

Financial Results of Fiscal Year Ended March 31, 2009

This is an English translation of Japanese presentation material prepared for IR conference held 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

5. Appendix

Financial Overview

■ Financial Overview of 4Q(Jan.-Mar.) of FYE Mar. 31, 2009

◆ Net operating revenues	4,359 million yen	-10.1% from 3Q of FYE Mar. 31, 2009
▪ Brokerage commissions	2,342 million yen	-19.6% from 3Q of FYE Mar. 31, 2009
▪ Net gain on trading account	454 million yen	54.2% from 3Q of FYE Mar. 31, 2009
◆ SG&A	3,902 million yen	-3.2% from 3Q of FYE Mar. 31, 2009
◆ Ordinary income	419 million yen	-47.5% from 3Q of FYE Mar. 31, 2009
◆ Net loss (*)	2,832 million yen	
(*)including devaluation loss on investment securities		

■ Financial Overview of FYE Mar. 31, 2009

◆ Net operating revenues	21,053 million yen	-22.0 % from FYE Mar. 31, 2008
▪ Brokerage commissions	11,372 million yen	-29.4 % from FYE Mar. 31, 2008
▪ Subscription and distribution commissions	334 million yen	-68.9 % from FYE Mar. 31, 2008
◆ SG&A	15,784 million yen	13.0 % from FYE Mar. 31, 2008
▪ Compensation and benefits	2,907 million yen	9.7 % from FYE Mar. 31, 2008
▪ System related costs(*1)	6,642 million yen	19.9 % from FYE Mar. 31, 2008
◆ Ordinary income	5,231 million yen	-59.2 % from FYE Mar. 31, 2008
◆ Net loss	2,144 million yen	
◆ Key performance indicators		
▪ ROE	-5.0%	-10.5 pt from FYE Mar. 31, 2008
▪ Profit margin (Operating income / Net Operating revenues)(*2)	25.0%	-23.2 pt from FYE Mar. 31, 2008

■ Overview of the Japanese Stock Market (as of the end of Mar. 2009)

• Nikkei 225 Average	-8.5% from Dec. 30, 2008	-35.3% from Mar. 31, 2008
• Trading Value(*3)	-18.1% from 3Q of Mar. 31, 2009	-32.6% from FYE Mar. 31, 2008

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

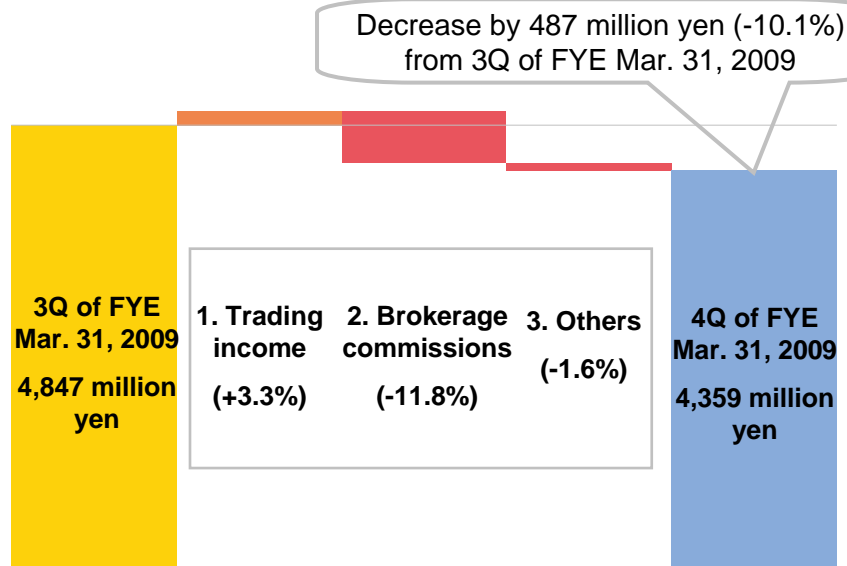
(*2) Profit margin (stated in this material) is calculated as Operating income / Net operating revenue (not operating revenue)

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

Highlights of 4Q (1) Net Operating Revenues

■ Net operating revenues of 4Q FYE 2009 4,359 million yen
(Decrease by 487 million yen (-10.1%) from 3Q of FYE 2009)

◆ Trading income from FX transaction increased, but total net operating revenues decreased



◆ Major increasing factor

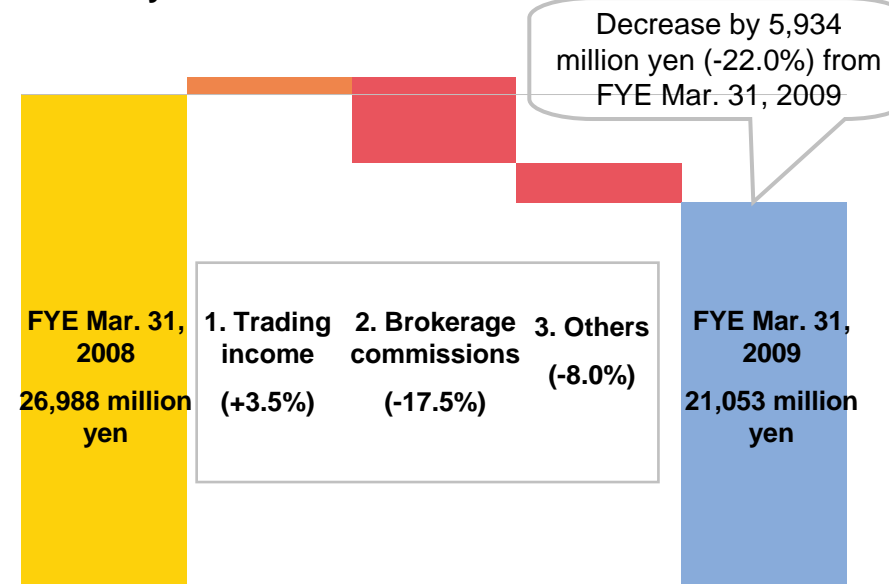
- 1. Trading income 159 million yen
-Trading income of Monex FX increased

◆ Major decreasing factors

- 2. Brokerage commissions 569 million yen
-Future/option business increased, but brokerage business remains stagnant
- 3. Others 78 million yen
-Decrease of mutual fund agency fees, etc.

■ Net operating revenues of FYE 2009 21,053 million yen
(Decrease by 5,934 million yen (-22.0%) from FYE 2008)

◆ Trading values by individual investors decreased affected by financial market crisis



◆ Major increasing factor

- 1. Trading income 956 million yen
-FX/notes business revenues increased

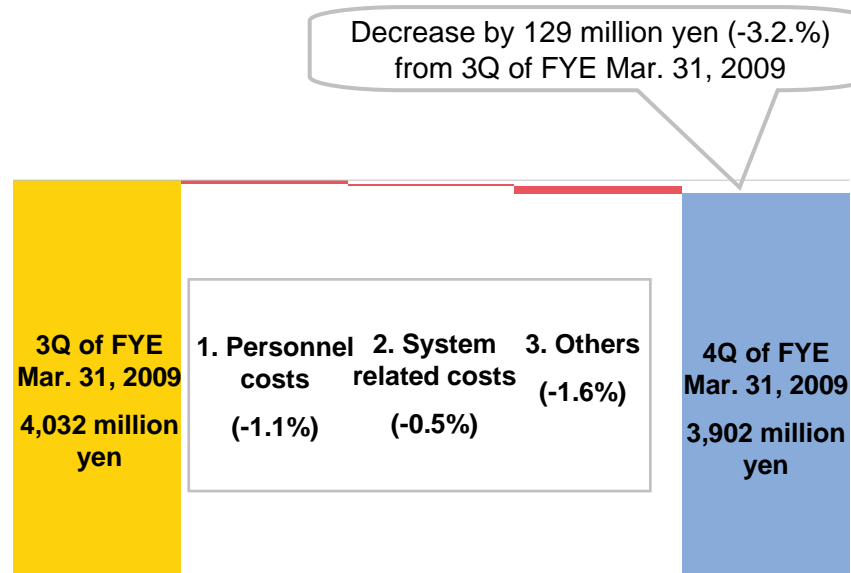
◆ Major decreasing factors

- 2. Brokerage commissions 4,731 million yen
-Market share unchanged, but trading values in markets decreased
- 3. Others 2,158 million yen
-Commission cut of FX business and decrease of mutual fund agency fees

Highlights of 4Q (2) SG&A

■ **SGA of 4Q FYE 2009 3,902 million yen**
 (Decrease by 129 million yen (-3.2%) from 3Q of FYE 2009)

◆ **Slightly decreased due to cost reduction**

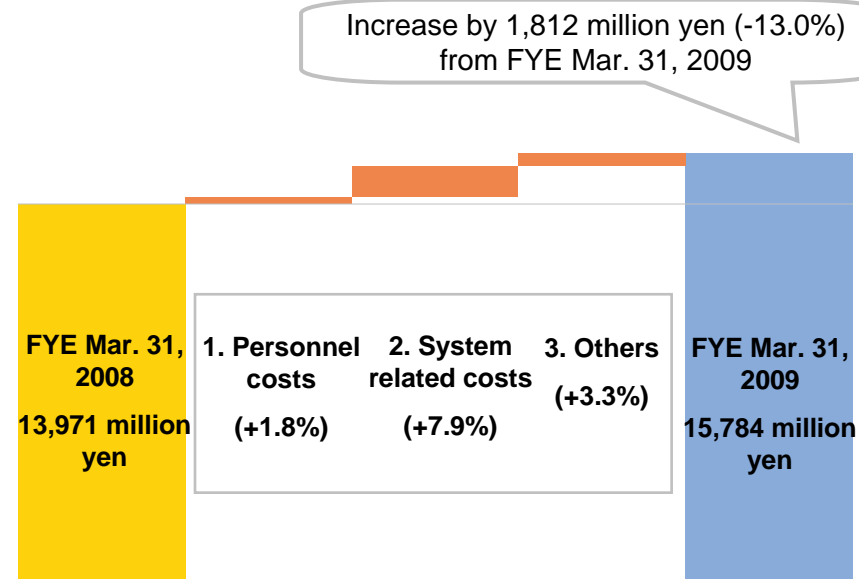


◆ **Major decreasing factors**

1. Personnel costs 46 million yen
-Head-count reduction (including temporary staff)
2. System related costs 20 million yen
-Write-off of obsolete assets
3. Others 63 million yen
-Decrease of commissions paid due to downturn of trading values

■ **Net operating revenues of FYE 2009 15,784 million yen**
 (Increase by 1,812 million yen (+13.0%) from FYE 2009)

◆ **Up-front investment for providing good services**



◆ **Major increasing factors**

1. Personnel costs 258 million yen
-Increase in head-count due to the new consolidation of two companies
2. System related costs 1,100 million yen
-Launch of new FX platform, etc.
3. Others 453 million yen
-Amortization of goodwill, consulting fees, etc.

Highlights of 4Q (3) 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.	90.6
Monex FX	1.5
Total	92.1

[Segregated cash]	
Monex, Inc.	83.2
Monex FX	1.1
Total	84.3

[Operation of investments]	
Deposits	39.8
Net margin assets(*1)	26.4
Short-term loans	20.0
Investment total	86.2

[Financing]	
Bank Loans	34.0
Short-term Notes	9.3
Cash collateral from stock lending	22.3
Financing total	65.6

JGB as collateral	2.3
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Total net assets	40.0
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Non-current assets (*2) (After impairment)	10.3
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(*1) Margin transaction assets – Margin transaction liabilities

(*2) Non-current assets (Investment value of risk assets)

		(in billion yen)
Property·equipment	0.5	(Facilities, equipment, etc)
Software	1.4	(Assets to provide service)
Goodwill	0.6	(Premium of Monex FX)
Guarantee deposits, etc	0.8	(Real estate deposit, etc)
Investment securities	6.8	(See *3 below)
Total	10.3	

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

Name of securities (Purpose for acquisition)	Book values	Estimated value(*4)	Premium
LIFENET INSURANCE (Incubation)	2.0	2.1	0.1
Asia Focus (Maintenance of products)	1.1	1.1	-0
Alphadyne Int. Fund (Enhancement of products)	0.9	0.9	—
eBANK (For business partnership)	0.9	0.9	—
Triangle Partners (Support of Chinese IPO)	0.6	0.6	0.1
Tokyo Stock Exchange Group	0.3	0.9	0.5
Kabu- robo fund (Test run of a product)	0.1	0.1	-0
Others (16 securities) (*5)	0.5	—	—
Total	6.8		

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

(*5) Investment per security: 87 million yen maximum, 2 million yen minimum, 35 million yen average

Financial Summary : 3Q of FYE Mar. 31, 2009 vs. 4Q of FYE Mar. 31, 2009 (in 3 months)

(in million yen, %)

	3Q of FYE Mar. 31, 2009 (Oct. 2008-Dec. 2008)	4Q of FYE Mar. 31, 2009 (Jan. 2009-Mar. 2009)	Change
Operating Revenues	5,932	4,927	-16.9 %
Net Operating Revenues	4,847	4,359	-10.1 %
SG&A	4,032	3,902	-3.2 %
Operating Income	814	456	-44.0 %
Ordinary Income	799	419	-47.5 %
Net Income	443	-2,832	-
EBITDA*	1,089	268	-75.4 %

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

(in million yen, %)

	3Q of FYE Mar. 31, 2009 (as of Dec. 31, 2008)	4Q of FYE Mar. 31, 2009 (as of Mar. 31, 2009)	Change
Total Assets	271,427	235,694	-13.2 %
Shareholders' Equity	42,901	39,807	-7.2 %

(For reference : Monex, Inc.)

