

Financial Results of 3Q of Fiscal Year Ending March 31, 2011

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

Forward-looking Statements

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



Important Matters Concerning Product-related Risks

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

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

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

Our Business Principles

1. PURSUE A SPIRIT OF INNOVATION

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

2. STAY CUSTOMER FOCUSED

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

3. CHALLENGE FOR THE BEST

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

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1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

Major Business Activities for the Third Quarter

◆ Trends of major revenue sources

- Income in October went down due to severe market condition continued from 2Q and temporary marketing cost targeting FX trading investors, but since November the market turned up, seminars and webinars incited investors, and trading volume and revenue/income recovers. Net operating revenue was JPY4.95B, JPY100M (2.1%) up from 2Q, but as SG&A increased by JPY170M from 2Q, ordinary income was JPY630M, JPY50M (7.5%) down from 2Q, and net income JPY300M, JPY90M (23%) down.

◆ Further cost reduction and marketing plan

- Since the merger of Monex, Inc. and ex-ORIX Sec., SG&A has been successfully deducted and kept around JPY1.4B per month. Considering continuous severe domestic condition, we plan further cost reduction, targeting JPY90M decrease per month (from SG&A amount of Oct. 2010) in 4Q and another JPY60M/month for the next step.

◆ Progress of “Intelligence Infrastructure”

- Positioned as an important strategy to gather customer’s assets
- Released “MONEX VISION β ” as an open beta version of the portfolio management advice tool, to all customers on Oct. 1, 2010, and “MONEX ONE”, an aggregated account management service, released on Jan. 17, 2011 and enables portfolio management including external assets.

◆ Business development in China market

- Monex, Inc. opened its representative office in Beijing (Oct. 21, 2010)
- Completed acquisition of BOOM Group in Hong Kong (Dec. 27, 2010)
Started loans to BOOM Group to enlarge customer’s margin trading.
- Prepared to provide RMB denominated CGB for the first time for Japanese retail investors in January 2011

Financial Overview

■ Financial Overview of 3Q (Oct.- Dec.) of FYE Mar. 31, 2011

Stock trading value recovering and net operating revenues slightly increased, but incomes decreased from 2Q due to temporary marketing cost

◆ Net operating revenues	4,949 million yen	2.1% from 2Q of FYE Mar. 31, 2011
▪ Brokerage commission (exc OSE-FX)	2,004 million yen	10.2% from 2Q of FYE Mar. 31, 2011
▪ FX and fixed income business revenue	1,088 million yen	-16.1% from 2Q of FYE Mar. 31, 2011
▪ Net financial income	1,191 million yen	11.1% from 2Q of FYE Mar. 31, 2011
◆ SG&A	4,309 million yen	4.1% from 2Q of FYE Mar. 31, 2011
▪ System related costs(*1)	1,905 million yen	0.2% from 2Q of FYE Mar. 31, 2011
▪ Compensation and benefits	795 million yen	-1.0% from 2Q of FYE Mar. 31, 2011
▪ Transaction-related expenses	382 million yen	7.6% from 2Q of FYE Mar. 31, 2011
◆ Operating income	639 million yen	-9.7% from 2Q of FYE Mar. 31, 2011
◆ Ordinary income	627 million yen	-7.5% from 2Q of FYE Mar. 31, 2011
◆ Net Income	298 million yen	-23.0% from 2Q of FYE Mar. 31, 2011
◆ Key performance indicators		
▪ ROE (Annualized)	1.7%	Annualized ROE in 2Q of FYE Mar. 31, 2011 was 2.3%
▪ Profit margin (Operating income / Net Operating revenues)(*2)	12.9%	-1.7 pt from 2Q of FYE Mar. 31, 2011

■ Overview of the Japanese Stock Markets (as of the end of 3Q of FYE Mar. 2011)

• Nikkei 225 Average	9.2% from Sep. 30, 2010	-3.0% from Dec. 30, 2009
• Trading Value(*3)	21.5% from 2Q of FYE Mar. 31, 2011	-7.8% from 3Q of FYE Mar. 31, 2010

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

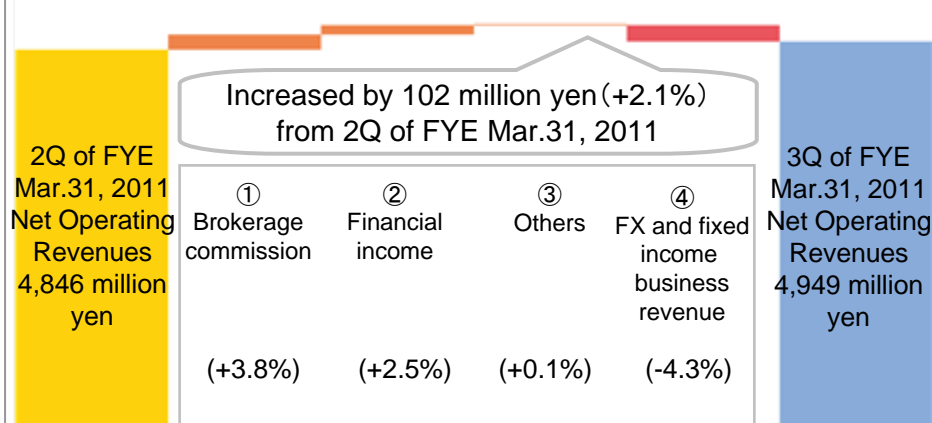
(*2) Profit margin (stated in this material) is calculated as Operating income / Net operating revenues (not operating revenues)

(*3) Total trading value of individual investors in 4 Japanese major markets (which include JASDAQ until Oct. 12, 2010)

Highlights of Revenue (1) Increasing and Decreasing Factors

■ Comparison with 2Q of FYE Mar. 31, 2011

◆ Increase according to stock trading values but decrease by lower profitability of FX trading



◆ Major increasing factors

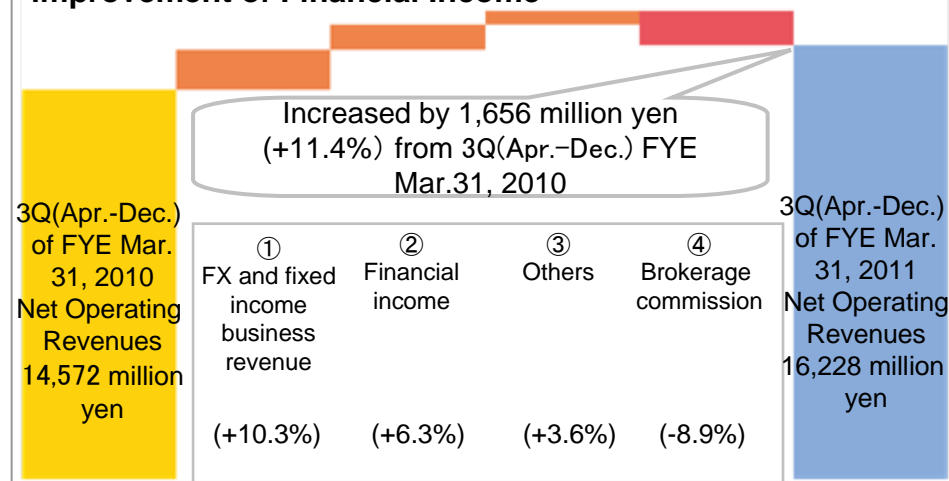
- ① Brokerage commission (exc OSE-FX) +186 million yen
 - Equity trading values increased in December
- ② Financial Income +119 million yen
 - Capital gain from management of segregated cash trust
- ③ Others +6 million yen
 - Revenue related with mutual fund increased

◆ Major decreasing factor

- ④ FX and fixed income business revenue -208 million yen
 - Lower profitability on FX trading and lower profit on fixed income business

■ Comparison with 3Q(Apr.-Dec.) of FYE Mar.31, 2010

◆ Increased due to increase in FX trading values and improvement of Financial Income



◆ Major increasing factors

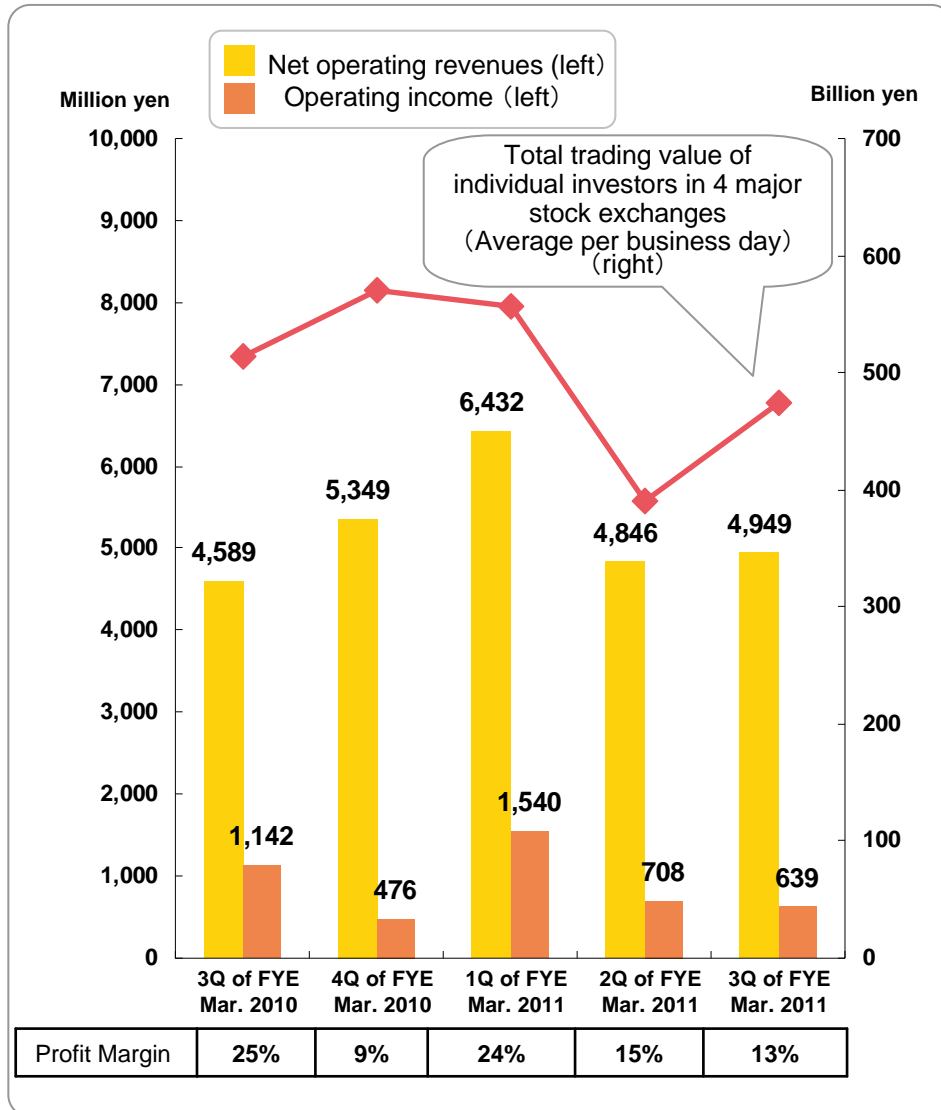
- ① FX and fixed income business revenue +1,507 million yen
 - FX trading values increased
- ② Financial Income +913 million yen
 - Margin balance increased due to the integration
- ③ Others +529 million yen
 - Revenue related with mutual fund increased

