

Financial Results for 1Q of Fiscal Year Ending March 31, 2017

This is an English translation of Japanese presentation materials prepared in connection with the disclosure of the financial results of Monex Group, Inc. It includes information derived from the consolidated financial statements of Monex Group, Inc. which are prepared in accordance with International Financial Reporting Standards ("IFRSs"). This material is not intended to recommend or conduct solicitation for any product or service, etc.

<Forward-looking Statements>

This presentation material contains forward-looking statements that are based on our current expectations, assumptions, estimates and projections about our industry and us. These forward-looking statements are subject to various risks and uncertainties. Generally, these forward-looking statements can be identified by the use of terms such as "may" "will" "expect" "anticipate" "estimate" "plan" and other similar words. These statements discuss future expectations, identify strategies, contain projections of results of operations or of our financial condition and state other "forward-looking" information. Our operations are subject to risks, uncertainties and other factors that could cause our actual results to differ materially from those contained in any forward-looking statement.



Our Business Principles

"MONEX" stands for the future of finance, one step advanced from "MONEY"

The Monex Group is aspiring to empower traders and investors worldwide with best of breed technology, education, service and financial professionalism to provide access to top financial markets globally

To achieve this we are committed to:

- Celebrating the diversity of each and every one of our customers and employees;
- Driving the future of technology and first class financial professionalism that empowers traders and investors; and
- Creating new value to contribute to all stakeholders

Our Business Principles	p. 1
Table of Contents	p. 2
I. Highlights	p.3 - p.7
II. Consolidated Performance	p.8 - p.22
III. Business Update	p.23 - p.29
IV. Mid- & Long-Term Strategy “Global Vision”	p.30 - p.33
V. Topics	p.34 - p.37
Appendix. Group Overview	p.38 - p.46

- I. Highlights
- II. Consolidated Performance
- III. Business Update
- IV. Mid- & Long-Term Strategy “Global Vision”
- V. Topics

Appendix. Group Overview

Facing a decline in retail investors' risk appetite
Completing globalization and system internalization initiatives while
Building a profitable structure to cope with environmental changes

Enhancement of
profitability in US
segment

In response to decreased trading volume in the US market, reduced 40 headcounts in April 2016 and more than 60 headcounts on July 27, 2016.

Launching our
active trader
business

Launched the TradeStation trading platform in Japan in March 2016. First-ever functions in Japan have been well received and enabled us to acquire a new customer base different from our existing one. Full-scale marketing activities scheduled to begin in the 2Q of FYE 2017.

Broadening our
retail investor base

Monex-Saison-Vanguard Investment Partners' wrap asset management service scheduled to be launched this fall. Aim to increase assets under management in the mid- and long-term with the coming era of large inheritances.

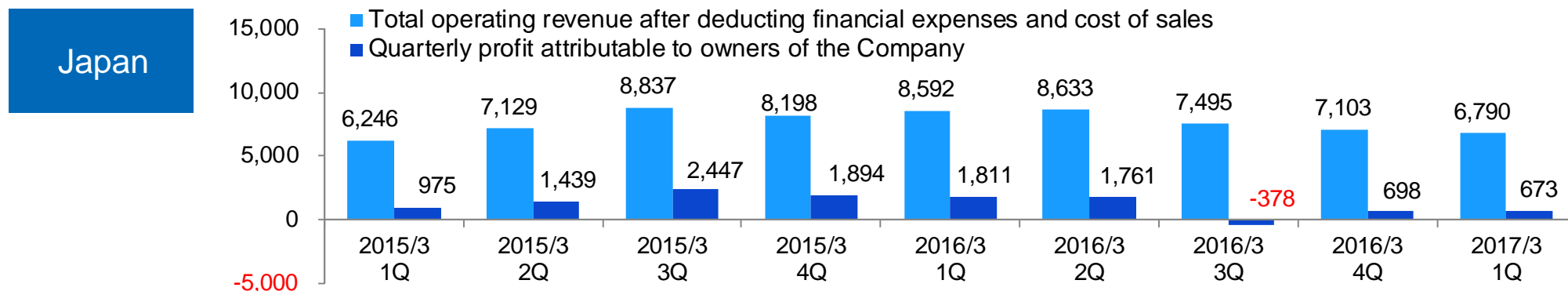
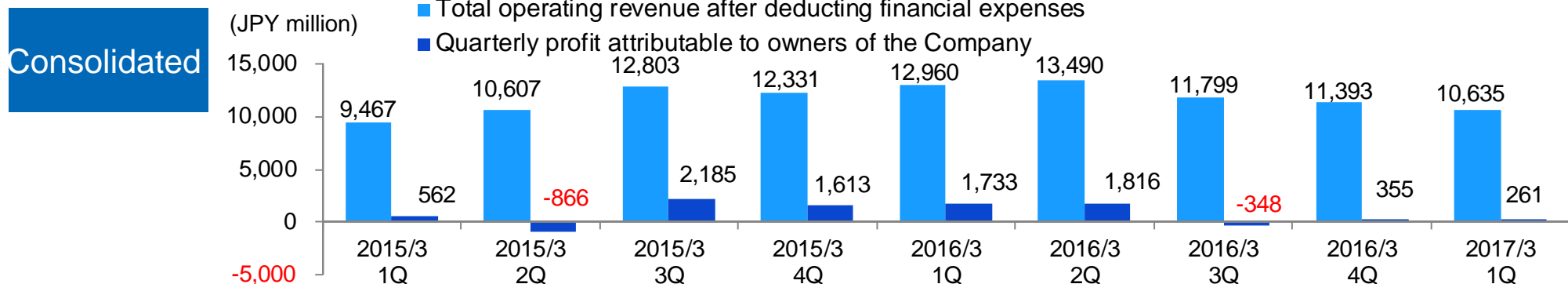
Internalization of
backbone brokerage
system

As well as to reduce costs, using internal technologies to develop original products and services that incorporate customers' point of view. The final launch of the new system was changed from fall 2016 to early 2017.
Migration to the backbone system for futures and options completed in mid-July as scheduled.

■ Consolidated performance of 1Q FYE Mar. 2017

Maintained profitability despite decreased trading volume in the market

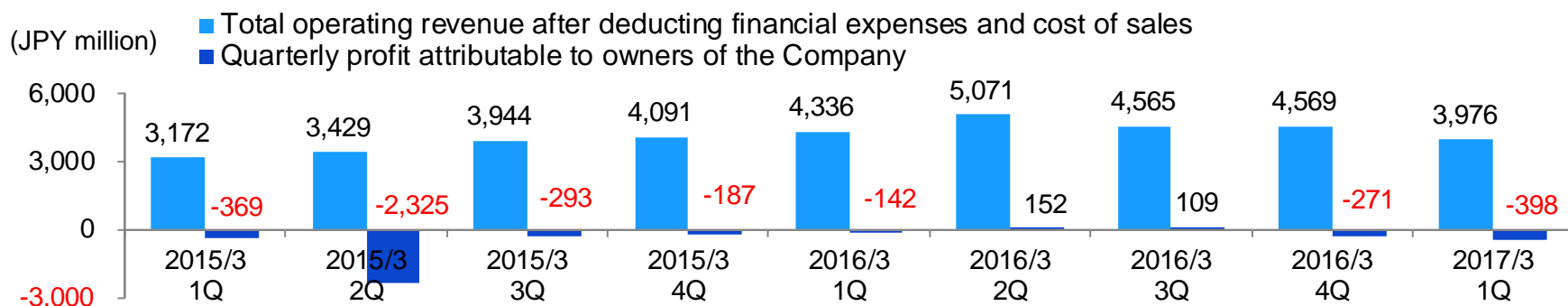
◆ Total operating revenue after deducting financial expenses and quarterly profit attributable to owners of the Company



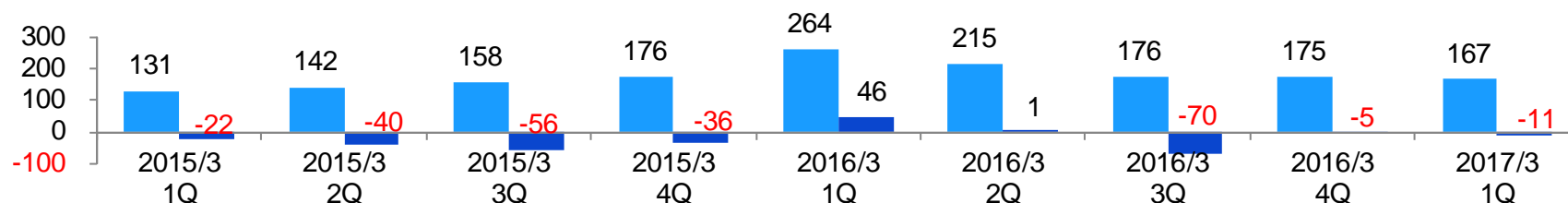
■ Consolidated performance of 1Q FYE Mar. 2017

- ◆ Total operating revenue after deducting financial expenses and cost of sales, quarterly profit attributable to owners of the Company

US



China



Japan segment

- Revenues and profit went down from the previous quarter
- Brokerage commissions decreased by 7% due to lower stock trading volume
- Booked JPY 508 M of other income as reversal of allowance for loss on cancellation of outsourcing contract due to the change of the migration schedule towards the final launch of the new backbone brokerage system

US segment

- Revenues went down from the previous quarter and recorded JPY 398 M of net loss (JPY 271 M of net loss for 4Q FYE Mar. 2016)
- Brokerage commission decreased by 5% (in USD) due to lower trading volume in stocks, futures and options
- JPY 145 M one-time expenses related to FX platform business booked as loss on business restructuring due to suspension of the original plan

China segment

- Revenues went down from the previous quarter and recorded JPY 11 M of net loss (JPY 5 M of net loss for 4Q FYE Mar. 2016)
- Stock brokerage commission decreased by 13% (in HKD) due to lower trading volume in Hong Kong stock market. Net financial income increased by 10% (in HKD) due to increase in margin lending transactions

- I. Highlights
- II. Consolidated Performance**
- III. Business Update
- IV. Mid- & Long-Term Strategy “Global Vision”
- V. Topics

Appendix. Group Overview

YoY Comparison (3 months) Consolidated Performance

(JPY million)

	1Q FYE Mar. 2016 (Apr. 2015 - Jun. 2015)	1Q FYE Mar. 2017 (Apr. 2016 - Jun. 2016)	Variance	Change (%)	Note
Total operating revenue after deducting financial expenses	12,960	10,635	-2,325	-17.9%	Analysis of Japan segment: P11 Analysis of US segment (USD): P13
SG&A	10,517	10,118	-399	-3.8%	Analysis of Japan segment: P12 Analysis of US segment (USD): P14
The amount equivalent to operating income	2,443	516	-1,926	-78.9%	
Other income / expenses (net)	58	39	-19	-32.6%	2017/3 Other income: JPY 508M of reversal of allowance for loss on cancellation of outsourcing contract Other expenses: JPY 145M of loss on FX business restructuring in US
Quarterly profit before income taxes	2,501	556	-1,945	-77.8%	
Quarterly profit attributable to owners of the Company	1,733	261	-1,471	-84.9%	

YoY Comparison (3 months) Segment Performance

(JPY million)

	Japan			US			China		
	2016/3 1Q	2017/3 1Q	Change (%)	2016/3 1Q	2017/3 1Q	Change (%)	2016/3 1Q	2017/3 1Q	Change (%)
Total operating revenue after deducting financial expenses and cost of sales	8,592	6,790	-21.0%	4,336	3,976	-8.3%	264	167	-36.8%
SG&A	5,774	6,068	5.1%	4,751	4,191	-11.8%	190	167	-11.7%
The amount equivalent to operating income	2,817	722	-74.4%	-415	-216	—	74	-1	—
Other income / expenses (net)	-118	259	—	134	-197	—	-17	-9	—
Quarterly profit before income taxes	2,699	981	-63.6%	-281	-413	—	57	-10	—
Quarterly profit attributable to owners of the Company	1,811	673	-62.8%	-142	-398	—	46	-11	—
Note	See P11 for more details of “total operating revenue after deducting financial expenses and cost of sales” See P12 for more details of “SG&A”			See P13 for more details of “total operating revenue after deducting financial expenses and cost of sales” See P14 for more details of “SG&A” USD/JPY decreased by 11%			HKD/JPY decreased by 11%		

YoY Comparison (3 months) Analysis: Japan Segment Operating Revenue

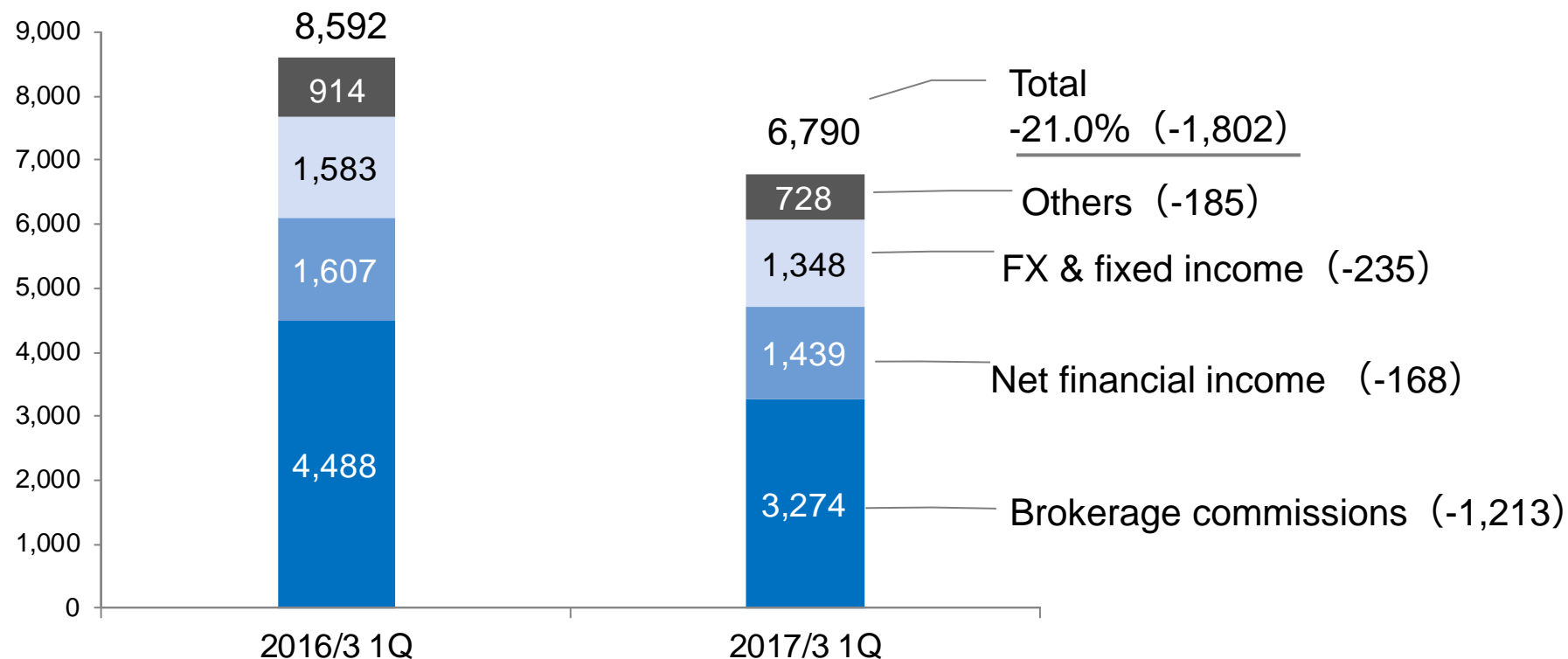
Japan : Revenues decreased due to lower stock trading volume

