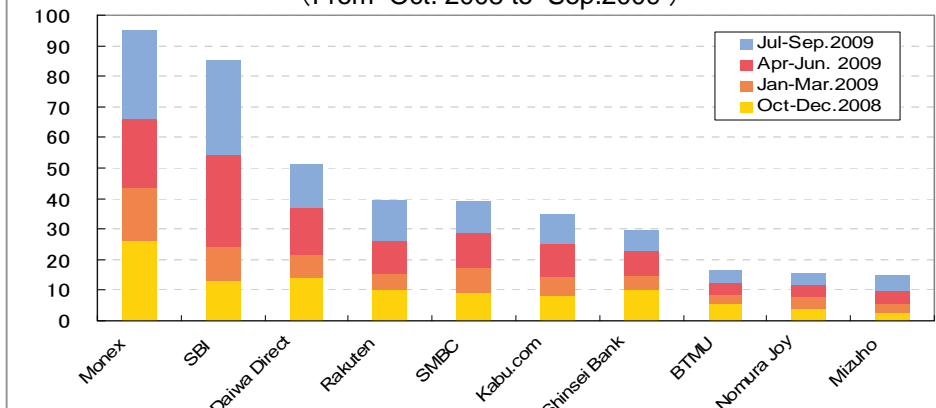
- More user friendly system for monthly auto-investment will soon be released
- Continuing to offer more enhanced product line by introducing originals funds
- Merger of ORIX strengthens product line-up from 203 to approx. 250 funds

Top-class online mutual fund sales

Keeping the top-class position in online mutual fund sales



Online sales performance of online brokers and banks (From Oct. 2008 to Sep.2009)



※Sales volume: Sum of mutual fund sales including MMF
Source: Kinzai Institute for Financial Affairs, Inc.

Mutual Fund Business (2) / Fixed Income and Stock Lending Businesses

Alternative Investment Business

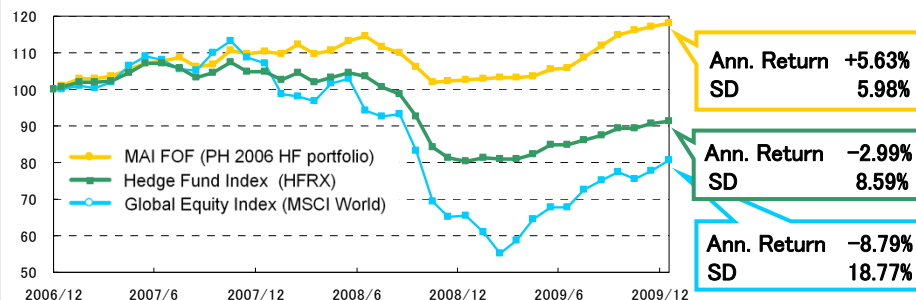


Monex Alternative Investments, Inc.
<http://www.monexai.com/english.php>

◆ Solid performance has contributed to raise the reputation of MAI in institutional business arena

- Citi Global Markets Japan : Awarded MAI the investment manager of its new product for institutional investors
- A major trust bank : Considering to add MAI FOF in the product lineup for their pension fund clients

HF-FOF** portfolio performance of PH2006* in past 3 years
 (Normalized performance at 2006/12/15, in USD, Net)



*Premium Hybrid 2006, launched in Dec 15, 2006

** FOF: Fund of Funds

(Source: HFR Asset Management, Reuter, MAI 2006/12-2009/12)

◆ Alternative product #3 for retail investors to come

“Premium Hybrid Series #3” which will invest in global alternative products will come out soon

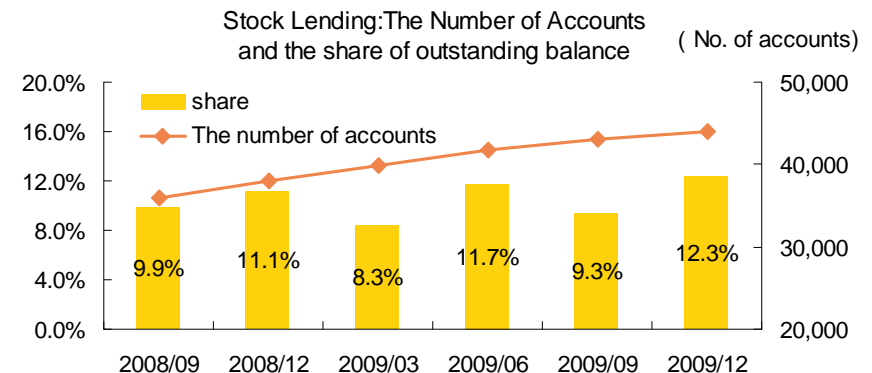
Fixed income and stock lending businesses

