

Financial Results of 1H of Fiscal Year Ending March 31, 2013

This is an English translation of Japanese presentation material 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 accounting principles generally accepted in Japan ("Japanese GAAP"). Japanese GAAP differs in certain material respects from accounting principles generally accepted in other countries, including accounting principles generally accepted in the United States ("U.S. GAAP") and from International Financial Reporting Standards ("IFRS").

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" or other similar words. These statements discuss future expectations, identify strategies, contain projections of results of operations or of our financial condition on 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.



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

"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**
- Creating new value to contribute to all stakeholders**

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1. Key Strategy Overview

2. Financial Results

3. Global Vision and Strategies

4. Data

About Monex Group

- **The Monex Group aims to be a global retail online financial service provider, offering the global standard investment products and services to retail investors online**
- **We ensure our competitiveness and realize company growth by promoting Global Vision which is to globalize the customer base and service line-up, and to internalize system development and business process**

3 major bases to conduct securities business:

Monex, Inc. (Japan)

- One of the largest online securities brokerages in Japan since its foundation in 1999
- More than 800,000 retail accounts and JPY2 trillion customer's asset in custody
- Offers multi asset products (such as equities, futures, FX, mutual funds and fixed income) to retail investors
- Differentiation via product origination capability and investment education
- First in the industry to offer unique services/products for retail investors:
PTS/ECN(2001), stock lending (2003), lead manager in an IPO as an online broker (2005), RMB bonds (2011)

TradeStation Group (Florida, US / Joined Monex Group since June 2011)

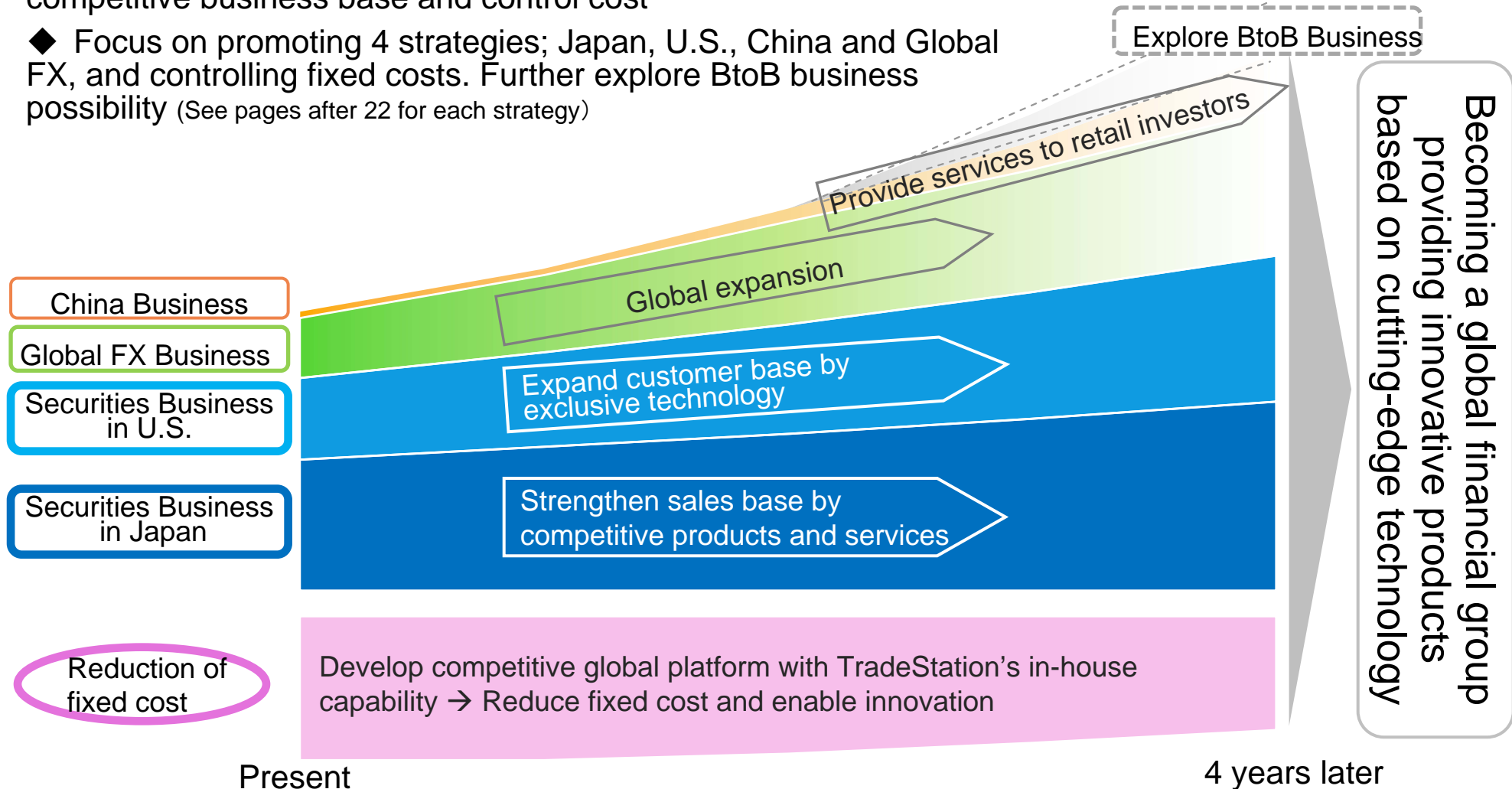
- An award winning online broker serving the active traders and certain institutional traders
- Provides *TradeStation*, an electronic trading platform which enables traders to automate the trading strategies
- Strength in equities, futures and forex
- Capable of in-house technology development

Monex BOOM Group (Hong Kong / Joined Monex Group since Dec. 2010)

- Founded in 1997 as the first online broker in Asia
- Offers access to securities listed on 17 stock markets in 12 countries
- Customers can trade equities in 6 major currencies (HKD, USD, RMB etc.) in a single account

Strategies for Future Growth

- ◆ Developing a global platform in-house in order to establish a competitive business base and control cost
- ◆ Focus on promoting 4 strategies; Japan, U.S., China and Global FX, and controlling fixed costs. Further explore BtoB business possibility (See pages after 22 for each strategy)



1. Key Strategy Overview

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Major Business Activities this Quarter

◆Progress of internalization and development of system

Promoted system development for introducing the technology to Japan in order to realize Global Vision (Detailed after page 22)

◆Japan segment secured ordinary profit even under severe environment without special profit factors; consolidated net income for the quarter continued to remain in black

(Japan)

- Though market stayed stagnant as Nikkei 225 and market volume went down further from the previous quarter, Japan segment kept profitable by enriching fixed income lineup, etc. System related costs increased since September by JPY44M per month as the next generation system launched.

(U.S.)

- Though market index went up, VIX and trading volume went down and it affected clients' trading activity and commission revenues. Top active traders at TradeStation still remain but their activities became low corresponding to the market which has a negative impact on the revenues.

(FX)

- FX trading volume is decreasing worldwide and the trend is bigger in Japan and also in Korea, where the majority of IBFX's white label business is developed, because of margin leverage regulation. This affects the Group's FX related revenues.

◆Extraordinary positive factors in this quarter

- Non-operating income and extraordinary income by selling MAI shares and acquiring 15% shares of ASTMAX JPY 450M
- Negative goodwill as an extraordinary income through acquisition of Sony Bank Securities JPY 200M
- Capital gain through selling investment securities JPY 150M

Ref: **Overview of Market** (as of 1H of FYE Mar. 2013)

| | | | |
|----------------------------|--------------------------------------|------------------------------|-------------------------------------|
| •Nikkei 225 Average : | -1.5% from Jun. 30, 2012 | •VIX Avg. Close: | -19.2% from 1Q of FYE Mar. 2013 |
| | +2.0% from Sep. 30, 2011 | | -24.8% from 1H of FYE Mar. 2012 |
| •Trading Value(*1) : | -7.4% from 1Q of FYE Mar. 2013 | •NYSE Trading Value: | -14.4% from 1Q of FYE Mar. 2013 |
| | -17.5% from 1H of FYE Mar. 2012 | | -29.0% from 1H of FYE Mar. 2012 |
| •FX trading volume(Japan): | -16.3% from 1Q of FYE Mar. 2013 | •FX trading volume (Global): | -7.8% from 1Q of FYE Mar. 2013 |
| | (*2) -17.2% from 1H of FYE Mar. 2012 | | (*3) -4.5% from 1H of FYE Mar. 2012 |

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

(*2) Source: Financial Futures Association of Japan

(*3) Source: ForexMagnates

Financial Summary : 1Q of FYE Mar. 31, 2013 vs. 2Q of FYE Mar. 31, 2013 (in 3 months)

(in million yen, %)

| | 1Q of FYE Mar. 31, 2013 (Apr. 2012– Jun. 2012) | 2Q of FYE Mar. 31, 2013 (Jul. 2012– Sep. 2012) | Change |
|------------------------|---|---|--------|
| Operating Revenues | 8,829 | 7,026 | -20.4% |
| Net Operating Revenues | 7,740 | 6,413 | -17.1% |
| SG&A | 7,630 | 7,428 | -2.6% |
| Operating Income | 110 | -1,015 | - |
| Ordinary Income | 144 | -891 | - |
| Net Income | 206 | 32 | -84.4% |
| EBITDA* | 1,448 | 864 | -40.3% |

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

(in million yen, %)

| | 1Q of FYE Mar. 31, 2013 (as of Jun. 30, 2012) | 2Q of FYE Mar. 31, 2013 (as of Sep. 30, 2012) | Change |
|----------------------|--|--|--------|
| Total Assets | 530,120 | 524,893 | -1.0% |
| Shareholders' Equity | 70,777 | 69,992 | -1.1% |

(For reference : Monex, Inc.)

| | | | |
|------------------------|--------|--------|---|
| Capital Adequacy Ratio | 372.0% | 391.4% | - |
|------------------------|--------|--------|---|

Major Factors of Revenue and SG&A (Comparison with Previous Quarter)

■ Revenue: Comparison with 1Q of FYE Mar. 31, 2013

◆ Commission decreased due to the sluggish market condition in both Japan and U.S.

| | | | | | |
|--|--|-----------------------|--|---------------------------|--|
| 1Q of FYE Mar.31, 2013 Net Operating Revenues 7,740 million yen | Decreased by 1,327 million yen (-17.1%) from 1Q of FYE Mar.31, 2013 | | | | 2Q of FYE Mar.31, 2013 Net Operating Revenues 6,413 million yen |
| | ① Others | ② Financial Income | ③ FX and fixed income business revenues | ④ Brokerage commission | |
| | (+0.4%) | (-8.7%) | (-5.0%) | (-3.8%) | |

◆ Major increasing factor

- (1) Others +28 million yen
 - Increase in revenues from consulting service (M&A advisory), etc.

◆ Major decreasing factors

- (2) Financial Income -674 million yen
 - Decrease in revenues from segregated cash trust
- (3) FX and fixed income business revenues -386 million yen
 - Due to the decrease of FX revenues in Japan and U.S.
- (4) Brokerage commission -293 million yen
 - Decrease in revenues from futures and options at TradeStation

■ SG&A: Comparison with 1Q of FYE Mar. 31, 2013

◆ Variable cost such as Transaction-related expenses decreased due to the sluggish market condition

| | | | | | |
|---|---|---|---------------------------|----------|---|
| 1Q of FYE Mar.31, 2013 SG&A 7,630 million yen | Decreased by 201 million yen (-2.6%) from 1Q of FYE Mar.31, 2013 | | | | 2Q of FYE Mar.31, 2013 SG&A 7,428 million yen |
| | ① System related costs | ② Commissions paid and Exchange /association dues | ③ Advertizing expenses | ④ Others | |
| | (+0.7%) | (-1.5%) | (-1.4%) | (-0.4%) | |

◆ Major increasing factor

- (1) System related costs (*) +53 million yen
 - Increase due to the next generation system started in Sep.