◆ Total operating revenue after deducting financial expenses and cost of sales

(compared to Apr. 2015 – Jun. 2015) (JPY million)

Within () changes from FYE Mar.2016

(JPY million)

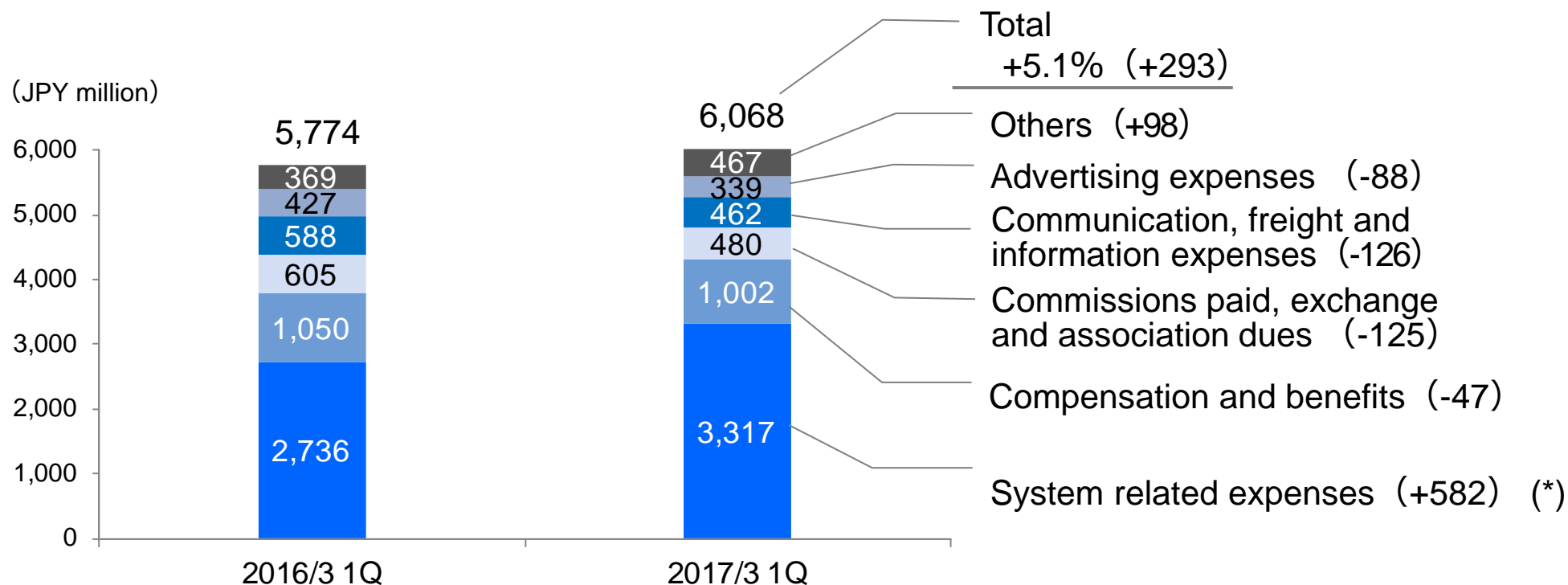


YoY Comparison (3 months) Analysis: Japan Segment SG&A

Japan : System related expenses increased due to parallel operation of new / old backbone brokerage systems

◆ SG&A (compared to Apr. 2015 – Jun. 2015) (JPY million)

Within () changes from FYE Mar.2016



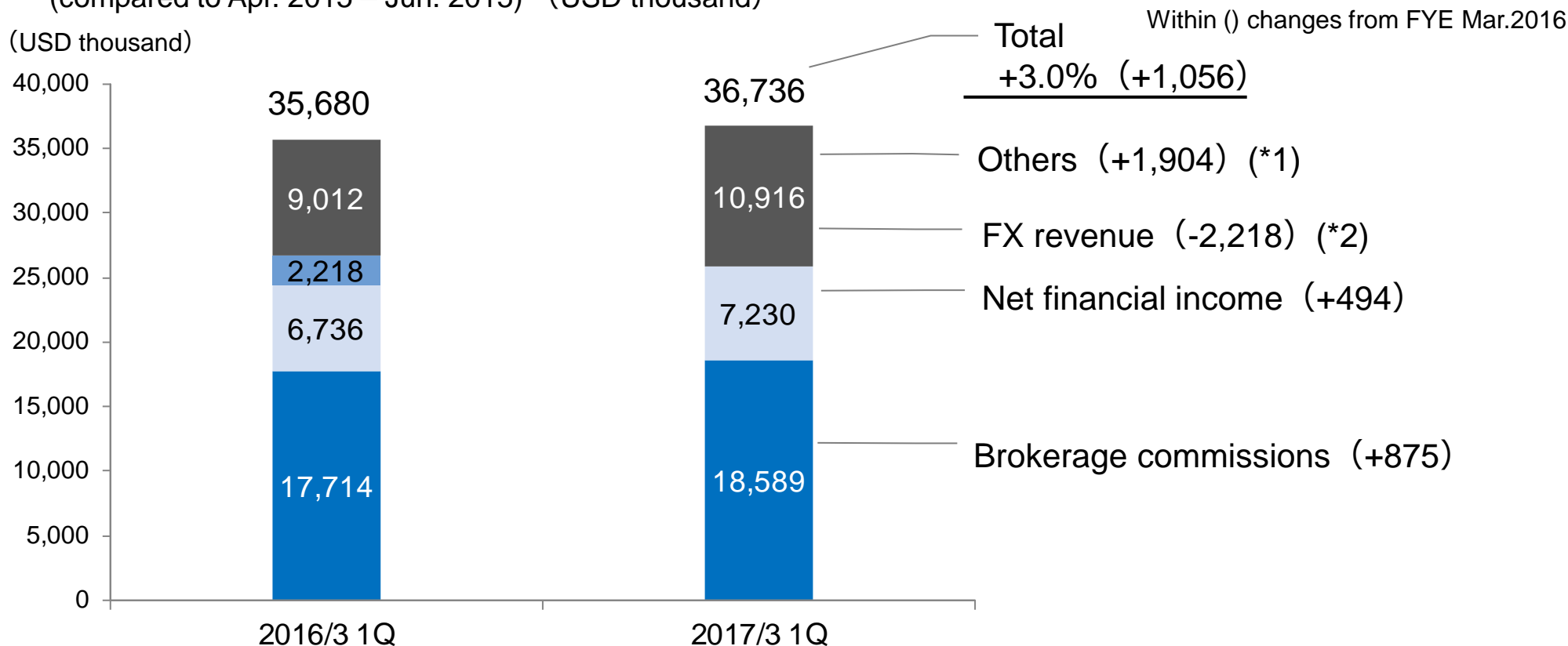
(*) Rental and maintenance: +126, Data processing and office supplies: +49
Amortization and depreciation: +406

YoY Comparison (3 months) Analysis : US Segment Operating Revenue (USD)

US : Revenues increased due to higher trading volume of futures offset by the decrease in revenue caused by the assignment of FX business

◆ Total operating revenue after deducting financial expenses and cost of sales

(compared to Apr. 2015 – Jun. 2015) (USD thousand)



(*1) Revenue up due to system operation and maintenance +1,651

(*2) Revenue down due to the assignment of FX business in March 2016

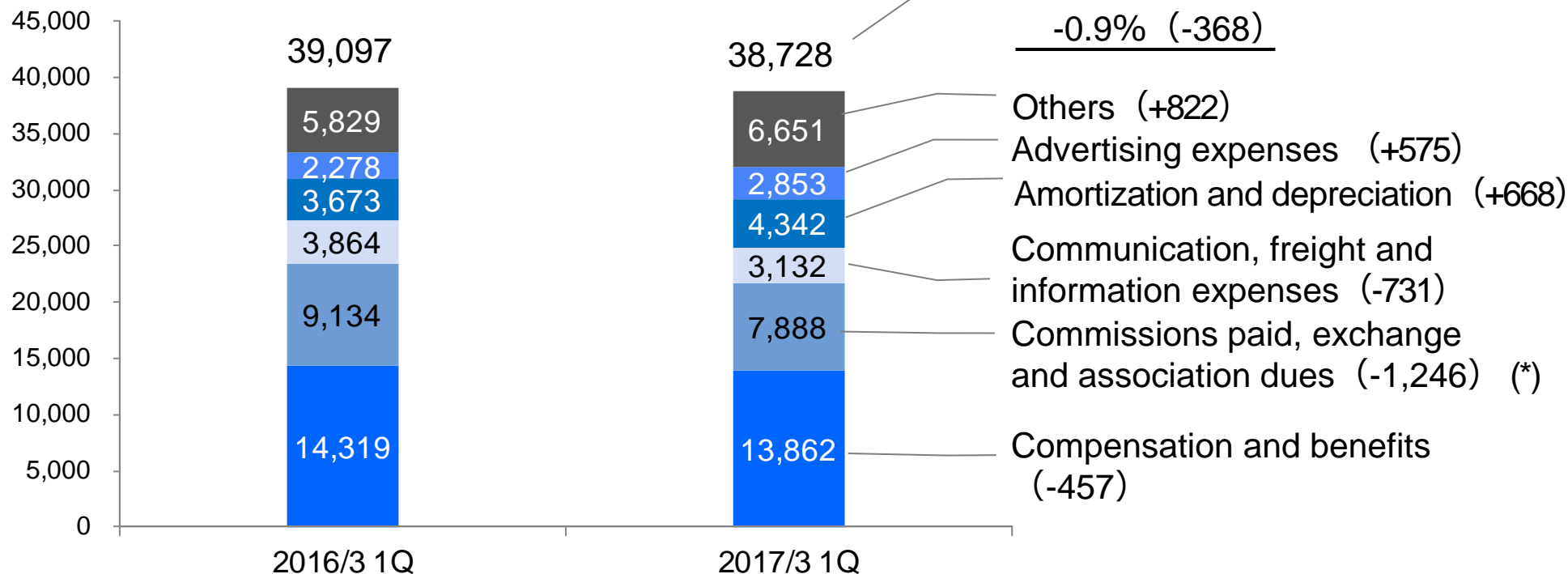
YoY Comparison (3 months) Analysis : US Segment SG&A (USD)

US : Commissions paid decreased due to the assignment of FX business

◆ SG&A (compared to Apr. 2015 – Jun. 2015) (USD thousand)

Within () changes from FYE Mar.2016

(USD thousand)



(*) Decrease due to the assignment of FX business USD 371K and internalization of futures trade clearing system

QoQ Comparison (3 months) Consolidated Performance

(JPY million)

	4Q FYE Mar. 2016 (Jan. - Mar. 2016)	1Q FYE Mar. 2017 (Apr. - Jun. 2016)	Variance	Change (%)	Note
Total operating revenue after deducting financial expenses	11,393	10,635	-759	-6.7%	Analysis of Japan segment: P17 Analysis of US segment (USD): P19
SG&A	10,523	10,118	-405	-3.9%	Analysis of Japan segment: P18 Analysis of US segment (USD): P20
The amount equivalent to operating income	870	516	-354	-40.6%	
Other income / expenses (net)	-386	39	425	—	Other income 1Q: Reversal of allowance for loss on cancellation of outsourcing contract JPY 508M Other expenses 4Q: Loss on the cancellation of an outsource contract for JPY 48M 4Q: Loss on FX business restructuring in US JPY 132M 1Q: Loss on FX business restructuring in US JPY 145M
Quarterly profit before income taxes	484	556	72	14.8%	
Quarterly profit attributable to owners of the Company	355	261	-93	-26.3%	