◆ Major decreasing factor

- ④ Brokerage commission (exc OSE-FX) -1,293 million yen
 - Equity trading values decreased

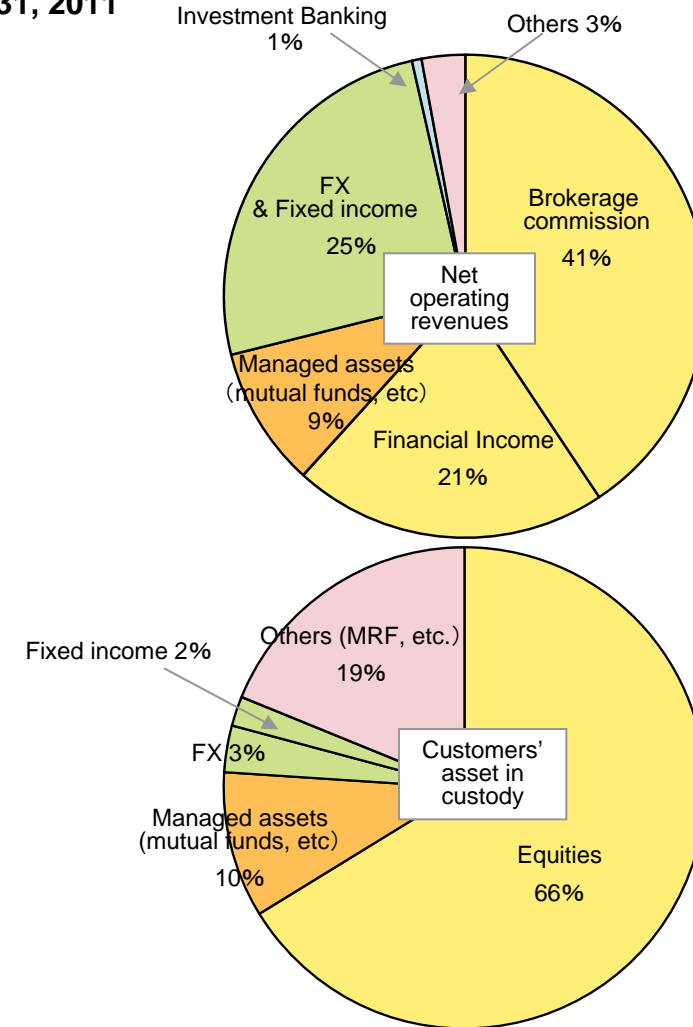
Highlights of Revenue (2) Revenue Trends and Structure

Net operating revenues and operating income



Revenue structure and dependency on brokerage

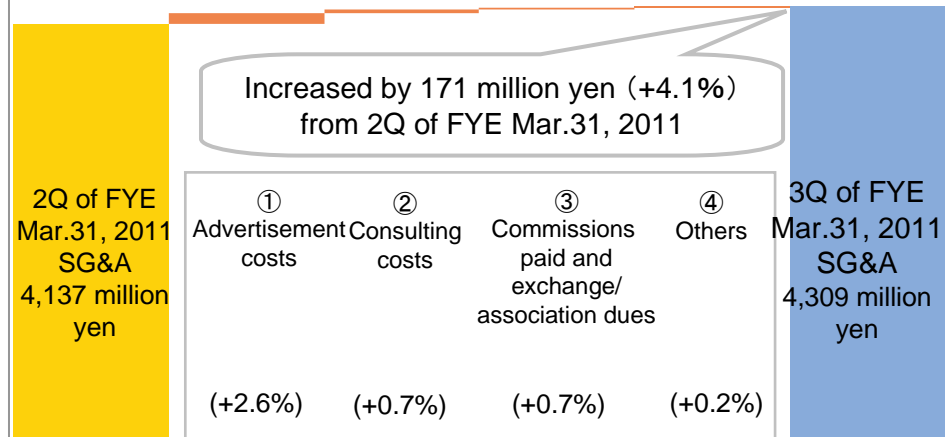
Revenue and asset in custody 3Q(Apr.-Dec.) of FYE Mar. 31, 2011



Highlights of SG&A (1) Increasing Factors

■ Comparison with 2Q of FYE Mar. 31, 2011

◆ Slightly increased due to costs resulting from marketing strategy

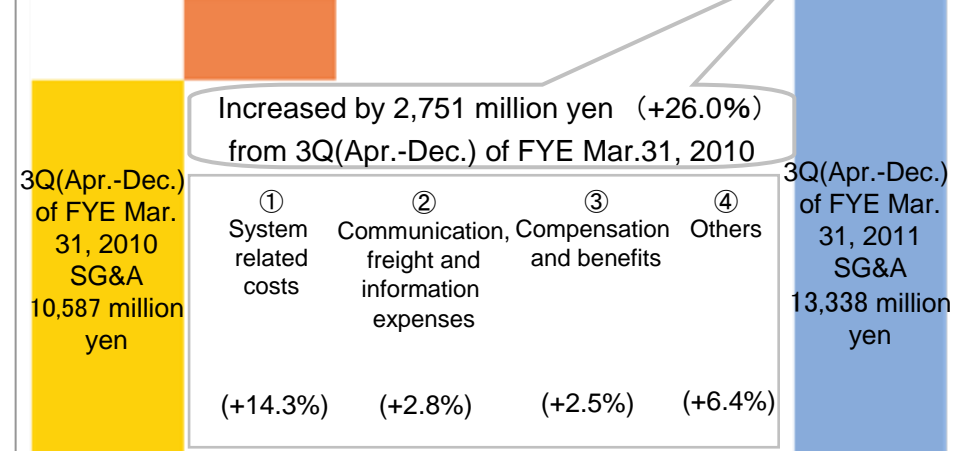


◆ Major increasing factors

- ① Advertisement costs +107 million yen
 - Increased due to newspaper advertising and various campaign
- ② Consulting costs +27 million yen
 - Increased due to costs relating to IFRS and internal control
- ③ Commissions paid and exchange/association dues +27 million yen
 - Equity trading values increased
- ④ Others +9 million yen

■ Comparison with 3Q(Apr.-Dec.) of FYE Mar.31, 2010

◆ Systems related costs and compensation and benefits increased due to the merger

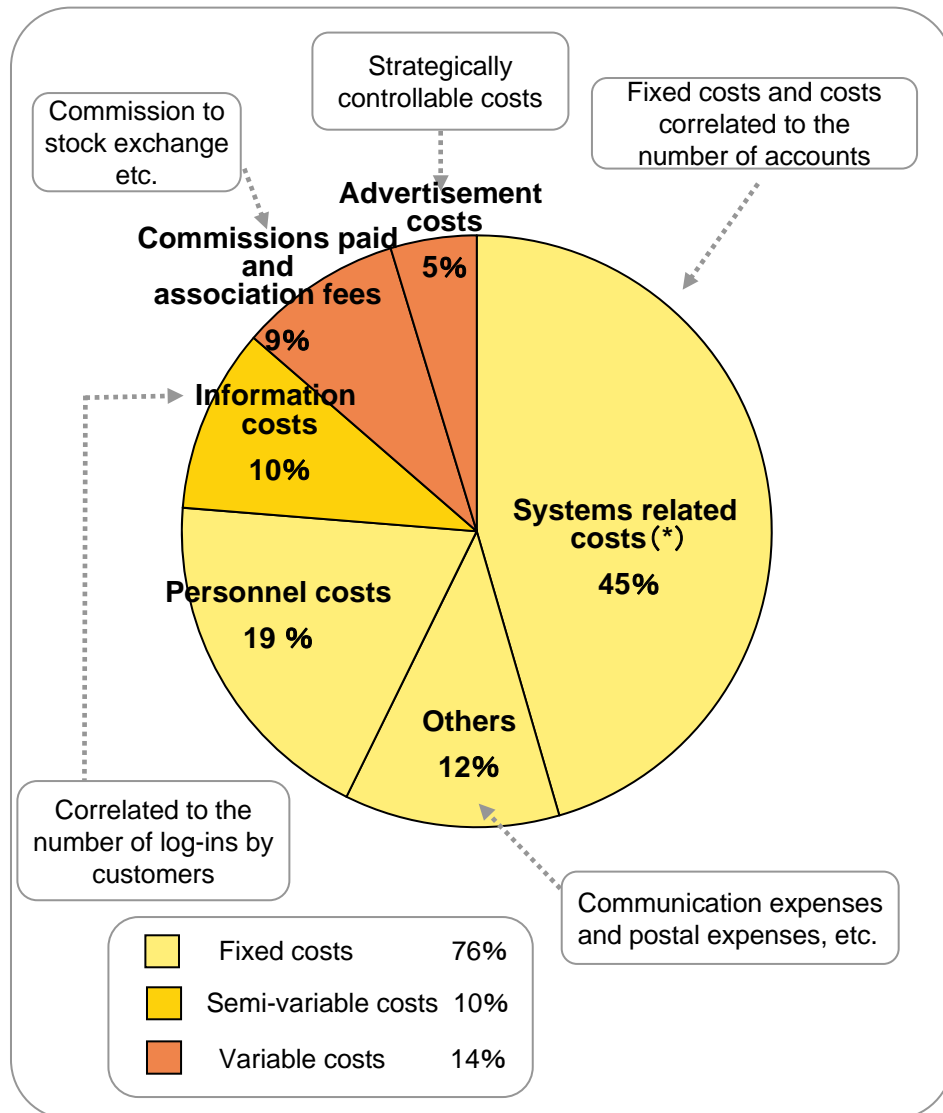


◆ Major increasing factors

- ① System related costs +1,508 million yen
 - Increased due to the integration
- ② Communication, freight and information expenses +300 million yen
 - Information expenses increased
- ③ Compensation and benefits +263 million yen
 - The number of employees increased due to the integration
- ④ Others +679 million yen
 - Paid commission and exchange and association fees increased