Capital Adequacy Ratio	418.6%	400.9%	-
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Financial Summary : FYE Mar. 31, 2008 vs. FYE Mar. 31, 2009

(in million yen, %)

	FYE Mar. 31, 2008 (Apr. 2007-Mar. 2008)	FYE Mar. 31, 2009 (Apr. 2008-Mar. 2009)	Change
Operating Revenues	30,497	24,812	-18.6%
Net Operating Revenues	26,988	21,053	-22.0 %
SG&A	13,971	15,784	13.0 %
Operating Income	13,016	5,269	-59.5 %
Ordinary Income	12,811	5,231	-59.2 %
Net Income	7,206	-2,144	-
EBITDA*	12,899	6,668	-48.3 %

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

(in million yen, %)

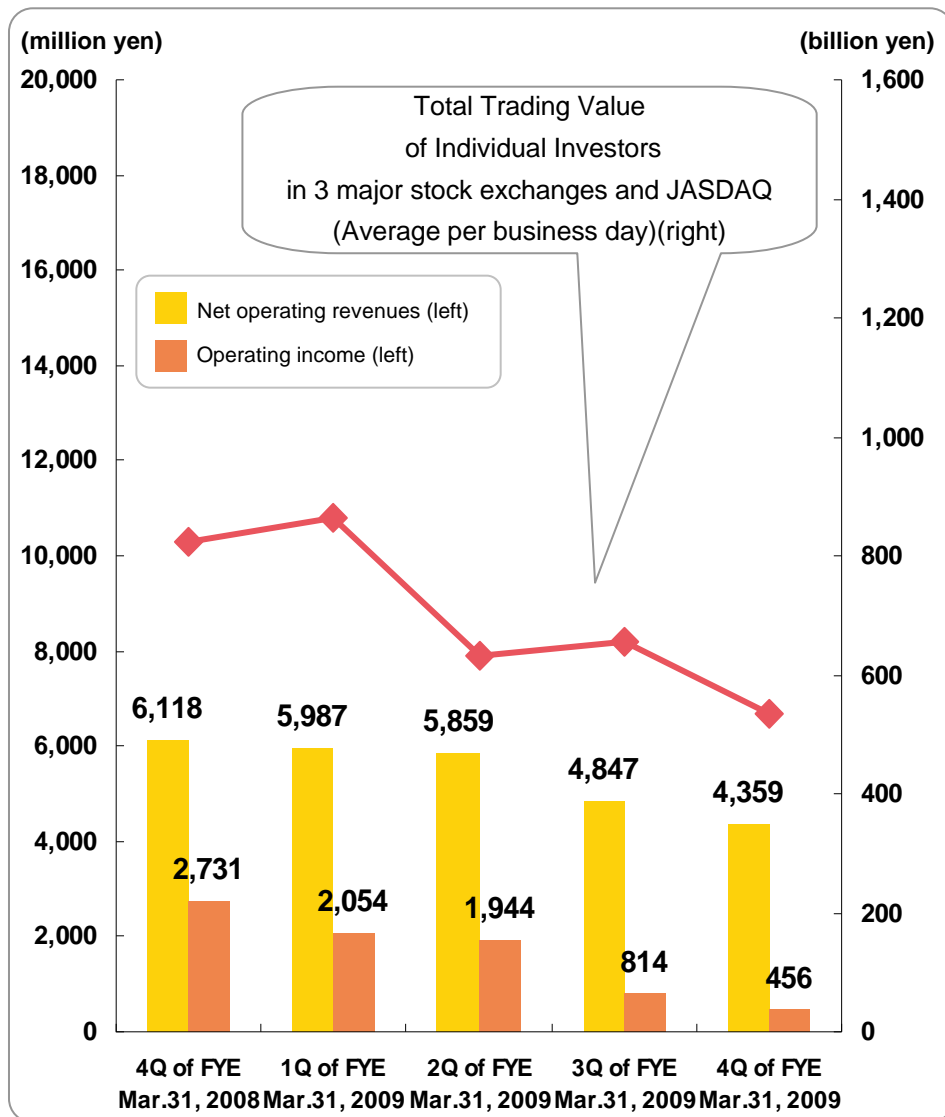
	FYE Mar. 31, 2008 (as of Dec. 31, 2007)	FYE Mar. 31, 2009 (as of Mar. 31, 2009)	Change
Total Assets	335,016	235,694	-29.6 %
Shareholders' Equity	45,418	39,807	-12.4 %

(For reference: Monex, Inc.)

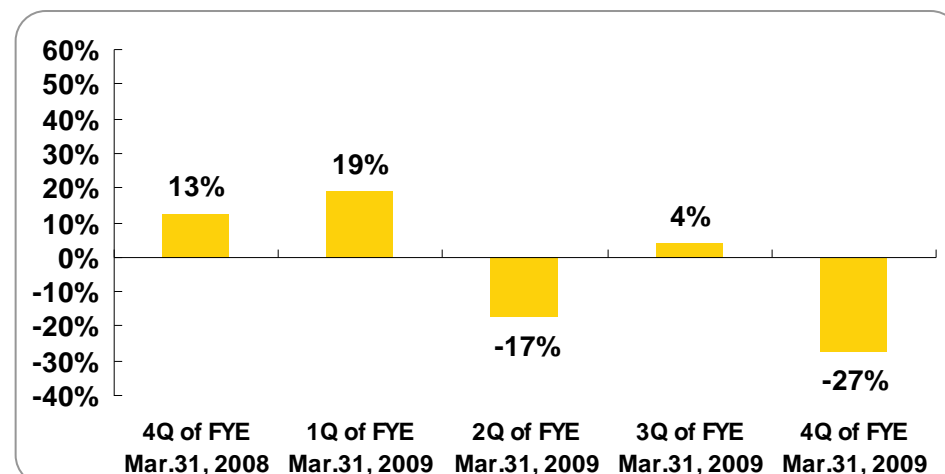
Capital Adequacy Ratio	429.9%	400.9%	-
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Financial Summary: Financial highlights (quarterly trend)

Net operating revenues and Operating Income

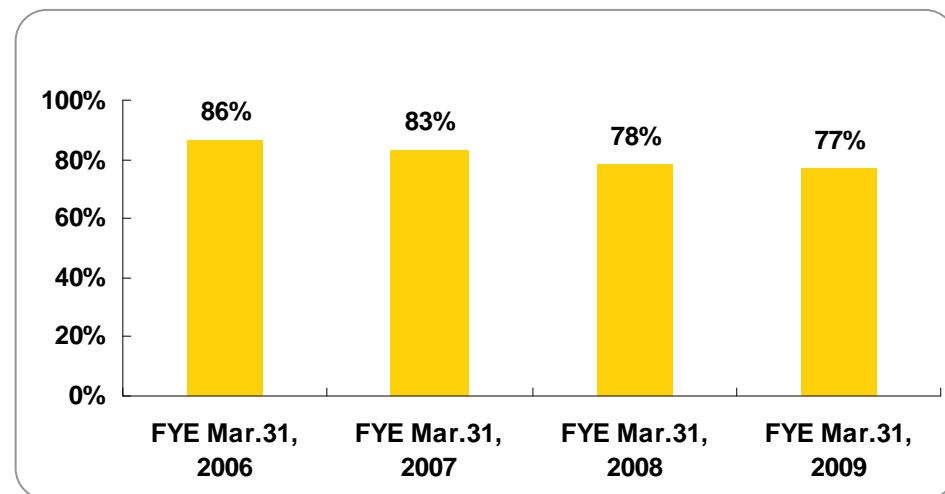


ROE (Annualized)



$$ROE = \frac{\text{Quarterly net income} \times 4}{(\text{FY beginning shareholders' equity} + \text{FY ending shareholders' equity}) \div 2} \times 100$$

Annual trend of dependency on brokerage revenue(*)

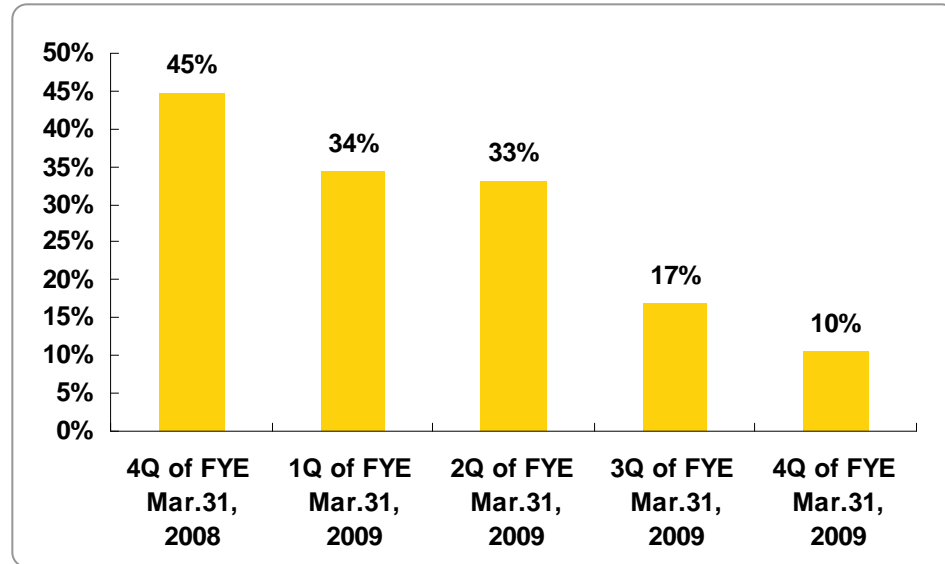


* Dependency on Brokerage revenue = $\frac{\text{Brokerage commission} + \text{Financial Income}}{\text{Net operating revenue}} \times 100$

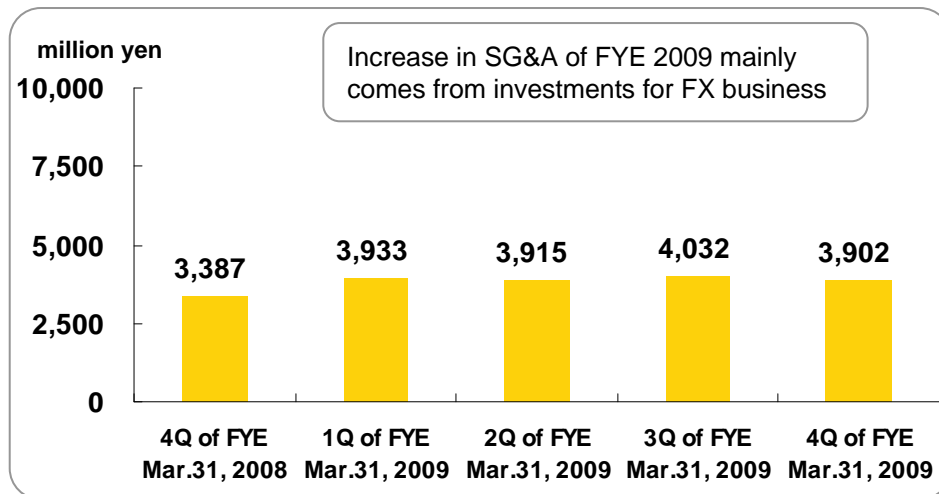
Financial Summary: Profit margin and cost structure