◆ Major decreasing factors

- (2) Commissions paid and Exchange/association dues -117 million yen
 - Commissions paid decreased due to the sluggish market
- (3) Advertizing expenses -107 million yen
 - Reduced expenses under the sluggish market in Japan and U.S.
- (4) Others -29 million yen
 - Compensation and benefits decreased

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

Financial Summary : 1H of FYE Mar. 31, 2012 vs. 1H of FYE Mar. 31, 2013 (in 6 months)

(in million yen, %)

| | 1H of FYE Mar. 31, 2012 (Apr. 2011– Sep. 2011) | 1H of FYE Mar. 31, 2013 (Apr. 2012– Sep. 2012) | Change |
|------------------------|---|---|--------|
| Operating Revenues | 14,697 | 15,856 | 7.9% |
| Net Operating Revenues | 13,108 | 14,154 | 8.0% |
| SG&A | 11,386 | 15,059 | 32.3% |
| Operating Income | 1,721 | -905 | - |
| Ordinary Income | 1,760 | -747 | - |
| Net Income | 963 | 239 | -75.2% |
| EBITDA* | 3,261 | 2,313 | -29.1% |

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

(in million yen, %)

| | 1H of FYE Mar. 31, 2012 (as of Sep. 30, 2011) | 1H of FYE Mar. 31, 2013 (as of Sep. 30, 2012) | Change |
|----------------------|--|--|--------|
| Total Assets | 546,624 | 524,893 | -4.0% |
| Shareholders' Equity | 67,171 | 69,992 | 4.2% |

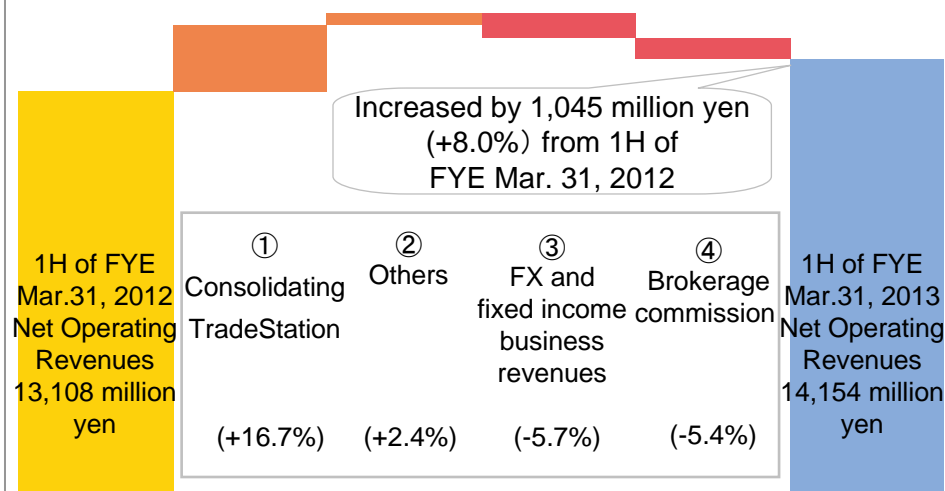
(For reference : Monex, Inc.)

| | | | |
|------------------------|--------|--------|---|
| Capital Adequacy Ratio | 383.1% | 391.4% | - |
|------------------------|--------|--------|---|

Major Factors of Revenue and SG&A (Comparison with 1H of Last Fiscal Year)

■ Revenue: Comparison with 1H of FYE Mar. 31, 2012

◆ Increased due to the consolidation of TradeStation



◆ Major increasing factors

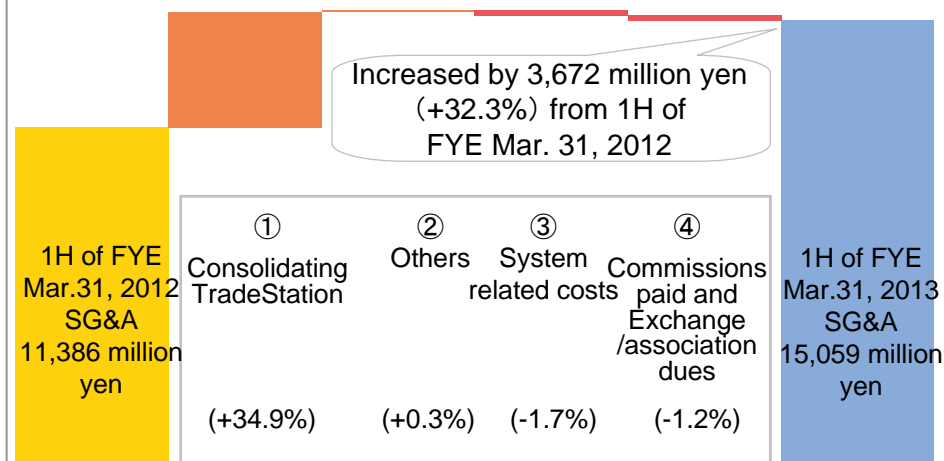
- (1) Consolidation of TradeStation (including IBFX) +2,191 million yen
- (2) Others +313 million yen
 - Increase in revenue from Financial Income

◆ Major decreasing factors

- (3) FX and fixed income business revenues -750 million yen
 - Due to decrease of FX revenues
- (4) Brokerage commission -709 million yen
 - The daily average stock trading value at Monex, Inc. decreased by 21% compared to 1H FYE Mar 2012

■ SG&A: Comparison with 1H of FYE Mar. 31, 2012

◆ Increased due to the consolidation of TradeStation



◆ Major increasing factors

- (1) Consolidation of TradeStation (and IBFX) (Including amortization of goodwill) +3,972 million yen
- (2) Others +29 million yen
 - Advertizing expenses increased

◆ Major decreasing factors

- (3) Systems related costs -195 million yen
 - Increase of in-house operations contributed in decreasing outsourcing costs
- (4) Commissions paid and Exchange/association dues -133 million yen
 - Commissions paid decreased due to the sluggish market, etc.

Balance Sheet (1)

■ Keeping sufficient equity, liquidity and financing capability

◆ Balance Sheet as of end of September 2012

| | |
|--|--|
| <p><u>Current Asset</u></p> <p>JPY478.7bn</p> <p>Major assets: -Balance of segregated cash trust for clients JPY 272.9bn (inc. TradeStation Sec. JPY 110.7bn) -Margin loan, etc. JPY 90.5bn</p> | <p><u>Current Liabilities</u></p> <p>JPY433.2bn</p> <p>Major liabilities: -Balance of clients' cash margin JPY 267.8bn -Finance related to clients' margin transaction JPY 142.2bn</p> |
| | <p><u>Noncurrent Liabilities</u> JPY21.5bn (*2)(inc. Differed tax liabilities JPY5.4bn)</p> |
| <p>(*1)Other Fixed Assets</p> <p>JPY 46.1bn (inc. Goodwill JPY17.0bn)</p> | <p><u>Net Capital</u></p> <p>JPY70.0bn</p> |

Excess Capital
 JPY23.8bn

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

| | | |
|------------------------------|-------------|------------------------------|
| Property/equipment | 1.2 | (Facilities, equipment, etc) |
| Software | 4.7 | (Assets to provide service) |
| Goodwill | 17.0 | (see next page) |
| Intangible asset | 12.6 | (see next page) |
| Guarantee deposits, etc | 0.8 | (Real estate deposit, etc) |
| <u>Investment securities</u> | <u>9.5</u> | (see next page) |
| Total | 46.1 | bn |

(*2) Differed tax liabilities

| | |
|---|------------------|
| Related to intangible asset of TradeStation | 3.9 |
| Related to intangible asset of Monex BOOM | 0.1 |
| <u>Related to shareholding of LIFENET INSURANCE</u> | <u>1.4</u> |
| Total | JPY 5.4bn |

These liabilities were linked to associated fixed assets. If associated fixed assets be amortized, sold or get impairment loss, these liabilities would also be decreased accordingly.

Bank loan facility (Group in total): JPY134.5bn
 (JPY85.6bn not used)
 Corporate bond(MTN) issuing facility(MG):JPY40bn
 Commercial paper issuing facility(MS):JPY30bn
 Lending related to standardized margin trading:JPY31.8bn

⇒ **Maintaining adequate capital availability**

Balance Sheet (2)

■ Goodwill/Intangible Asset

| As of September 2012 | Goodwill (JPY bn) | Identifiable intangible asset (JPY bn) | Software (JPY bn) | Remaining years |
|--------------------------|----------------------|---|----------------------|--------------------|
| Monex FX | 0 | - | - | 0 |
| ORIX Securities | 6.4 | - | - | 15 |
| Monex BOOM Securities | 0.4 | 0.6 | 0 | 5-16 |
| TradeStation Group | 9.8 | 11.3 | 0 | 1-16 |
| IBFX | 0.1 | 0.6 | - | 1-9 |
| Total | 17.0 | 12.6 | 0.1 | |

Note) Goodwill and Identifiable intangible asset of Monex BOOM Securities, TradeStation Group and IBFX are originally HK and US dollar based and the amount of amortization in JPY will be adjusted according to the currency rate.

■ Investment securities

| (in billion yen) | | | | |
|---|---------------------|---------------|------------------------|---------------------|
| Name of securities (Purpose for acquisition) | Acquisition cost | Book value | Estimated Value(*4) | Appraisal profit |
| ◆Market value | | | | |
| LIFENET INSURANCE(*1) (Incubation) | 1.8 | 5.8 | - | 4.0 |
| Asia Focus (Maintenance of products) | 0.6 | 0.5 | - | -0 |
| ASTMAX (Maintenance of products) | 0.5 | 0.5 | - | - |
| ◆Securities without market value | | | | |
| Tokyo Stock Exchange G(*2) | | 1.3 | 2.7 | 1.4 |
| Akatsuki Financial Group convertible bond | | 0.5 | 0.4 | -0 |
| Others(*3) | | 0.7 | - | - |
| Total | | 9.5 | | |

(*1) Stock price of LIFENET as of September 28, 2012 was JPY1,031. Unrealized gain (4.0bn) was reported as a component of shareholders' equity.

(*2) The number of Tokyo Stock Exchange G shares we hold is 40,000 shares

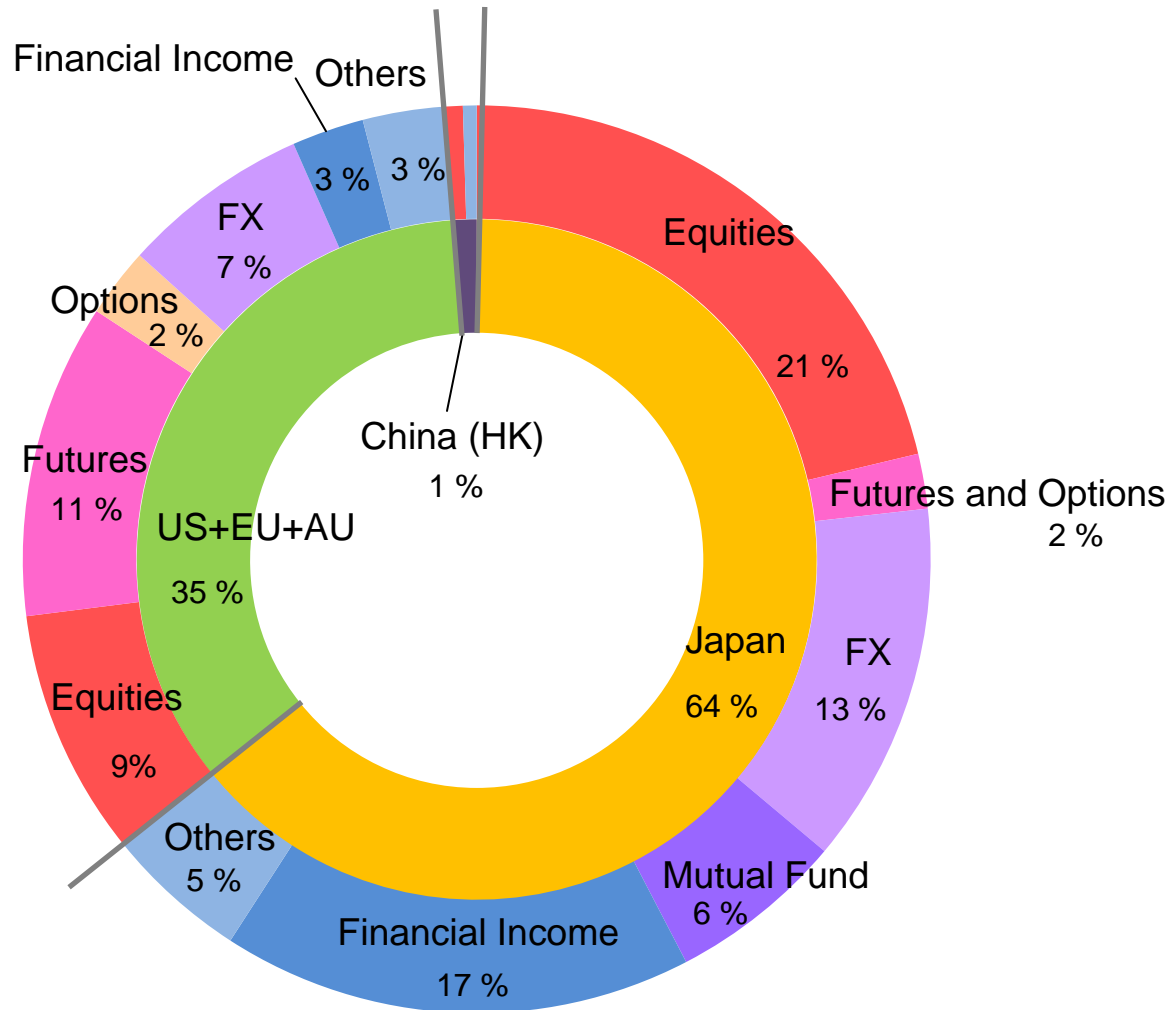
(*3) Investment per security: maximum 0.2bn

(*4) Regarding Tokyo Stock Exchange G, estimated value is calculated by the disclosure about business combination between Tokyo Stock Exchange G and Osaka Securities Exchange Co., Ltd.