QoQ Comparison (3 months) Consolidated Performance

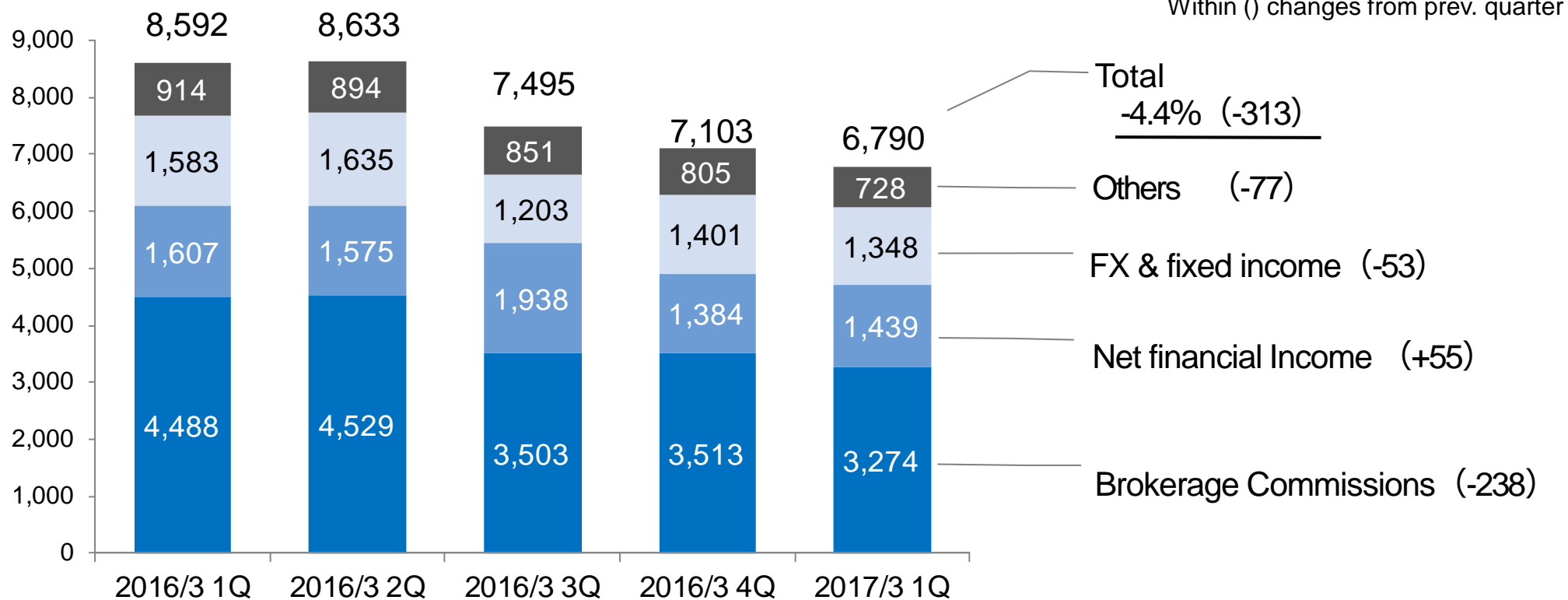
(JPY million)

	Japan			US			China		
	2016/3 4Q	2017/3 1Q	Change (%)	2016/3 4Q	2017/3 1Q	Change (%)	2016/3 4Q	2017/3 1Q	Change (%)
Total operating revenue after deducting financial expenses and cost of sales	7,103	6,790	-4.4%	4,569	3,976	-13.0%	175	167	-4.7%
SG&A	5,874	6,068	3.3%	4,741	4,191	-11.6%	171	167	-1.9%
The amount equivalent to operating income	1,229	722	-41.2%	-172	-216	—	4	-1	—
Other income / expenses (net)	-63	259	—	-399	-197	—	-19	-9	—
Quarterly profit before income taxes	1,165	981	-15.8%	-570	-413	—	-15	-10	—
Quarterly profit attributable to owners of the Company	698	673	-3.6%	-271	-398	—	-5	-11	—
Note	See P17 for more details of “total operating revenue after deducting financial expenses and cost of sales”. See P18 for more details of “SG&A”			See P19 for more details of “total operating revenue after deducting financial expenses and cost of sales”. See P20 for more details of “SG&A” USD/JPY decreased by 10%			HKD/JPY decreased by 10%		

Japan : Revenues decreased due to lower stock trading volumes

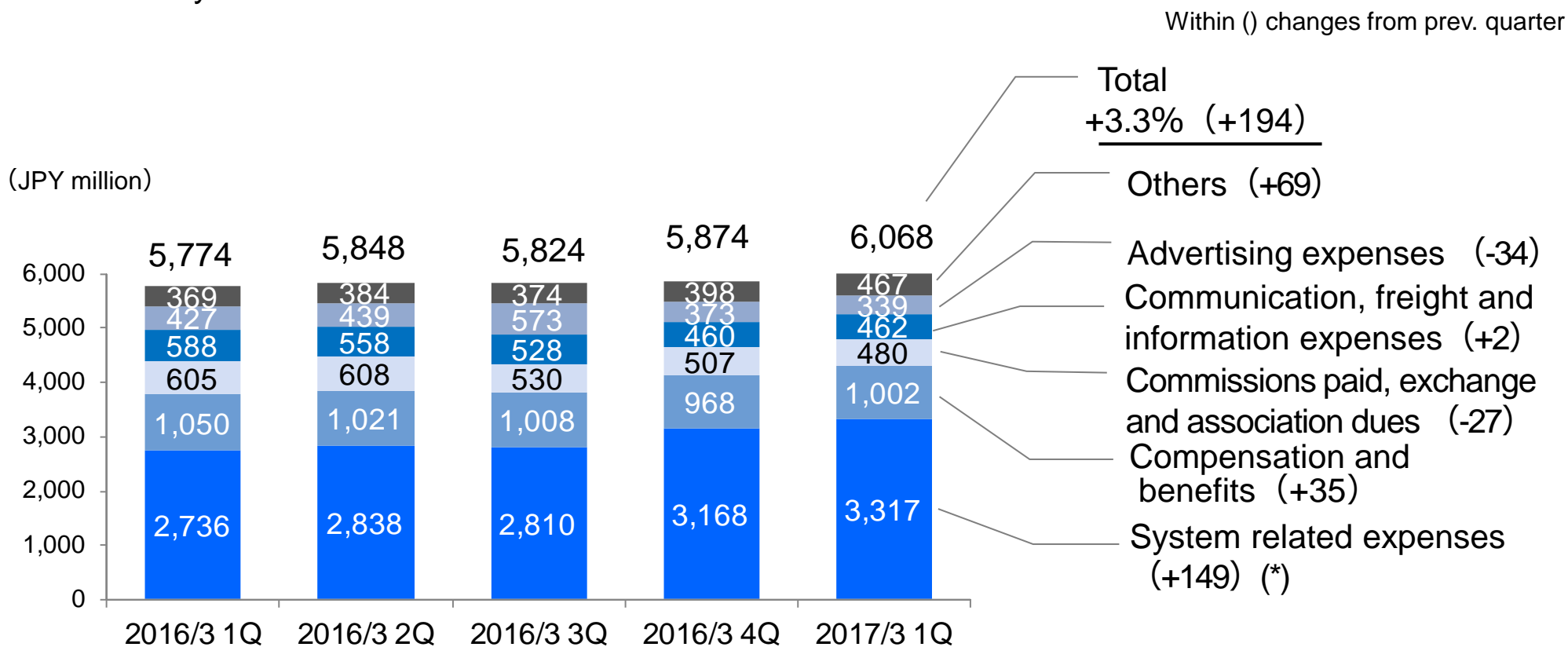
◆ Quarterly total operating revenue after deducting financial expenses and cost of sales (JPY million)

(JPY million)



Japan : System related expenses increased with “TradeStation” trading platform in Japan going into operation

◆ Quarterly SG&A (JPY million)

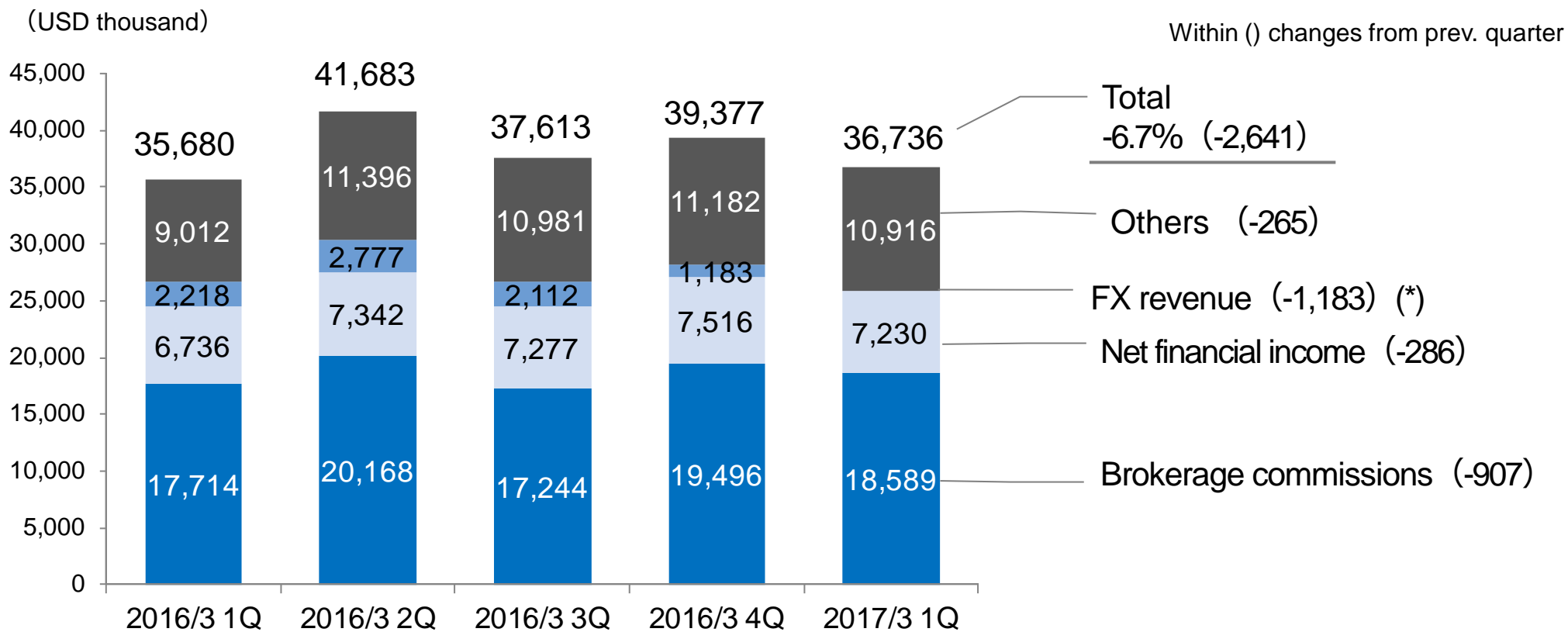


(*) Rental and maintenance:+93, Data processing and office supplies:-177, Amortization and Depreciation:+233

QoQ Comparison (3 months) Analysis : US Segment Operating Revenue (USD)

US : Revenues decreased due to the assignment of FX business and lower trading volume of stocks, futures and options

◆ Quarterly total operating revenue after deducting financial expenses and cost of sales (USD thousand)



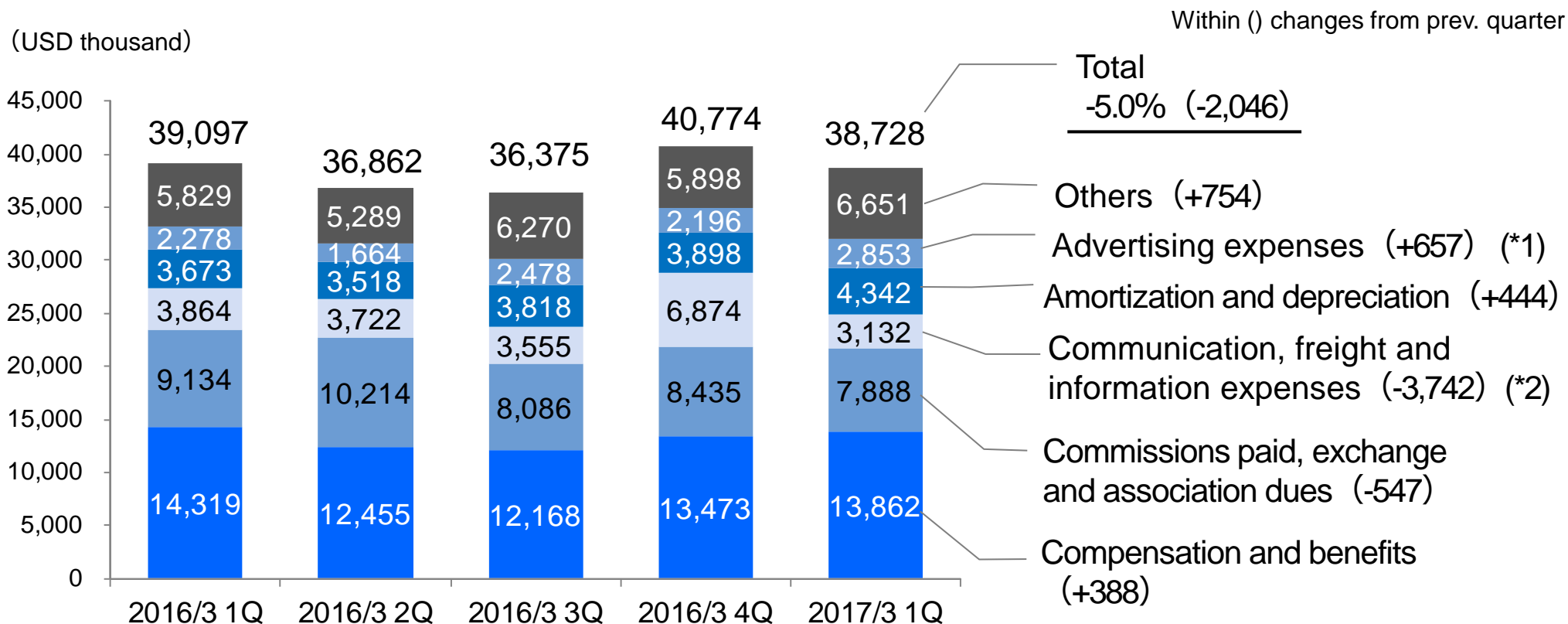
(*) Revenue down due to the assignment of FX business in March 2016



QoQ Comparison (3 months) Analysis : US Segment SG&A (USD)

US : Commissions paid, exchange and association dues decreased due to lower trading volume of stocks, futures and options

◆ Quarterly SG&A (USD thousand)



(*1) Advertising expenses for new TV commercial

(*2) One-time expenses for USD 3.0 M of information expenses in 4Q FYE 2016

The difference between “Net capital” and “Non-current assets” is the source of funds for investments and shareholders’ return