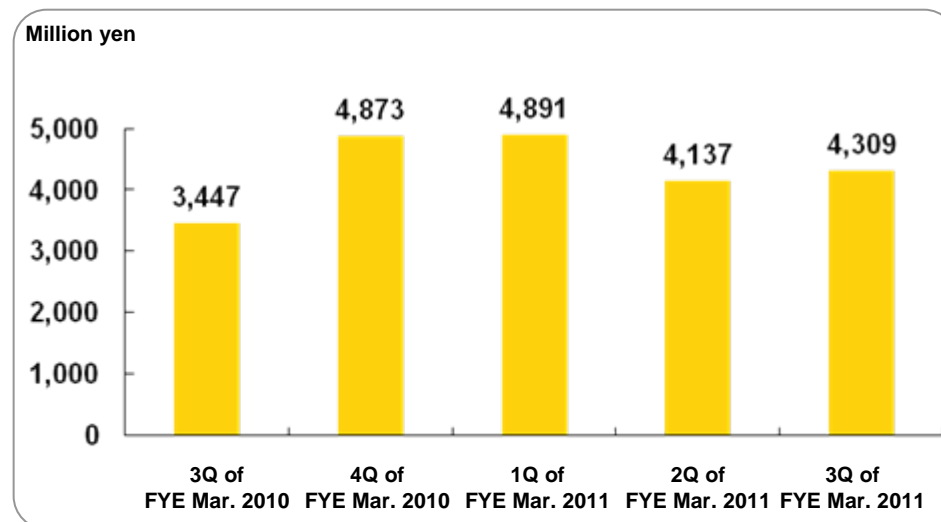
Highlights of SG&A (2) Cost Structure and Trends

■ Cost Structure (Apr. 2010 - Dec. 2010)



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

■ SG&A Quarterly trends



■ Indicators per share

(Unit: JPY)	FYE March 2007	FYE March 2008	FYE March 2009	FYE March 2010	3Q FYE March 2011
Book-value Per Share (BPS)	20,253	19,664	17,235	22,139	22,200
Earnings Per Share (EPS)	4,066	3,080	-928	1,527	832
Return on Equity (ROE)	21.4%	15.5%	-5.0%	7.1%	3.7%
Dividend Per Share	2,900	1,550	400	700	300

*EPS and ROE of 3Q(Apr.-Dec), FYE March 2011 are multiplied by 4/3 of 9 months data.

Balance Sheet

■ Maintain financial strength by keeping availability of funds and liquidity and controlling risk assets

(in billion yen)						(*3) Non-current assets (investment value of risk assets)			
[Segregated cash trust]		[Cash margin from customers (minimum requirement)]				(in billion yen)			
Monex, Inc.	152.6	Monex, Inc.	141.9	Property/equipment	0.7	(Facilities, equipment, etc)			
Monex FX	4.5	Monex FX	4.0	Software	1.7	(Assets to provide service)			
Total	157.2	Total	145.9	Goodwill	8.7	(Monex FX: 0.4 Orix Sec: 7.1 Boom Group:1.2)			
				Guarantee deposits, etc	1.6	(Real estate deposit, etc)			
				Investment securities	6.0	(See (*4) below)			
				Total	18.8				
[Funds operation]		[Financing]		(*4) Value of main investment securities (billion yen)					
Cash/Deposits	29.3	Call money	8.0	Name of securities		Book value	Estimated value(*5)	Premium	
Net margin assets(*1)	67.5	Bank borrowing	31.2	(Purpose for acquisition)					
Call loan	7.0	Short-term notes	9.5	LIFENET INSURANCE		2.0	1.8	-0.1	
Total	103.9	Cash collateral from stock lending(*2)	22.6	(Incubation)					
		Total	71.3	Tokyo Stock Exchange Group		1.3	2.0	0.7	
JGB as collateral	2.0			Asia Focus		1.2	1.2	—	
Non-current assets(*3)	18.8			(Maintenance of products)					
				Triangle Partners		0.4	0.4	—	
				(Support of Chinese IPO)					
				Dot Commodity, Inc.		0.4	0.4	—	
				Others (*6)		0.6	—	—	
				Total		6.0			
				Total net assets		71.0			

(*1) Margin transaction assets – Margin transaction liabilities

(*2) Including collateral from securities finance companies

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

(*6) Investment per security: maximum 86 million yen

Financial Summary : 2Q of FYE Mar. 31, 2011 vs. 3Q of FYE Mar. 31, 2011 (in 3 months)

(in million yen, %)

	2Q of FYE Mar. 31, 2011 (Jul. 2010 – Sep. 2010)	3Q of FYE Mar. 31, 2011 (Oct. 2010 – Dec. 2010)	Change
Operating Revenues	5,277	5,816	10.2%
Net Operating Revenues	4,846	4,949	2.1%
SG&A	4,137	4,309	4.1%
Operating Income	708	639	-9.7%
Ordinary Income	678	627	-7.5%
Net Income	387	298	-23.0%
EBITDA*	1,087	991	-8.9%

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

(in million yen, %)

	2Q of FYE Mar. 31, 2011 (as of Sep. 30, 2010)	2Q of FYE Mar. 31, 2011 (as of Dec. 31, 2010)	Change
Total Assets	357,707	358,922	0.3%
Shareholders' Equity	67,046	70,970	5.9%

(For reference : Monex, Inc.)

Capital Adequacy Ratio	454.2%	486.0%	-
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Financial Summary : 3Q of FYE Mar. 31, 2010 vs. 3Q of FYE Mar. 31, 2011 (in 9 months)

(in million yen, %)

	3Q of FYE Mar. 31, 2010 (Apr. 2009-Dec. 2009)	3Q of FYE Mar. 31, 2011 (Apr. 2010-Dec. 2010)	Change
Operating Revenues	16,698	18,502	10.8%
Net Operating Revenues	14,572	16,228	11.4%
SG&A	10,587	13,338	26.0%
Operating Income	3,984	2,889	-27.5%
Ordinary Income	4,067	3,120	-23.3%
Net Income	2,840	1,898	-33.1%
EBITDA*	5,029	3,990	-20.6%

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

(in million yen, %)

	3Q of FYE Mar. 31, 2010 (as of Dec. 31, 2009)	3Q of FYE Mar. 31, 2011 (as of Dec. 31, 2010)	Change
Total Assets	239,976	358,922	49.6%
Shareholders' Equity	41,522	70,970	70.9%

(For reference : Monex, Inc.)

Capital Adequacy Ratio	424.0%	486.0%	-
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Financial Summary : Quarterly trends in income statement

(in million yen)

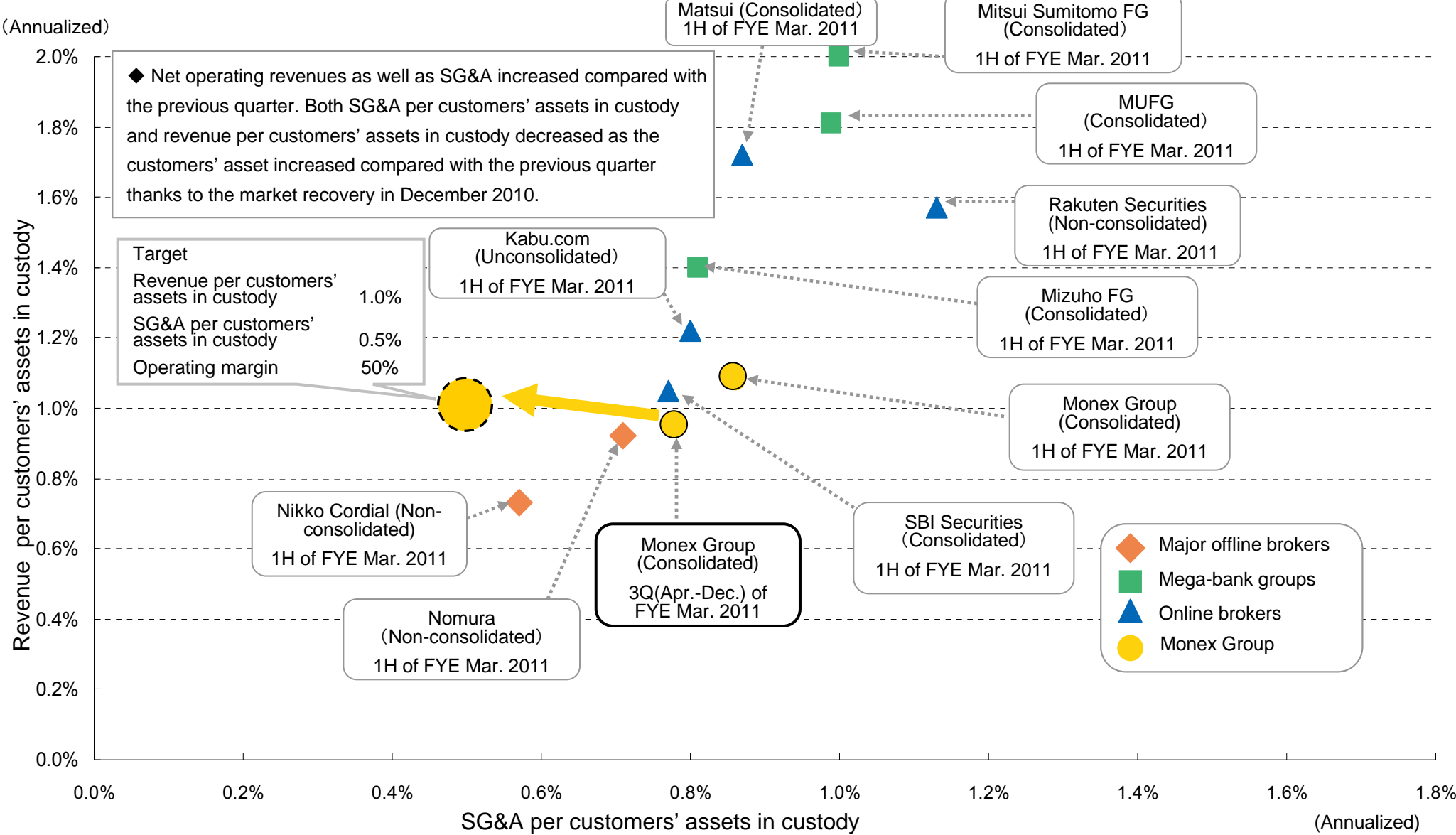
	FYE Mar.31, 2009				FYE Mar. 31, 2010				FYE Mar. 31, 2011		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Brokerage commissions(includes OSE-FX)	3,505	2,612	2,911	2,342	3,145	2,670	2,073	2,604	2,772	1,904	2,089
Stocks and ETFs	3,441	2,527	2,816	2,272	3,063	2,577	1,979	2,449	2,582	1,631	1,855
OSE-FX	-	-	-	-	-	-	-	-	-	86	84
Options and Futures	45	66	72	58	73	86	88	151	184	185	149
Others	18	18	22	11	9	6	5	3	4	2	0
Underwriting and distribution commissions	1	0	1	2	1	3	3	14	1	1	10
Subscription and distribution commissions	113	57	88	75	136	125	129	147	209	114	152
Other commissions	945	875	807	560	543	471	363	584	723	602	522
Margin forex trades commissions (OTC)	438	388	476	286	238	30	0	130	201	107	66
Mutual funds agency commissions	369	341	229	176	215	247	264	290	311	307	321
Others	137	145	101	97	89	193	98	163	210	188	135
Net gain on trading account	195	155	295	454	558	715	1,051	1,089	1,526	1,103	936
Net gain on operating investments	9	0	-27	21	-45	-0	-0	-70	9	12	12
Financial income	2,542	2,834	1,805	1,429	1,758	1,216	1,658	1,374	2,130	1,504	2,059
Other operating revenues	56	45	50	42	38	40	37	56	33	34	33
Operating revenues	7,370	6,581	5,932	4,927	6,138	5,242	5,317	5,801	7,407	5,277	5,816
Financial expenses	1,382	722	1,085	568	919	478	728	451	974	431	867
Net operating revenues	5,987	5,859	4,847	4,359	5,218	4,763	4,589	5,349	6,432	4,846	4,949
Selling, general and administrative expenses	3,933	3,915	4,032	3,902	3,554	3,585	3,447	4,873	4,891	4,137	4,309
Operating income	2,054	1,944	814	456	1,663	1,178	1,142	476	1,540	708	639
Ordinary income	2,125	1,887	799	419	1,808	1,120	1,137	412	1,814	678	627
Quarterly net income	2,152	-1,908	443	-2,832	1,413	622	803	936	1,212	387	298