Others are calculated using the latest net asset value.

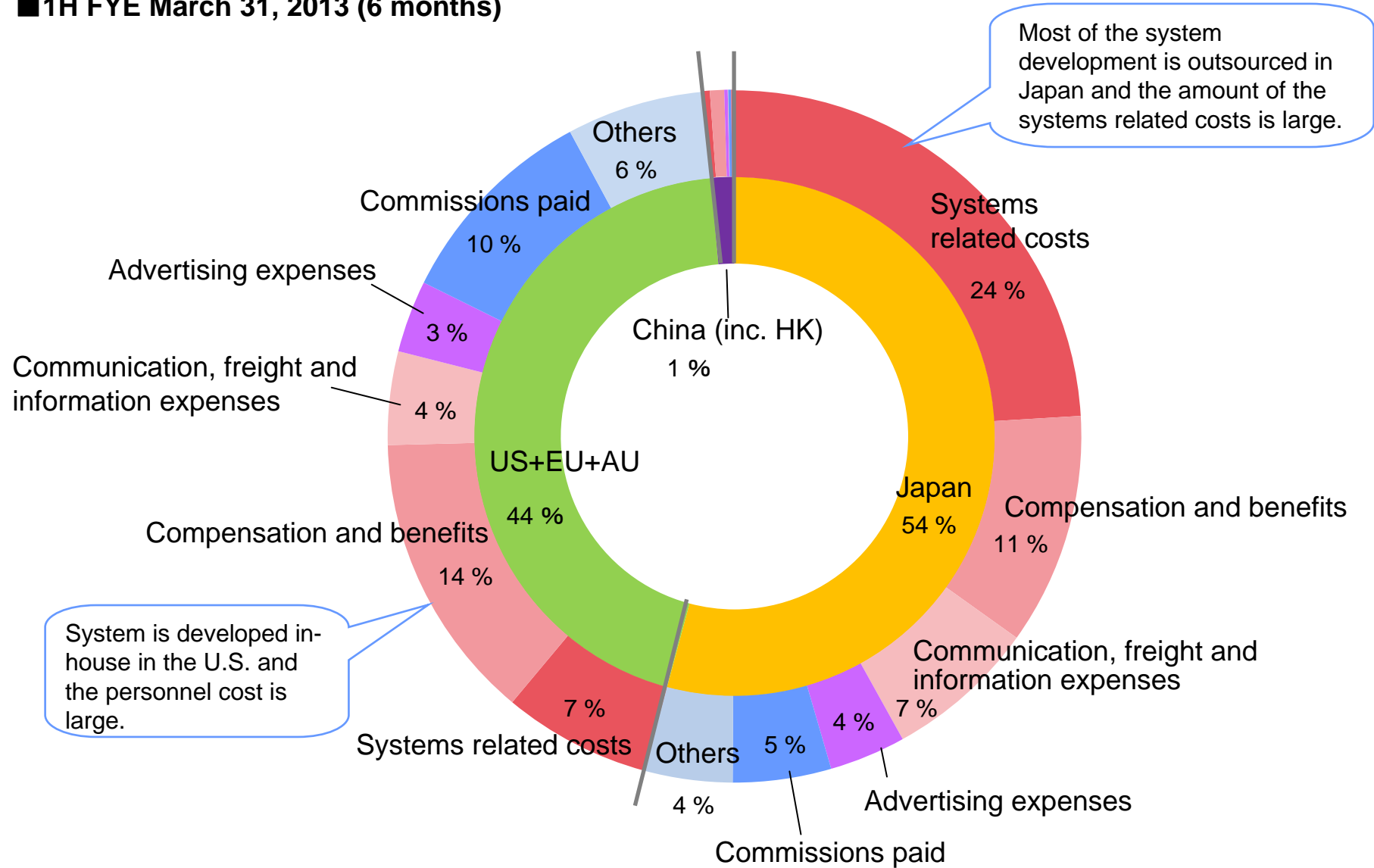
Distribution of Consolidated Net Operating Revenues by Regions and Businesses

■ 1H FYE March 31, 2013 (6 months)



Distribution of Consolidated SG&A by Regions and Contents

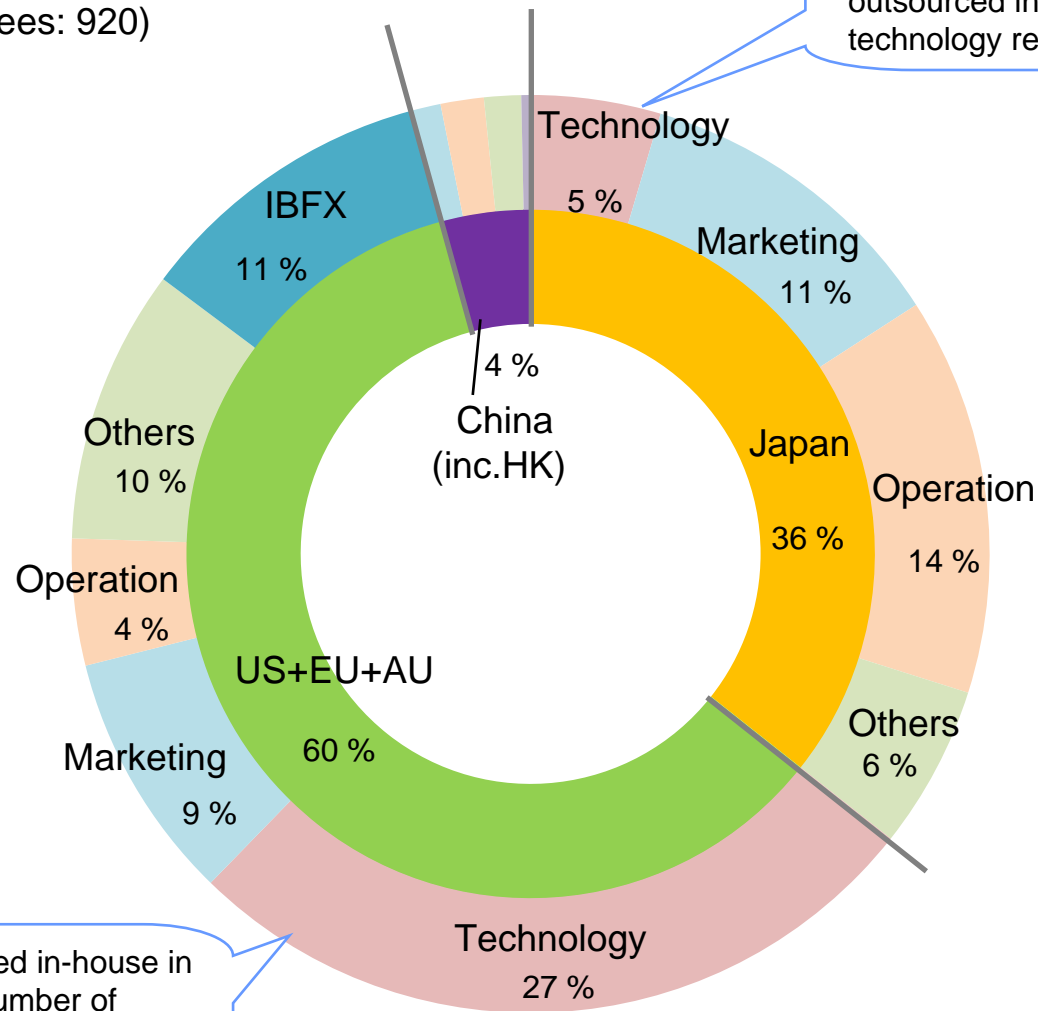
■ 1H FYE March 31, 2013 (6 months)



Distribution of Consolidated Personnel by Regions and Jobs

■ As of the end of September 2012

(Total number of employees: 920)



System development is mostly outsourced in Japan and the number of technology related employees is small.

System is developed in-house in the U.S. and the number of employees related to technology is large.

1. Key Strategy Overview

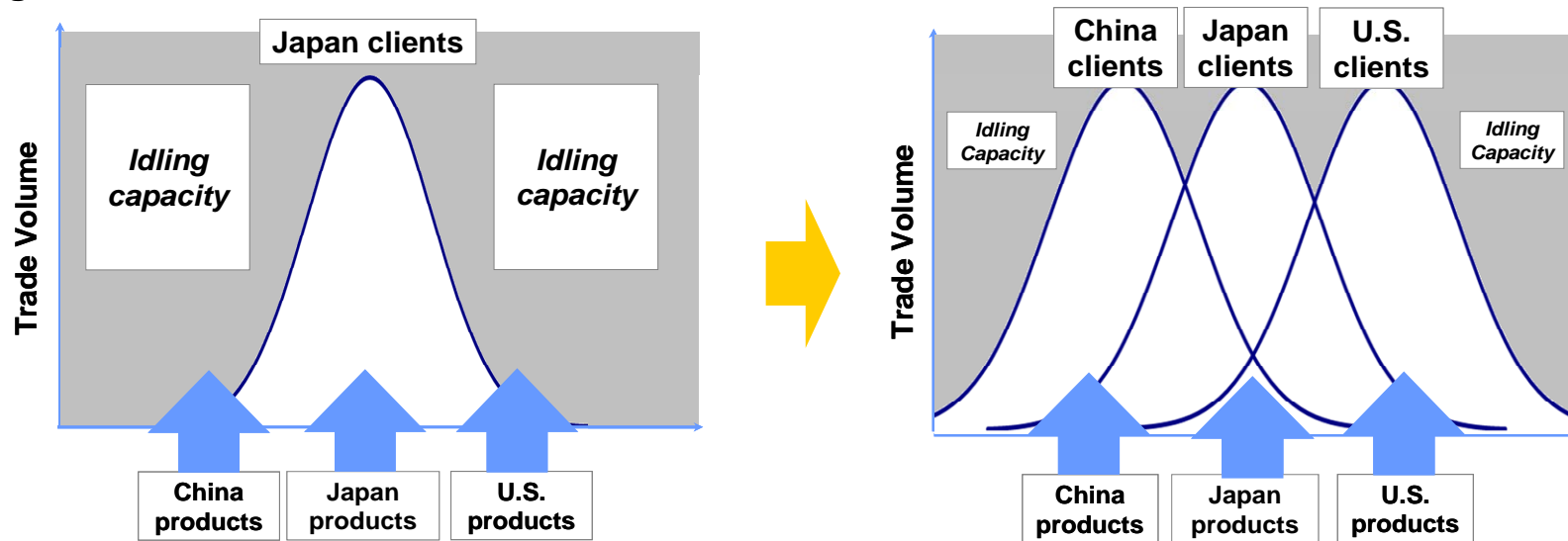
2. Financial Results

3. Global Vision and Strategies

4. Data

Background for the Global Vision

■ Coping with local market bias issue



(Recognition)

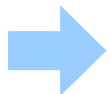
- ◆ The world is becoming flat in various aspects through the Internet
- ◆ Investors require various and global investment products

(Issue to be solved)