Profit Margin

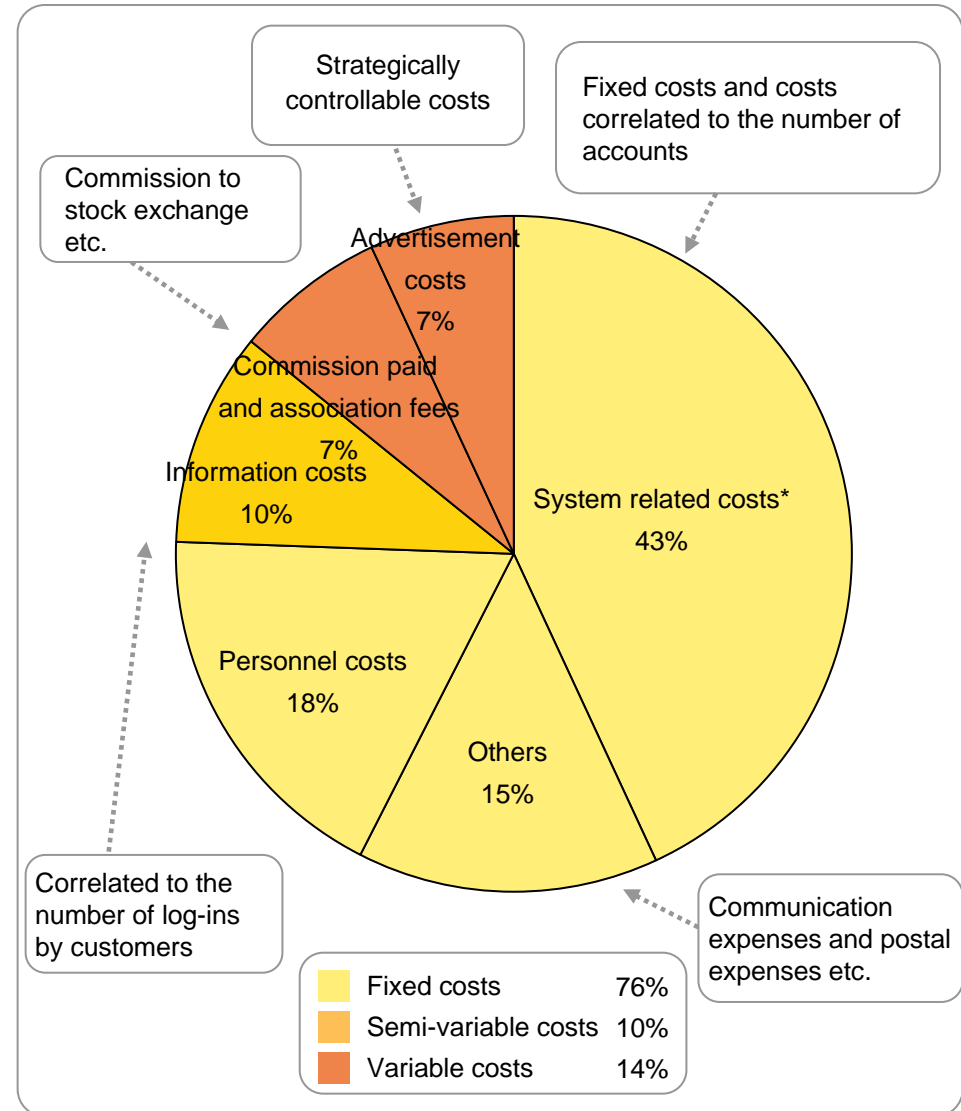
(Operating income/ Net Operating revenues)*



SG&A



Cost Structure (Jan. 2009 - Mar. 2009)



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

Financial Summary : Quarterly trends in income statement

(in million yen)

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

Financial Summary: Quarterly trends in SG&A

(in million yen)

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

1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

5. Appendix

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 March 31, 2009)

[Financial products and services for individual investors]

[Overseas subsidiary and office]

Securities Company

FX Business



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



Monex FX, Inc.
Specialized for FX trading
(Investment Ratio) Monex G: 90%
Totan Holdings: 10%

MBH America, Inc.

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

Beijing Representative Office

(Monex Group)
Developing business opportunities in China

[Business development for exclusive products and services]

Investment Education

Asset Management

R&D of Program Trading



Investor education for all individuals
(Investment Ratio)
Monex G: 70%
Toyota Financial Service: 10%
Kodansha: 10%
Net-Learning: 10%



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



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

M&A Advisory

WR HAMBRECHT & CO JAPAN
M&A advisory service
Aspiring to introduce a new IPO
(Investment Ratio) Monex G: 56.9%
WR Hambrecht+Co : 16%
ZenShin Capital Partners II : 11.1%
Development Bank of Japan : 11.1%
Others : 4.9%

Business Incubation



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

Life Insurance



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

[Incubation]

Major Initiatives of FYE March 2009

■ Short-term Strategy: Online trading

◆ Expanding active trader client	Jul. 2008	Made Trade Science a wholly owned subsidiary Developing new products utilizing program trading and trading tools as an in-house laboratory of the Group
◆ Strengthening FX business	Apr. 2008	Acquired 90% shares of Monex FX (formerly Tokyo Forex)
	Nov. 2008	Monex, Inc. released a new FX service “FX PLUS” Monex FX started ASP services to cover all FX transactions within the Group By retaining trading revenue from FX cover transactions within the Group, Monex FX had a surplus net profit for the 4 th quarter performance of FYE March 2009. Strengthening to expand trading volume.

■ Mid-term Strategy: Asset Management Business

◆ Offer full global product line-up	Aug. 2008	Monex, Inc. started offering US ETFs and stocks
	Mar. 2009	Monex, Inc. offered a 6 month note and Nikkei 225 index linked note in “Monex Notes for Individuals” series
◆ Offer investment advisory tool	Sep. 2008	Monex, Inc. strengthened its investment information platform on “Intelligence Infrastructure” Establishing high quality institutional-investor level information and knowledge platform and developing investment advice tool to release in FYE March 2010

■ Long-term Strategy: Overseas Business

	Mar. 2009	Monex Group agreed with Stock Exchange Executive Council to establish a joint venture in Beijing Establishing financial training business as the first step in China, Monex Group continues to develop possibility of other new businesses
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■ Branding

	Jul. 2008	22 advertisements in 2 months on Asahi Newspaper to produce Monex FX as a brand of Monex Group
	Nov. 2008	21 advertisements in 4 months on Nikkei and Asahi NPs to dispatch corporate messages aiming to raise brand image and social recognition

Present Domestic Environment

■ Need to adapt to change in individual investor needs

Due to the recent turmoil in the global financial markets, in 2008 we saw the temporary reversal of the ongoing trend of shifting from deposits to proactive investment by individuals. This was also displayed in the sharp decrease in average total trading value of shares in the four major exchanges in Japan. However, we do see ongoing demand of individuals for a variety in investment products



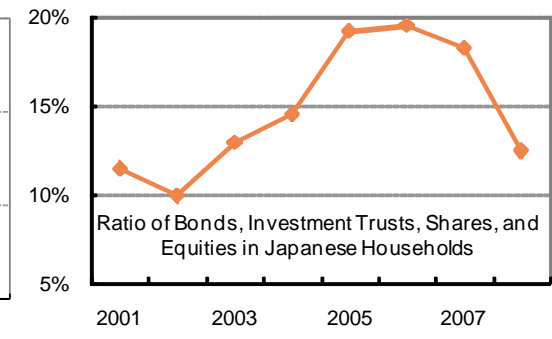
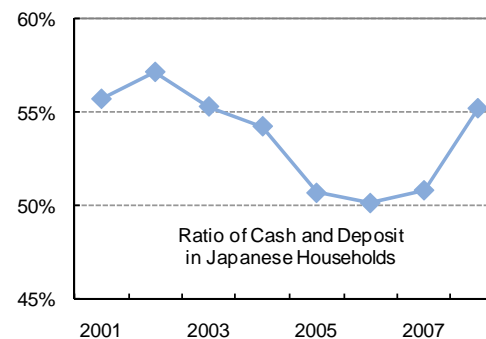
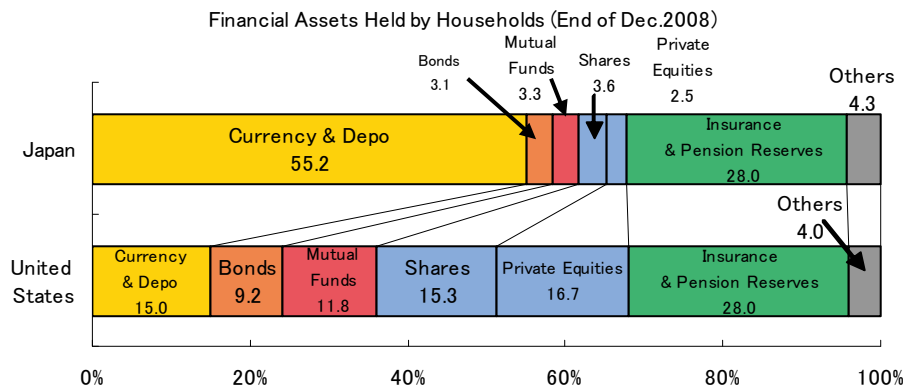
Extensive product line-up (including mutual funds, notes (including structured notes), foreign ETFs, foreign equity, and FX in addition to traditional stock brokerage services)

■ Expansion of business opportunities resulting from lowering barriers in the financial sector

Previously, there was limited competition amongst the banking/securities/insurance sectors in the financial industry, and not much of a significant difference in service quality and investment return results amongst the financial institutions



With the major investment banks in the US becoming bank holding companies, we see this global trend affecting our home market, notably the rapid fadeout of borders between sectors in the financial industry. We plan to capitalize on this huge opportunity by fully utilizing the internet and the most advanced technology to provide innovative cross-sector/cross-product solutions for our clients



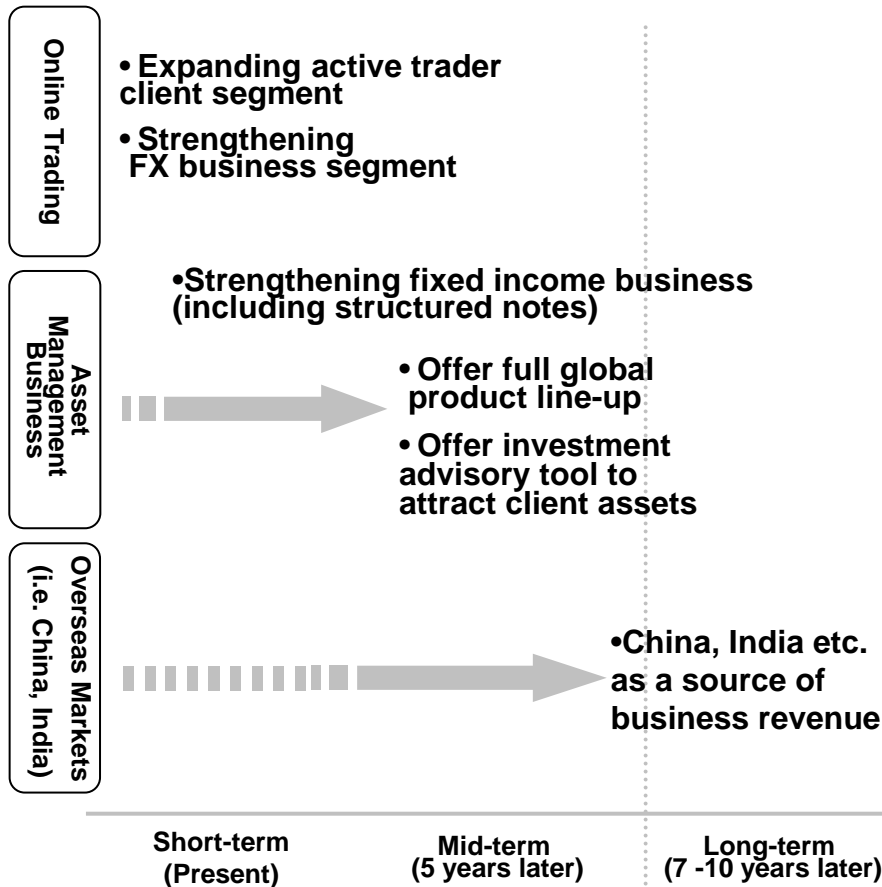
Source: Bank of Japan, The Federal Reserve Board, United States

Road-map and Short-term Strategy

■Road-map

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

◆Future growth and management policy



■Short-term Strategy : Building a solid business platform

◆Lowering the break-even point through cost reduction

Cost reduction by 1 billion yen made before this fiscal year budget

Revision of marketing strategy, Write-down of assets

Reduction of system related costs, Cut-back of information costs

Reforming cost structure and yielding profits even if daily market trading values in all 4 Japanese stock exchanges decrease to under JPY450 billion

Fundamental reform of cost structure

-Revision of product & service line-up

-Utilizing IT infrastructure

-Restructuring organization and consolidating operation

-Implementing new technology

Improving service level, reducing SGA to 90% of current SGA

Fundamental reform of the brokerage business for further growth

~ Carry out aggressive management ~

◆Enhancement of on-line trading platform

< Increase active trader client base >

-Enhance our original trading tool, *Monex Trader*

-Develop a program trading service through our subsidiary, Trade Science Corporation

< Enhance FX business >

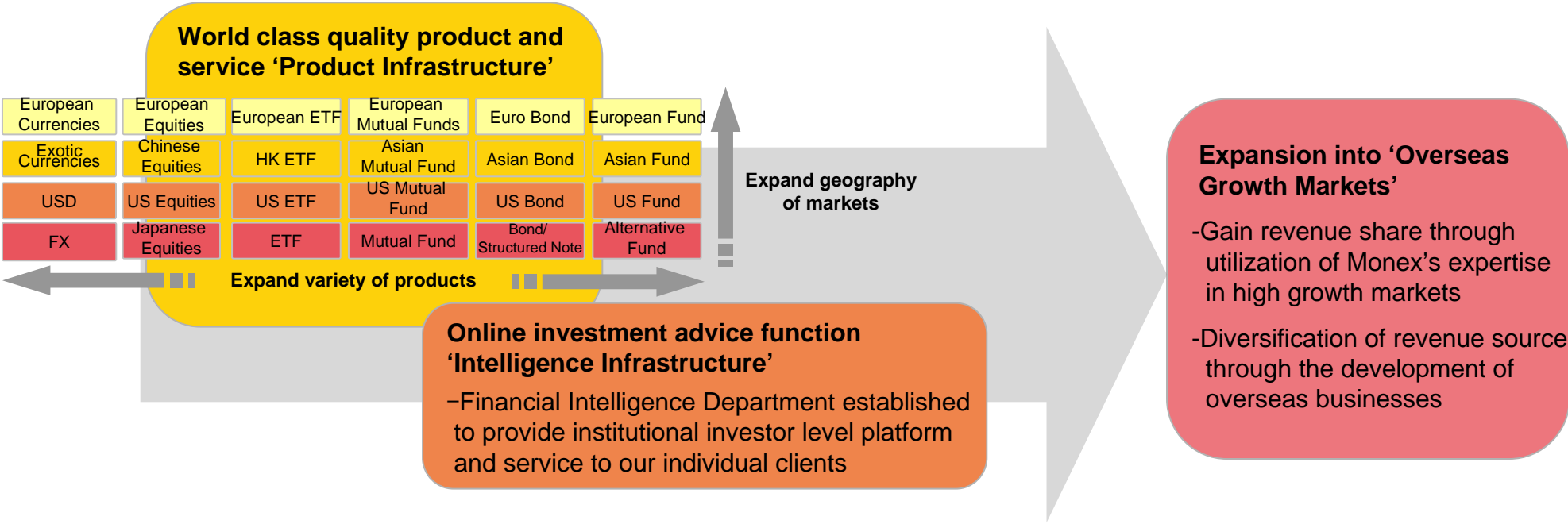
-Monex, Inc. started a new service 'FX PLUS' from November 2008, and lowered service charges