◆ Summary of consolidated statement of financial position as of June 30, 2016

<u>Assets</u> JPY 865.4B	<u>Liabilities</u> JPY 782.1B
Major assets: Assets related to financial instruments trading business JPY 677.7B	Major liabilities: Liabilities related to financial instruments trading business JPY 769.6B
Others JPY 45.6B	Others JPY 12.5B
Cash and cash equivalents JPY 84.9B	
Non-current assets (*1) JPY 57.1B	Net capital JPY 83.3B

(*1) Non-current assets

Property and equipment	JPY	2.2B
Intangible assets (Goodwill)	JPY	16.4B (*2)
Intangible assets (Identifiable intangible assets)	JPY	12.4B (*3)
Intangible assets (Software and others)	JPY	22.3B
Equity method investments	JPY	1.1B
Available-for-sale investments in securities (Lv.3)	JPY	2.8B

(*2) Goodwill: JPY 16.4B

Japan JPY 7.6B, US JPY 8.3B, China JPY 0.4B

(*3) Identifiable intangible assets: JPY 12.4B

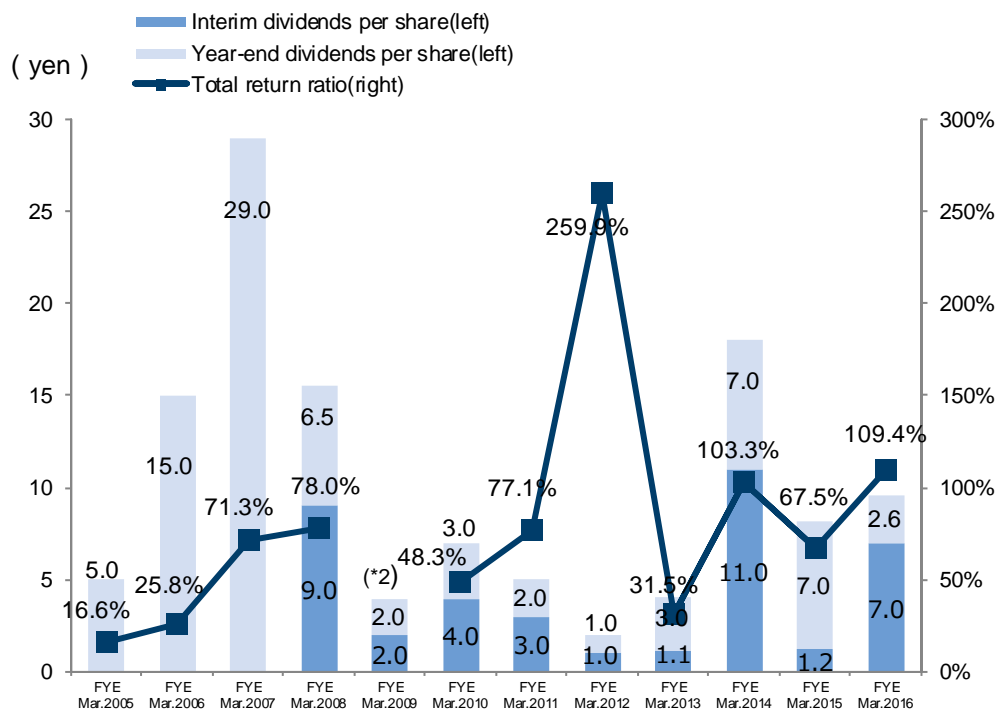
US JPY 11.8B, China JPY 0.6B

◆ The JPY 26.2B difference between Net capital (JPY 83.3B) and Non-current assets (JPY 57.1B) is the source of funds for the following:

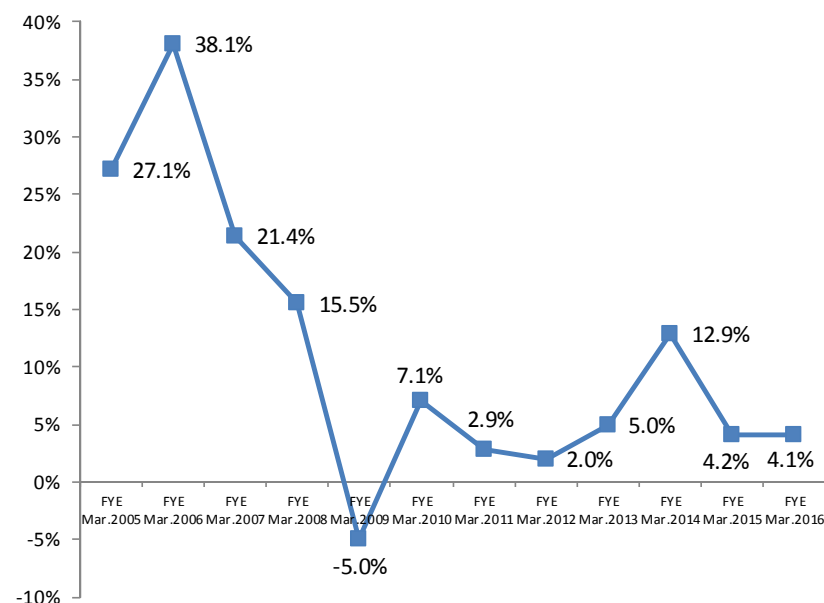
1. To comply with capital adequacy ratio regulations for securities subsidiaries in Japan and overseas
2. Internal reserve for investments in future businesses
3. Shareholders’ return (dividends + share buyback)

Aim to achieve a total return ratio ^(*1) of 75% on a multi-year basis and an ROE 15% over the mid- and long-term

◆ Dividend per share and total return ratio



◆ Return on Equity ratio



(*1) Total return ratio = (dividend paid + amount of share buyback) / profit attributable to owners of the Company

(*2) FYE Mar. 2009 does not have % since the result was negative

(*3) Dividend per share has been adjusted reflecting stock split

(*4) Acquired own shares: JPY 2.0B in Feb. 2008, 3.1B in Jun. 2011, 5.5B in May 2013, 1.16B in Jul.-Aug. 2015, 1.0B in May-Jun. 2016

- I. Highlights
 - II. Consolidated Performance
 - III. Business Update**
 - IV. Mid- & Long-Term Strategy “Global Vision”
 - V. Topics
- Appendix. Group Overview

Developing an active trader market which has room for growth even in the sluggish market

- Launched “TradeStation” trading platform in Japan in March 2016. Full-scale marketing to be scheduled from 2Q FYE 2017
 - Acquiring new customer base different from our existing customer base. Activating dormant accounts

■ Advantages of “TradeStation” trading platform in Japan

- First-ever function in Japan such as holding data for back-test function : one-minute chart data since 2010 and the tick chart data for two years
- Competitive commission table: JPY 3,500 for every 10 million yen in trading value

◆ Commission for every 10 million yen of trading value among major online brokers*

Broker's name	Commission (excluding tax)
Monex, Inc. (Use of “TradeStation”)	JPY 3,500
SBI Securities	JPY 4,439
Matsui Securities	JPY 10,000
Rakuten Securities	JPY 10,000

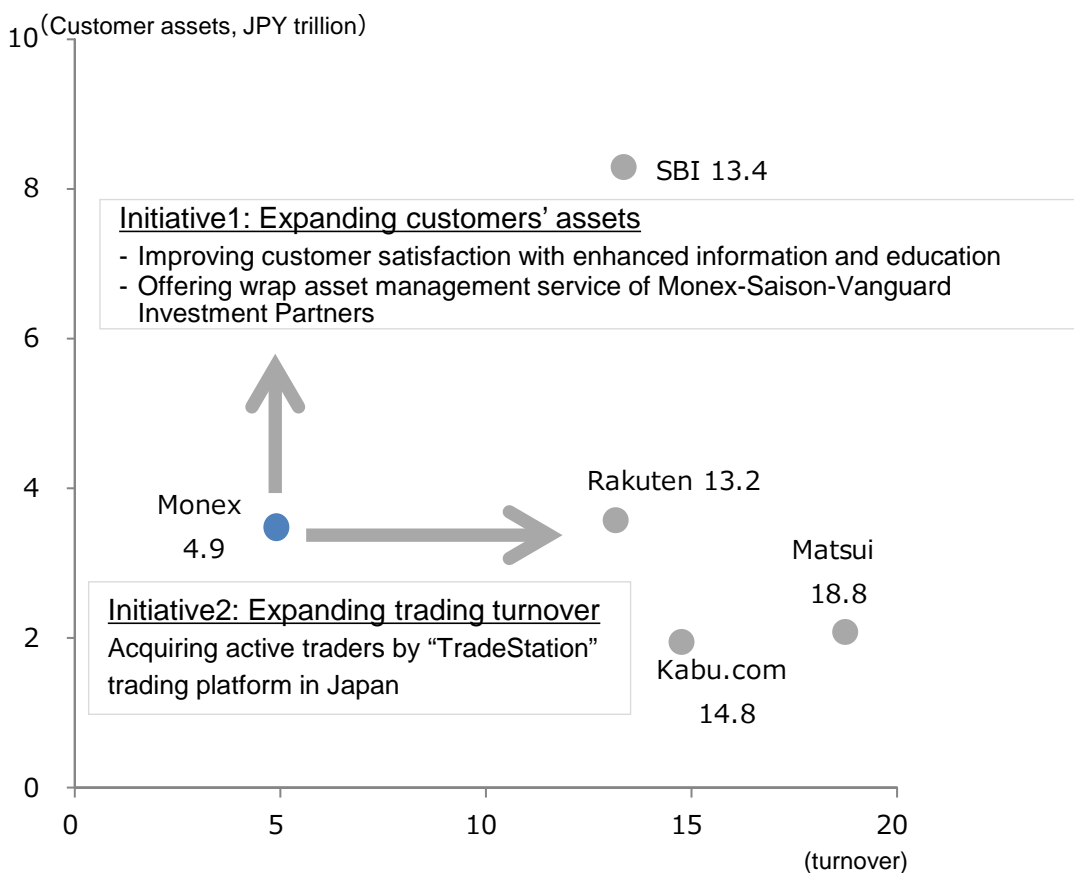
* As of May 31, 2016. researched by Monex, Inc.
Major online brokers refer to SBI Securities, Kabu.com Securities, Matsui Securities, Rakuten Securities and Monex, Inc. Kabu.com Securities does not adopt daily fixed amount commission table

- Unique customer support system for “TradeStation” users

Providing promotion, customer support and Q&A site, arranged separately from the Monex, Inc. website
Dedicated sales & support team actively engaged with existing and potential customers

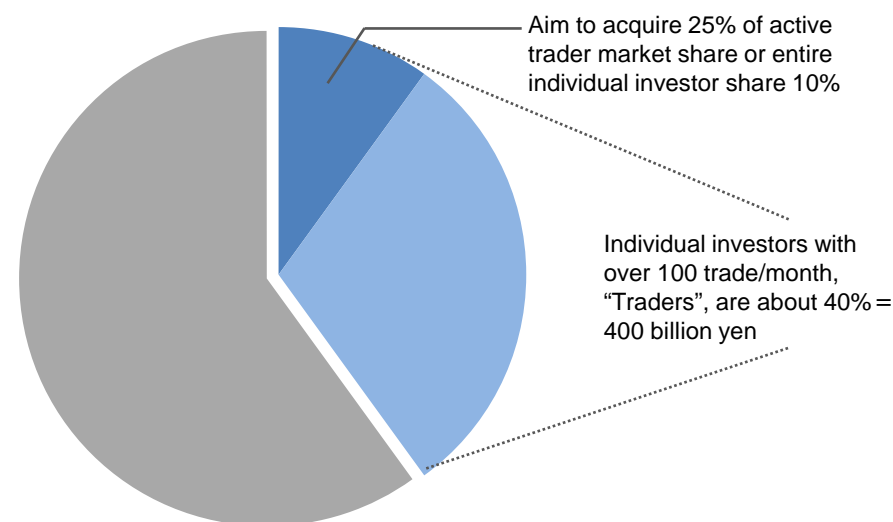
Aim to expand the customers' assets as well as expand the commission share

◆ Customers' assets and trading turnover* of major online brokers** (FYE Mar. 2016 / at Mar. 31, 2016)



◆ Estimate of active trader market in Japan

Daily trade value of individual investor = about 1 trillion yen



◆ Our goal of share and net income in Monex, Inc.

Acquiring share	Trading value (per day)	Estimate of net income (per year)
20%	JPY 80 billion	JPY 6.2 billion
10%	JPY 40 billion	JPY 2.4 billion
5%	JPY 20 billion	JPY 0.48 billion

* Stock trading value / customer asset

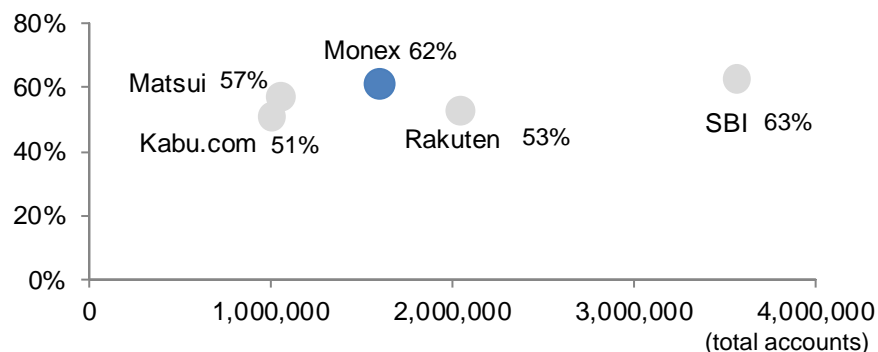
** Major online brokers refer to SBI Securities, Kabu.com Securities, Matsui Securities, Rakuten Securities and Monex, Inc.