◆ Fixed income : Promoting as a steady investment product in the context of current macroeconomic environment

- Timely provision of structured notes in response to various needs
- Selling Brazil Real-linked note due to the increasing demand of investment to Brazil
- Stable issuance of “Monex Short-term Notes” have served as a corporate funding vehicle as well as fulfilling the demands of customers
- Development of system for issued-note trading in order to supply various type of bond

◆ Stock lending service: balance and accounts have risen thanks to recovery of stock market

- Number of users reached nearly 44,000
- Net balance amounted to about 130 billion yen, 12.3% of net asset (best performance in Dec. to date)
- Targeting 30% increase of the net balance after merger



Investment Banking Business / R&D

■ IPO Underwriting Business (Monex, Inc.)

While other security firms tend to withdraw from the IPO underwriting business, Monex continues to utilize our knowledge based upon our top tier track record among online security firms (3 IPOs in TSE Mothers, 1 in OSE Hercules)

■ M&A (Monex, Inc./WR Hambrecht & Co Japan, Inc. (WRHJ))

◆ New Initiative

- WRHJ increased its capital by allocating new shares to Monex Group, Inc. (holding ratio raised from 56.9% to 78.6%), and will be renamed as “Monex Hambrecht, Inc.” effective February 1, 2010
- Monex, Inc. and WRHJ started to provide M&A advisory services as a joint-advisor. Monex bring its broad relationships with listed companies to cover marketing functions, while WRHJ brings its knowledge and broad experience in M&A transaction.

◆ M&A track record

- Supported the MBO of an internet company in the 3rd quarter

◆ Facilitating deals

- Number of recurring clients business continuously increasing
- In the process of establishing a business alliance with a Chinese financial institution for cross border M&A deals

■ Efforts for implementation of Open IPO® (WRHJ)

Cooperating with WR Hambrecht + Co and proposing Open IPO® for privatization in Japan.

■ R&D by Trade Science Corporation (TS)

◆ R&D outfit of Monex Group

- Positioned as an in-house laboratory for information science and financial engineering, TS plans to offer leading-edge financial services and products such as investment advisory services using *Kabu-robot*

◆ Algorithm based asset management service

- TS has hosted, since 2004, an algorithm trading contest (*Kabu-robot* Contest) with over 20K algorithm developer participants on its unique open platform, offering a free programming and testing environment
- Provides investment advisory service using highly performing *Kabu-robots* after entering into agreements with developers and carrying out necessary improvements/verifications
- Planning to launch absolute return (long-short) funds, trading signal service and automated trading service



◆ Investment tool business

- Provides trading tools named “Monex Joo” to Monex FX (since August 2009)
- Planning to add functions for stocks and futures options