-Broaden access to FX-only traders through 100% subsidiary FX company, Monex FX

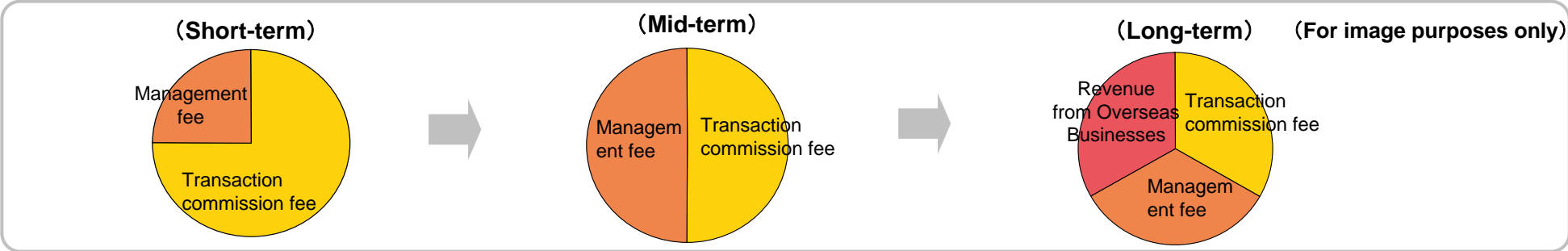
Key Mid and Long-term Strategy

■ **Mid-term goal: Expand asset management business, Long-term goal: Expand our business globally in order to enhance our client base and trading**

Strategy for expanding asset management business



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



Implementation of Business in China

■ From business research to business launch

◆ Achievements

March 2008 - Establishment of Beijing Representative Office and commencement of full-scale business research

- Full-scale research of the onshore market, product preference of individual investors, trends in online trading, etc.
- Research in preparation for starting various businesses in the People's Republic of China (PRC)

March 2009 - Agreement to establish JV in the PRC

- Agreement reached to establish a joint venture company with the group companies of Stock Exchange Executive Council ('SEEC'), which has been deeply involved in the creation and development of the capital markets in the PRC, as well as being one of the largest financial media groups
- Preparation underway for scheduled establishment of JV in June 2009

◆ Strategy

- Efforts will be made to ensure new business will produce solid results as soon as possible. This project is considered a milestone toward building a presence in the PRC

■ Outline of the new business

◆ Address the needs to strengthen financial knowledge and skills in the PRC

- Great demand for highly specialized training within the financial industry which has seen rapid expansion in recent years
- Additional demand from individuals who want to expand their knowledge and skill set to advantage for better careers



◆ Offer financial training related services

- Offer highly specialized systematic training programs
- Training programs to focus on obtaining practical knowledge and skills to improve career options



(From the signing ceremony of the agreement)

Management Indicators

◆ Management Policy

Low cost /
portfolio management
-oriented business model

Capital Efficiency

High profitability

Diversification of
revenue sources



◆ Management Indicators

-Customers' assets in custody
- Revenues/ SG&A per
customers' assets in custody

ROE (Return on equity)

Operating Margin Ratio

-Revenue structure
-Break-down of
customers' assets in custody

→Refer to page 11

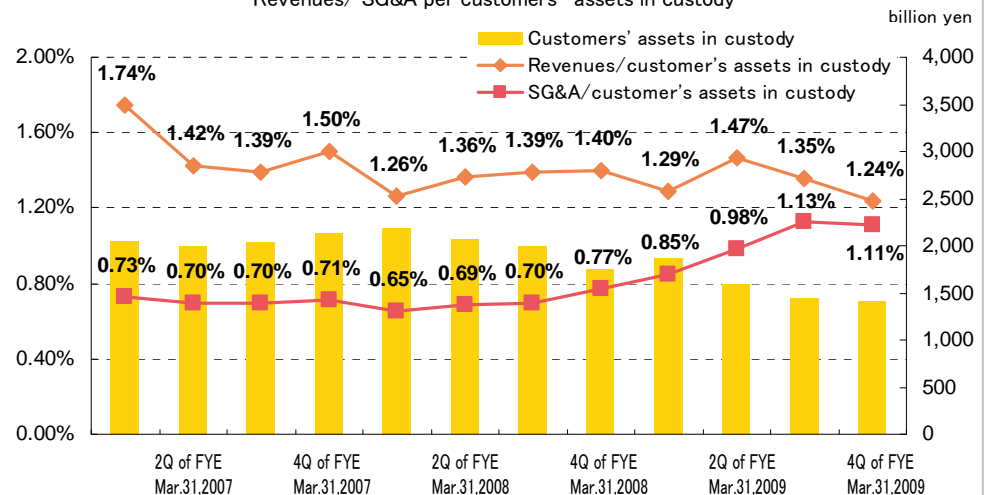
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→Refer to page 25

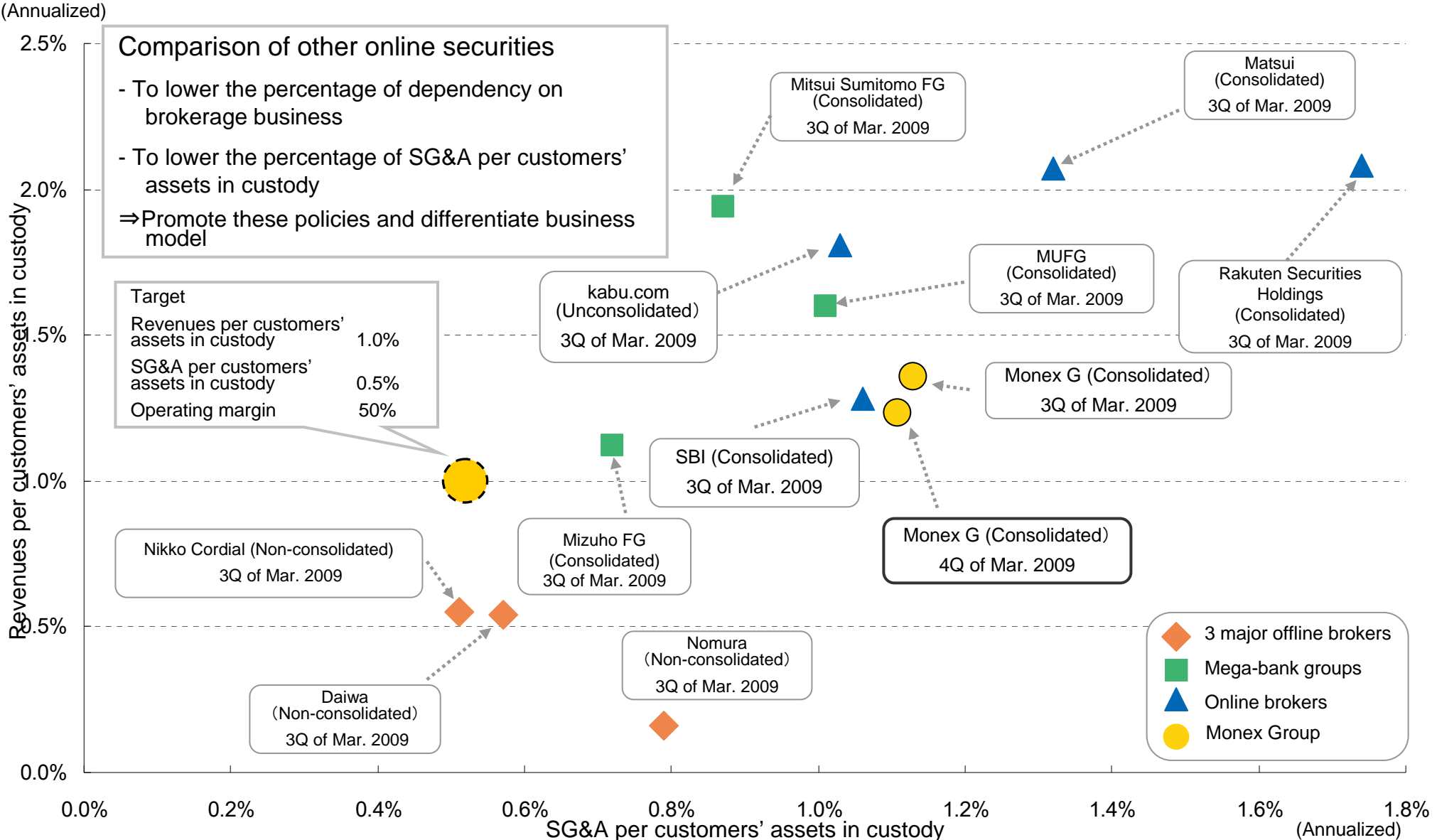
◆ Management indicators to promote low-cost / portfolio management-oriented business model

- Expansion and diversification of customers' assets in custody
Strengthen the asset management business to increase and stabilize revenue
- Gradual decrease of revenues per customers' assets in custody
Dependency on brokerage business will decrease as diversification of revenue proceeds
- Control of SG&A per customers' assets in custody
Control the increase of SG&A while aiming for increase of customers' assets in custody

Revenues/ SG&A per customers' assets in custody



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

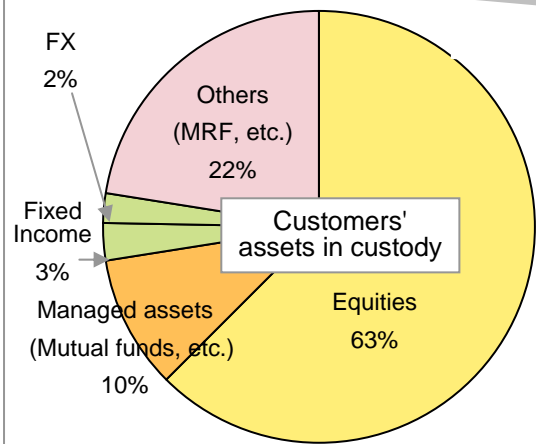
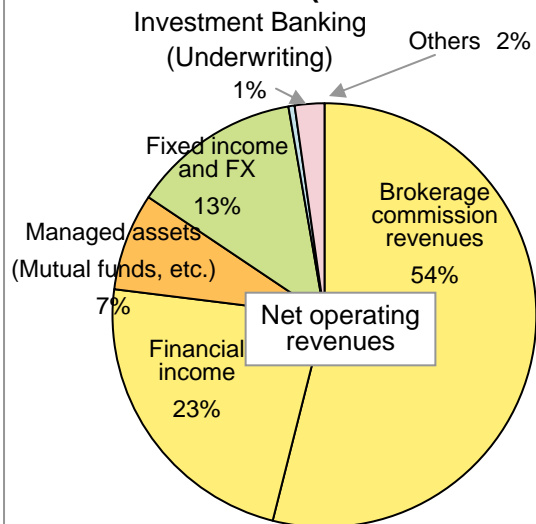


MUFG, Mizuho FG and SMBC : Customers' assets in custody = Total assets, Operating revenues = Gross profits, SG&A = General and administrative expenses

Current and Future Structure of Revenues and Customers' Assets by Product

Strengthen mutual fund business and diversify revenue sources

【Current Structure (FYE Mar. 2009)】



Direction of Each Business Line (Foreign business development plan is not included)

1. Stock Brokerage Business

- Providing value-added services (Enhanced trading tools, etc.)
- Enhancing brokerage products such as US ETFs/Stocks traded in US
- Expanding business as a main revenue source

2. Managed Assets Business (Mutual funds, alternative investments, etc.)

- Along with the expansion of the mutual fund market, increase market share by providing differentiated products
- Originating/providing innovative products such as alternative investments, algorithm trading-related products, etc.