Higher active accounts ratio and higher customer assets per account compared with peers
 Lower margin trading ratio out of stock trading value and lower brokerage commission revenue compared with peers

→ Expand revenue by acquiring trader-type customers while retaining our current customer base

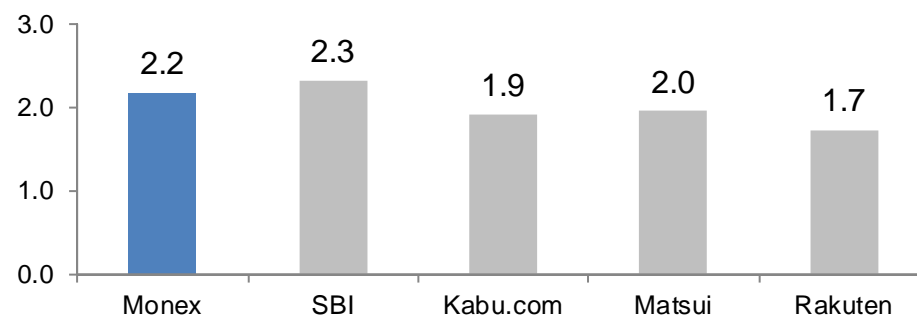
◆ Active account ratio (as of Mar. 31, 2016)

(active account ratio)



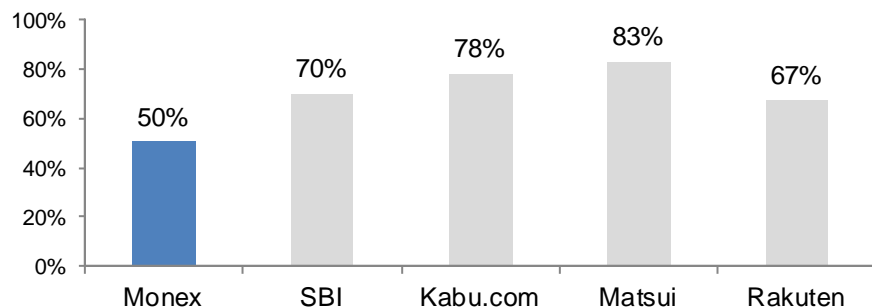
◆ Customer assets per account (as of Mar. 31, 2016)

(JPY million)



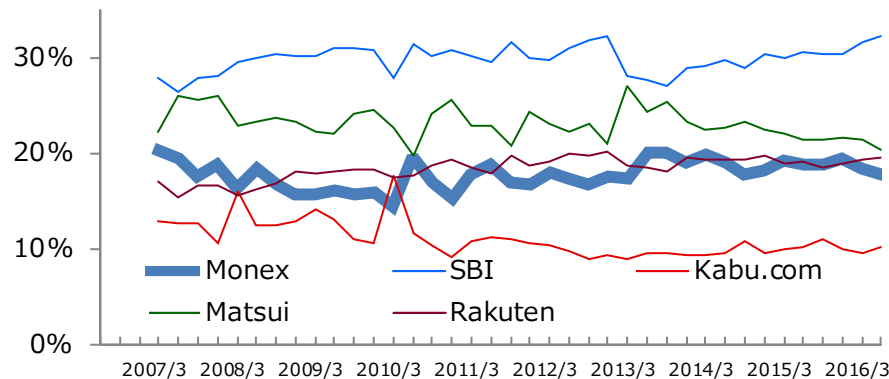
◆ Margin trading ratio out of stock trading value

(4Q FYE Mar. 2016)



◆ Stock brokerage commission share

(4Q FYE Mar. 2007 - 4Q FYE Mar. 2016)



(Source) Kinzai Institute for Financial Affairs, Inc.

Implement additional improvement plans to cope with tougher market environment

■ Implementation of further cost reduction

- In addition to 40 headcounts reduction in April 2016, implemented more than 60 headcounts reduction and restructuring on July 27, 2016
- April reduction has the effect of \$4m annualized cash saving and P/L improvement of \$2.1m for FYE 2017. July reduction and restructuring will bring additional \$9.4m annualized cash saving and improve P/L of FYE 2017 by \$2.3m

■ Approaching new customer base

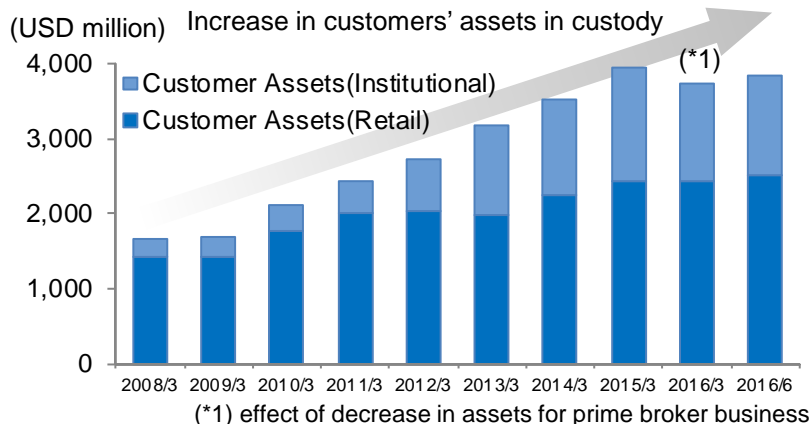
- Planning a new pricing model and services in order to increase the number of accounts and customers' assets in custody by expanding customer base, not limited to active traders

■ B2B business

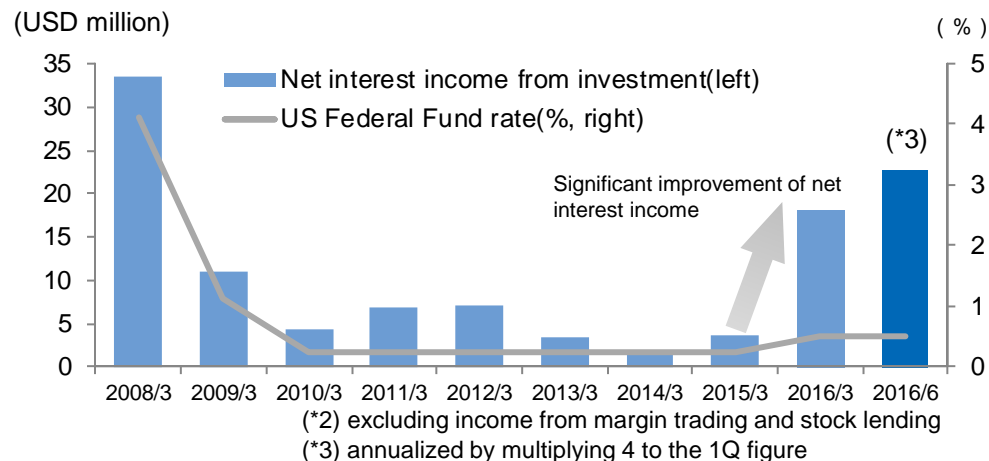
- Offering FX platform to a monoline FX company was suspended due to the change of the strategy
- Preparing to add a business of TradeStation becoming an introducing broker to another broker for customers outside of the US

■ Net financial income improved by interest swap and reallocation of customers' deposit

◆ Customers' assets in custody



◆ Net interest income (*2) and US Federal Fund rate

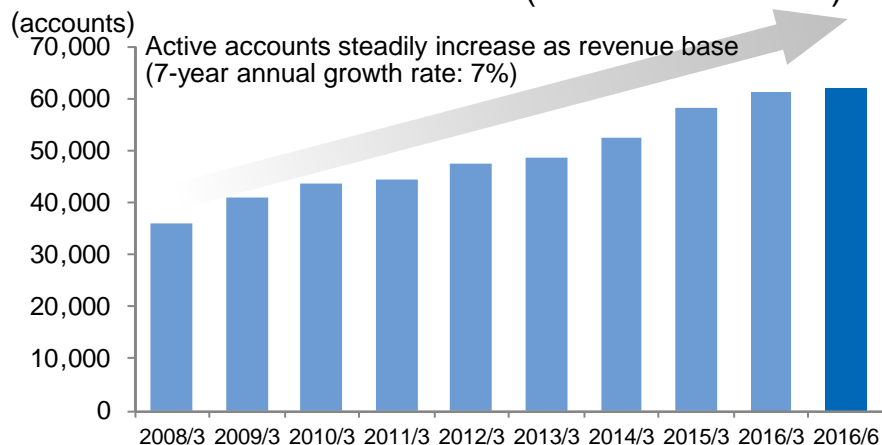


■ Increase in active accounts and volatility contribute to the revenues

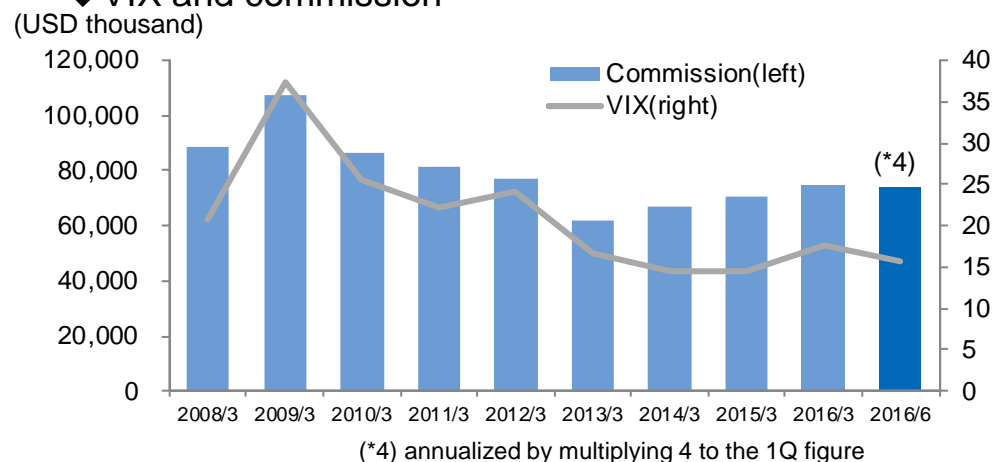
1pt increase in VIX will bring additional USD 1.7~2.9M revenue per year

(2.9M based on a regression analysis of commission data during Jan. 2009- Jun. 2016 and 1.7M based on commission data during Jul. 2011- Jun. 2016)

◆ Number of active accounts (excl. FX accounts)



◆ VIX and commission



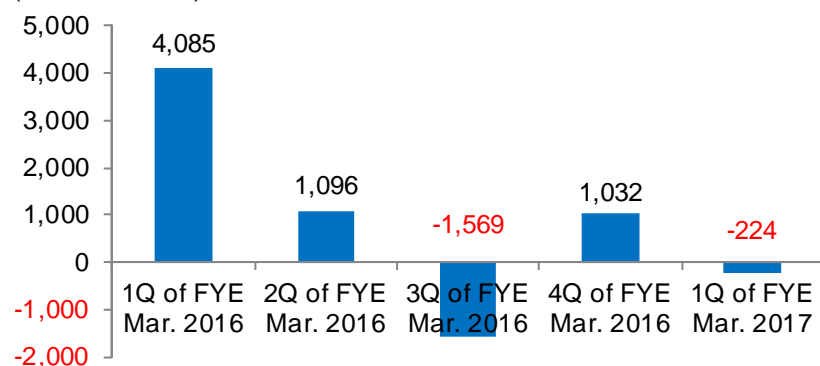
Continuing the strategy to create a business opportunity while keeping a good balance with the risks in China

■ Quarterly Financial Results of Monex Boom Securities (H.K.)

- Stock trading value in 1Q (3 months) decreased by 15% (in H.K.). Brokerage commission revenue decreased by 13%
- The balance of margin lending increased by 9%. Net financial income increased by 10%

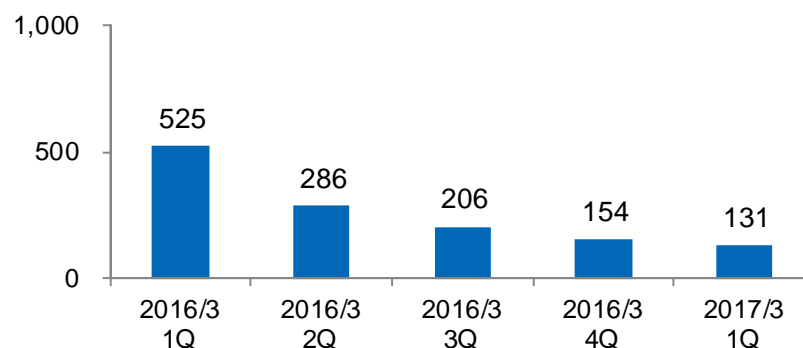
◆ Quarterly profit attributable to owners of Monex Boom Securities Group

(HKD thousand)



◆ Quarterly stock trading value of Monex Boom Securities (in Hong Kong Stock Exchange)

(USD million)



■ Continue initiative for Joint venture in mainland China

- Company name: Cherry Technology Co., Ltd in Hangzhou, PRC
- Date of the incorporation : Feb. 2015
- Approx. JPY 300 M investment

■ Keep providing TradeStation licensed a trading platform with Guosen, a major PRC broker

- Started on Sep. 2014, revenue recognized in the US segment

- I. Highlights
 - II. Consolidated Performance
 - III. Business Update
 - IV. Mid- & Long-Term Strategy “Global Vision”**
 - V. Topics
- Appendix. Group Overview

“Mid- and long-term revenue growth” and “Fixed-type cost reduction” by shifting system developments from outsourcing to in-house

■ Mid- and long-term revenue growth

Measures	Progress and Achievements
Launching a trading platform for Japanese active traders developed by TradeStation. Aim to increase brokerage commission.	Launched in Mar. 2016 Full-scale marketing to be scheduled from 2Q FYE 2017
Expanding B2B businesses	Two projects have already generated revenue (recognized in U.S. segment). In-house development of the backbone system in Japan segment has B2B opportunities

■ Fixed-type cost (*1) reductions — Aim to reduce JPY 2.3B a year by FYE Mar. 2018 compared to the basis for comparison (*2)

Measures	Progress and Achievements
Cost reduction by integration of trading tools in Japan segment Cost reduction of information expenses by integration of information services in Japan segment Cost reduction by FX liquidity integration and so forth	Achieved around JPY 1.3B (annualized) reduction in total
System related cost reduction by in-house system development and in-house operations of backbone brokerage system(*3)	Cost will be reduced from FYE Mar. 2018

(*1) Fixed-type costs: the sum of (a) communication, freight & information expenses, (b) compensation & benefits, (c) rental & maintenance, (d) data processing & office supplies and (e) amortization & depreciation