Financial Summary : Quarterly trends in SG&A

(in million yen)

	FYE Mar.31, 2009				FYE Mar. 31, 2010				FYE Mar. 31, 2011		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Transaction-related expenses	1,182	1,172	1,188	1,095	979	1,044	948	1,247	1,267	1,118	1,260
Commissions paid	238	214	240	190	196	263	181	194	246	217	220
Exchange and association dues	157	111	109	92	128	117	100	176	205	138	162
Communication, freight and information expenses	519	513	522	526	494	480	484	598	608	572	579
Advertizing expenses	243	299	292	268	145	161	161	258	181	168	276
Others	24	33	23	16	14	21	19	19	25	21	22
Compensation and benefits	766	698	744	698	777	751	744	995	936	803	795
Rental and maintenance	441	489	457	489	395	438	406	488	531	466	422
Data processing and office supplies	1,073	1,057	1,092	1,037	962	952	958	1,336	1,300	1,153	1,195
Data processing	1,045	1,029	1,064	1,016	946	935	942	1,313	1,279	1,116	1,177
Office supplies	27	28	27	20	15	17	15	23	20	36	18
Amortization and depreciation	95	106	150	152	143	150	151	522	430	281	286
Taxes other than income taxes	64	57	48	66	54	38	44	67	69	48	48
Provision for allowance for doubtful receivables	4	-4	-	-	-	-	-	-	83	-19	-14
Other operating expenses	305	337	350	362	241	208	194	215	272	284	313
Selling, general and administrative expenses	3,933	3,915	4,032	3,902	3,554	3,585	3,447	4,873	4,891	4,137	4,309

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



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

Source : Each company's IR data

1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

Mission Statement

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

The Monex Group

Holding Company

Monex Group, Inc.

(As of January 26, 2011)

[Financial products and services for individual investors]

Securities Company



Comprehensive investment service provider
(Investment Ratio) Monex G: 100%

FX Business



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

[Overseas subsidiary and office]

Overseas Businesses

Monex International Limited
Asia business base in Hong Kong
(Investment Ratio) Monex G: 100%



BOOM Group
Online securities group in Hong Kong
(Investment Ratio) MIL: 100%

BaiFor Investment Advisory Ltd.
Financial training JV in Beijing
(Investment Ratio) Monex G: 49%
SEEC Investment: 51%

MBH America, Inc.
Research in the global financial industry
(Investment Ratio)
Monex G: 100%

Beijing Representative Offices
(Monex Group, Monex, Inc.)

[Business development for exclusive products and services]

Investment Education



Monex University, Inc.
Investor education for all individuals
(Investment Ratio)
Monex G: 100%

Asset Management



Monex Alternative Investments, Inc.
Providing the best alternative investment products to individual investors
(Voting right ratio from Feb. 1, 2011)
Monex G: 51%
Asuka Asset Management: 26%

M&A Advisory



M&A advisory service
Aspiring to introduce a new IPO
(Investment Ratio) Monex G: 78.6%
ZenShin Capital Partners II: 7.9%
Hambrecht Partners Holdings: 5.5%
Development Bank of Japan: 5.5%

R&D of Program Trading



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

Business Incubation



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

[Incubation]



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

Roadmap

■ Aim for overseas business to contribute 1/3 of the total revenue

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

◆ Moved up overseas revenue contribution by business development in Hong Kong

◆ Strategies for future growth

Short-term:
Online trading

- Expand customer base
- Strengthen FX business segment

Mid-term:
International markets

- Revenue contribution by overseas businesses in such countries as China

Mid/long-term: Asset management business

- Offer full global product line-up
- Acquire customer assets through offering investment advisory tools

(Achievements)

Short-term:

- Acquired Monex FX
- Shifted FX revenue structure
- Strengthen active customer base by merging ORIX Sec.

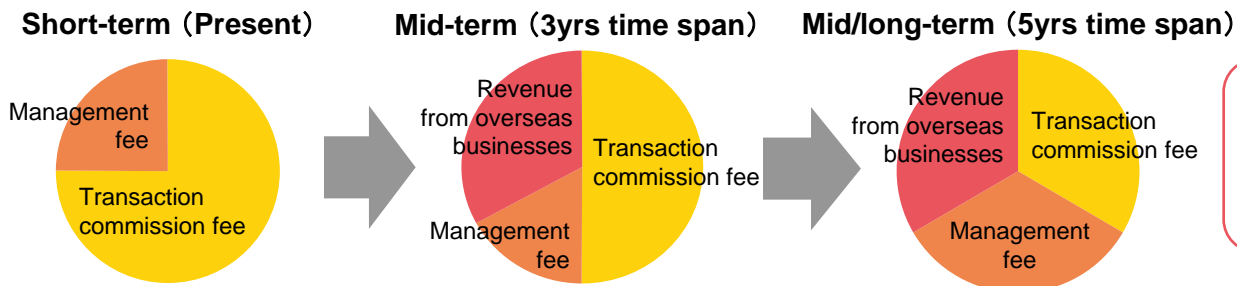
Mid-term:

- Opened a rep. office in Beijing
- Established JV with SEEC HD
- Acquire BOOM Group in HK

Mid/long-term

- Product line-up expansion
- Released advice tool beta versions

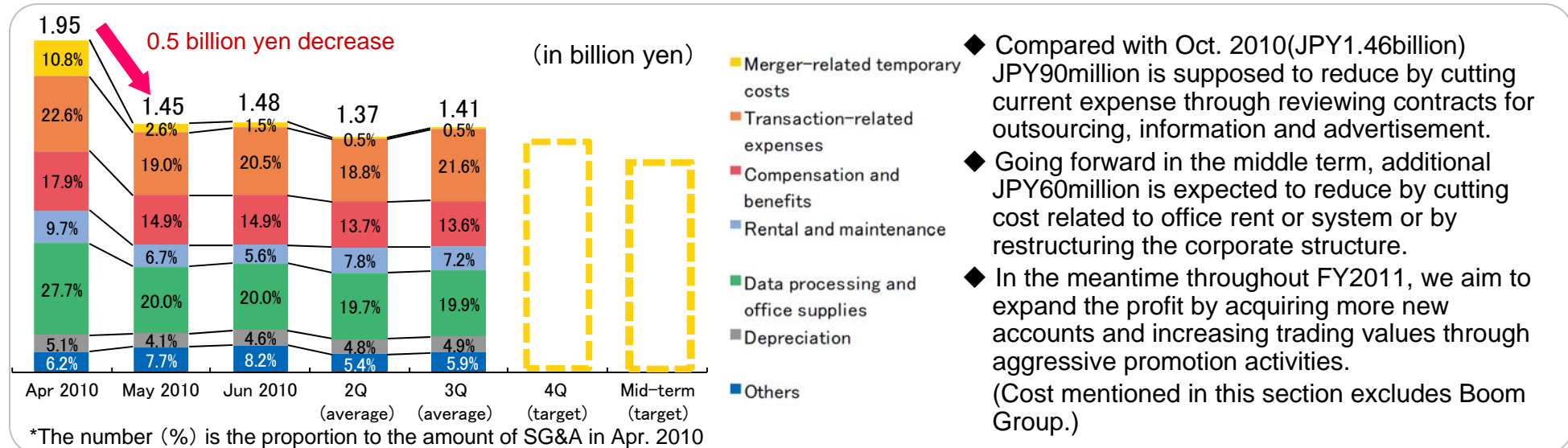
◆ Image of revenue contribution



Moved up overseas business revenue contribution, positioned as mid-term strategy

Short-term Strategy: Cost Reduction, re-examination of commission and segment marketing

Measures toward further cost reduction (SG&A)



Re-examination of commission

•Our commissions on FX trading, futures/options, mutual funds are at the lowest level in the market. The commission on stock trading, which is the main source of our profit, is under discussion for possible change taking our client's trading activities, market trend and competitor's trend into consideration.

Segment marketing

◆Strengthening navigation for each customer

Utilizing our customer database, strengthen activities to offer timely information according to interests and behaviors of each clients
Launched 17 new types of e-mail delivery since October 2010 and will further strengthen this activity.

In the future, as well as e-mail, we'll introduce our products to clients more efficiently through the website.