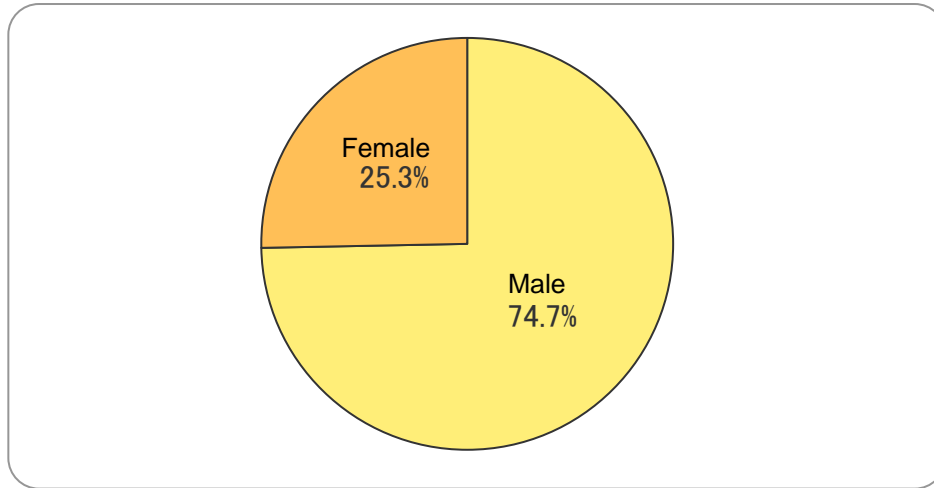


◆ Funding for the future business developments

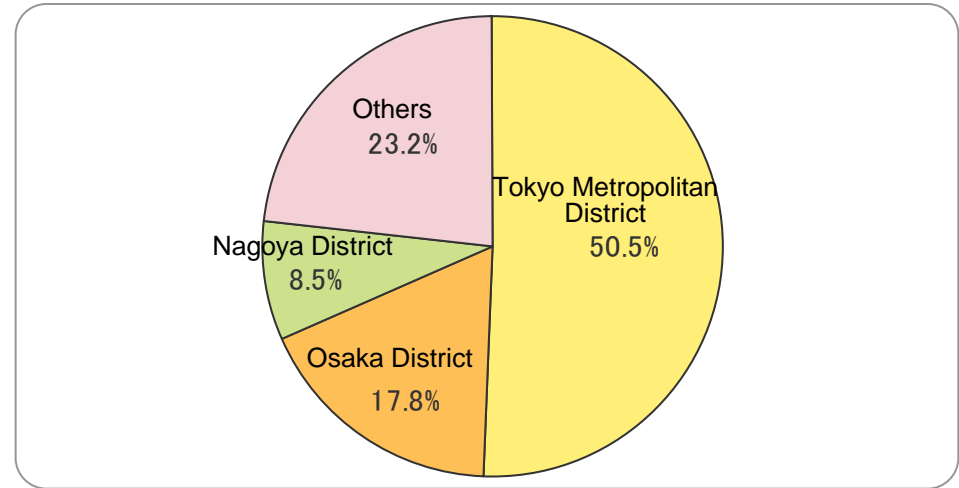
- In Dec. 2009, JPY200M funded by Monex Group for the future business development

Customer Data of Monex, Inc. (935,918 accounts as of the end of Dec, 2009)