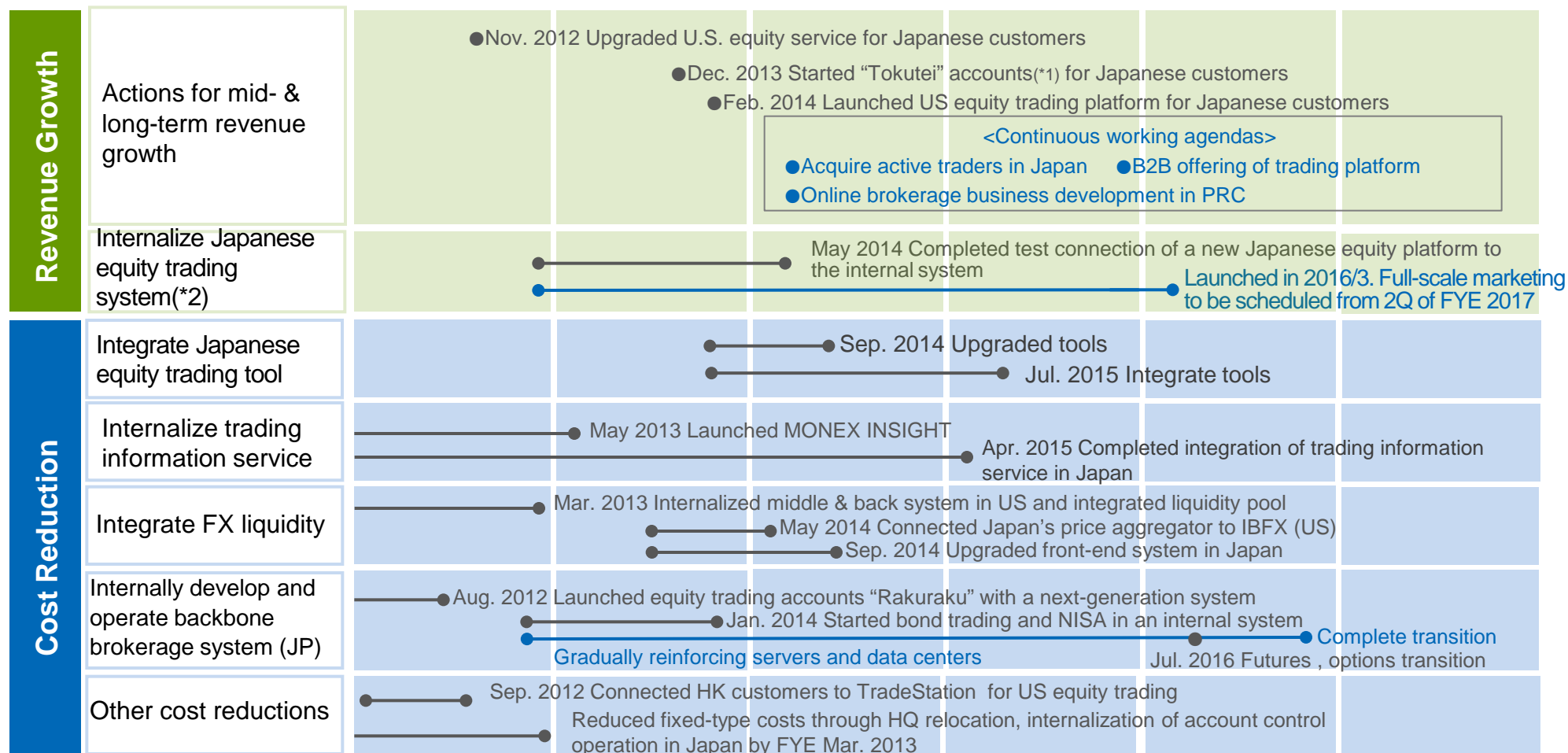
(*2) Basis for comparison: (actual fixed-type cost figure of 4Q FYE Mar. 2013) multiplied by 4. Aim to reduce JPY 2.3B a year in fixed-type costs by FYE Mar. 2018 compared to the basis for comparison (JPY 24.5B, -9.4%). Fixed-type costs in or after FYE March 2014 compared to the baseline do not include those arising from projects after Apr. 2013, e.g. system improvement to comply with new regulations. Launch of a new Japanese equity trading platform is categorized in a revenue increase project and is out of the scope of the JPY 2.3B cost reduction plan

(*3) System related costs = Rent and maintenance + Data processing and Office supplies + Amortization and depreciation

Timeline of Mid- & Long-Term Strategy “Global Vision”

- Completed project
- Ongoing project

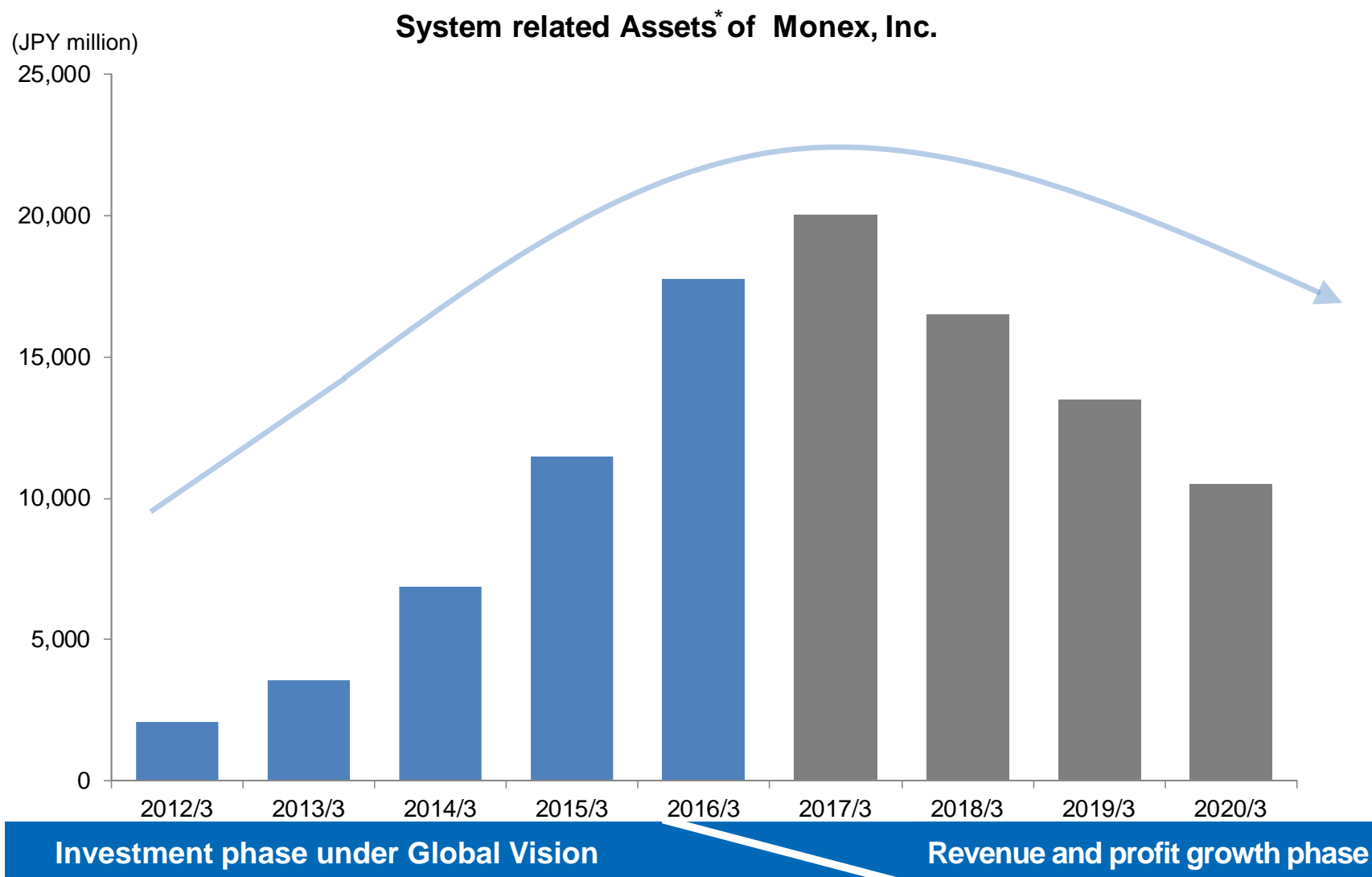
FYE Mar. 2013 FYE Mar. 2014 FYE Mar. 2015 FYE Mar. 2016 FYE Mar. 2017 FYE Mar. 2018



(*1) “Tokutei” accounts: accounts that automatically calculate taxes

(*2) “TradeStation” trading platform in Japan

System-related assets peak out at FYE Mar. 2017 getting lower from FYE Mar. 2018.



* Software, Software in progress and equipment and fixtures

- I. Highlights
- II. Consolidated Performance
- III. Business Update
- IV. Mid- & Long-Term Strategy “Global Vision”
- V. Topics**

Appendix. Group Overview

Establish global-standard corporate governance practices and emphasis on dialogue with retail/institutional investors

Adoption of “company with three committees” structure - Highly effective executive management monitoring system

- Adopted “company with committees” structure in June 2013
- Each of the three committees is chaired by an independent & outside director

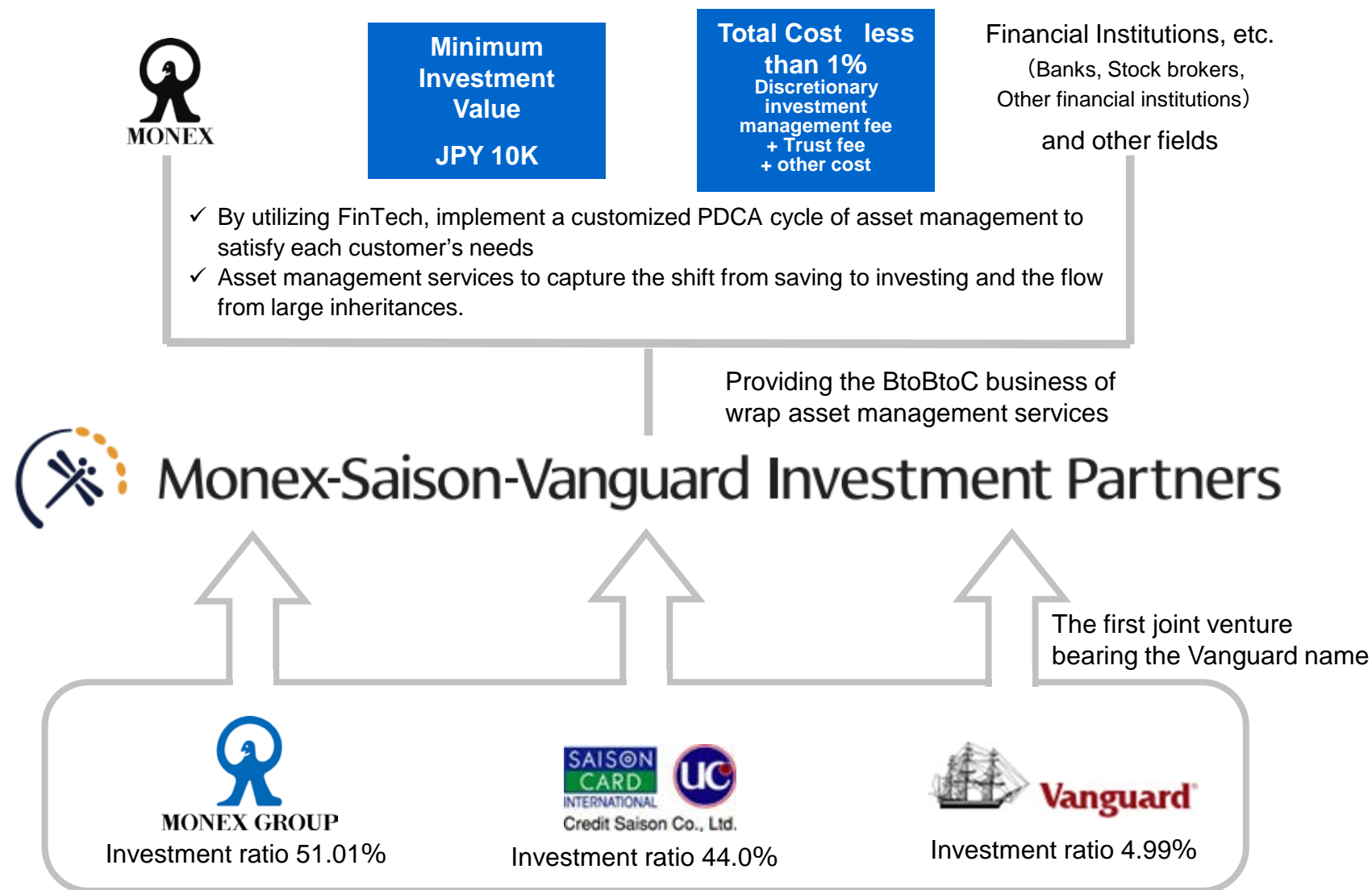
Directors with various backgrounds

- Seven out of eleven directors qualify as “independent & outside” directors and all independent & outside directors have managed companies
- Appointed a lead outside director. Actively exchanges opinions at meetings led by the lead outside director and composed mainly by independent & outside directors
- Various backgrounds: Management experience (current/former CEOs of listed companies or global companies), Expertise (CPA, lawyer), Business experience (finance, IT, global business), Culture & society (gender, country of residence, nationality)