(e.g.)

•For equity holders: Analyst report notifications by e-mail (started Oct. 9, 2010)

Effect: Login rate increased by 10%

Mid-term Strategy: Achievement and plans for Overseas Business Development

■ Acquired BOOM in HK, Asia's global financial center ■ Activities in Mainland China



◆ Acquisition Completed

We have completed the acquisition of BOOM Group, Hong Kong based on-line brokerage company group, on December 27, 2010

◆ BOOM Group Overview

Boom Group offers stock trading in 12 markets; margin trading in 5 markets such as HK and US. Customers can trade using 6 currencies (HKD, USD, RMB etc.) in a single account. Average stock commission is 16bps. The group has 9,000 accounts with balance and 66 billion yen assets in custody at the end of 2010. The nominal capital of the group's main securities company, Boom Securities (H.K.) Limited, is HKD 80mn. Ms. Agatha Lo is the COO of the company. The group has 29 employees.

◆ Future Plan

We plan to expand margin trading and strengthen trading system and human capital through increasing its capital and funding. We aim to bring in new customers globally, especially from Asia. We will explore the feasibility of adding FX trading business in the future.

◆ Synergy with Monex

Monex already started providing finance to Boom so that it can increase its margin lending. In addition, Monex and Boom are co-working in the planning of marketing in mainland China. We also consider internalization of trade executions at Japan and HK markets. Hong Kong is rapidly growing as the offshore market of RMB. Monex and Boom will join forces to develop RMB related products for the customers of Monex Inc.

◆ Beijing Representative Office of Monex, Inc.

- **Connection to China Authorities including China Securities Regulatory Commission and the Securities Association of China**

Providing information on online trading worldwide as the only rep. office of online securities firm in China

- **R&D for new product related to Chinese market**

Gathering and analyzing information for setting up China related products such as RMB fixed income fund

- **Relationship building with Chinese Securities Firms**

Offering reports provided by one of the largest securities firms in China, China Securities Corporation, to Monex's clients, starting from Oct. 2010. Researching for the possibility of collaboration between Hong Kong BOOM and Chinese domestic securities firms.

- **Researching the possibility of securities business in China in the future**

◆ **JV in Beijing (BaiFor (百富睿通投資顧問有限公司) – Est. Feb. 2010)**



Started providing financial education (training) related services to financial institutions, etc. in China.

Financial statement and operating results of Boom Group

■ Boom Group consolidated balance sheet

(As of Dec. 31, 2010, in thousand HKD)

Assets		Liabilities	
Current assets		Current liabilities	
Cash and deposits	26,206	Deposits received	893,508
Cash segregated as deposits	881,294	Short-term loans payable	45,519
Trade date accrual	35,788	Others	4,326
Others	52,518	Current liabilities	943,354
Allowance for doubtful accoun	-4	Noncurrent liabilities	-
Current assets	995,802	Liabilities	943,354
Noncurrent assets		Net assets	
Property, plant and equipment	1,108	Shareholder's equity	
Intangible assets	0	Capital stock and Legal capital surplus	102,800
Other investments	1,759	Legal retained earnings	-47,484
Noncurrent assets	2,867	Net assets	55,315
Total assets	998,670	Liabilities and net assets	998,670

(*) Unaudited financial statements

(*) Balance sheet above is consolidated from the 3Q of FYE Mar. 2011

Consolidated balance sheet and consolidated P/L Statement on this page includes the following 5 companies.

Boom Special Limited (will be renamed to Monex International Limited), Boom Securities (H.K.) Limited, Boom.com Limited, Baby Boom Limited, Boom Solutions Limited

■ Boom Group consolidated P/L Statement

(Jan. 2010- Dec.2010, in thousand HKD)

Operating revenue	
Commission received	35,770
Commission received	35,170
Other commission	600
Net trading income	-10
Financial revenue	3,363
Other revenues	9,102
Operating revenue	48,226
Financial expense	168
Net operating revenue	48,057
Selling, general and administrative expenses	31,729
Operating income	16,288
Ordinary income	16,555
Income before income taxes	16,585
Income taxes-current	1,889
Net income	14,696

(*) Unaudited financial statements

(*) Will be included to the consolidated statement on and from 4Q of FYE Mar. 2011

Mid/Long-term Strategy: Intelligence Infrastructure

Account aggregation service "MONEX ONE"



MONEX ONE

released on Jun. 17, 2011

Function:

- 1) To collectively manage external account information such as other banks, securities and credit cards
- 2) "MONEX VISION" can provide analysis and advice of external assets information taken via "MONEX ONE"

Status: More than 4000 customers used "MONEX ONE" in 1 week after release and the evaluations are favorable. In addition, Also contributed to increase "MONEX VISION β" users.

⇒ **Co-promotion with "MONEX VISION" to increase both users**

Portfolio management advice tool "MONEX VISION"



MONEX VISION

"MONEX VISION β" analyzes and evaluates the assets based on the latest financial technology, and provide our customer the best advice for the asset management

Status:

New version updated with "MONEX ONE" was released on January 17, 2011. The number of users reached 24,000 in January, 2011.

⇒ **Co-promoting with "MONEX ONE" to increase users and to reach external assets of our customers**

Market visualizer "MONEX Industry Map for iPad"



released on Nov. 19, 2010

Function: Graphical map of the whole market and market prices/values of each stocks/industries. Most appropriate tool to capture the market and analyze the fundamentals.

⇒ **Customized for iPad users to increase popularity**

"Intelligence Infrastructure"

Creating a new value by financial intelligence & IT

Give market information and education to customers

- Chief Economist N.MURAKAMI, Monex, Inc.
- Chief Strategist T.HIROKI, Monex, Inc.
- Market Analyst T.KANAYAMA, Monex, Inc.
- Financial Education: S.NAITO, Monex University

Provide advice tools based on the latest financial technology

- Providing suitable advice to customers with various goals and properties through online tools



Intelligence Infrastructure to strengthen revenue base

- Advice to improve investment return and risk management
- Advantage in gathering asset and strengthen trading

1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

Breakdown of Net Operating Revenues

■ 3Q of FYE Mar. 31, 2011 (9 months: from Apr. 2010 to Dec. 2010)

(in million yen)

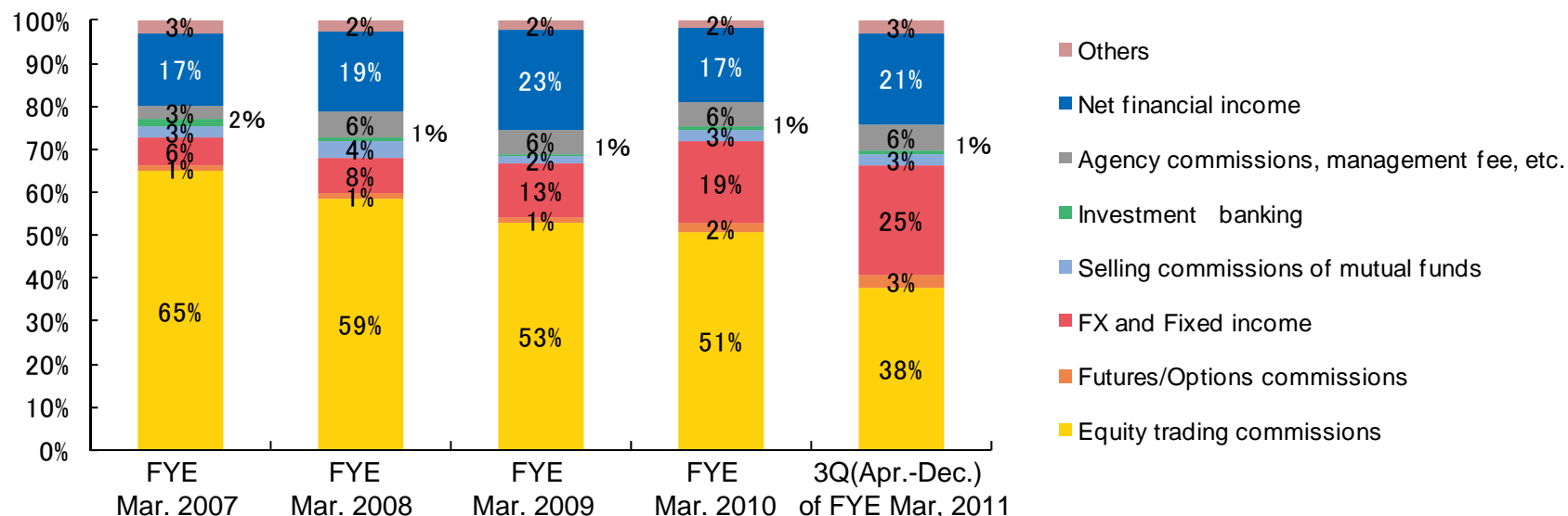
Business category	Revenue from “stock”	Revenue from “flow”	Total	%	Refer to
Equities	Net financial income	Cash trading commissions 3,422	9,496	59%	p.28
	3,420	Margin trading commissions 2,498			
		Others 156			
Derivatives		Futures/Options commissions 519	519	3%	p.29
FX business	—	Net trading gain 3,313	3,859	24%	p.30
		FX trading commissions 545			
Managed asset	1,051 (Agency commissions, management fee, etc.)	469 (Selling commissions of mutual funds)	1,521	9%	pp. 31・32
Fixed income	—	255	255	2%	p.33
Investment banking	—	108	108	1%	p.33
Total	4,472	11,288	15,760	97%	
Others			467	3%	
Net Operating Revenues			16,228	100%	

Revenue ratio from “stock” and “flow” are 27% and 70% respectively

We aim to increase the ratio of revenue from “stock”, as revenue from “flow” are largely affected by market conditions

Change of profit structure

Change of profit structure by Business category (Net Operating Revenues)



◆ Lower dependency on equity trading related business (*1)

Down to 62% on 3Q(Apr.-Dec.) of FYE Mar. 2011 from 83% on FYE Mar. 2007

◆ Enhancement of FX business

Boosted customer services and provided stable trading environment. As a result of acquiring Monex FX, FX trading related profit was successfully taken within the Monex Group.