- ◆ Costly if provide all products to investors ⇔ But will lose competitiveness if fail to provide

■ Globalization of stock exchanges and regulations around the world

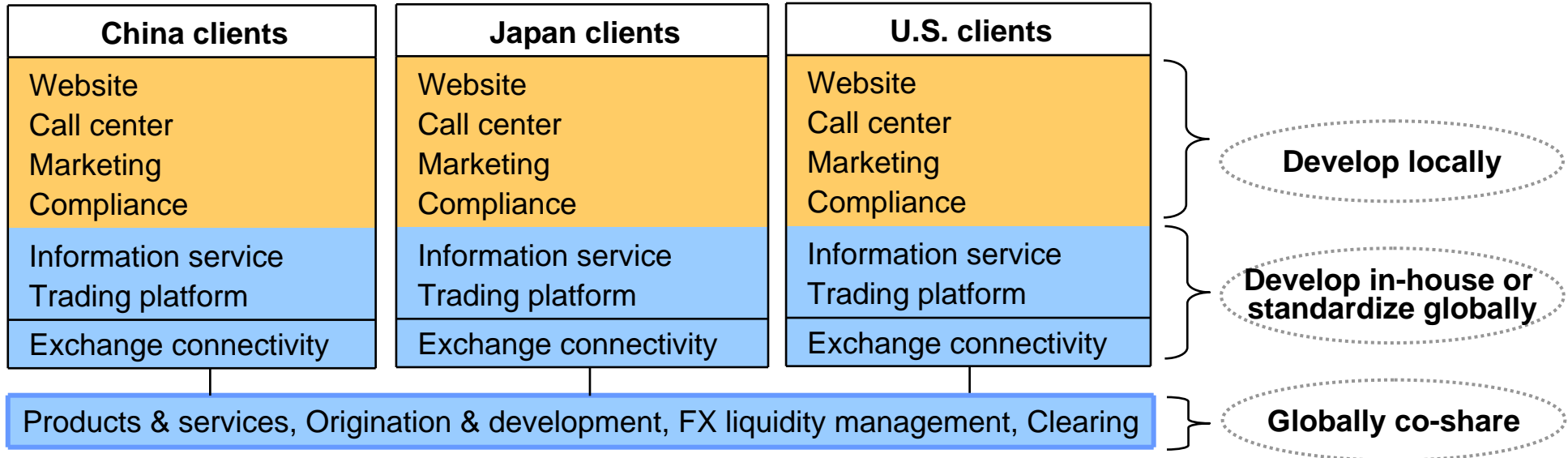
- ◆ Globalization and standardization of protocols and packages will further accelerate due to mergers of stock exchanges seeking competitive advantage and enhancement of functional capabilities
- ◆ Rules and regulations of stock trading will also become global and standardized as compliance levels heighten for international securities transactions



Global Vision

Concept of Shared Platform under the Global Vision

■ Global Platform



■ Strong competitiveness by providing global products to global clients

- Leverage global product and service strength in local markets
- Handle diversified products to correspond to various market and economic condition

■ Cost control

- Reduce redundant costs by co-sharing platform
- Reduce system related costs by in-house development

- Achieve revenue growth
- Drastically improve profitability

Current Condition and Future Plan

(Current condition)

Revenue side:

- World wide stagnant market affects commission revenues from each local business base of the Group
- Under the above circumstances, Japan segment recognized financial income and U.S. segment added revenue by acquiring IBFX (Nov. 2011)

Cost side:

- Japan segment generally controls costs by constant efforts to cut costs and control system investment
- U. S. segment heavily owes intangible asset and goodwill by M&A activities
- IBFX acquisition increased HR cost



(Future plan)

Revenue side:

- Developing internally to construct competitive platform which will promote client's investment activities, attract clients from competitors, and also enable us to explore new business opportunities such as B2B business

Cost side:

- Plan to dynamically decrease system related costs and information costs by in-house development capability
- Plan to adopt IFRS at the end of this fiscal year



Original plans

Revenue side:

- (Japan) Plan to enrich customer base by strengthening the collaboration with Sony Bank, to strengthen marketing activities related to margin trading deregulation (Jan. 2013)
- (U.S.) Develop FX business in growing countries (Asia), promote B2B business

Cost side:

- Promote cost reduction by reviewing businesses
- (U.S.) Improve profitability of white label FX business

Additional plans

Roadmap (1)

■ Measures to integrate systems and control cost

| | FYE March 2013 | FYE March 2014 | FYE March 2015 | FYE Mar. 2016 | | |
|-----------------------------------|----------------------------------|--|--|---|---|----------------------------|
| Global FX | Trading platform | (Winter) Introduce MT4 to Monex FX and Monex, Inc. | Introduce TradeStation platform to Monex FX and Monex, Inc. | | | Reduce system related cost |
| | Liquidity/risk management | Integrate liquidity/risk management of Monex, Inc., Monex FX and IBFX | | | | Improve trading revenue |
| Information | | (Next spring) Unify info. Providers | Integrate data center | | | Reduce information cost |
| | System related | U.S. equities (interface) | (Winter) Introduce TradeStation web application to Monex, Inc. | Introduce TradeStation platform (thick appli.) to Monex, Inc. | | |
| Japan equities (interface) | | | Introduce TradeStation platform to Monex, Inc. | | | |
| Futures&OP (interface) | | | | Introduce TradeStation platform to Monex, Inc. | | |
| Next gen. | | Enabled account openings and trading of Japanese equities and some mutual funds (Sep.) | | Complete shifting to next gen. | | |
| Internalization | | Internalized account admin. for Monex, Inc. (Apr.) Set up Costa Rica office for tech. development (Apr.) Move HQ office (Jul.) | | | Reduce outsourcing, personnel, system dev. costs and rent | |

Roadmap (2)

■ Measures to increase revenue

| | | | |
|-------------------|--------------------|---|---|
| | General | <ul style="list-style-type: none"> - Establish brand image as a “Global & leading online financial company” - Provide innovative financial services using in-house developed technology - Enrich services for Smartphone and tablet PC users | |
| JAPAN | Equities | <ul style="list-style-type: none"> - Offer original services (trade signal, TradeStation platform, etc.) and - Attract active traders from competitors by special commission package - Provide the best US equity service in Japan | |
| | Mutual Funds/Bonds | <ul style="list-style-type: none"> - Increase product line-up of funds - Develop and offer savings/pension type products and original mutual funds - Enrich the lineup of bonds/notes | |
| | Investment Bank | <ul style="list-style-type: none"> - Differentiation by IPO underwriting, M&A advisory, etc. | |
| U.S. | | <ul style="list-style-type: none"> - Expand product and pricing offerings to expand base as web app is available. - Strategic alliance with education providers to attract active traders - Exploit options trading opportunity by promoting OptionStation Pro, etc. - Leverage social media and marketing across businesses - Improve retention by creating customer experience consistent with our technology leadership - Continue to grow prime brokerage services growth | |
| | CHINA | Hong Kong | <ul style="list-style-type: none"> - Promote retail financial business, including possibility of strategic alliance - Connect US equity to TradeStation, provide new services |
| | | Mainland | <ul style="list-style-type: none"> - Exploit opportunities for retail financial businesses (brokerage, education, asset management, etc.) |
| | GLOBAL FX | Japan | <ul style="list-style-type: none"> - Obtain active traders: segment marketing, lowering spread to increase trading volume - Promotion of algorithm trading, launch social trading |
| | | U.S. | <ul style="list-style-type: none"> - Initiate institutional FX - Promote social trading |
| Rest of the world | | <ul style="list-style-type: none"> - Expand white label business - Develop Global FX brand leveraging AU, HK and UK bases - Manage FX risk dynamically to maximize profitability | |

Construct competitive business platform / Create demands

Win competitors' clients

Expand customer asset

Expand institutional business

Explore new customer base

Roadmap (3)

■ New Service of U.S. Equity

◆ Technology of TradeStation can make the best U.S. Equity trading system in Japan

Largest numbers of stocks More than 2,800 brands of stocks will be available from the service start

Longest trading time Pre session (8:00~9:30 EST) and post session (16:00~20:00 EST) will be available in addition to the regular session.

◆ Simple and flexible web trading screen

Multi-functional Price Board

Clicking columns on the price board can change the stock on the chart. You can also add some analysis techniques on the price board

Flexible Chart

Beautiful, fully-zoomable HTML5 Chart. Redrawing with real-time rate*, Intra-day chart can be set from 1 to 1,440 minutes.

Simple Order Bar

You can place Market, Limit, Stop Limit and Stop Market order. Many duration you can chose like Opening, Close, Immediate or Cancel, Fill or Kill, etc. 90 days maximum Good-Til-Date order. Smart Order Routing finds the cheapest market and routes your order.



*Real-time rate will be available for free for some time to come.

Roadmap (4)

Products and services being developed for Japanese clients

◆ MT4, de facto standard FX platform, to be introduced into Japan

Monex, Inc. plans to introduce MT4, de facto standard FX platform, which is equipped with original function developed by IBFX, for Japanese clients in this winter

MT4 for Japan will be:

- Account opening is easier since MT4 account is separated from our comprehensive securities account
- Plan to offer 28 currency pairs, a dramatic increase from the current OTC FX “FXPLUS” (13 currency pairs).
- Enable automated trading using a variety of expert advisors (EA, programs for automatic trading) provided on the platform
- Model EA programs made by traders over the world will be available
- Plan to upgrade functions successively after the service release



(screen image of MT4)

◆ Whole new pages on trading data

– Well designed intelligence and user interface –
Uniting the sources of data on TradeStation to provide new contents in data and information.

New HTML5 version of Market Board offers intuitive controls. Easy to edit ticker lists, change views and conduct searches.

Based on requests from users, more than 1,000 tickers can be added to the list. Price data on the list are updated real-time.

Smooth switching of views
Open, High, Low, Close, Indicative Prices, Auto-Sorting by ups, downs and more.

New market board
More than 1,000 can be listed. Intuitive editing made possible with drag-drop actions.

Incremental search
Enables smooth searching by partial word searches.

(screen image)

Global FX : Accelerating Global Expansion by IBFX

■ Leverage group synergy to expand globally

Monex, Inc.

- Started as one of the first FX providers in Japan in 2003 and remains a major player
- Offers FX for a diversified investment

(FX Products)

OTC FX

OSE FX

OTC=over the counter, OSE=Osaka Stock Exchange

(Trading tool)

Offering “Monex Joo” which was developed in-house

(Liquidity/risk management)

Internally consolidating and managing liquidities from Monex, Inc. and Monex FX to improve profitability

Monex FX

- Targets FX traders as a FX specialized firm
- Offers premium services for heavy traders

OTC FX

OSE FX

IBFX, Inc.

- Initiating current FX business since April 2011, TradeStation Forex merged IBFX in Dec. 2011 and renamed itself as IBFX, Inc. since May 2012.