Fair disclosure and dialogue for shareholders and investors

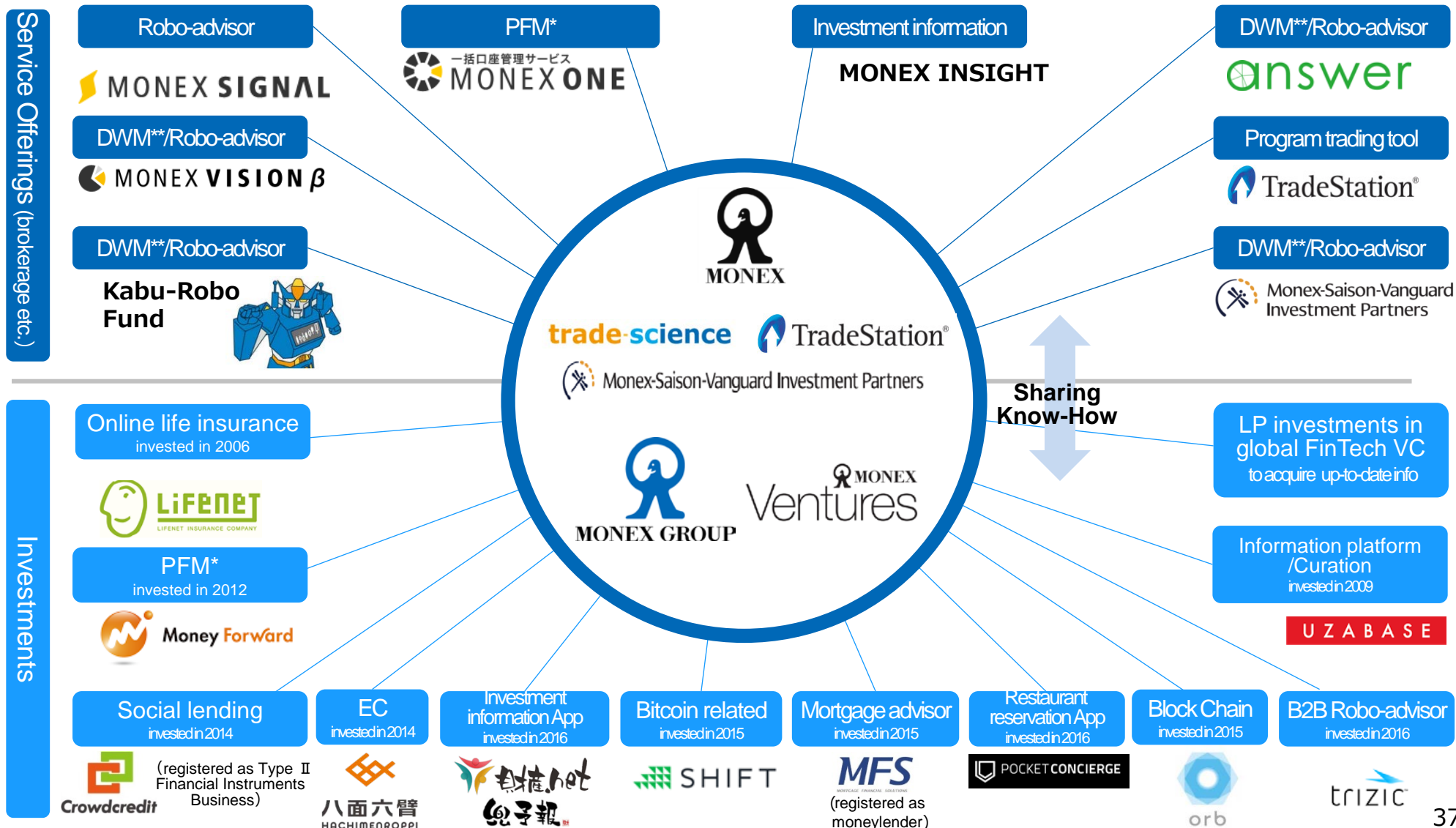
- Timely and fair information disclosure both in Japanese and English
- Active dialogue with shareholders: CEO holds quarterly presentation sessions for retail shareholders
- Annual general meeting of shareholders is held on weekend so that retail shareholders can attend the meeting (Reference)
 - 12th ordinary general meeting of shareholders (June 25, 2016)
 - Attendance of shareholders: 830 (record-high)

Will begin offering wrap asset management services in fall 2016.
Expecting to increase assets under management in the med- and long-term



A pioneer of the FinTech community in Japan since the company's establishment

* PFM=Personal Financial Management
**DWM=Digital Wealth Management



- I. Highlights
- II. Consolidated Performance
- III. Business Update
- IV. Mid- & Long-Term Strategy “Global Vision”
- V. Topics

Appendix. Group Overview

Brand

Three retail brands: “Monex”, “TradeStation”, and “BOOM”

- Oki Matsumoto, a former partner at Goldman Sachs, established Monex and led the online brokerage industry as a pioneer in Japan
- Japan: “Monex” promotes long & diversified investment and is supported by “investors”
 - US : “TradeStation” started as a systems company and its technology is appreciated by “traders”
 - HK : “BOOM” offers multi-currency and multi-market trading and has the longest history as an online broker in Asia

Global Operations

Business bases in Japan, US, and China. Products, customers and human resources are global

- Offer global financial products online to retail investors
- Have 12 business bases mainly in North America and Asia. 60% of approx. 1,000 employees worldwide are based in the USA

Technology

Create new customer experience and value based on technology

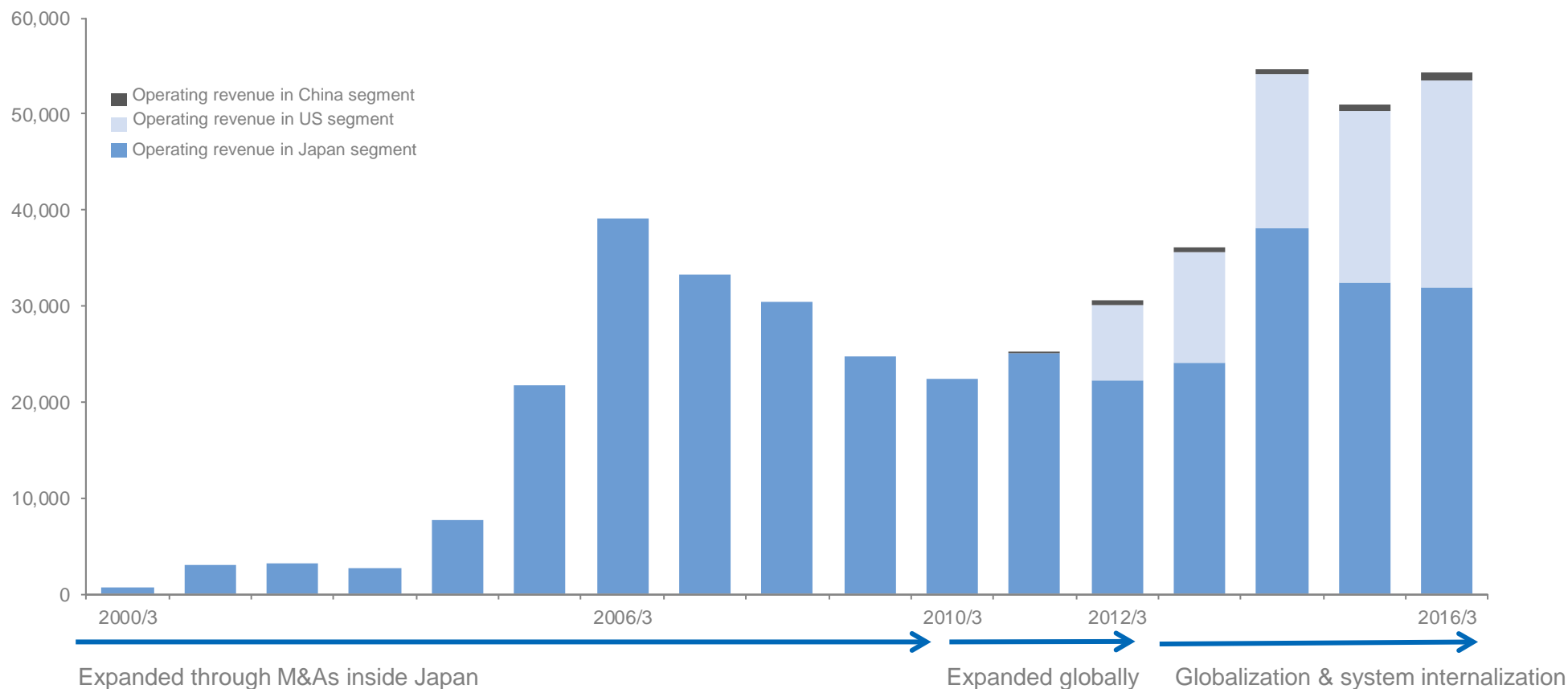
- TradeStation’s technology creates competitive products and services, which leads to B2B business and diversifies its revenue stream
- Realize products and services with financial engineering, along with early involvement in research and development of FinTech

Group Overview – Continuous growth over 15 years

- ✓ Japan: 1.65M accounts, US: 61K accounts, HK: 11K accounts. Monex has a global customer base
- ✓ Make efforts to continuously grow, with the online brokerage business for retail investors as our core business

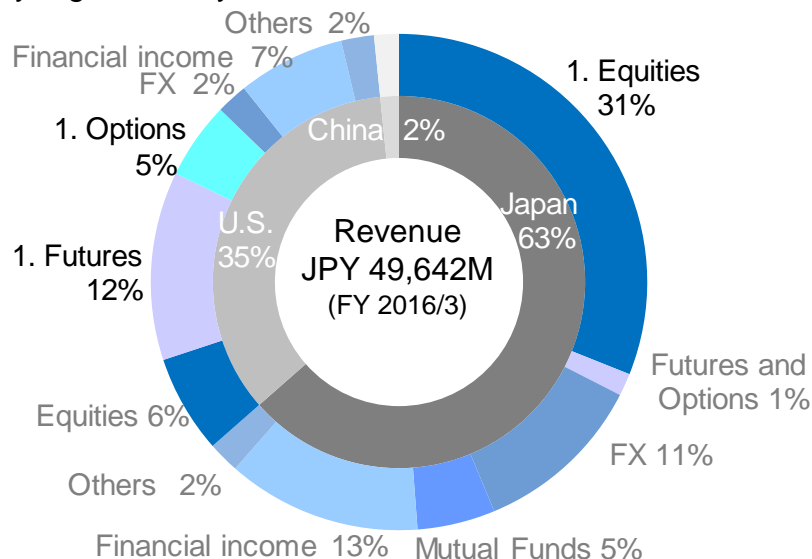
◆ Consolidated Operating Revenue

(JPY million)

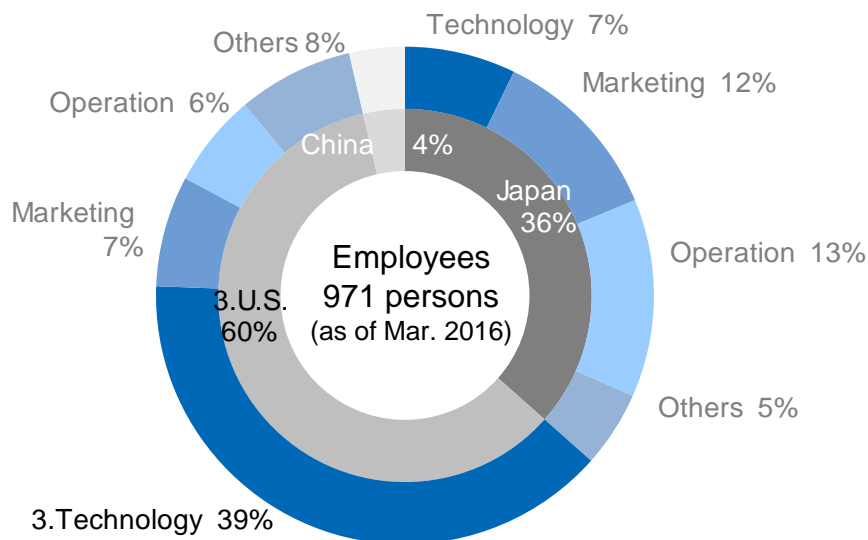


Group Overview — Revenues: 60% from Japan, 40% from US; Employees: 40% in Japan, 60% in US or China

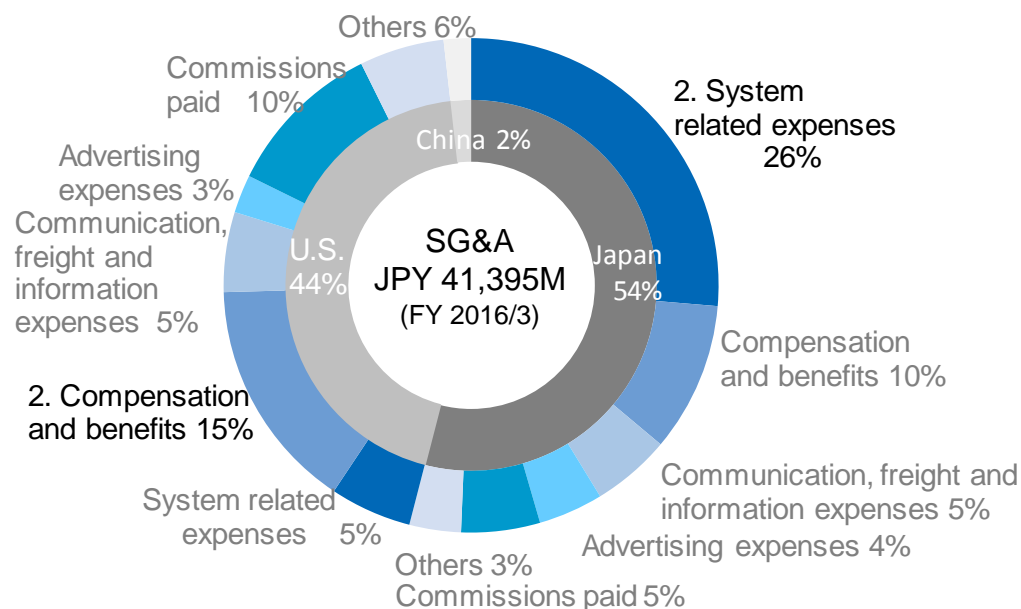
◆ Total operating revenue after deducting financial expenses by region and by business