As the profit structure got more diversified, profit from FX increased to 24% in 3Q(Apr.-Dec.) of FYE Mar. 2011 from 6% in FYE Mar. 2007

◆ Proportion of the profit from “stock”(*2) increased

Despite the profit from “flow” decreases due to the stock markets downturn, the profit ratio from “stock” gradually increased to 27% in 3Q(Apr.-Dec.) of FYE Mar. 2011

(*1) equity trading related business: Equity trading commissions + Futures/Options commissions + net financial income

(*2) profit from “stock”: Agency commissions, management fee, etc + net financial income

Equity Business

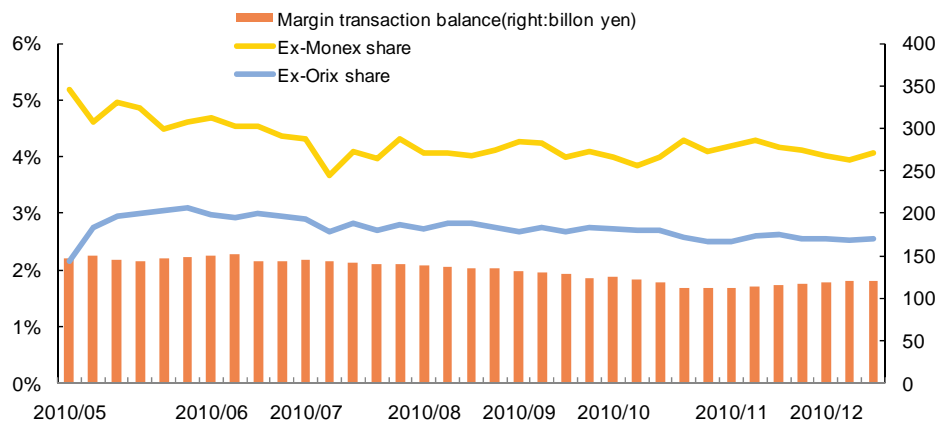
■ Stock

◆ Aim to increase margin balance

- Margin balance recovered as market recovered
- Increased the size of the initial position limit from JPY 100 million to JPY 1 billion (starting from Jan. 2011)

*For individual customers only

Market share after the merger of Ex-Monex account and the Ex-Orix account



■ Future plan

- Introduce our products to clients more efficiently via website and emails.
- Advising customers through webinars and asset advising tool “MONEX VISION β”.
- Smartphone apps for iPhone and Android expected to be released by Feb. and Mar. 2011 respectively.

■ Stock lending service

◆ New function to introduce new users

- Number of accounts constantly growing
- “Dividend automatic sweep function” added by Dec. 2010, hence promoting to increase outstanding of stock lending service.

■ Individual investors coming back to the market

Individual investors are returning to market as market shows strong recovery. Through seminars, webinars and analyst reports, we aim to promote further trading appetite of individual investors.

- Started “Monex Trans-Japan Seminar Tour” since Sep. 2010, and great successes in Sapporo, Sendai, Nagoya and other major cities.

- Carried out “Evening webinar of Japanese equity” for 5 working days, having a different speaker every evening. More than 2000 participants each day, easily surpassing our past record of 800 participants per seminar.

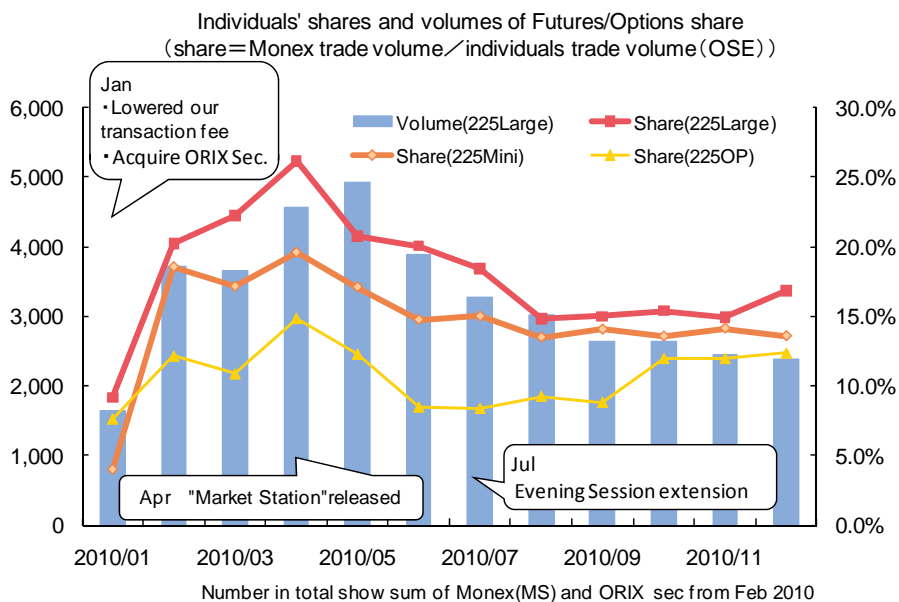


Derivative Business

■ Futures/Options

◆ Recovering market share

Recovering market shares through promoting lowest trading fee in the industry and improving trading tools and platforms.



■ Exchange (listed) CFDs

◆ The first major online broker to provide “Click kabu 365” (since November 2010)

- Our market share has been kept high

■ Plans to expand futures/options trading

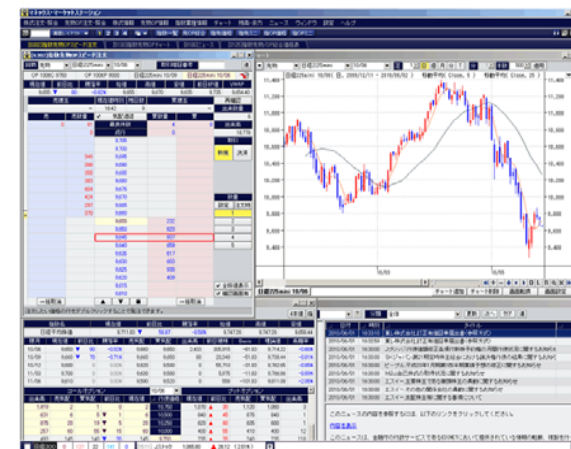
◆ Actions for obtaining new accounts of futures/options

- Carried out a fee cash back campaign to new customers of futures & options (since Oct. 2010)
- Held webinars for beginners and on trading tools regularly

◆ Improving trading tool

-Improved execution speed of our trading tool “Market Station” in Oct. and Dec. 2010

-Introduction of “J-GATE” will further fasten execution speed.

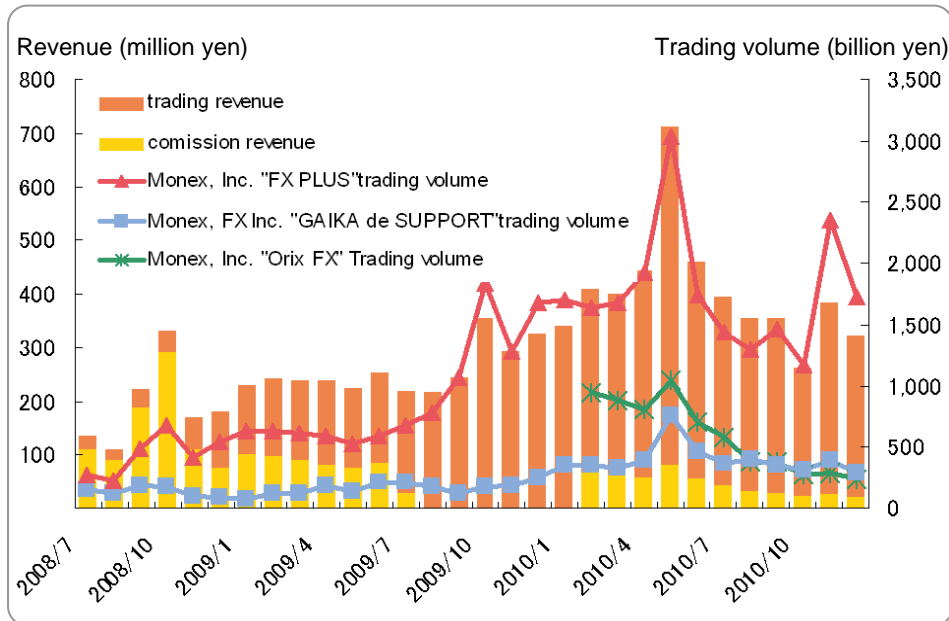


◆ OSE Derivative trading platform “J-GATE”

- Osaka Stock Exchange is expected to introduce “J-GATE”, a faster trading platform for futures & options by Feb. 2011.
- This will come with slight change in rules and regulations of OSE. Will provide more information on this matter on the web.

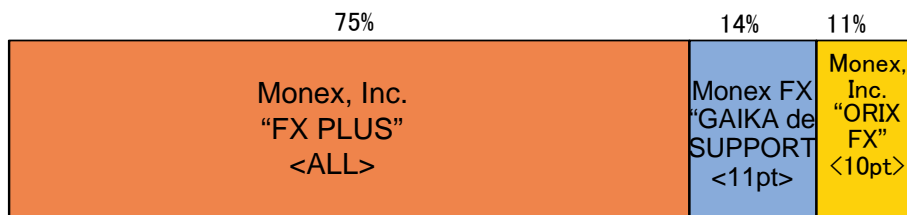
FX Business: Positioning as a Priority Growth Area

Continuing to grow trading profit rapidly



Revenue by trading at leverage rate lower than 1:25

Composition of revenues by FX business (Oct.-Dec. 2010)



※ <Revenue from leverage rate 1:25 or lower>
96 percent of total FX business revenue is generated from trading at leverage rate lower than 1:25. Impact by leverage regulatory is estimated to be limited

Monex, Inc.

OTC "FX PLUS"

Trading volume in Nov 2010 became second-largest level since 2010 May. Released an advance trading tool "Monex Joo" in Dec. 2010

Action in 4Q:

- "ORIX FX" is to be migrated on to "FX PLUS" (Feb. 2011)
- Planning to release FX trading application for Smart phone (April 2011)
- Algorithm based automated order is under discussion



"Monex Joo-β" snap shot

"OSE FX"

Trading volume is increasing and our market share has been kept 16- 20%.

Monex FX

OTC "GAIKA de SUPPORT"

New accounts and active customers are increasing. Total number of account is 1.5 times and working accounts 1.7 times of the previous year .