In-house system development capability

- Offering “TradeStation” platform (“EasyLanguage” as its program language) developed in-house
- Offering MT4 (“Expert Advisor” [EA] as its program language), the most widely used FX trading platform in the world
- In-house developed liquidity/risk management system

White label business

- White label partners in 5 countries, 16 partners
- The only MT4 platform provider officially approved in Korea

Global expansion

- Global reach through IBFX Australia Pty, Ltd.
 - > Customers from over 140 nations
 - > Contracts with introducing brokers over 50 countries
- 17 languages supported at Utah customer desk

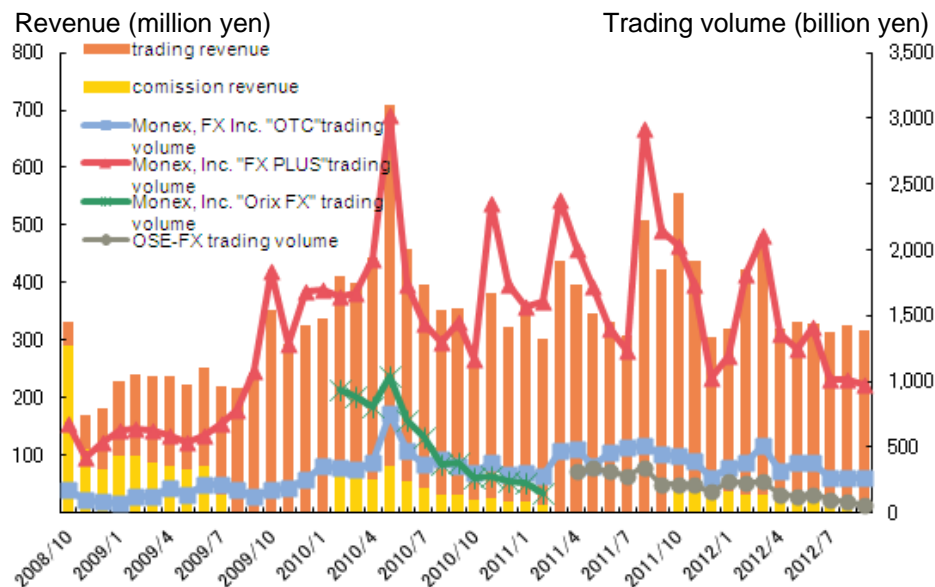
◆ Future plan

- Integrate system and liquidity/risk management to improving profitability adopting current Monex FX/Monex, Inc. method
- Establish global FX brand, 1) adapting “MT4” and “TradeStation” over the Group, 2) promoting white label business, 3) global expansion using introducing brokers through AU, HK and UK business base, and 4) unifying global brand image under IBFX

Global FX: Local Activities

Japan (Monex, Inc. and Monex FX)

◆ Because of lower volatility, trading volume is stagnated



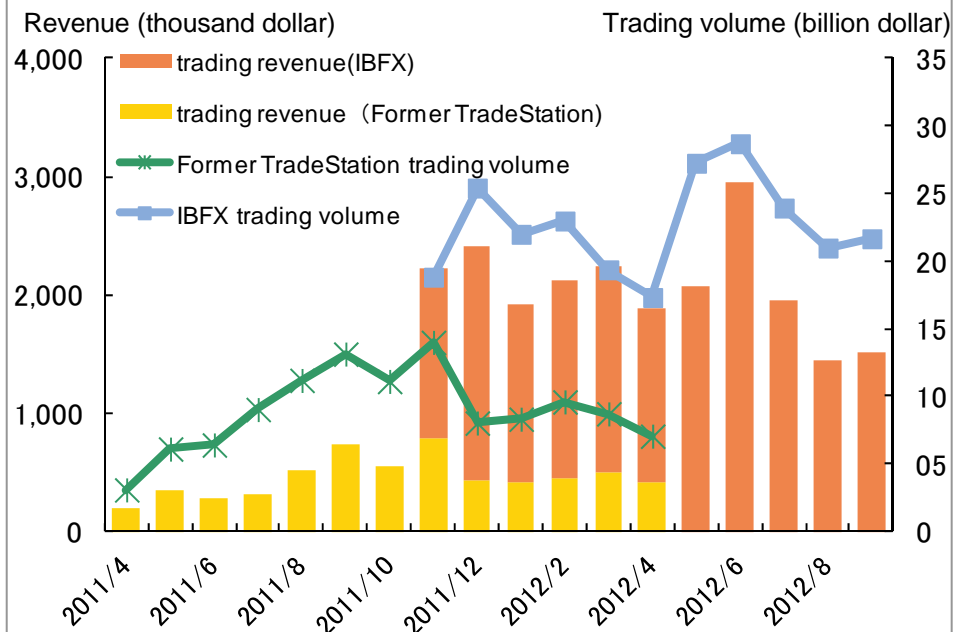
* "OSE-FX" trading volume consists of trading volume of Monex, Inc. and Monex FX, Inc.

Activities in this quarter

- Monex, Inc. and Monex FX provided webinars and narrow spread campaigns to activate customers timely
- Monex FX tightened "USD/JPY spread" from 1.2pips to 1.0pips for providing trade chance in low volatility market

U.S. and Australia (IBFX, Inc.)

◆ Global FX business to be expanded under IBFX brand



*Numbers of IBFX in Nov. consisting of 10.5 business days (out of 21.5) as acquired as of Nov. 15 (21 business days in Dec.)

Activities in this quarter

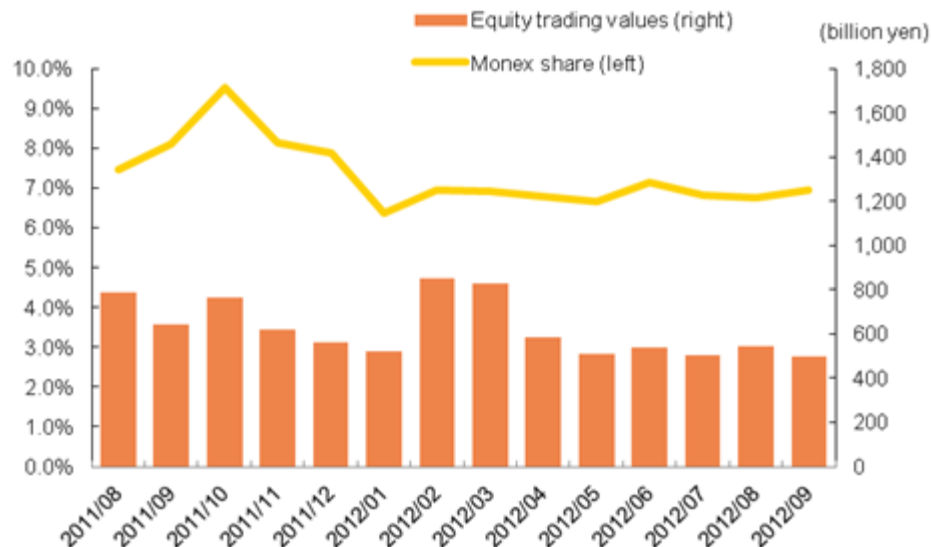
- FX trading volume of IBFX went down since the FX trading is decreasing worldwide and as this trend is bigger in Korea, where the majority of IBFX's white label business is developed, due to margin leverage regulation
- Improve profitability of white label FX business

Japan: Equity Business

Equity Business (Monex, Inc.)

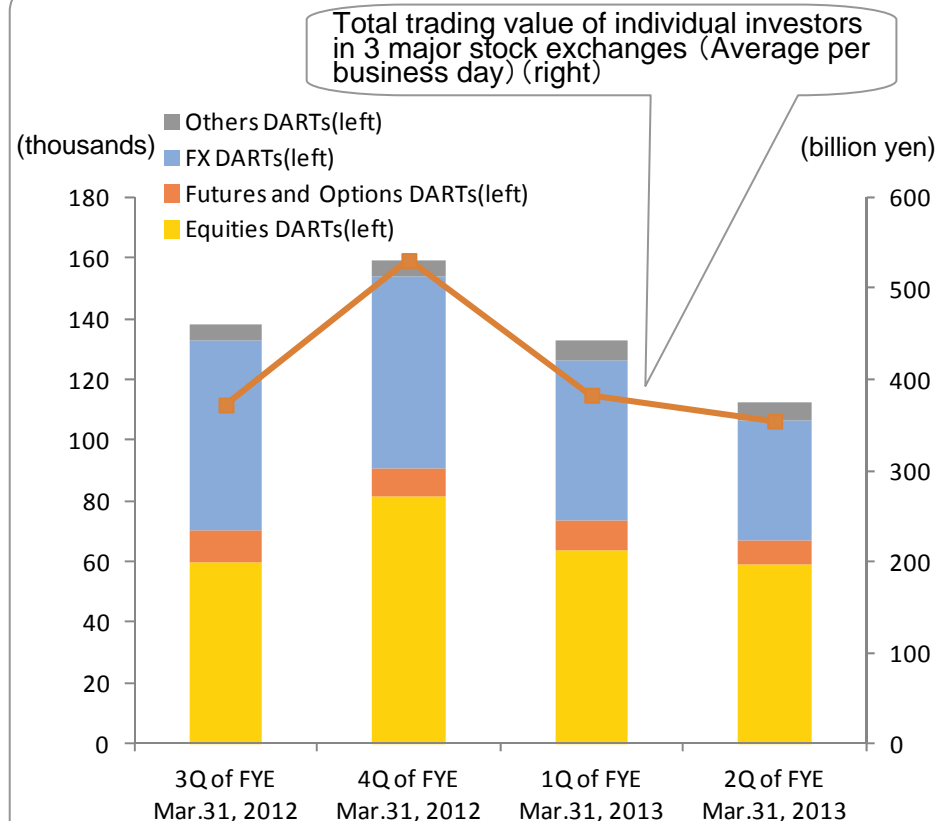
Market share and value of equity trading

Monex's share in retail equity market and its equity trading values



- Tuned up algorithm robot for pair-trading strategy in Monex Signal, which is Monex, Inc.'s original mailing service to provide investment signals (Jul. 2012)
- For revitalizing customer's trading, eased the internal rule of the number of an upper limit per brand in margin trading. (Jul. 2012)
- Started commission cash-back campaign for activating margin trading account openings and activities. (Oct.2012)
- Plan to adjust the system to correspond to the deregulation of margin trading which will be available from Jan. 2013.

Breakdown of DARTs and correlation with market trading value (Japan)



- Equities' DARTs is linked to the trading value of individual investors.
- As FX DARTs shows a different tendency from equities, which means our business structure and revenues are diversified.

Japan: Mutual Fund Business / Fixed Income Business

■ Mutual Fund Business (Monex, Inc.)

◆ Trends in mutual fund sales and balance

(billion yen)

| | FYE March 2011 | | | | FYE March 2012 | | | | FYE March 2013 | |
|---------------------------------|----------------|-------|-------|-------|----------------|-------|-------|-------|----------------|-------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| Sales | 25.3 | 14.3 | 17.3 | 23.8 | 19.8 | 21.6 | 11.6 | 16.3 | 14.7 | 13.8 |
| (no load) | 13.6 | 7.9 | 9.4 | 14.0 | 12.4 | 13.1 | 7.7 | 10.7 | 9.9 | 9.1 |
| Balance (excluding MRF) | 202.6 | 215.7 | 224.2 | 232.0 | 229.3 | 198.4 | 199.6 | 226.7 | 210.7 | 219.7 |
| (no load) | 98.4 | 105.2 | 110.5 | 115.7 | 122.4 | 110.9 | 114.4 | 129.5 | 124.0 | 126.2 |
| (original funds) | 28.0 | 28.0 | 28.7 | 28.9 | 28.4 | 26.4 | 26.1 | 27.8 | 26.1 | 25.5 |
| Balance of foreign currency MMF | 29.1 | 32.9 | 33.7 | 37.2 | 37.9 | 39.4 | 39.7 | 42.6 | 42.5 | 41.9 |

*Original mutual funds:

Proprietary funds that are originated and promoted by the Monex Group: e.g. Monex Asset Allocation Fund; Kaburobo Fund; 5 alternative investment funds, etc.

◆ No. of funds: 638 (including 193 no-load funds)

- Added 183 funds on our platform since July 2012.
- Ensured a variety of investment opportunities for investors, by expanding the lineup in every category, such as emerging countries, high-yield type, target-year type, etc.

◆ Released “Smartphone optimized” order web page for all mutual funds

◆ Plan to redesign our website

- With increase in number of the funds, the navigation function to customer is planned to be strengthened.
- Enhance the convenience of customer through the improvement of search function.

■ Fixed Income Business (Monex, Inc.)

◆ Enriched foreign bond lineup and strengthened sales

• Stock price linked euro-yen notes

In addition to Nikkei 225 linked notes, stock price linked notes offered targeting the customers who mainly trade stocks

• High coupon currency denominated notes

Provided AUD, ZAR and TRY denominated notes for continuous investment from redemptions of high coupon notes

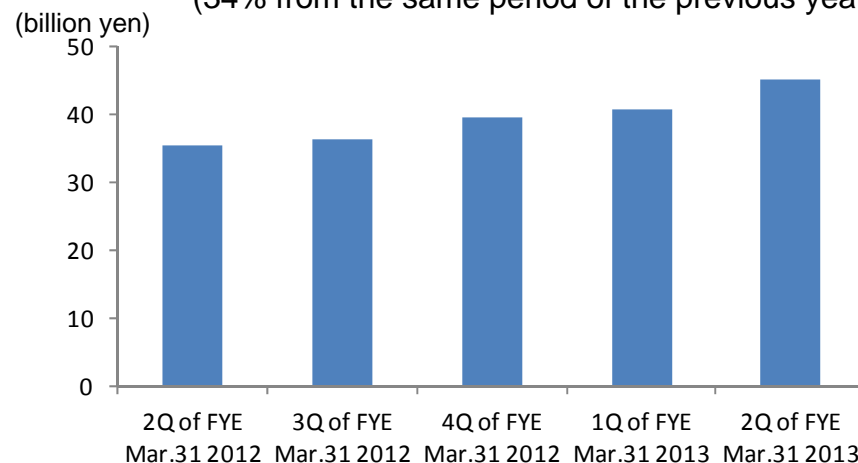
• Fixed coupon euro-yen notes

Corresponded to investors' needs

➔ As a result, sales of foreign bonds are up 11% from the previous quarter to JPY5.7bn (at par)

◆ Balance of foreign bonds steadily increases

(34% from the same period of the previous year)



Japan: Business Alliance with Sony Bank

■ Strengthen business alliances to enhance brokerage business

◆ Acquisition of Sony Bank Securities and merger into Monex, Inc.