3. FX Business

- Expand customer access channels through the FX specialized subsidiary and increase revenues by in-house trading of cover transactions

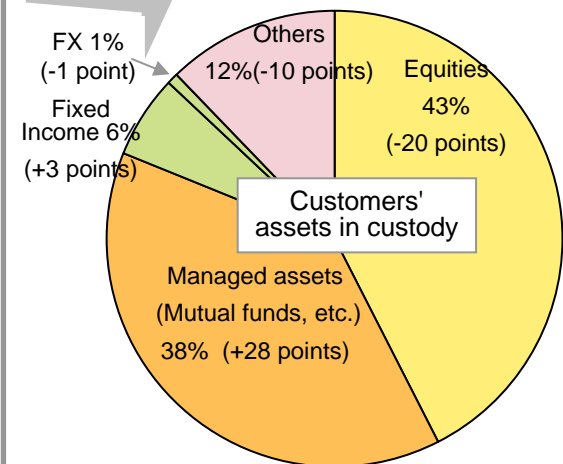
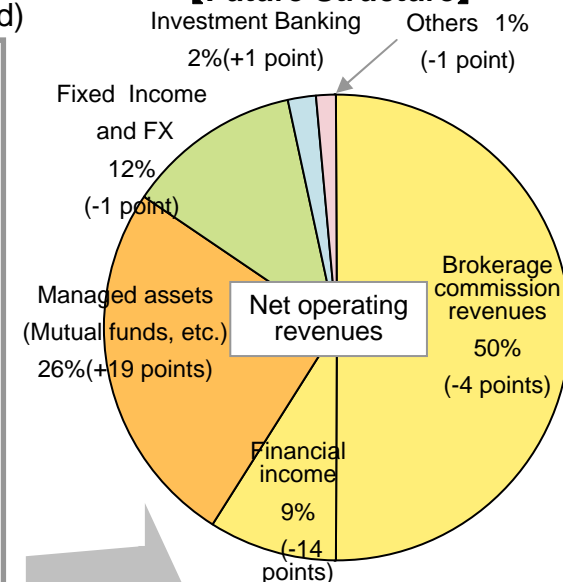
4. Fixed Income Business

- Enhance origination capability and strengthen sales methods

5. Investment Banking Business

- Continuously reinforce underwriting business not only for Japanese companies but also to cover overseas opportunities
- Strengthening the revenue source of the underwriting business by entering into M&A advisory business, etc

【Future Structure】



1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

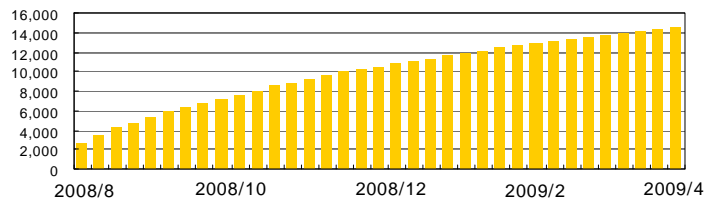
5. Appendix

Stock Brokerage Business : Expansion of trading shares

■ Business of U.S. ETFs and stocks

◆ Trading of U.S. ETFs and stocks steadily increased

- Number of accounts reached 14,000 in over seven months since the service started in August 2008



Ranking of Buying Trade Volume (2009/1/2~2009/3/31)

Ranking	Ticker Symbol	Stock
1	C	Citigroup Inc.
2	TOK	iSHARES MSCI KOKUSAI INDEX
3	AIG	American International Group
4	BAC	Bank of America Corp.
5	EEM	iSHARES MSCI EMERGING MARKET

-The transaction of US individual stock has increased in spite of the volatile market

-SPDR Gold Shares (GLD) was added, and the total number of ETFs has now increased to have become the top level within online brokers

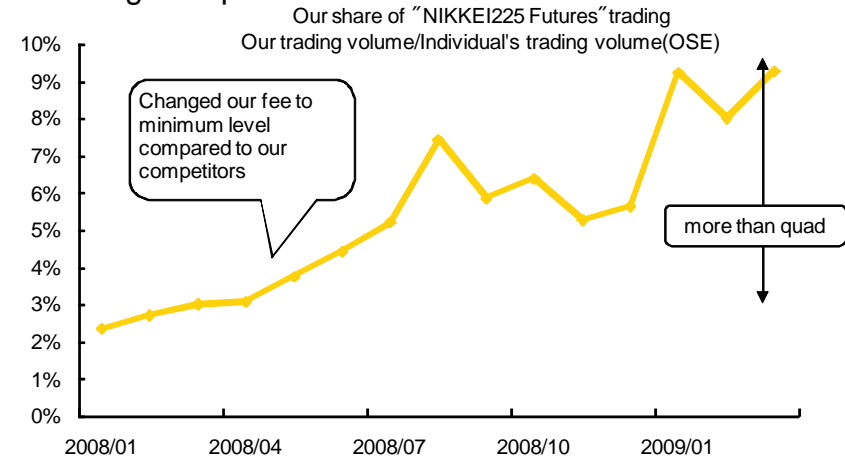
■ For further growth

- ◆ Planning new trading products
- ◆ Improvement of futures/options services
- ◆ Planning to increase the number of US stocks

■ Enhancement of trading shares

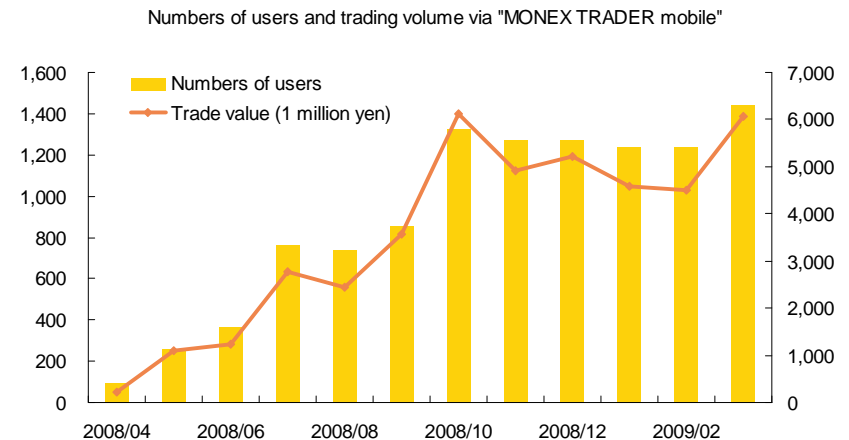
◆ Growth of "NIKKEI 225 Futures"

-Monex shares growing due to our reasonable fee
-Planning to improve services for users' needs



◆ Growth of mobile-phone traders

-Increase of trades via "MONEX TRADER mobile"



Interest Product Business : Adding varieties to the fixed income products and growth of the stock lending service

■ Enhancing fixed income products

◆ “Monex Notes for Individuals” series (new variation)

Expand the customer base by continuously offering a variation of “Monex Notes”

-Short-term yen notes

3 months maturity, 1.0-1.04% [APR]

(Sold 16 times in the past with a total of 71.7 billion yen until the end of Mar. 2009)

6 months maturity, 1.1% [APR]

17th Monex Short-term Notes for Individuals

Issue amount: 1 billion yen Maturity Date 9th Sep, 2009

Nikkei 225 Index Linked Note

JPY denominated 1 yr maturity notes Coupon 7.0%

The amount of redemption changes in accordance to the level of Nikkei 225 during a specified observation period

■ For further growth

◆ Access to new customers

- Reaching potential customers by “SRI” (Social Responsibility Investment), added value approach

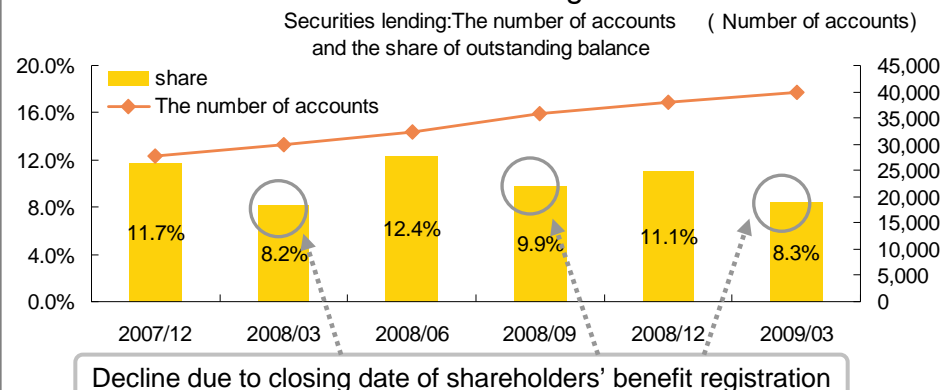
◆ Planning to distribute secondary notes online to make fixed income investing more convenient

◆ Enrich after-sales care, and provide an email service for news on new notes

■ Original short-term investment products/services

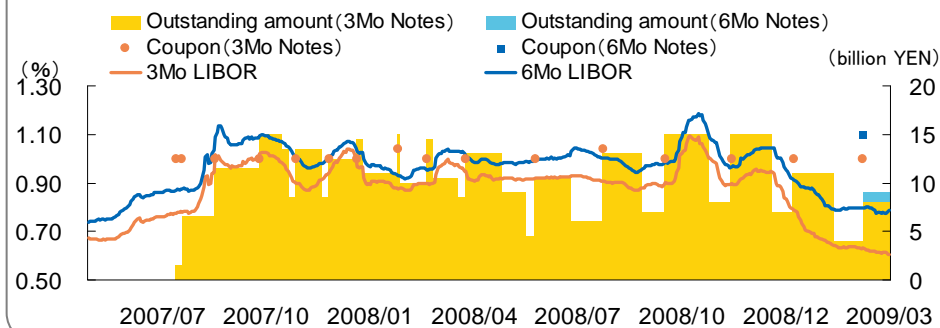
◆ Growth of the stock lending service

— Started new service “bonus interest” (max 2% for over 100 stocks) from March 2009. The program has increased users of the stock lending service



◆ Stable offer of “Monex Short-term Notes for Individuals”

— To provide an attractive means of investment for customers and a stable source of finance for Monex Group



FX Business: Increasing revenues in a growing market

■ Started 'FX PLUS' by Monex, Inc.

◆ Providing a new service 'FX PLUS', as of Nov. 8, 2008

- Offering much cheaper fees than before
- Increased currency pairs to 12 varieties
- Single internet sign-on from securities account to FX account
- Improved the spread from 0.03 yen to 0.02 yen per dollar
- Added a new feature enabling change of the loss-cut rate

◆ Strong growth of FX accounts

Number of accounts reached 88,000 in March 2009

■ Monex FX, Inc. remained in surplus

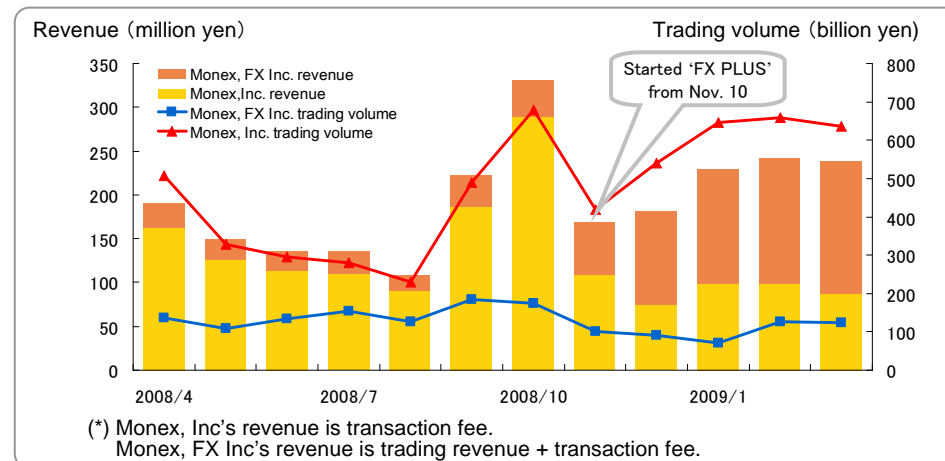
◆ Earning results for the fourth quarter of FYE 2009

- In surplus as of November 2008, and has remained in surplus for the fourth quarter of 2009
- The number of new accounts per month has quadrupled

◆ Release a new service

- Start of 100% conservation trust (since March 2009)
- The spread has become 0.02 yen per dollar, and has a high execution rate (99%)
- No internet transaction fees for all products
- Complete website renewal

■ Revenue from FX business



■ For further growth

◆ Business management vision of FX business

- The previous FX service of Monex, Inc. ended in March, 2009 and all services were transferred to the new service, and all cover transactions are carried out within the group, by Monex FX. Planning to further increase trading revenues
- Monex FX to become a complete subsidiary of Monex Group as of May 1, 2009. Strengthen the consolidated management structure and quicken the decision making process
- Development of new trading tool for active traders with Trade Science Corporation
- Considering the offering of ASP services to other FX companies

Mutual Fund Business : Top-class online mutual fund business

Strengthen product lines and services to expand mutual fund balance

Sales volume and balance

Total sales amount of equity mutual funds

January-March 2009: Approx 11.4 billion yen

FYE 2009: Approx 59.4 billion yen

Total sales amount of Foreign Currency Denominated MMF

FYE 2009 : Approx 16.6 billion yen

Total assets in custody (excluding MRF)

As of March 2009: Approx 142.3 billion yen

Monthly fund auto-purchase program

March 2009 Approx 60,000 purchases

Number of applications: 11,000 in FYE 2009

Expand product lines by category to support our customers build a solid and globally-diversified portfolio