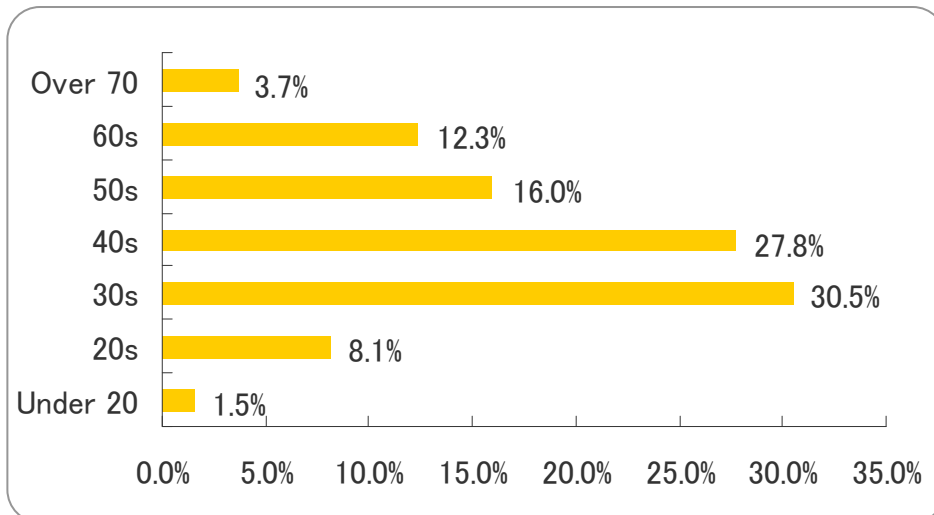
■ Sex



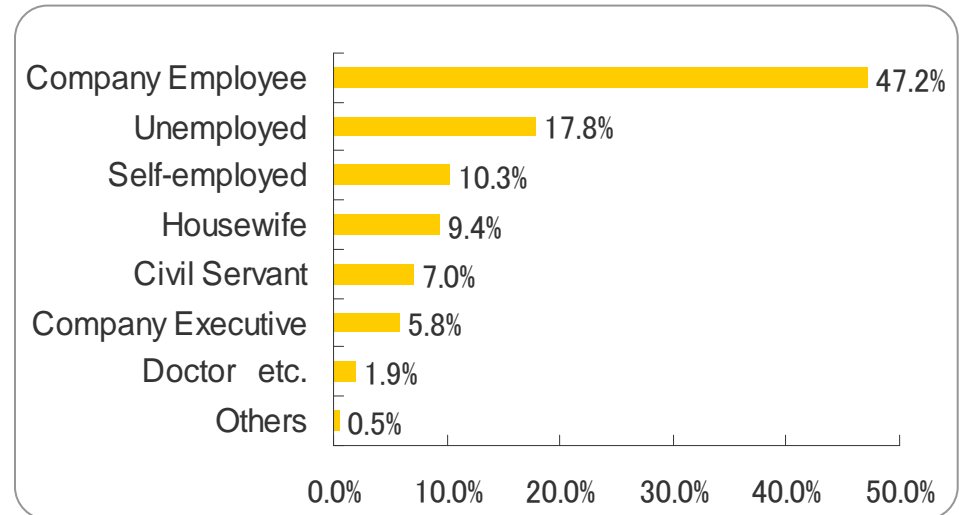
■ District



■ Age

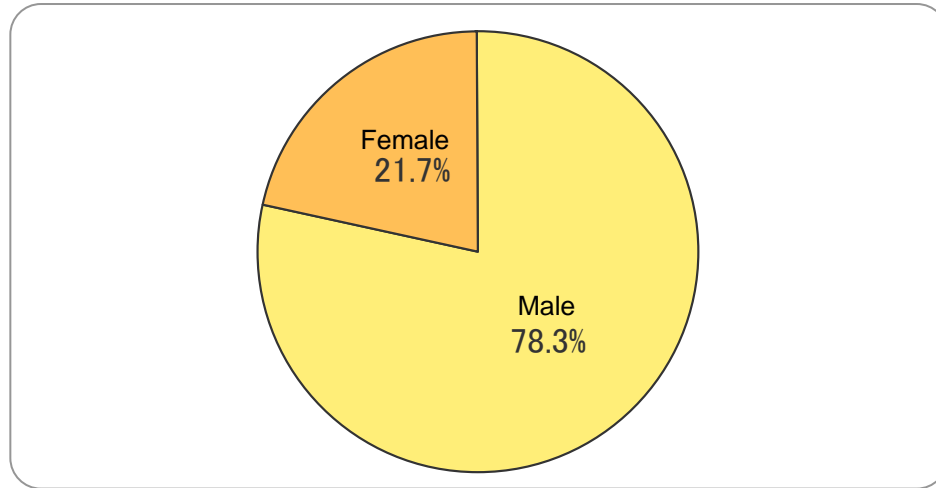


■ Occupation

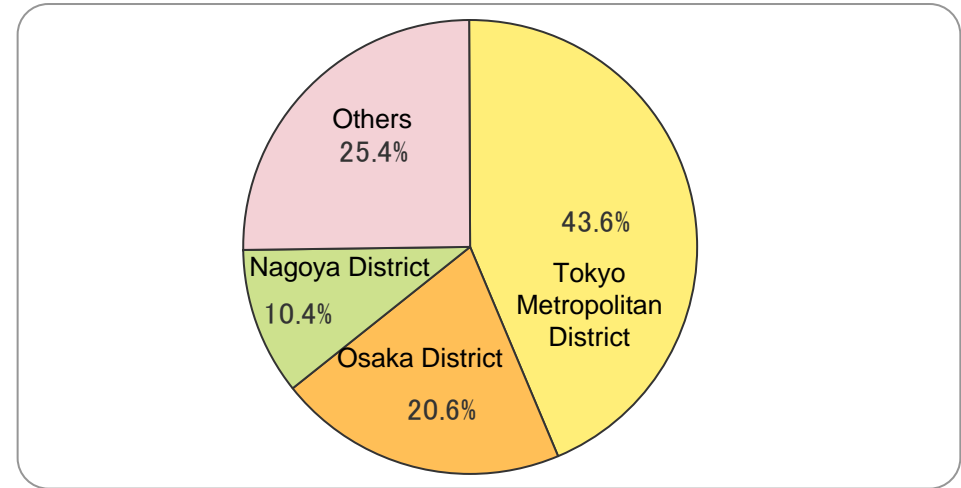


Customer Data of ORIX Securities (372,347 accounts as of the end of Dec, 2009)