- Sony Bank Securities (SBS) became a wholly-owned subsidiary of Monex Group as of on Aug. 1, 2012
- SBS to be merged with Monex, Inc. in 4Q of FYE March 2013
- Acquisition price (2.2 billion yen) was calculated by subtracting the sum of (x) anticipated losses of SBS until the merger and (y) costs for the merger from the sum of (a) the value of net assets and (b) approx. 2,600 million yen of cash and cash equivalent (as of June 30, 2012)

◆ Impact on business performance of Monex Group

- As a result of these transactions, negative goodwill of 0.2 billion yen was booked as an extraordinary income in 2Q and 0.1 billion yen of integration costs and minus 0.9 billion yen of income tax adjustment (positive impact to the net income) are expected in 4Q, FYE Mar 2013.
- Factors of operating losses are expected to be eliminated by reducing system related costs, employment cost, etc. of SBS as a result of merger with Monex, Inc.
- Monex, Inc. plans to strengthen its customer base by succeeding customers of SBS (approx. 58,400 accounts and 29 billion yen of assets under custody as of July 31, 2012) upon merger.

◆ Strengthen business alliance between Monex, Inc. and Sony Bank

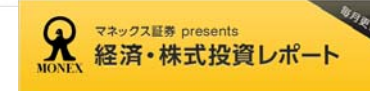
- For increasing number of new accounts and revenues of Monex, Inc., plan to encourage customers of Sony Bank to open accounts and trade at Monex, Inc. and Sony Bank to provide an intermediary service to Monex, Inc. for domestic/overseas stocks & ETFs and foreign bonds

◆ Account Opening Intermediary Service for Monex, Inc. by Sony Bank accelerated from October 2012, while the same service for SBS was terminated

- Special interview of Ishii, President of Sony Bank, and Matsumoto, CEO of Monex, Inc., as a step toward business alliance



- Murakami, Chief Economist of Monex, Inc., and Hiroki, Chief Strategist of the same, started providing special reports on economy and stock investments for Sony Bank clients



- Promotions on new account openings by Sony Bank clients started
- Real-time fund transfer service to start soon without waiting for merger of Monex, Inc. and SBS. Fund transfers from Sony Bank to Monex, Inc. to become more convenient

U.S.: About TradeStation

Overview



Company Overview

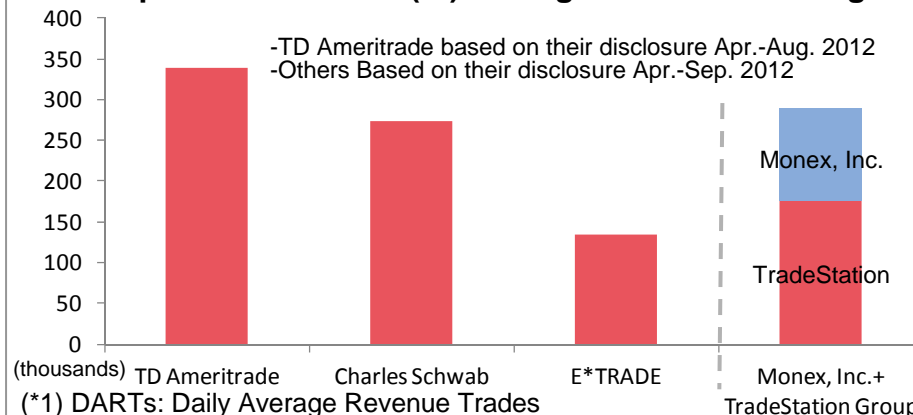
- Formed in 1982 as a trading platform provider. Initial Public Offering in 1997 (listed on the NASDAQ GS). Grown into a highly regarded brand among active traders.
- Most recently awarded *Barron's* magazine #1 ratings as best for active traders, best for international traders and best trading experience and technology. (2012).
- Attracts a highly active and valuable customer base by providing state-of-the-art trading platform and competitive commission rates
- CEO: Salomon Sredni
- No. of clients accounts with asset balance (as of September end, 2012, including IBFX): 84,971

Unique Technology-Driven Platform

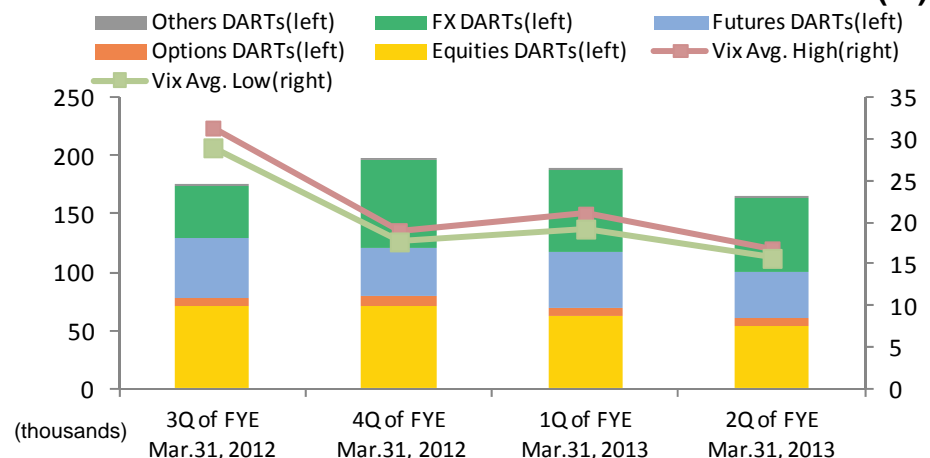
- High level in-house technology: Over 30% of the total 558 (as of September end, 2012) employees (including directors) are in IT-related functions; can be leveraged to enhance current technology capability and lower development costs.
- Its award-winning platform for active traders, in particular rule-based traders, along with its programming language EasyLanguage® is an industry standard among these traders. We foresee the increase in interest and demand for algorithm trading to continue on a global scale.

Management Benchmark

Comparison of DARTs(*1) among US listed brokerages



Breakdown of TradeStation DARTs and correlation with VIX(*2)



U.S.: About TradeStation and US Business Progress

■ Characteristics of TradeStation

◆ TradeStation® (trading platform)

TradeStation® is an award winning direct-access trading platform which offers sophisticated analysis capabilities for every level of trader. TradeStation® provides the ability to back-test and paper-trade your ideas before risking capital in the market.

Clients can analyze and trade stocks, options, futures and forex all from the same platform.



◆ EasyLanguage®

EasyLanguage® is TradeStation's proprietary programming language that allows clients to create and modify indicators and trading strategies in TradeStation®.

EasyLanguage® is the technology behind all of the analysis tools built into TradeStation®. Clients can also build and customize their own unique analysis tools based on their ideas and tailored to the way they trade.

■ U.S. business progress

◆ Accounts continue to grow

TradeStation (including IBFX) had 6,204 new accounts during the September 2012 quarter vs. 7,106 for the prior quarter

◆ Client assets as of September 30, 2012:

- Equities up 12.4% versus prior quarter
- Futures down 5.8% versus prior quarter
- Forex up 6.0% versus prior quarter

◆ BOOM US equities trading transferred to TradeStation

BOOM US equities trading was successfully transferred from WR Hambrecht (execution) and APEX (clearing) to TradeStation.

◆ New marketing campaign

Campaign that was launched last quarter has shown good initial results with new visitors to website, views of "TradeStation Tour" videos and call traffic up vs. prior trends.

◆ New Web Trading app launched

New web trading app was successfully launched to clients participating in the early adopter program. Full rollout planned for Q3.

◆ Daily Chart Alerts launched

New Chart Alert emails with trading ideas for stocks, futures and forex were launched to all TradeStation clients. Clients receive daily emails with 3 bullish and 3 bearish trading ideas for all asset classes in which they have an account.

China

■ Business in HK, Asia's global financial center



◆ Monex Boom Group Overview

Monex Boom Group offers stock trading in 12 markets, and margin trading services that accept 5 markets' stocks as collaterals including Hong Kong and U.S. Customers can trade stocks using any of the 6 currencies (HKD, USD, RMB etc.) in a single account. Average stock commission is 16bps (From Jul. to Sep. 2012). The group has 9,938 accounts with balance of 54 billion yen assets in custody as of Sep. 30 2012 (excluding Monex (Japan)'s Hong Kong stock trading). Agatha Lo is the COO of the company. The group has 37 employees. (as of Sep. 30, 2012)

◆ Cost reduction

Full scale operation as a Hong Kong stock brokerage agent for Monex, Inc. which was started since March 2012. Monex BOOM has successfully switched its U.S. equity connection to TradeStation in Sep. 2012. These actions reduce payments to outside vendors as a group.

◆ Future plan

Monex Boom launched multi-market watchlists in Jul. 2012, and will launch other new features to further enhance customer experience (inc. new order input interface).

■ Business development in Mainland China

◆ Targeting ultimately to initiate online brokerage business in Mainland China for retail investors, several business possibilities are being discussed and developed

- 1) Possibility to obtain brokerage license in Mainland China through the Beijing representative office of Monex, Inc., and to provide financial services for Chinese who have assets outside China
- 2) Possibility of collaboration with Chinese brokerage firms
- 3) Possibility to establish a system provider subsidiary to provide TradeStation's trading systems to Chinese local securities brokerage firms

1. Key Strategy Overview

2. Financial Results

3. Global Vision and Strategies

4. Data

Breakdown of Global DARTs and Global FX Volume by Region

■ Global. DARTs: 2Q of FYE March 2013 (DARTs of Jul. – Sep. 2012)

DARTs=Daily Average Revenue Trades (Equities, Options and Futures, FX and Mutual Funds)

| | Monex, Inc. Monex FX, Inc. Sony Bank Sec.(*1) (Japan) | TradeStation (U.S., etc.) | | Monex BOOM (China /Hong Kong) | Total: Global DARTs |
|-----------|--|------------------------------|----------|----------------------------------|----------------------------|
| | | U.S. | Non-U.S. | | |
| D A R T s | 112,941 | 112,696 | 50,433 | 888 | 276,959 |
| | 41% | 41% | 18% | 0% | 100% |

*1) Regarding Sony Bank Securities, DARTs during Aug.-Sep. 2012 is added

■ Global FX Volume: 2Q of FYE March 2013 (Monthly volume of Jul. – Sep. 2012)

| (in million dollars) | Monex, Inc. Monex FX, Inc. (Japan) | TradeStation (U.S., etc.) | | Total: Global FX Monthly Volume |
|-----------------------|--|------------------------------|--|--|
| | | U.S. | Non-U.S. (Inc. white label clients) | |
| Trading Volume(*2) | 17,193 | 9,755 | 12,453 (4,486) | 39,401 |
| | 44% | 25% | 32%(11%) | 100% |