-Total number of funds: **193** as of April 27th, 2009

⇒ Added **66** new funds to our line-up from April 2008

For Further Growth

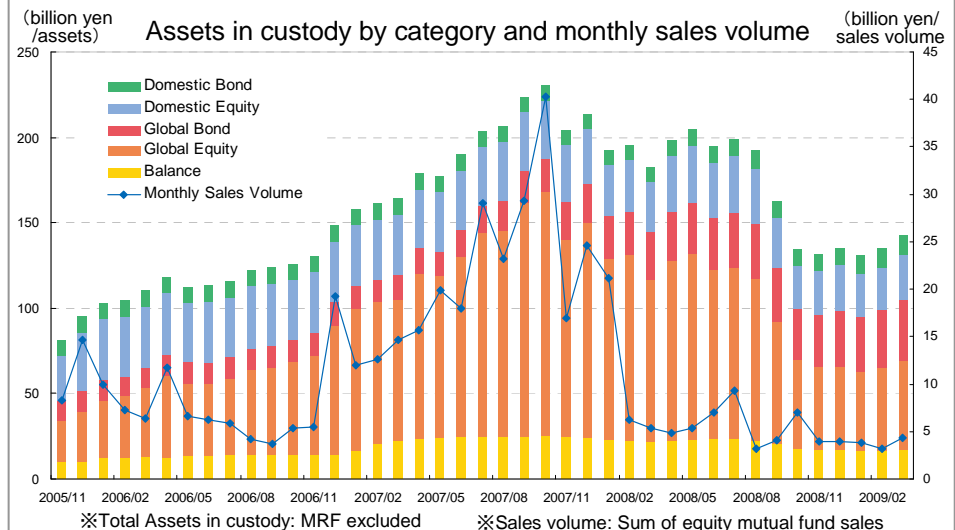
◆ Release new tools and contents such as “fund bookmark” and “page history storing” for an user-friendly interface

◆ Improve navigation function to support fund selection and portfolio analysis

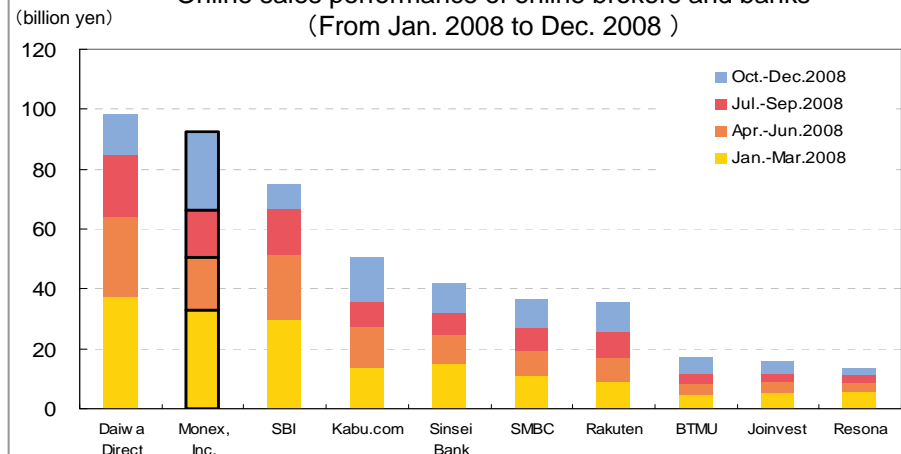
◆ Realizing more enhanced product lines by introducing new and original funds

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 Jan. 2008 to Dec. 2008)



Alternative Investment Business : A leap forward into institutional business arena



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

■ Development of institutional investor business

◆ Stable performance attracts attention from pension funds

- Visited about 100 major pension funds for market research.
- High transparency, timely disclosure and stable performance of our multi-strategy fund-of-funds (FOF) management has proved itself to be a strong candidate for pension funds' investment portfolio.
- While leading FOF were hit hard by the global financial crisis in 2008, stable performances of our FOF management outstand among those of peer groups. Our priority is to materialize pension funds interest into solid mandate in FY 2009

■ Efforts for existing individual investors business

◆ "Institutional-quality products for individual investors"

- Stable performances despite violent market turmoil in 2008.
- More original, unique products to come in due course.

(As of 2009/3)

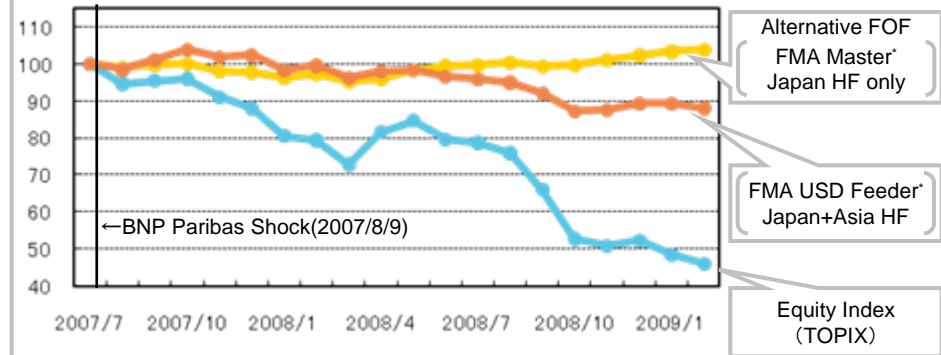
Fund Name	Underlying Asset	AUM
Asia Focus (AF)	Japan HF + Asia HF	JPY6.6b*
Premium Hybrid 2006 (PH2006)	Global HF + PE Fund	JPY3.4b
Premium Hybrid 2007 (PH2007)	Global HF + PE Fund	JPY1.9b (to be updated)

* Reflects the performance generated in February 2009.

■ Achievements in turbulent market conditions

◆ Japan portfolio extracted from FMA*

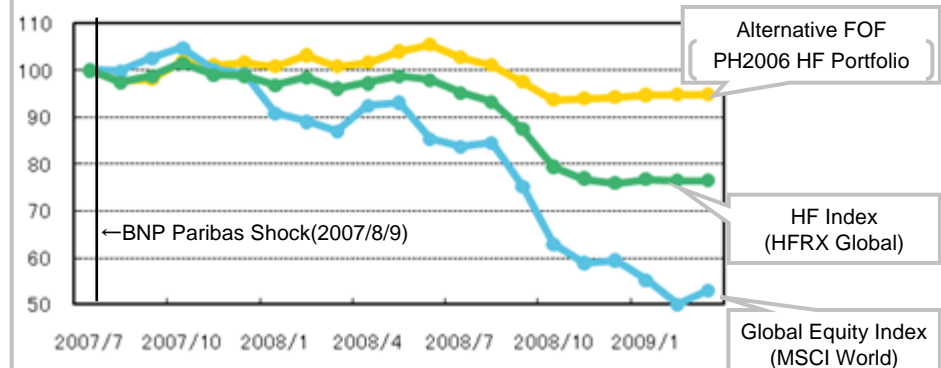
(Charts the rise in value of 100 at the start of 2007/7, in USD, Net)



*FMA (Fullerton Monex Asia Fund) Master/FMA USD Feeder : Performance-linked funds to AF
 (Source: Monthly Report from HSBC, Bloomberg, MAI 2007/7-2009/2)

◆ HF-FOF portfolio extracted from PH2006

(Charts the rise in value of 100 at the start of 2007/7, in USD, Net)



(Source: HFR Asset Management, Bloomberg, MAI 2007/7-2008/12)

Investment Banking Business : Increase presence in the IB business field

■ IPO underwriting and related business (Monex, Inc.)

◆ Participation in IPO Deals

comparison for 2007,2008,2009

	Total IPOs	Participated IPOs	Participation Ratio
FYE 2007	180	87	48.3%
FYE 2008	99	34	34.3%
FYE 2009	34	9	26.5%

*Based on underwriting date

-Due to the stock market slump, the number of IPOs and the fund raising size has shrunk. It has caused a weak performance of our underwriting business.

-Utilize the knowledge of having the top underwriting track record among online brokers to cultivate superior IPO candidates

-Pick up M&A and/or financing needs from IPO postponed companies to provide advisory services

-Published a book to support IPO oriented companies (See picture)

Initial Public Offering
IPOを目指す企業の
成長戦略
松本大



"Growth Strategy of IPO Oriented Companies"

Edited by
Oki Matsumoto
(C)JIYUKOKUMINSHA
(April 3, 2009)

■ M&A advisory business (WR Hambrecht & Co Japan, Inc. and Monex, Inc.)

◆ WR Hambrecht & Co Japan, Inc. (WRHJ)

- FYE 2009 4Q track-record : A material related fabless company acquired a major company's subsidiary

Current deals : A Chinese-Japanese cross-border transaction, capital reorganization, fundraising of manufacturing company.

◆ Started collaboration for advisory business between the investment banking department of Monex, Inc. and WRHJ

-Proposing a broad range of services such as M&A advisory, fundraising, business cooperation, and penetration into the Chinese and Japanese market

- Maintaining good and practical relationships between boutique investment banks in the U.S. and Asian local officials to develop cross border deals

■ Efforts for implementation of Open IPO® (WRHJ)

- WR Hambrecht + Co (WRH) is proposing fundraising by auction method to the U.S. government to cope with the financial crisis

- Cooperating with WRH to implement Open IPO® into the Japanese stock market

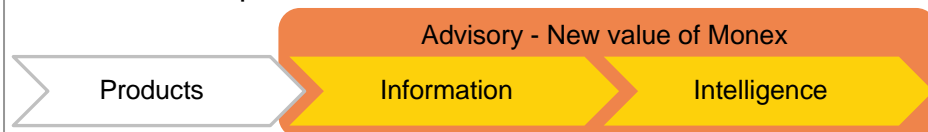
- Proposing Open IPO® for privatization in Japan as a transparent and compelling pricing method

Intelligence Infrastructure : Creating a new value of Monex Group

■ Creating a new value - Advisory

◆ Creating a new value of Monex

- Providing proper investment advice in addition to global standard products



◆ “Intelligence Infrastructure”

- Developing an IT infrastructure which will provide proper investment advice based on market information, investment theories and investment strategies



IT based new infrastructure

◆ Overseas Markets

- Developing the infrastructure with future overseas deployment in mind

■ For further growth

- ◆ Continue to develop tools and to enhance information and contents
- ◆ Take initiatives to increase individual investors

■ Continuous seminars and information enrichment

◆ Providing valuable information and knowledge for strategic investment to individual investors

- Providing high quality institutional-investor level reports for customers by Naoki Murakami, our Chief Economist
 - “Global Weekly Report” – Focusing on the movements of the macro economy
- We also continue to provide institutional investor level information such as analyst reports by J.P. Morgan
- Customer appreciation day on Jan. 17 and Feb. 8 2009
 - Talk and discussion by famous guests and specialists about the global and domestic economies in 2009
 - Over 2,000 participants in Tokyo and Osaka

◆ Educational seminars

- Enhancing online services
- Started “Q&A Chat Seminars” three times a week online in which customers can ask anything about the market and economy to Monex staff

	# of seminars	# of participants
Offline seminars	36	4,903
Online seminars	209	28,522
On-demand videos	42	19,576

(from Apr. 2008 to Mar. 2009, only 4Q for on-demand videos)

◆ e-learning services (as of the end of Mar. 2009)

- 29,030 people subscribed to the basic e-learning courses

R&D: Kabu-Robo

Recent developments of Trade Science

trade-science

Trade Science Corporation
<http://www.trade-sc.jp/englishhtml>

◆ R&D institution of Monex Group

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

◆ *Kabu-robot*, automated investment software

- *Kabu-robot*, the software programmed with each investment strategy automatically monitors the real time market data and makes day-to day investment decisions on what/when to buy and sell on behalf of the person

- Programming platform of *Kabu-robot* is made freely available to the public, and approx. 20,000 software developers with financial literacy have participated in the trading challenge since 2004

- “Excellent Algorithm Awards” have been given to more than 50 talented *Kabu-robot* developers in the trading challenge



<http://www.kaburobo.jp/>

◆ Investment advisory services

- Using the exclusively licensed *Kabu-robot*'s, selected from the investment challenge, we are planning to launch the *Kabu-robot* fund, which will be the very first publicly offered algorithm fund in Japan

- The advisory service which was launched July 23, 2008 has an actual record of more than 18% above the TOPIX index as of March 31, 2009

◆ Information technology services

- Planning to offer “*Kabu-robot Trade Manager*” which will enable individual investors to perform automated stock trading at Monex, Inc. starting May 2009



*Under development

◆ Developing trading tools

- Currently developing trading tools for customers of the group companies. (Planning to release a trading tool for Monex FX as the first of this project this summer)



*Under development

Other Financial Businesses (1)

■ Analysis of the latest financial information in the US

◆ Strengthening of information accumulation by MBH America (Subsidiary of Monex Group)

- Accumulation and analysis of information on financial products and industries in the U.S., where the world's most advanced financial product information cumulates, in order to apply such intelligence in Japan and overseas, in various forms including inter-company alliances
- Conducting due diligence and qualitative/quantitative analyses on the financial products provided to customers by Monex in order to improve their quality
- Conducting overseas recruiting to acquire talent