◆ Employees by segment and by department

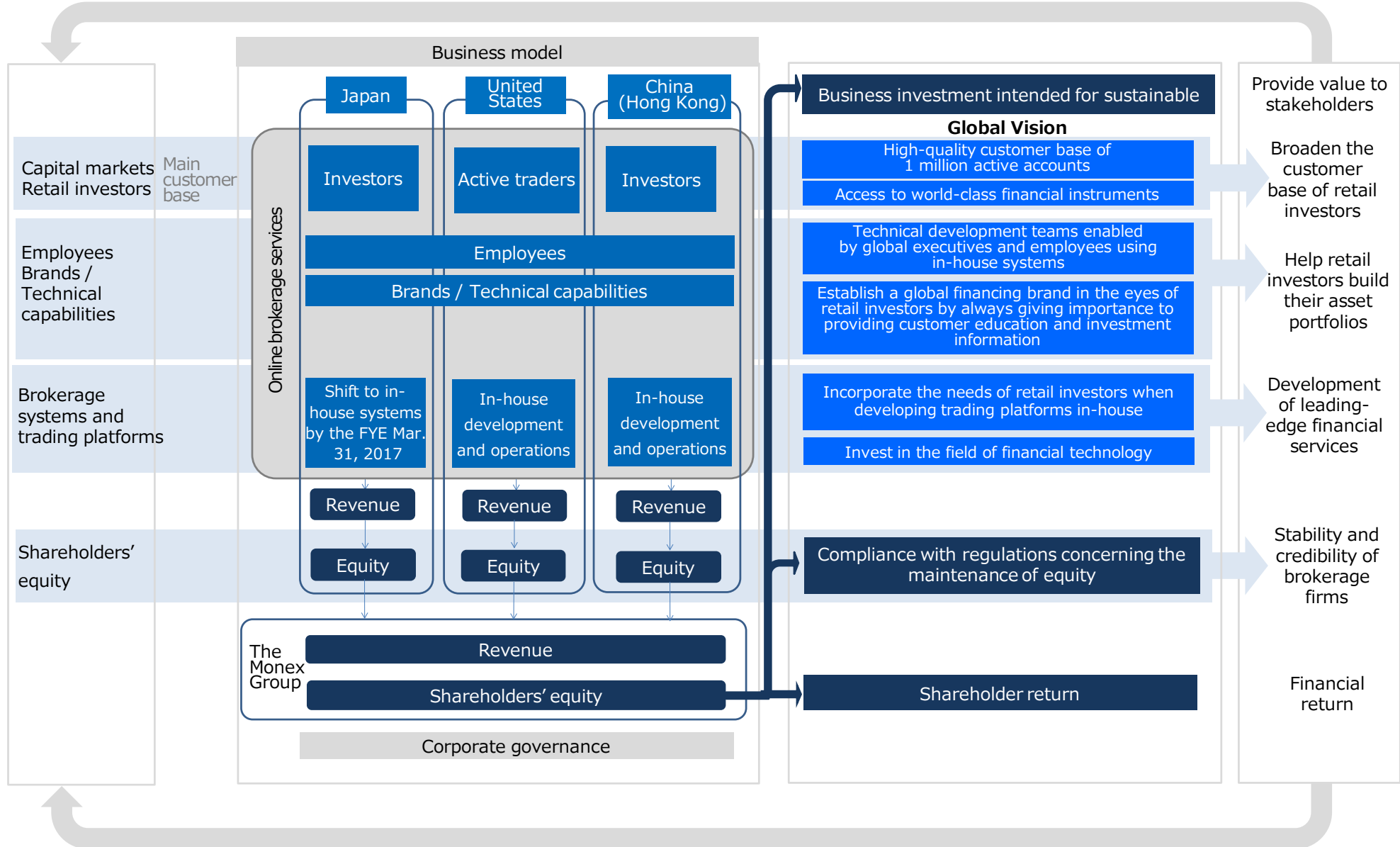


◆ SG&A by segment and by cost items



1. Total operating revenue after deducting financial expenses : US accounts for 1/3. Revenue from equities primarily from Japan while revenue from futures and options primarily from the US
2. Total SG&A is almost 50/50 between Japan and the US. However, half of the Japanese portion is made up of system related costs, whereas the largest percentage of the US total is from compensation and benefits costs.
3. Employees: US and China account for 2/3. US has a larger number of technology-related employees as it internally develops its system

Group Overview – Corporate value creation cycle





MONEX GROUP

Monex Group, Inc.

(As of July 28, 2016)

Listed Holding Company

[Japan]

Online Securities Company



MONEX
Monex, Inc.

Comprehensive investment service provider

M&A Advisory

Program Trading

MONEX HAMBRECHT, INC. trade-science

Monex Hambrecht, Inc.

M&A advisory service
Aspiring to introduce new IPOs

Trade Science Corporation

Next-generation asset management
utilizing artificial intelligence

Corporate Venture Capital

Asset Management



Monex Ventures, Inc.

Financial × IT × global
Venture investment



Monex-Saison-Vanguard
Investment Partners

**Monex-Saison-Vanguard
Investment Partners, Inc.**

Small-lot and low-cost discretionary
investment management
(wrap account) service

(Investment Ratio) Monex G: 51%

[US/Europe]



TradeStation Group, Inc.
Holding Company in the U.S.

Online Securities Company

TradeStation Securities, Inc.
Appreciated mainly by active traders (US)

Technology

TradeStation Technologies, Inc.
(US)

TradeStation Global Services, S.A.
(Costa Rica)

EU Base

TradeStation Europe Limited
Introduce customers in Europe (UK)

[China]

Monex International Limited
Holding Company in Hong Kong

Online Securities Company



Monex BOOM Group
Online securities group in Hong Kong

Beijing Representative Office
(Monex, Inc.)

Technology support

Cherry Technology Co., Ltd
[Equity method affiliates]
(Investment Ratio) Monex G: 49%

[Equity method affiliates]



ASTMAX Co., Ltd.
(Investment Ratio) Monex G: 15%

■ Monex Group, Inc. (Tokyo, Japan) TSE 1st Sec. Code: 8698

- Chairman, Representative Executive Officer, CEO: Oki Matsumoto
- Established in 2004
- Financial holding company with major online brokerage firm subsidiaries in Japan, US and China (Hong Kong)

■ Monex, Inc. (Tokyo, Japan)

One of the major online brokerage firms in Japan

- Chairman & CEO: Oki Matsumoto
- Founded in 1999
- Aims to provide retail investors the level of creative products & services offered to institutional investors
- First in the Japanese industry to offer unique services & products for retail investors (Examples): PTS/ECN (in 2001), stock lending (in 2003), lead manager in an IPO as an online broker (in 2005), RMB bonds (in 2011), No.1 U.S. equity service in Japan (in 2012; the largest number of stock names available, the longest trading hours & the lowest commissions), offering the largest-class private equity fund in the world (in 2013)
- Products & services: Equities (Japan, U.S., Hong Kong), futures & options, FX, mutual funds, bonds, investment education, etc.
- # of total accounts: 1,649,847
- # of active accounts: 1,002,251
("Active accounts": accounts with balance or with at least one trade or transaction a year.)
- Customers' assets in custody: JPY 3.3059 trillion

■ TradeStation Group (HQ in Florida, U.S.)

Online securities group with award-winning trading technology development capabilities

- President: John Bartleman (effective April 1, 2016)
- Founded in 1982
- Joined Monex Group in June 2011
- An award-winning TradeStation platform recognized and highly regarded by active traders; a multi-asset platform with a robust algorithm trading language (EasyLanguage®) that enables sophisticated analysis capabilities and back-testing ability
- Offers "TradeStation 9.5" to Shinhan Investment Corp., one of Korea's major financial institutions (2014) and Guosen Securities, China's 5th largest broker (2015)
- Products & services: Equities (U.S.), options and futures
- # of active accounts: 62,185
- Customers' assets in custody: JPY 397,685 million

■ Monex Boom Securities Group (Hong Kong)

Offers access to over 12 markets

- COO: Nick Tang
- Founded in 1997
- Joined Monex Group in December 2010
- First online stockbroker for retail investors in Asia Pacific
- Products & services: Equities (12 markets such as Hong Kong, U.S., Japan, etc.) Trades available in 6 different currencies in a single trading account
- # of accounts with assets: 11,261
- Customers' assets in custody: JPY 109,568 million

History of Monex Group

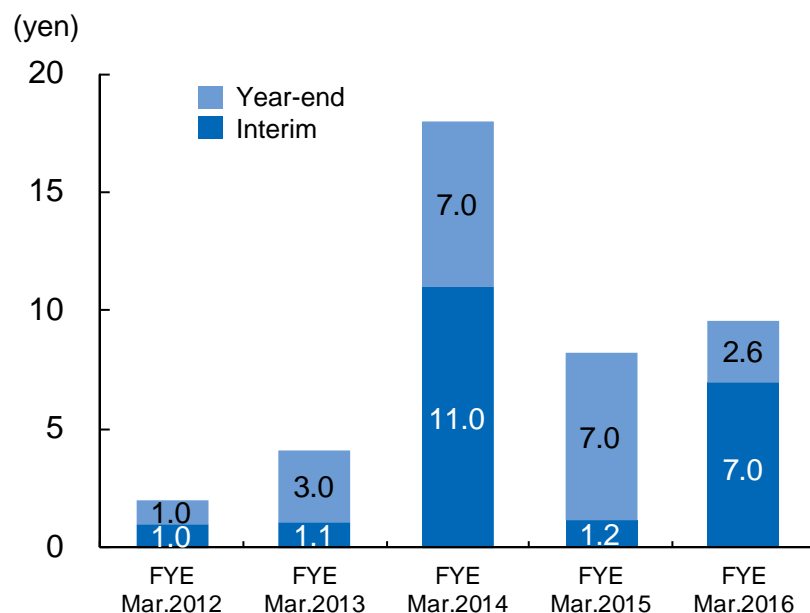
	Japan	U.S.	China (Hong Kong)
1982		- TradeStation Technologies, Inc. is formed as Omega Research, Inc.	
1997		- TradeStation stock lists on NASDAQ	- Boom Securities (H.K.) Limited is founded (now Monex Boom Securities (H.K.) Limited), becoming the first in Asia Pacific to launch Internet stock trading for retail investors
1999	- Monex, Inc. is co-founded by Oki Matsumoto and Sony Corporation - Begins offering online brokerage service upon complete liberalization of stock brokerage commissions in Japan		
2000	- Monex, Inc. stock is listed on the Tokyo Stock Exchange "Mothers" Market	- TradeStation acquires Online Trading.com, a direct-access securities brokerage firm	
2004	- Monex Beans Holdings, Inc. (now Monex Group, Inc.) is established through a business integration of Monex, Inc. and Nikko Beans, Inc. - Monex Group, Inc. stock is listed on the Tokyo Stock Exchange "Mothers" Market in exchange for the delisting of Monex, Inc. stock		
2005	- Monex, Inc. and Nikko Beans, Inc. merge to become Monex, Inc. (former name: Monex Beans, Inc.) - Monex Group, Inc. stock changes its listing from the "Mothers" Market to the First Section of the Tokyo Stock Exchange		
2006		- TradeStation Europe Limited receives approval from the FSA (UK) as an introducing broker	
2008	- Acquisition of 90% shares of Tokyo Forex (absorbed in absorption-type merger by Monex, Inc. in 2015)		- Monex Group, Inc. opens a Beijing Representative Office (closed in 2012 after opening Monex, Inc.'s Beijing Representative Office)
2010	- Monex Group, Inc. completes a share exchange to acquire Orix Securities Corporation - Monex, Inc. merges with Orix Securities Corporation		- Monex, Inc. opens a Beijing Representative Office - Boom group companies (now Monex Boom group companies) become wholly-owned subsidiaries of Monex Group, Inc.
2011		- TradeStation becomes a wholly-owned subsidiary of Monex Group, Inc. and its stock delisted from NASDAQ - TradeStation Group, Inc. acquires IBFX Holdings, LLC	
2012	- Monex Group, Inc. acquires Sony Bank Securities Inc.	- TradeStation Global Services, S.A. (Costa Rica) is established	
2013	- Monex, Inc. merges with Sony Bank Securities Inc. - Monex Group, Inc. becomes a Company with Committees - Monex Group, Inc. implements a stock split (1:100)		
2014			
2015	- Monex, Inc. merges with Monex FX, Inc. - Monex-Saison-Vanguard Investment Partners, Inc. is established		- Cherry Technology Co., Ltd, which provides technical support in PRC, is established
2016			

■ Pursue returns to shareholders through ROE improvement

◆ Our basic policy for shareholders' return

To provide returns to shareholders based on our business performance, while reserving necessary capital as a growing company

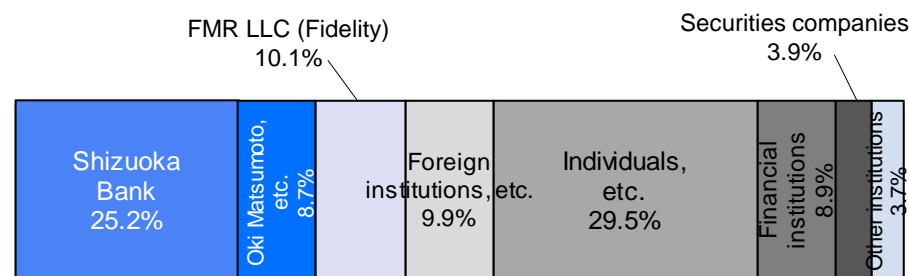
◆ Dividend history



Stock split was implemented on Oct. 1, 2013 and the above figures are adjusted retroactively since FYE Mar. 2012

■ Shareholders & indicators per share

◆ Major shareholders and shareholder breakdown (as of March 31, 2016)



The graph made by Monex based on shareholders' list as of Mar. 31, 2016 and the Large shareholding report .

◆ Indicators per share

		FYE Mar. 2013	FYE Mar. 2014	FYE Mar. 2015	FYE Mar. 2016	1Q FYE Mar. 2017
IFRSs	Equity attributable to owners of the Company per share (BPS)	265.84 yen	280.52 yen	302.18 yen	302.03 Yen	295.45 Yen
	Earnings per share attributable to owners of the Company (EPS)	13.02 yen	35.76 yen	12.15yen	12.46yen	3.70yen (*)
	Rate of Return on Equity(ROE)	5.0%	12.9%	4.2%	4.1%	1.2% (*)
	Dividends per share	4.1yen	18.0yen	8.2yen	9.6yen	TBA

(*1) EPS and ROE for 1Q FYE Mar. 2017 show annualized figures obtained by multiplying 4 to the actual figures for the quarter

(*2) Stock split was implemented on Oct. 1, 2013 and the above figures are adjusted retroactively since FYE Mar. 2013