*2) Converted at each month end rate

Financial Results : Quarterly Breakdown of Consolidated Income Statement

(in million yen)

| | FYE Mar. 31, 2011 | | | | FYE Mar. 31, 2012 | | | | FYE Mar. 31, 2013 | |
|--|-------------------|-------|-------|-------|-------------------|-------|----------|-------|-------------------|--------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| Brokerage commissions(includes OSE-FX) | 2,772 | 1,904 | 2,089 | 3,336 | 2,120 | 3,941 | 3,387 | 3,675 | 3,128 | 2,809 |
| Stocks and ETFs | 2,582 | 1,631 | 1,855 | 3,015 | 1,882 | 2,526 | 2,166 | 2,595 | 1,999 | 1,872 |
| Monex Boom securities | - | - | - | 96 | 85 | 80 | 57 | 64 | 48 | 46 |
| OSE-FX | - | 86 | 84 | 119 | 135 | 136 | 101 | 101 | 61 | 36 |
| Options and Futures | 184 | 185 | 149 | 201 | 102 | 1,277 | 1,119 | 978 | 1,067 | 900 |
| Others | 4 | 2 | 0 | 0 | - | - | - | - | - | - |
| Underwriting and distribution commissions | 1 | 1 | 10 | 1 | 0 | 0 | 5 | 52 | 1 | 6 |
| Subscription and distribution commissions | 209 | 114 | 152 | 169 | 126 | 142 | 78 | 107 | 86 | 79 |
| Other commissions | 723 | 602 | 522 | 546 | 511 | 1,089 | 786 | 1,079 | 981 | 1,018 |
| Margin forex trades commissions (OTC) | 201 | 107 | 66 | 32 | 0 | 124 | (*)-123 | 0 | 0 | 0 |
| Mutual funds agency commissions | 311 | 307 | 321 | 324 | 326 | 304 | 281 | 300 | 294 | 297 |
| Others | 210 | 188 | 135 | 189 | 183 | 659 | 628 | 778 | 687 | 720 |
| Net gain on trading account | 1,526 | 1,103 | 936 | 1,158 | 1,231 | 1,360 | (*)1,747 | 1,860 | 1,650 | 1,289 |
| Net gain on operating investments | 9 | 12 | 12 | -8 | -21 | -4 | -0 | 87 | -5 | - |
| Financial income | 2,130 | 1,504 | 2,059 | 1,461 | 2,015 | 1,949 | 2,530 | 1,886 | 2,842 | 1,692 |
| Other operating revenues | 33 | 34 | 33 | 61 | 71 | 161 | 153 | 154 | 143 | 130 |
| Operating revenues | 7,407 | 5,277 | 5,816 | 6,725 | 6,057 | 8,640 | 8,690 | 8,905 | 8,829 | 7,026 |
| Financial expenses | 974 | 431 | 867 | 364 | 977 | 611 | 1,089 | 559 | 1,089 | 613 |
| Net operating revenues | 6,432 | 4,846 | 4,949 | 6,361 | 5,080 | 8,028 | 7,600 | 8,345 | 7,740 | 6,413 |
| Selling, general and administrative expenses | 4,891 | 4,137 | 4,309 | 4,509 | 4,350 | 7,036 | 7,396 | 7,822 | 7,630 | 7,428 |
| Operating income | 1,540 | 708 | 639 | 1,851 | 730 | 991 | 204 | 522 | 110 | -1,015 |
| Ordinary income | 1,814 | 678 | 627 | 1,870 | 815 | 944 | 149 | 462 | 144 | -891 |
| Quarterly net income | 1,212 | 387 | 298 | 93 | 528 | 435 | -31 | 490 | 206 | 32 |

(*)"Margin forex trades commissions" of TradeStation in 2Q FYE2012 was re-allocated to "Net gain on trading account" in 3Q FYE2012

Financial Results: Quarterly Breakdown of Consolidated SG&A

(in million yen)

| | FYE Mar. 31, 2011 | | | | FYE Mar. 31, 2012 | | | | FYE Mar. 31, 2013 | |
|--|-------------------|-------|-------|-------|-------------------|-------|-------|-------|-------------------|-------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| Transaction-related expenses | 1,267 | 1,118 | 1,260 | 1,360 | 1,224 | 2,439 | 2,521 | 2,679 | 2,625 | 2,379 |
| Commissions paid | 246 | 217 | 220 | 237 | 238 | 1,038 | 1,034 | 933 | 958 | 867 |
| Exchange and association dues | 205 | 138 | 162 | 212 | 163 | 209 | 184 | 199 | 185 | 159 |
| Communication, freight and information expenses | 608 | 572 | 579 | 608 | 567 | 777 | 837 | 874 | 878 | 865 |
| Advertising expenses | 181 | 168 | 276 | 279 | 232 | 398 | 440 | 642 | 578 | 470 |
| Others | 25 | 21 | 22 | 22 | 21 | 15 | 25 | 28 | 23 | 15 |
| Compensation and benefits | 936 | 803 | 795 | 850 | 913 | 1,604 | 1,679 | 1,855 | 1,895 | 1,873 |
| Rental and maintenance | 531 | 466 | 422 | 424 | 437 | 482 | 438 | 459 | 506 | 522 |
| Data processing and office supplies | 1,300 | 1,153 | 1,195 | 1,184 | 1,181 | 1,221 | 1,243 | 1,232 | 1,134 | 1,145 |
| Data processing | 1,279 | 1,116 | 1,177 | 1,166 | 1,166 | 1,209 | 1,233 | 1,216 | 1,123 | 1,134 |
| Office supplies | 20 | 36 | 18 | 17 | 14 | 11 | 10 | 16 | 10 | 11 |
| Amortization and depreciation | 430 | 281 | 286 | 321 | 288 | 474 | 844 | 769 | 691 | 717 |
| Taxes other than income taxes | 69 | 48 | 48 | 45 | 65 | 43 | 50 | 47 | 65 | 45 |
| Provision for allowance for doubtful receivables | 83 | -19 | -14 | -2 | 10 | -2 | -5 | -1 | - | - |
| Amortization of goodwill | 158 | 156 | 156 | 164 | 170 | 432 | 219 | 308 | 326 | 321 |
| Other operating expenses | 113 | 128 | 157 | 160 | 59 | 342 | 403 | 470 | 385 | 424 |
| Selling, general and administrative expenses | 4,891 | 4,137 | 4,309 | 4,509 | 4,350 | 7,036 | 7,396 | 7,822 | 7,630 | 7,428 |

Financial Results: Quarterly Breakdown by Local Segments (Income Statement)

(in million yen)

| | FYE Mar. 2012 | | | | | | | | | FYE Mar. 2013 | | | | | |
|--|---------------|-------|------|-------|-------|------|-------|-------|------|---------------|-------|------|-------|--------|------|
| | 2Q | | | 3Q | | | 4Q | | | 1Q | | | 2Q | | |
| | Japan | U.S. | H.K. | Japan | U.S. | H.K. | Japan | U.S. | H.K. | Japan | U.S. | H.K. | Japan | U.S. | H.K. |
| Brokerage commissions | 2,150 | 1,710 | 80 | 1,865 | 1,464 | 57 | 2,317 | 1,292 | 64 | 1,746 | 1,339 | 48 | 1,663 | 1,131 | 46 |
| Stocks and ETFs | 1,855 | 591 | 80 | 1,624 | 484 | 57 | 2,077 | 453 | 64 | 1,535 | 420 | 48 | 1,469 | 358 | 46 |
| OSE-FX | 136 | - | - | 101 | - | - | 101 | - | - | 61 | - | - | 36 | - | - |
| Options and Futures | 158 | 1,119 | - | 139 | 980 | - | 139 | 839 | - | 149 | 918 | - | 127 | 772 | - |
| Others | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Underwriting and distribution commissions | 0 | - | - | 5 | - | - | 52 | - | 0 | 1 | - | - | 6 | - | - |
| Subscription and distribution commissions | 142 | - | - | 78 | - | - | 107 | - | - | 86 | - | - | 79 | - | - |
| Other commissions | 532 | 556 | 0 | 478 | 308 | 0 | 603 | 476 | 0 | 492 | 489 | 0 | 522 | 495 | 0 |
| Margin forex trades commissions (OTC) | 0 | 124 | - | 0 | -124 | - | 0 | - | - | 0 | - | - | 0 | - | - |
| Mutual funds agency commissions | 304 | - | - | 281 | - | - | 300 | - | - | 294 | - | - | 297 | - | - |
| Others | 227 | 432 | 0 | 196 | 432 | 0 | 302 | 476 | 0 | 198 | 489 | 0 | 224 | 495 | 0 |
| Net gain on trading account | 1,360 | - | 0 | 1,230 | 517 | 0 | 1,283 | 580 | -3 | 1,094 | 556 | 0 | 926 | 363 | 0 |
| Net gain on operating investments | -4 | - | - | 0 | - | - | 87 | - | - | -5 | - | - | - | - | - |
| Financial income | 1,370 | 557 | 22 | 2,037 | 479 | 13 | 1,482 | 390 | 13 | 2,366 | 462 | 13 | 1,256 | 421 | 13 |
| Other operating revenues | 61 | 102 | 26 | 64 | 100 | 18 | 70 | 99 | 21 | 67 | 89 | 22 | 36 | 79 | 20 |
| Operating revenues | 5,612 | 2,926 | 129 | 5,760 | 2,869 | 89 | 6,006 | 2,839 | 96 | 5,849 | 2,935 | 84 | 4,499 | 2,492 | 80 |
| Financial expenses | 401 | 209 | 0 | 837 | 252 | 0 | 328 | 231 | 0 | 884 | 233 | 0 | 363 | 286 | 0 |
| Net operating revenues | 5,211 | 2,716 | 129 | 4,923 | 2,617 | 89 | 5,678 | 2,608 | 95 | 4,965 | 2,702 | 83 | 4,135 | 2,205 | 80 |
| Selling, general and administrative expenses(*1) | 4,213 | 2,706 | 115 | 4,083 | 3,192 | 120 | 4,414 | 3,297 | 113 | 4,075 | 3,451 | 114 | 4,095 | 3,234 | 107 |
| Operating income | 997 | 9 | 13 | 840 | -574 | -31 | 1,264 | -689 | -17 | 889 | -748 | -31 | 40 | -1,029 | -26 |
| Ordinary income | 930 | 0 | 13 | 790 | -608 | -32 | 1,197 | -716 | -18 | 936 | -744 | -47 | 158 | -1,022 | -28 |
| Quarterly net income(*2) | 545 | -119 | 10 | 353 | -356 | -28 | 1,006 | -500 | -15 | 780 | -526 | -46 | 760 | -709 | -18 |

(*1) Each of SG&A in US and HK includes amortization of goodwill and intangible fixed assets generated from the acquisition of TradeStation and Monex BOOM

(*2) Ratio of tax imposed on the net income is higher as a result of inclusion of amortization of goodwill derived of the acquisition of TradeStation

Financial Results: Quarterly Breakdown by Local Segments (SG&A)

(in million yen)

| | FYE Mar. 2012 | | | | | | | | | FYE Mar. 2013 | | | | | |
|--|---------------|---------|------|-------|---------|------|-------|-------|------|---------------|-------|------|-------|-------|------|
| | 2Q | | | 3Q | | | 4Q | | | 1Q | | | 2Q | | |
| | Japan | U.S. | H.K. | Japan | U.S. | H.K. | Japan | U.S. | H.K. | Japan | U.S. | H.K. | Japan | U.S. | H.K. |
| Transaction-related expenses | 1,187 | 1,222 | 30 | 1,140 | 1,357 | 23 | 1,302 | 1,350 | 28 | 1,213 | 1,396 | 26 | 1,120 | 1,244 | 22 |
| Commissions paid | 229 | 792 | 15 | 199 | 824 | 10 | 182 | 740 | 13 | 203 | 754 | 12 | 205 | 661 | 8 |
| Exchange and association dues | 179 | 30 | - | 152 | 31 | - | 166 | 32 | - | 152 | 33 | - | 131 | 28 | - |
| Communication, freight and information expenses | 519 | 245 | 12 | 530 | 295 | 11 | 542 | 319 | 12 | 530 | 336 | 12 | 534 | 319 | 11 |
| Advertising expenses | 242 | 153 | 2 | 233 | 205 | 1 | 383 | 257 | 1 | 304 | 271 | 1 | 233 | 235 | 1 |
| Others | 15 | 0 | 0 | 25 | 0 | 0 | 27 | 0 | 1 | 22 | 0 | 0 | 15 | 0 | 0 |
| Compensation and benefits | 766 | 789 | 48 | 757 | 865 | 55 | 776 | 1,026 | 51 | 832 | 1,010 | 51 | 797 | 1,028 | 48 |
| Rental and maintenance | 419 | 57 | 6 | 380 | 52 | 6 | 391 | 62 | 6 | 411 | 89 | 6 | 432 | 82 | 8 |
| Data processing and office supplies | 1,218 | 0 | 1 | 1,242 | 0 | 1 | 1,230 | 0 | 2 | 1,132 | 0 | 1 | 1,143 | 0 | 2 |
| Data processing | 1,207 | 0 | 1 | 1,231 | - | 1 | 1,214 | 0 | 1 | 1,121 | 0 | 1 | 1,132 | 0 | 1 |
| Office supplies | 11 | 0 | 0 | 10 | 0 | 0 | 16 | -0 | 0 | 10 | - | 0 | 11 | - | 0 |
| Amortization and depreciation | 305 | (*1)153 | 15 | 280 | (*1)548 | 15 | 292 | 460 | 16 | 234 | 440 | 16 | 274 | 426 | 16 |
| Taxes other than income taxes | 37 | 5 | - | 45 | 4 | - | 43 | 3 | - | 57 | 7 | - | 40 | 4 | 0 |
| Provision for allowance for doubtful receivables | -2 | - | - | -5 | - | - | -1 | - | - | - | - | - | - | - | - |
| Amortization of goodwill | 159 | (*1)267 | 5 | 157 | (*1)52 | 9 | 163 | 139 | 5 | 159 | 160 | 7 | 157 | 156 | 7 |
| Other operating expenses | 123 | 210 | 8 | 85 | 311 | 7 | 214 | 254 | 2 | 35 | 346 | 4 | 130 | 291 | 2 |
| Selling, general and administrative expenses | 4,213 | 2,706 | 115 | 4,083 | 3,192 | 120 | 4,414 | 3,297 | 113 | 4,075 | 3,451 | 114 | 4,095 | 3,234 | 107 |

(*1) Transfer in US from goodwill to intangible fixed assets under 3Q FYE 2012 was made as a result of finalization of the valuation of intangible fixed assets related to the acquisition of TradeStation.