■ Incubation and investment into start-ups

◆ Monex Beans Incubation ('MBI') makes investment in Fillmore Advisory, Inc. ('FA')

- MBI supports and invests in ventures which have the potential to add value to Monex's business
- In this context, MBI has made an investment into a venture, FA (<http://www.fillmoreadvisory.com/>), currently developing 'vizoo' platform which enables the managing and graphically format various data. Such graphs can be viewed at <http://vizlog.visualzoo.com/>
Scheduled beta release in May 2009
- Looking into collaboration opportunities with FA

■ Life insurance business



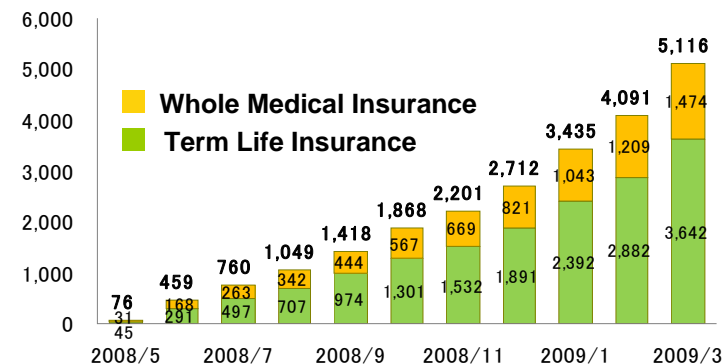
◆ Lifenet Insurance Company
<http://www.lifenet-seimei.co.jp/>

◆ Life insurance company incubated by Monex Group

- A new kind of insurance company utilizing the internet as its main distribution channel
- Complex additional options stripped off to leave only the simple, easy to understand core life insurance product
- By cutting all possible sales and operations costs, lowest life insurance premium offered to the 20s-40s working age group

◆ Policy sales

Accumulated no. of insurance contracts



◆ Ranked No. 1 life insurance term policy selected by pros in the Weekly Diamond 3/14/09 issue

- 12 of 17 specialists in insurance policies (FPs or insurance product-related journalists) selected the main life term insurance product citing reasons such as 'simple and easy to understand policy' and 'overall reasonable pricing'

Other Financial Businesses (2)

■ Next generation contact center in Monex, Inc.

◆ Enhancing the Hachinohe Center

- As of April 2009, 53 members work at the Hachinohe Center
- Monex will continue the recruitment of new staff including new graduates, aiming to have a center of approximately 100 staff members
- The contact center will make a complete move to Hachinohe by the end of 2010

◆ Solid hiring system

- With the cooperation of educational institutions, we educate students with financial intelligence, and plan to make recruitments from within them. We aim for the long-term employment of talented staff
- We have started a class named “Business Theory I” at Hachinohe University starting April 2008. Our group employees are in charge of teaching this class for the first half year
- Starting this year, we have established the Monex Scholarship in order to support the tuition of civil, non-university students

◆ To provide higher quality services

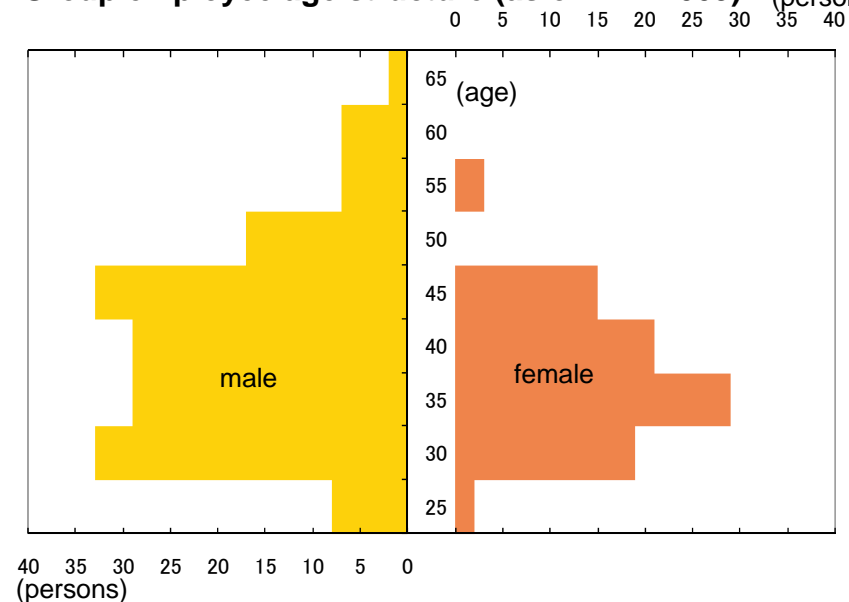
- By introducing investment advice tools such as “Intelligence Infrastructure,” Monex will be able to provide a more advanced service to customers
- Planning to introduce a next generation system in order to strengthen communication with customers

■ (Ref.) Human resources information

◆ Maintaining advancement by continuing to hire new graduates

- In order to remain a company that provides cutting edge financial services and not be caught up by old and existing values, Monex will continue to hire a certain number of new graduates whether or not the economy is doing well or is in recession
- Starting from the first new graduate hire since April 2005, 26 new graduates have been hired by Monex
- Due to the growing business, we plan to increase the number of new graduate recruitments from 2010

◆ Group employee age structure (as of FYE 2009) (persons)



Administrative Action Taken Against Monex, Inc.

■ Background

On March 24, 2009, Monex, Inc. ("Monex") received an order for business suspension and a business improvement order from the Financial Services Agency ("FSA") due to the circumstance that "the management of the electronic data processing system related to financial product transactions is not satisfactory."

This administrative order was given to Monex based on the FSA's judgment that the improvement processes described in the "business improvement report"* submitted by Monex to the FSA in July 2006 had not been carried out appropriately. Specifically, Monex failed to establish a department in charge of overall supervision and management of improvement actions and to establish specific improvement action policies and associated appraisal criteria.

* This was a report submitted to the FSA to report on the preventative measures in place for system failure after the occurrence of the Monex Nighter (PTS) service system failure in February 2006.

<Contents of the Order of Business Suspension>

Cessation of new business services (aside from those approved by the FSA) deploying system developments between April 1, 2009 through June 30, 2009.

This action does not affect the customers' use of all current existing Monex services.

<Main Contents of the Business Improvement Order>

- (1) To ascertain the reason why the improvement plans previously reported to the FSA were not properly executed, and to review the managerial and internal controls;
- (2) To review the improvement plans as necessary and to implement them properly;
- (3) To conduct external system audits;
- (4) To establish the basis for properly monitoring the improvement progress;
- (5) To make sure that the management and employees recognize the importance of system management and implement necessary system developments as well as training in order to ensure proper system operations.

■ Business Improvement Efforts

The main contents of the improvement report submitted by Monex to the FSA on April 23, 2009 are as follows:

(1) (Investigation of Cause)

The assurances of objectivity and confirmation and verification by a third party ("Third-Party Evaluation") were insufficient. Specifically, the assurance of objectivity was insufficient since the appraisal criteria had not been prepared in written form.

(Review of Managerial and Internal Controls)

The Quality Management Office will be newly established as the main body in charge of business improvement actions, in which one director, who will serve exclusively in this Office, will be appointed and take actions for business improvement proactively and comprehensively.

(2) After obtaining advice from a third party organization, Monex will proactively promote and implement reviews of the improvement plans, reassessment of effectiveness and formulation of new improvement plans.

(3) External system audits covering the entire system will be conducted by a third party organization.

(4) The Quality Management Office will be the main controlling body for monitoring purposes. The relevant Office will also be subject to inspection through reports made to the Internal Audit Department and the Board of Directors.

(5) (Development of System)

Each department and office will review their system for improvement actions and promote proactive activities. Additionally, in order to enhance the effectiveness of activities, the Quality Management Office will monitor on an overall basis and make efforts to reinforce continuous actions.

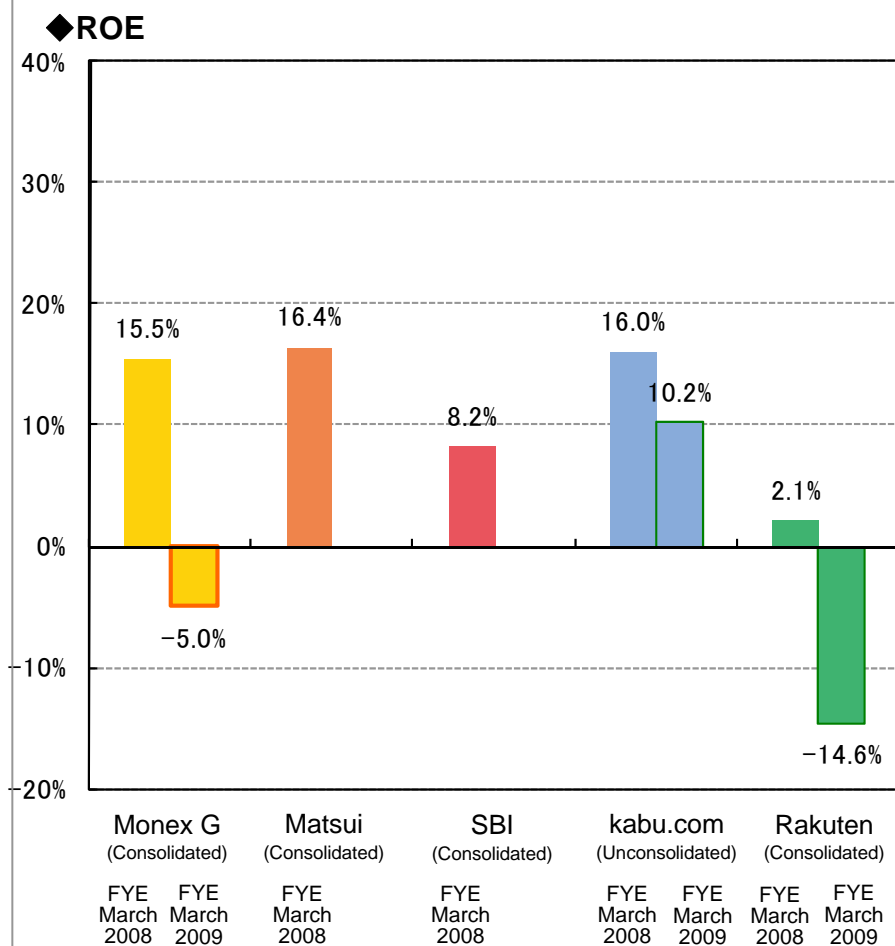
(Training)

The president has directly given an explanation to all employees and trainings have been conducted by outside legal counsel and quality management professional companies.

1. Financial Results
2. Strategies
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ROE and Dividend

■ Pursuing investment returns for our shareholders



*Made by Monex Group, Inc. from each company's IR data as of April 24, 2009

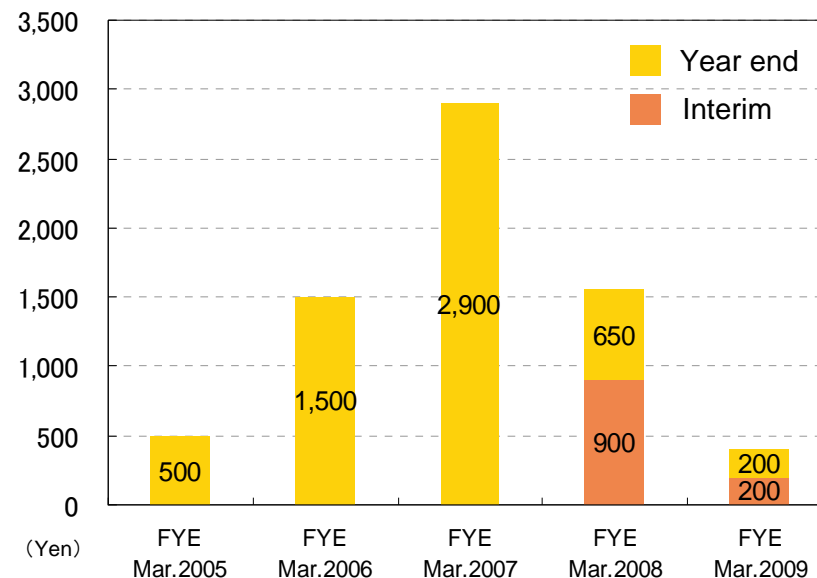
◆ Dividend Payout Policy

(since FYE March, 2008)

- Target 50% of consolidated net income of current fiscal year
- Interim dividends to be paid out

◆ Dividend Record

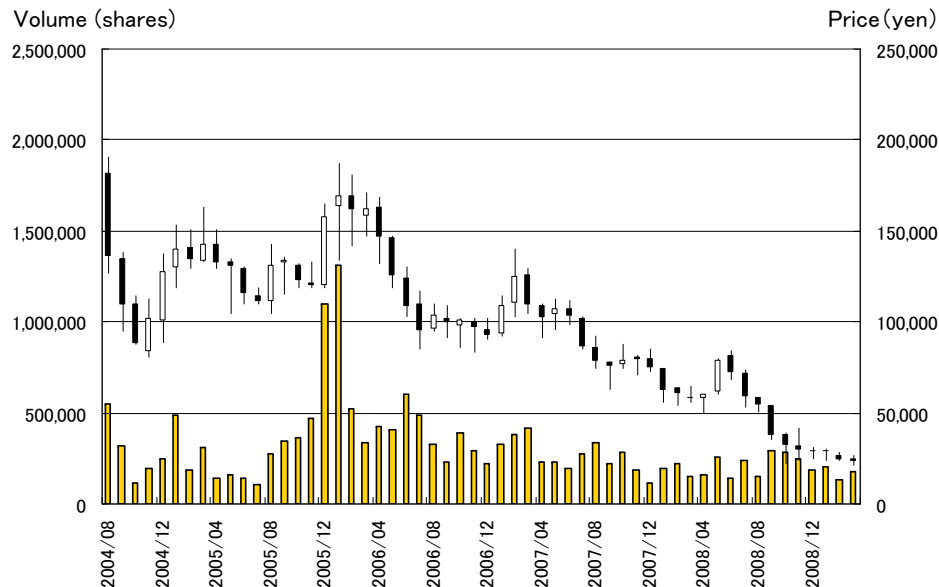
- Since the profit level of FYE March 2009 decreased by factors such as the devaluations loss on investment securities, the Company decided to propose not to apply the usual payout ratio for the year end dividend and pay out a fixed amount, JPY 200. The annual dividend amount is estimated to be JPY 400 in total including JPY 200 which has been paid out as the interim dividend.