Action in 4Q:

- Website redesign, 5 days webinar (Jan. 2011)
- Planning to release FX trading application for Smart phone (April 2011)



Mutual Fund Business

Strengthen product lines and services to expand mutual fund asset

Sales recovering (Oct.-Dec. 2010)

- Sales: 17.3 billion yen (20.7% up from 2Q 2010)
- Total outstanding* of mutual funds (excluding MRF): 257.8 billion yen (24% up from the end of Dec. 2009)
- Total outstanding* of foreign currency MMF: 33.6 billion yen (18.4% up from the end of Dec. 2009)

(*Outstandings are as of the end of Dec.2010)

More mutual funds investing in China and other Asian Countries

More mutual funds investing in exotic products such as Chinese A shares, Renminbi fixed income, indices and other Asian markets. (279 funds in total as of Dec. 2010)

Improving automatic reserving service via bank account

Added Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Banking Corporation in addition to Mizuho Bank and Rakuten Bank in early December.

Promoting Bull and Bear Funds

Cross-sell promotion on our popular bull and bear mutual funds to stock investors.

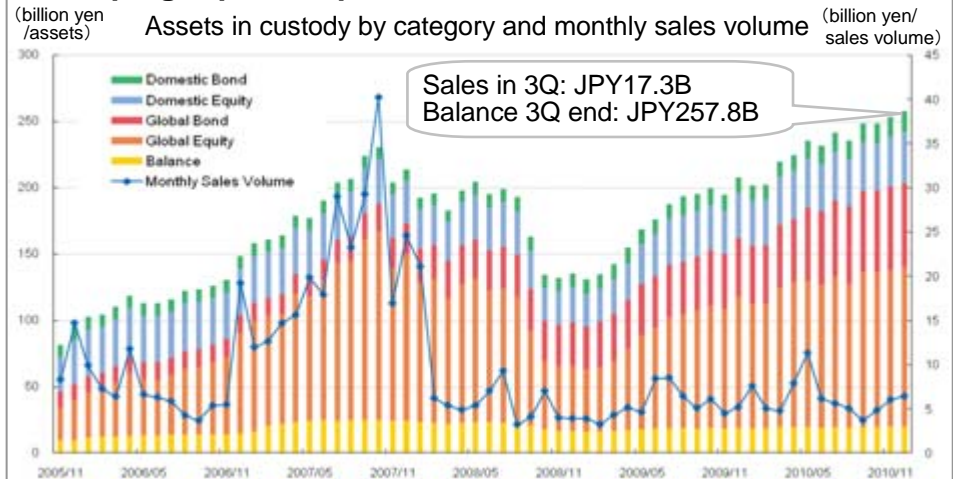
Asset advising tool "MONEX VISION β"

"MONEX VISION β", based on advanced financial technology, enables to give advices to customers about future return of their asset and create better portfolios. Expect fund transfers from other online brokers.



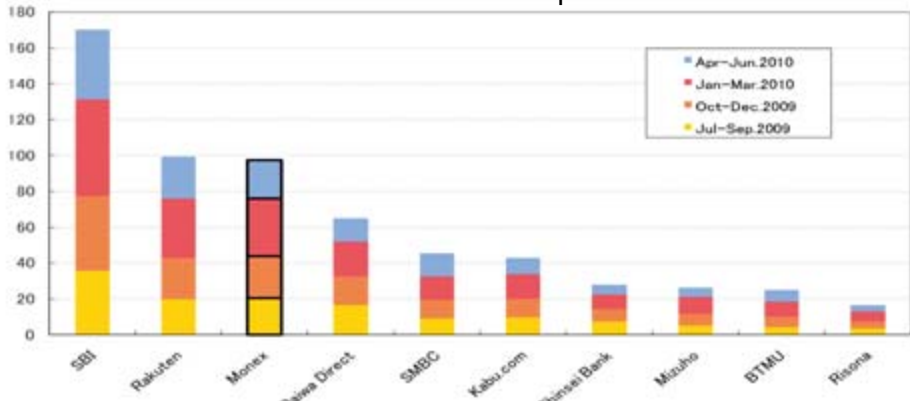
Top-class online mutual fund sales

Keeping top-class position in online mutual fund sales



*Total Assets in custody: MRF excluded *Sales volume: Sum of equity mutual fund sales

Online sales performance of online brokers and banks From Oct. 2009 to Sep.2010 (billion yen)



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

Alternative Investment Business

■ Big leap for top alternative investment manager

MAI Monex Alternative Investments, Inc.
 URL: <http://www.monexai.com>

◆ Merger with Asuka Commodity Investments (ACI) on Feb 1, 2011

- Merger with ACI brings us to a provider of broader service to customers in both fund of funds (FOF) and commodity.
- Aim to be the top alternative investments manager in Japan.
- Strengthen alliance with Monex Group and vendors outside to further focus on retail investors and pension funds investors.
- Target AUM in near term is JPY100 billion

◆ The new MAI has AUM of ¥31 B to start with

	Fund	Portfolio assets	AUM
Individual	Asia Focus	HF of Japan and Asia	¥6.0billion
	China Focus	China A, HK & Taiwan share	¥2.5billion
	PH2006	Global HF and PE	¥3.4billion
	PH2007	Global HF and PE	¥1.9billion*
	PH2010	Global HF	¥1.1billion*
	Others	Global HF、PE、VC	¥2.8billion*
Institution	MGFT	Global HF	¥5.5billion
	Commodity	Global Commodity Futures	¥8.0billion
Total			¥31.3billion

HF : Hedge Fund, PE : Private Equity, VC : Venture Capital
 PH : Premium Hybrid, MGFT : Monex Global FOF Trust

■ Pension mandates thru Mizuho exceed ¥ 5.5 B

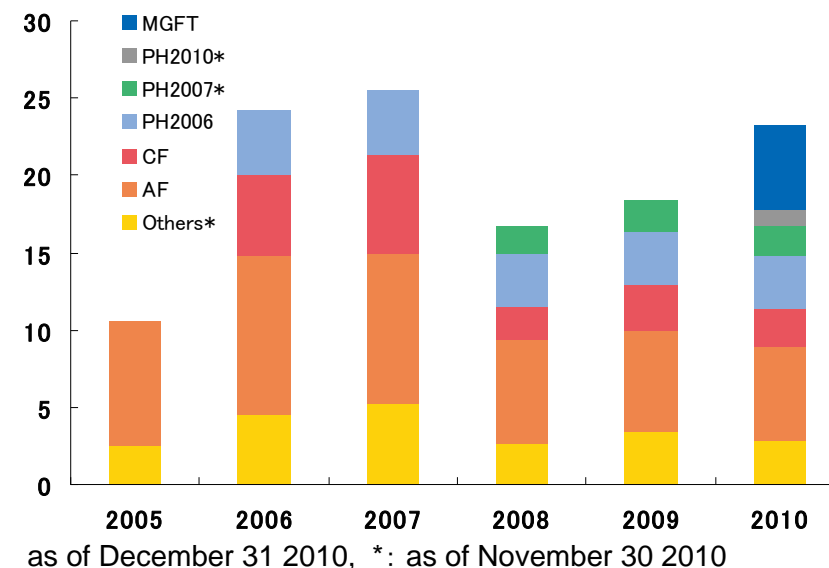
◆ Exceptional track records as a FOF manager in Japan

- MAI has commenced global FOF investment service for pension funds through Mizuho Trust Bank since April 2010.
- Pension funds, who have been outsourcing alternative investments away from Japan, now repatriate back to MAI
- MAI got additional mandate of ¥2.3 B in 3Q 2010.

◆ Brighter prospect in institutional investors in 2011

- In MGFT, additional mandate expected on Feb. 2011
- In Commodity, total AUM of JPY9.2 B expected on Jan. 2011

(billion yen)



Fixed Income Business / R&D / Investment Banking Business

■ Fixed Income Business

◆ Expansion of products & services to meet investor needs

To satisfy the investor's needs, which are becoming more various, we will increase appealing products and improve our origination ability.

- Newly issued bonds

Enrich line-up not only by developed country's currency's but also by developing country's currency's.

- Issued bonds

Started selling foreign government bonds (US and Australia)

Sold RMB denominated CGB for the first time for Japanese retail investors in January 2011.

■ R&D by Trade Science Corporation (TS)

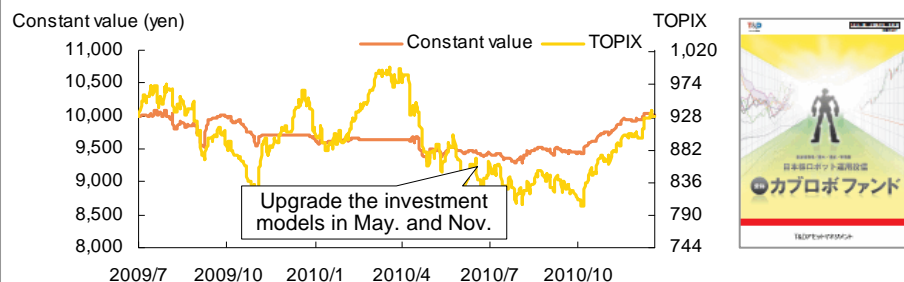
◆ R&D of the Algorithm-based asset management service

- Provides investment advisory service for the mutual fund (*Kabu-robot Fund*).

- Continually reinforce the investment models.

Constant value is 10,049 yen as of January 13, 2011.

Constant value of Kabu-robot Fund



■ Investment Banking Business

◆ IPO underwriting, financing and IR support service

- Participated in 2 IPOs in 3Q and as a result we participated in 6 IPOs out of 15 in this fiscal year. Also participated in PO of Monex Group.

- Strengthened cooperation with VCs expecting IPO market recovery

◆ Global activity on investment banking

- Upon moderation of the issuance of RMB denominated bonds, proposing issuance of the Japanese leading companies in Hong Kong

- We plan to ally with Boom Securities to realize IPO advisory business for JP companies going to Hong Kong or other Asian markets.