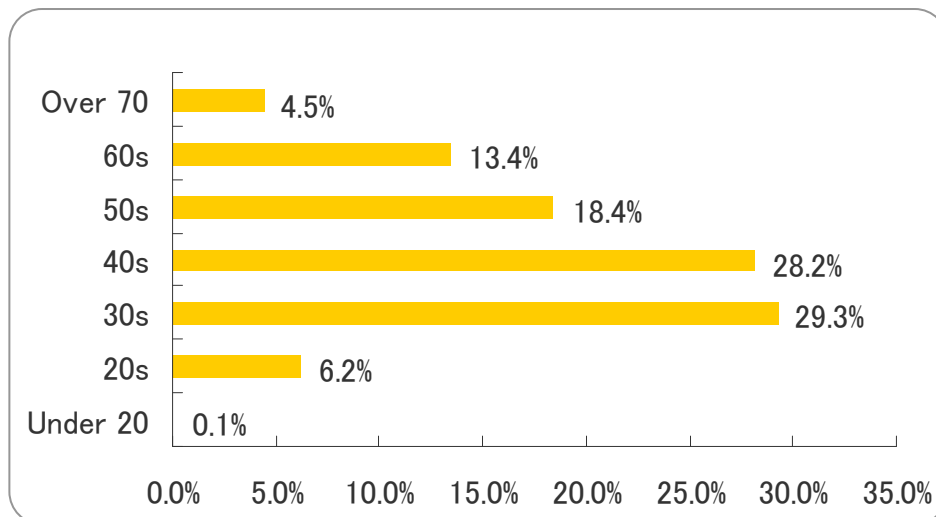
■ Sex



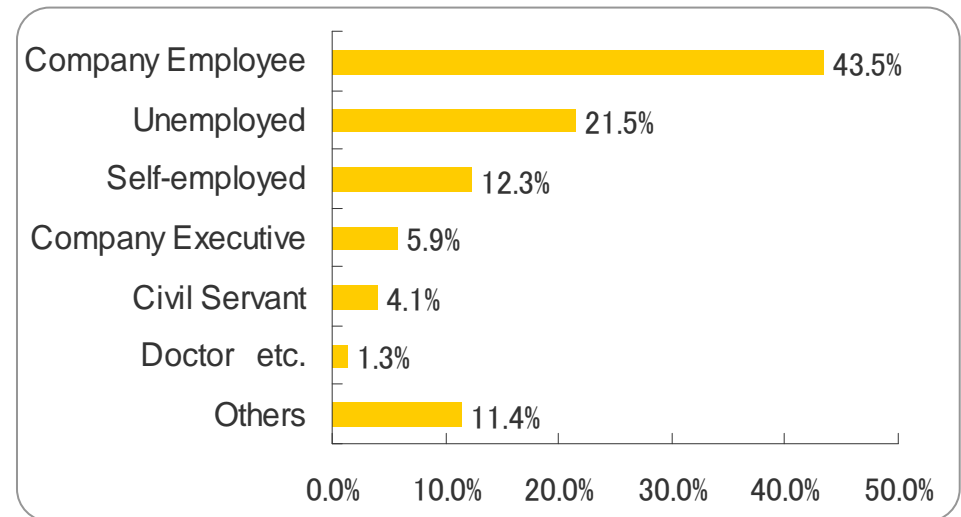
■ District



■ Age



■ Occupation



1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

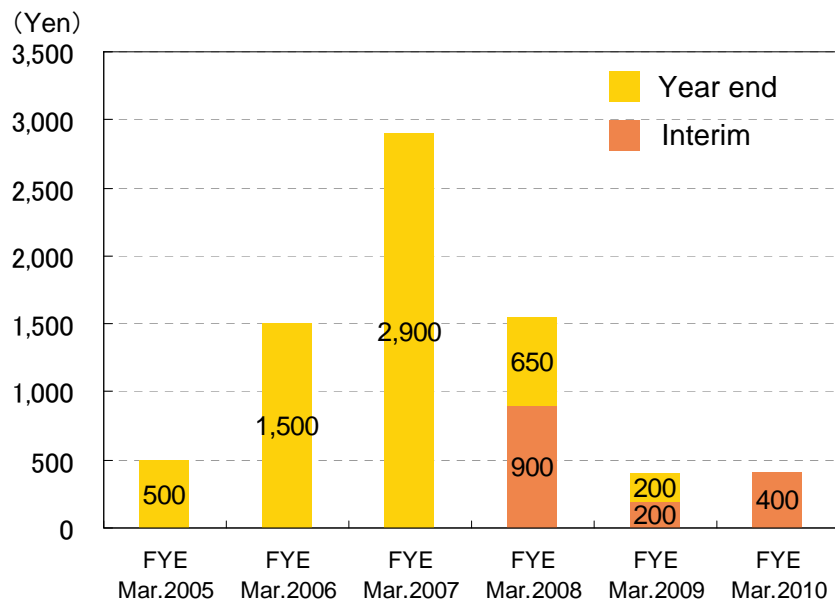
Investors' Guide

■ Pursuing investment returns for our shareholders

◆ Shareholder's return

- The Company's policy for shareholder's return is to pay the dividends based on the business performance. The payout ratio is generally targeted at 50% of consolidated net income of current fiscal year
- Interim dividends to be paid out
- In case the Company has a net loss, the management will consider to pay out a certain amount as dividend, comprehensively examining internal reserves, financial condition, business environment and business plan

◆ Dividend record



◆ Major shareholders and share distribution

Based on the record as of the end of September 2009