Investors' Guide

Stock information of Monex Group, Inc.

◆ Share price and volume



◆ Indicators per share

	FYE March 2005	FYE March 2006	FYE March 2007	FYE March 2008	FYE March 2009
Book-value Per Share (BPS)	JPY 12,694	JPY 17,606	JPY 20,253	JPY 19,664	JPY 17,235
Earnings Per Share (EPS)	JPY 3,001	JPY 5,677	JPY 4,066	JPY 3,080	-JPY 928
Return On Equity (ROE)	27.1%	38.1%	21.4%	15.5%	-5.0%
Dividend Per Share	JPY 500	JPY 1,500	JPY 2,900	JPY 1,550	(Estimated) JPY 400

◆ Major shareholders and share distribution

(Recorded as of the end of March 2009)

Major shareholders

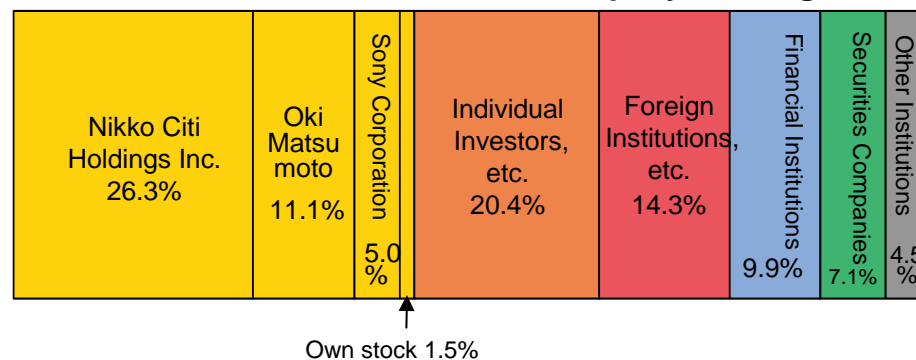
Financial Institutions	9.90%
Securities Companies	7.11%
Other Institutions	35.76%
Foreign Institutions, etc.	14.29%
Individual Investors, etc.	31.45%
Treasury Stock	1.49%

Top 3 shareholders

Nikko Citi Holdings Inc.	26.29%
Oki Matsumoto	11.10%
Sony Corporation	5.00%

• Excluding custodians, etc.

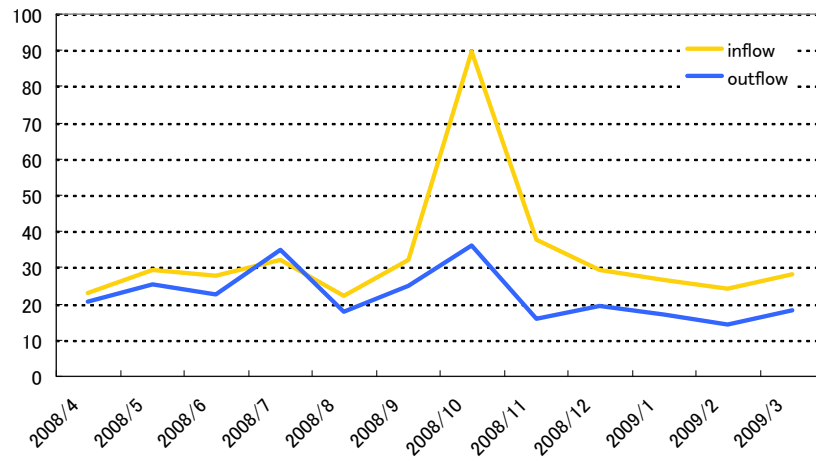
◆ Share Distribution based on the Company's Recognition



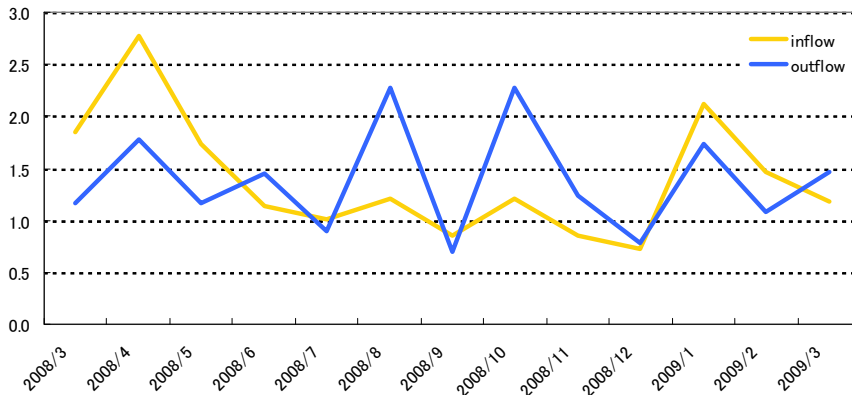
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Additional Data (Monex, Inc.)

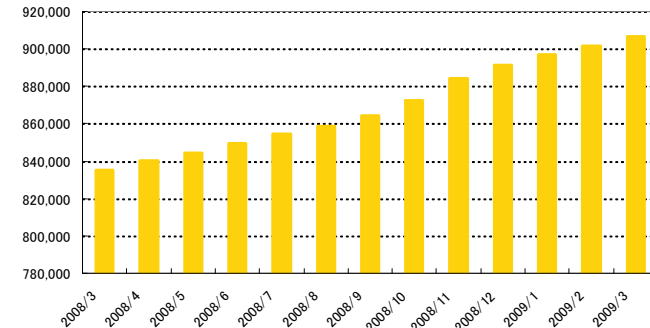
◆ Cash Inflow/Outflow
(billion yen)



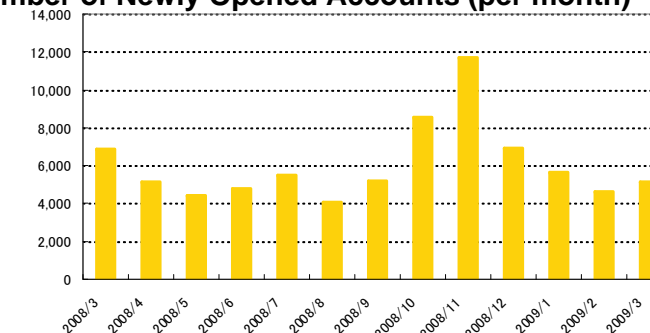
◆ Stock Inflow/Outflow
(billion yen)



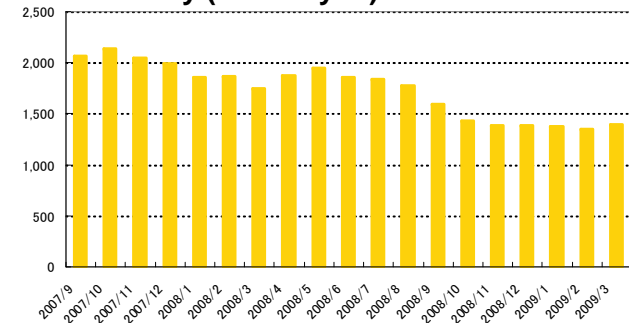
◆ Total Number of Accounts



◆ Number of Newly Opened Accounts (per month)

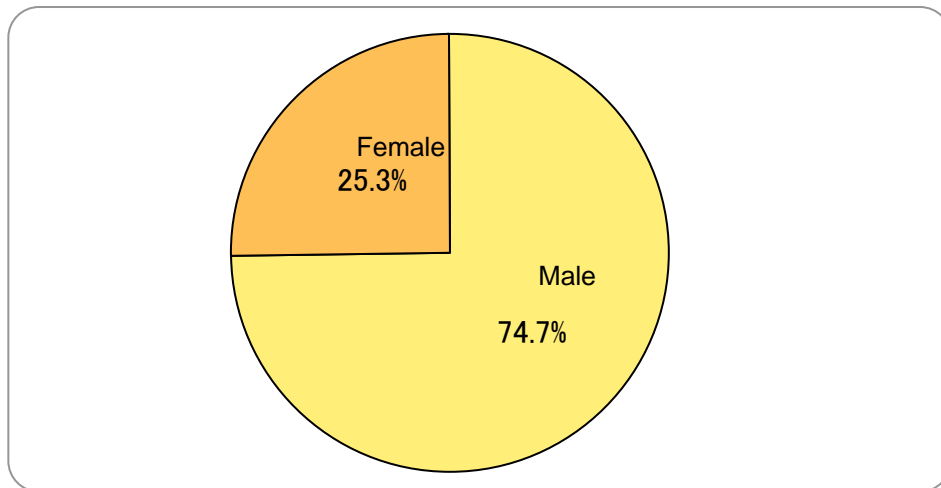


◆ Assets in Custody (million yen)

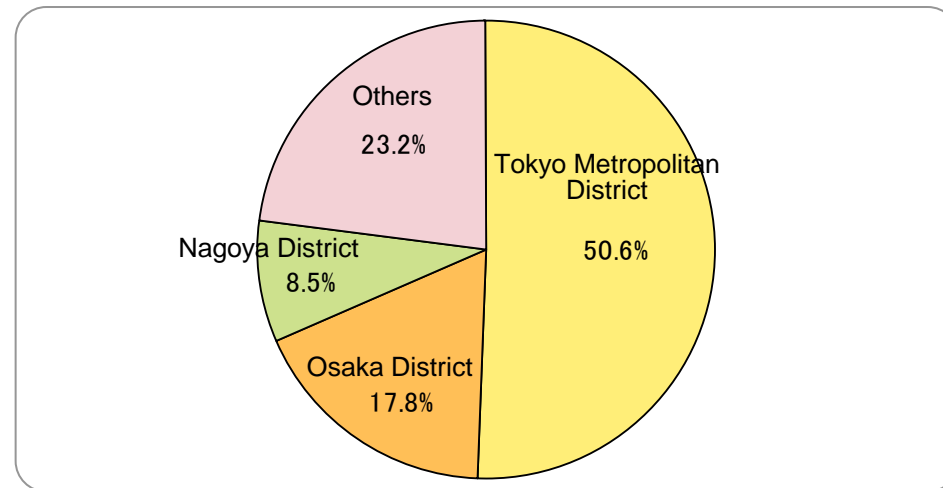


Customer Portfolio of Monex, Inc. (as of the end of March, 2009)

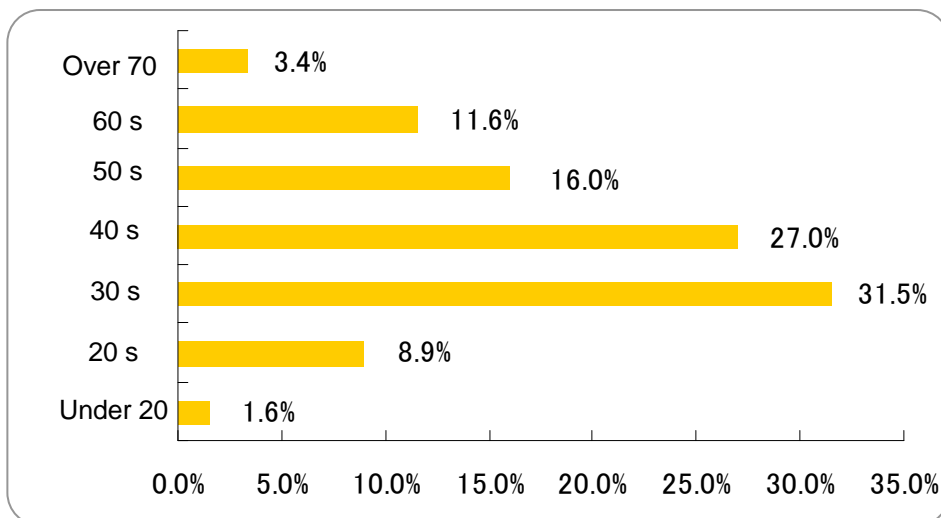
■ Sex



■ District



■ Age



■ Occupation