Corporate Governance

■ Board of Directors and Management Team to Enforce Mid-Long Term Strategy

◆ **Board of Directors from June 2012:**
5 external (4 independent) directors out of 9

| | |
|------------------------|--|
| Oki Matsumoto | Chairman and CEO |
| Shoji Kuwashima | Managing Director, Vice Chairman |
| Takashi Oyagi | Managing Director |
| Salomon Sredni | Managing Director |
| Yuko Kawamoto | External (& Independent) Director since 2006 Professor, Graduate School of Finance, Accounting and Law, Waseda Univ. |
| Jun Makihara | External (& Independent) Director since 2006 Chairman, Neoteny Co., Ltd. |
| Takeo Kato | External (& Independent) Director since 2009 Ex-Chairman, Fuji Electric Co., Ltd. |
| Haruyuki Urata | External Director since 2010 Director, Representative Executive Officer, Deputy President & CFO, ORIX Corporation |
| Kaoru Hayashi | External (& Independent) Director since 2012 President & Group CEO, Digital Garage, Inc. |

◆ **Board of Auditors: 2 external and independent out of 4**

| | |
|--------------------------|--|
| Takeshi Tamaki | Full time, external & independent member |
| Takehiko Moriyama | Member |
| Tetsuo Ozawa | External & independent member |
| Masakazu Sasaki | Member |

◆ **Advisory Board comprising external experts**

| | |
|----------------------|--|
| Nobuyuki Idei | Founder & CEO, Quantum Leaps Corporation |
| Joichi Ito | Director, MIT Media Lab |
| Ken Kusunoki | Professor, Hitotsubashi Univ. Graduate School of International Corporate Strategy |
| Charles Lake | Chairman Representative in Japan, Aflac Japan |

◆ **Global Management Committee**

| | | | |
|---------------------|-----------------|---------------------|----------|
| O. Matsumoto | President & CEO | S. Kuwashima | CQO |
| S. Sredni | COO | T. Oyagi | CSO |
| M. Ueda | CFO | K. Kaneko | MS's COO |
| H. Tanaami | CAO | | |

■ Corporate Governance for Business Sustainability

- ◆ **Adopted external directors at an early stage and majority of the new Board of Directors will be external**
- ◆ **Board directors' remuneration is within the limited amount resolved at the Annual General Meeting of Shareholders and it consists of a fixed portion and a portion linked to Monex Group stock price. Also established a Remuneration Committee consisting of external and independent board directors**
- ◆ **Governance through proactive and transparent disclosure and investor relationship**

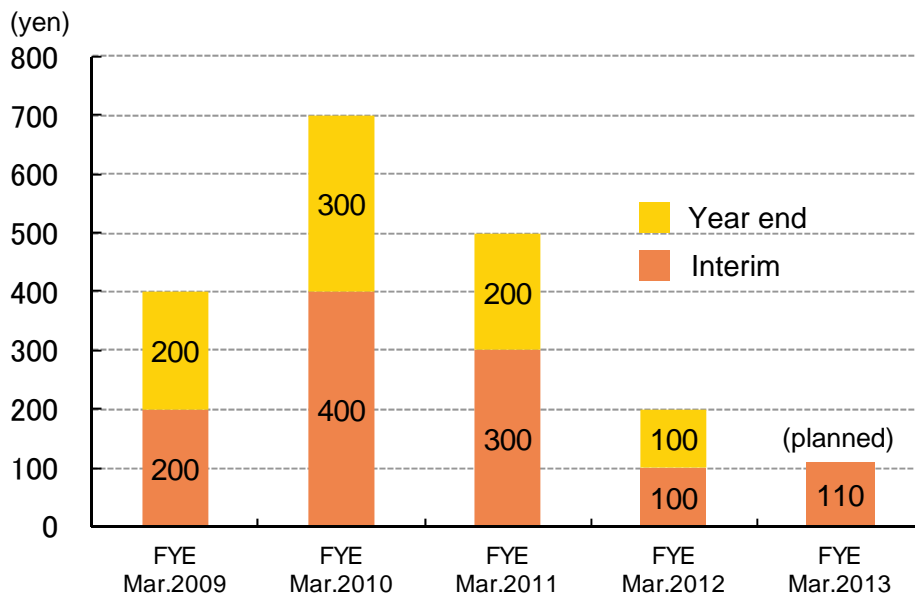
Investors' Guide

■ Pursuing investment returns for our shareholders

◆ Basic policy for shareholder's return

- Reserving necessary capital as a growing company, the Company aims to provide return to its shareholders based upon its business performances.
- The Company policy for shareholder's return is to pay out as dividends whichever is higher of 30% of consolidated net income of current fiscal year, or 1% of DOE (Dividend on Equity).
- The Company management will flexibly consider share buyback, comprehensively examining financial condition, etc.

◆ Dividend record



◆ Major shareholders and share distribution

-Total number of issued shares as of the end of September 2012: 2,996,805 shares

| | | | | | | | |
|---------------------------|-----------------------------|------------------|-------------------------------------|-------------------------------------|--------------------------------|----------------------------|------------------------------|
| ORIX Corporation 22.5% | OkI Matsumoto, etc. 8.7% | FMR LLC 13.5% | Foreign Institutions, etc. 12.2% | Individual Investors, etc. 22.8% | Financial Institutions 8.6% | Other Institutions 7.6% | Securities Companies 4.1% |
|---------------------------|-----------------------------|------------------|-------------------------------------|-------------------------------------|--------------------------------|----------------------------|------------------------------|

*Above is the share distribution recognized by the Company from the shareholder list as of the end of September 2012 and the fund reports to the Ministry of Finance.

*FMR LLC is Fidelity Management and Research

◆ Indicators per share

| (Unit: JPY) | FYE March 2009 | FYE March 2010 | FYE March 2011 | FYE March 2012 | 1H FYE March 2013 |
|----------------------------|----------------|----------------|----------------|----------------|-------------------|
| Book-value Per Share (BPS) | 17,235 | 22,139 | 22,154 | 24,093 | 23,355 |
| Earnings Per Share (EPS) | -928 | 1,527 | 647 | 467 | 159 |
| Return on Equity (ROE) | -5.0% | 7.1 % | 2.9% | 2.0% | 0.7% (interim) |
| Dividend Per Share | 400 | 700 | 500 | 200 | 110 |

*EPS and ROE of 1H, FYE March 2013 are multiplied by 2 of 6 month data.

The Monex Group

Holding Company

Monex Group, Inc.

(As of October 24, 2012)

[China]

Monex International Limited
Asia business base in Hong Kong

Online Securities Company



Monex BOOM Group
Online securities group in Hong Kong

Beijing Representative Office
(Monex, Inc.)

[Japan]

Online Securities Companies



Comprehensive investment service provider



(Acquired from Sony Bank as of Aug. 1, 2012 and will be merged with Monex, Inc. in 4Q, FYE2013)

M&A Advisory

MONEX HAMBRECHT, INC.

M&A advisory service
Aspiring to introduce a new IPO
(Investment Ratio) Monex G: 84.1%
ZenShin Capital Partners II: 7.9%
Hambrecht Partners Holdings: 5.5%

R&D of Program Trading

trade-science
Trade Science Corporation
Next generation asset management
utilizing artificial intelligence

[US/EU]



TradeStation Group, Inc.
Holding company in U.S.

Online Securities Company

TradeStation Securities, Inc.

Technology

TradeStation Technologies, Inc.

TradeStation Global Services, S.A.

EU Base

TradeStation Europe Limited
(London)

[Affiliated company]



[Global FX]

(Japan)



(Australia)

IBFX Australia Pty. Ltd.

(U.S.)

IBFX, Inc.

*Subsidiaries without investment ratio are fully owned by Monex Group, Inc.

(Ref.) Efforts on Vitalization of Capital Markets

◆Gathered Consents of 700,000 People On Internet for Extension of 10% Reduction in Securities Tax System

Joint action by 4 online securities companies (Monex, Inc., SBI Securities, Kabu.com and Rakuten Securities) gathered over 700,000 signatures, which were submitted to the Democratic Party of Japan and the Financial Services Agency of Japan (“FSA”), encouraging these parties to extend 10% reduced securities tax rate (August 2, 2012)

The possibility of extending 10% reduced securities tax rate still remains as in the “FY 2013 Request for Tax Revisions” announced by FSA on September 7, 2012, the extension of 10% reduced tax rate was explained as not easy but “will be made as per ‘Outline of FY 2011 Tax Reform’ if there is a rapid economical/financial circumstances change”

◆ “Individual Investors Supporting Council” was organized by Japan Securities Dealers Association

11 securities companies, having individual investors as their major client bases, contributed in organizing “Individual Investors Supporting Council” as a Securities Industry Council in Japan Securities Dealers Association (approved on October 16, 2012 and to be formed on November 1, 2012). This new council is aimed to gather and pass-on opinions of individual investors, who are important participants in stock markets, and to increase the level of convenience of securities markets for individual investors so as to vitalize these markets.

Anticipated to activate discussions based on individual investors’ perspectives and to make proposals for resolving recent inside-trading issues, deregulations, etc.

(Ref.) Accounting Standard Change from J-GAAP to IFRS Anticipated to Occur at March 31, 2013

◆ **Adoption of IFRS**

J-GAAP to apply for disclosures of financial results on 1Q to 3Q of FYE March 2013

IFRS is expected to apply starting from the disclosure of financial results on full-year of FYE March 2013

- | | |
|-------------------------------|--|
| • 1Q of FYE March 2013 | Disclosed based on J-GAAP |
| • 2Q of FYE March 2013 | Disclosed based on J-GAAP |
| • 3Q of FYE March 2013 | To be disclosed based on J-GAAP |
| • Full-year of FYE March 2013 | <u>To be disclosed based on IFRS</u> IFRS based financial statements for FYE March 2012 and FYE March 2013 to be disclosed Differences from J-GAAP based financial results for FYE March 2013 to be shown in explanatory notes |

◆ **Anticipated Major Impacts Due to Changes from J-GAAP to IFRS**

(Impacts on Operating Income)

- | | |
|----------------------------|---|
| • Amortization of Goodwill | Will no longer be booked (1.3bn yen of positive impact estimated as of March 31, 2013) Periodical impairment tests on goodwill will be conducted |
|----------------------------|---|

(Impacts on Net Income)

- | | |
|---|--|
| • Reserve for Financial Instruments Transaction Liabilities | Will no longer be booked (290mn yen of negative impact estimated as of March 31, 2013 due to the same amount reversal of the reserve enjoyed in 1Q FYE March 2013; there would have been positive impact if it was a transfer) |
|---|--|

(Other Impacts)

- | | |
|------------------------------------|---|
| • Investment Securities (unlisted) | Gains/losses calculated by marked-to-market evaluation to be booked as Other Comprehensive Income |
|------------------------------------|---|