◆ M&A (Monex, Inc./Monex Hambrecht, Inc. (MH))

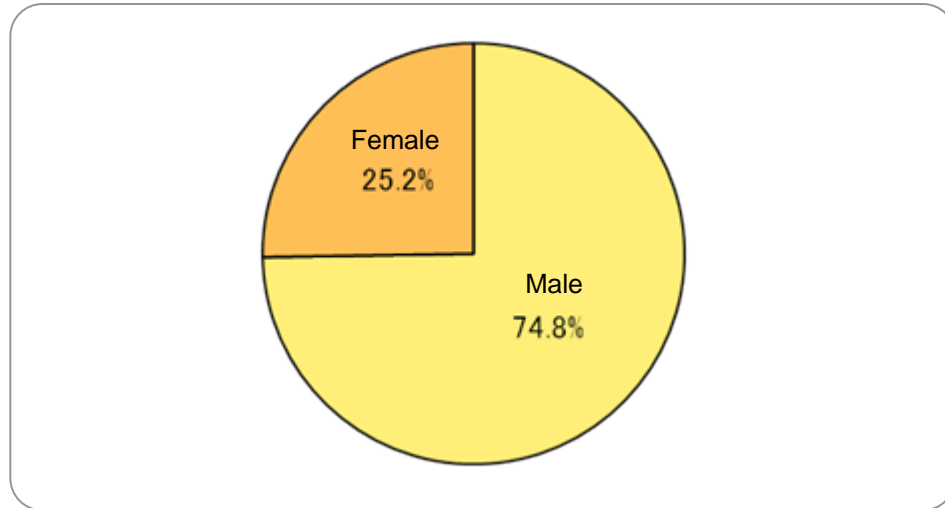
- Focus on conducting cross-border deals in this quarter.
- Growing number of Out (U.S.) - In (Japan) M&A cases due to U.S. monetary easing.
- Increasing stable revenue from retainer fee contracts

◆ Efforts for implementation of Open IPO®(MH)

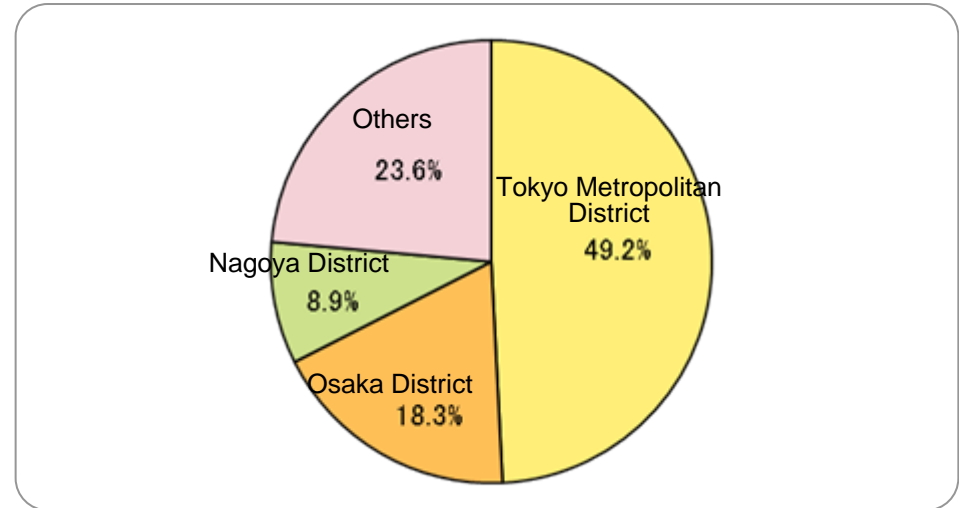
- Continuing to communicate with market players and exchange information.
- Proposing to privatization plan in cooperation with WR Hambrecht + Co.

Customer Distribution of Monex, Inc. (1,202,760 accounts as of the end of Dec, 2010)

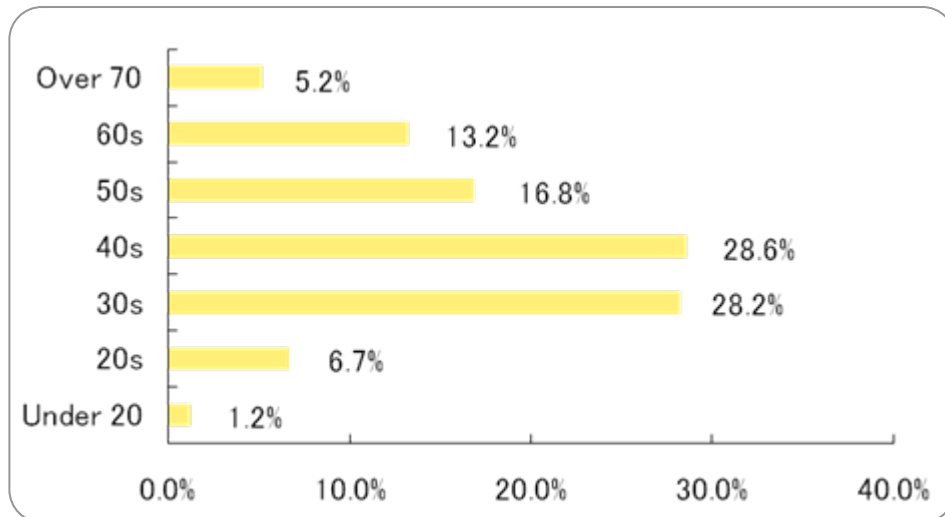
■ Sex



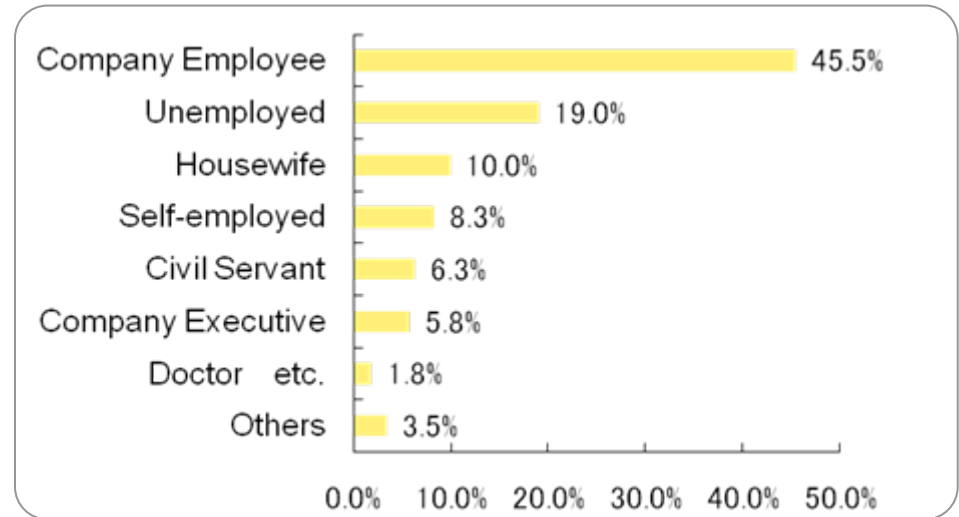
■ District



■ Age



■ Occupation



1. Financial Results

2. Strategies

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4. To our Shareholders

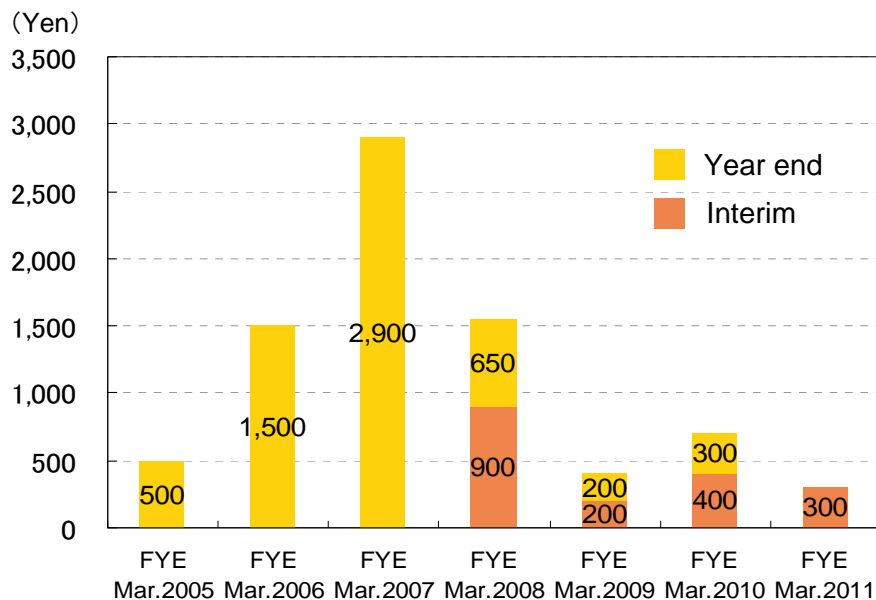
Investors' Guide

■ Pursuing investment returns for our shareholders

◆ Basic policy for shareholder's return

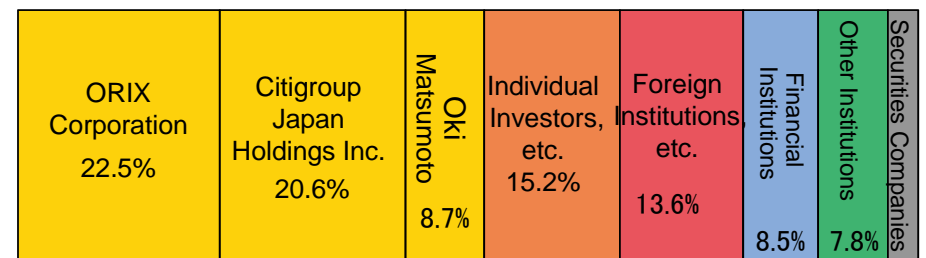
- The Company's policy for shareholder's return is to pay the dividends based on the business performance. The payout ratio is generally targeted at 50% of consolidated net income of current fiscal year
- Interim dividends to be paid out
- In case the Company has a net loss, the management will consider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

◆ Dividend record

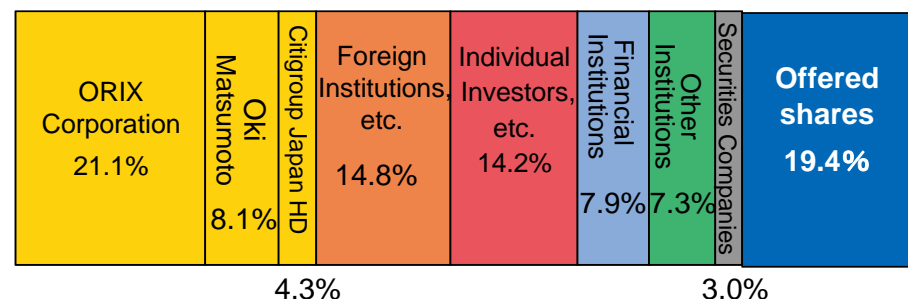


◆ Major shareholders and share distribution

- Total number of issued shares as of end of Sep. 2010: 2,991,120 shares



- Share distribution image after financing in Oct. 2010 and new share issue upon acquiring BOOM Group in Dec. 2010
Total number of issued shares as of Dec. 27, 2010: 3,196,805 shares*



*Added 140,000 new shares issued on Oct. 21, 2010 and 65,685 shares issued on Dec. 27, 2010 to the shareholder's allocation registered as of the end of Sep.