

Financial Results of 1Q 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 First Quarter

◆ Completed the merger of ORIX Securities

- Successfully integrated system, business and organization of Monex, Inc. and ORIX Sec. as of May 1, 2010
- Temporary costs in 1Q concerning the merger: JPY0.29B as SG&A, and JPY1.12B as extraordinary loss
- Cost cut by the merger effective from this quarter. Each SG&A of May and June is less than JPY1.5B (see p.22)

◆ Trends of major revenue sources

- FX trading volume increased by 38% compared from the previous quarter (Jan.-Mar. 2010)
Trading income for this quarter amounted to JPY1.5B and FX commission fee amounted to JPY201M.
- Stock trading volume of Monex, Inc. was JPY3 trillion, increased by 16% from the previous quarter
- Mutual fund sales amounted to JPY25.3B, increased by 49% from the previous quarter
- Consequently Operating Revenue amounted to JPY7.4B, 27.7% up from the previous quarter, and Ordinary Income amounted to JPY1.8B, 339.8% up from the previous quarter. Compared to the same quarter of the last fiscal year, Ordinary Income slightly increased by 0.3% in spite that the trading value by retail investors in the market decreased by 26.4%

◆ Progress of “Intelligence Infrastructure”, positioned as an important strategy to gather customer’s assets

- Released the beta version of “MONEX SIGN”, the exclusive technical trading advice tool, on April 26, 2010 and improved version on July 13, 2010.

◆ China business development

- Established the joint venture in Beijing and preparing to start financial training business
- Filed the formal application for opening a representative office of Monex, Inc. in Beijing (July, 2010)
- Agreed to acquire BOOM Group in Hong Kong

Financial Overview

■ Financial Overview of 1Q(Apr.- Jun.) of FYE Mar. 31, 2011

As FX trading values increased extremely and cost reduction efforts went well after the merger, ordinary income increased by 339.8%

◆ Net operating revenues	6,432 million yen	+20.2% from 4Q of FYE Mar. 31, 2010
▪ Brokerage commissions	2,772 million yen	+6.4% from 4Q of FYE Mar. 31, 2010
▪ FX business revenue	1,729 million yen	+42.3% from 4Q of FYE Mar. 31, 2010
▪ Financial income	1,155 million yen	+25.3% from 4Q of FYE Mar. 31, 2010
◆ SG&A	4,891 million yen	+0.4% from 4Q of FYE Mar. 31, 2010
▪ System related costs(*1)	2,261 million yen	-3.7% from 4Q of FYE Mar. 31, 2010
▪ Transaction-related expenses	452 million yen	+22.0% from 4Q of FYE Mar. 31, 2010
◆ Operating income	1,540 million yen	+223.2% from 4Q of FYE Mar. 31, 2010
◆ Ordinary income	1,814 million yen	+339.8% from 4Q of FYE Mar. 31, 2010
◆ Net Income	1,212 million yen	+29.5% from 4Q of FYE Mar. 31, 2010
◆ Key performance indicators		
▪ ROE (Annualized)	7.3%	Annualized ROE in 4Q of FYE Mar. 31, 2010 was 6.9%
▪ Profit margin (Operating income / Net Operating revenues)(*2)	24.0%	+15.1 pt from 4Q of FYE Mar. 31, 2010

■ Overview of the Japanese Stock Market (as of the end of 1Q of FYE Mar. 2011)

• Nikkei 225 Average	-15.4% from Mar. 31, 2010	-5.8% from Jun. 30, 2009
• Trading Value(*3)	-2.5% from 4Q of FYE Mar. 2010	-26.4% from 1Q of FYE Mar. 2010

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

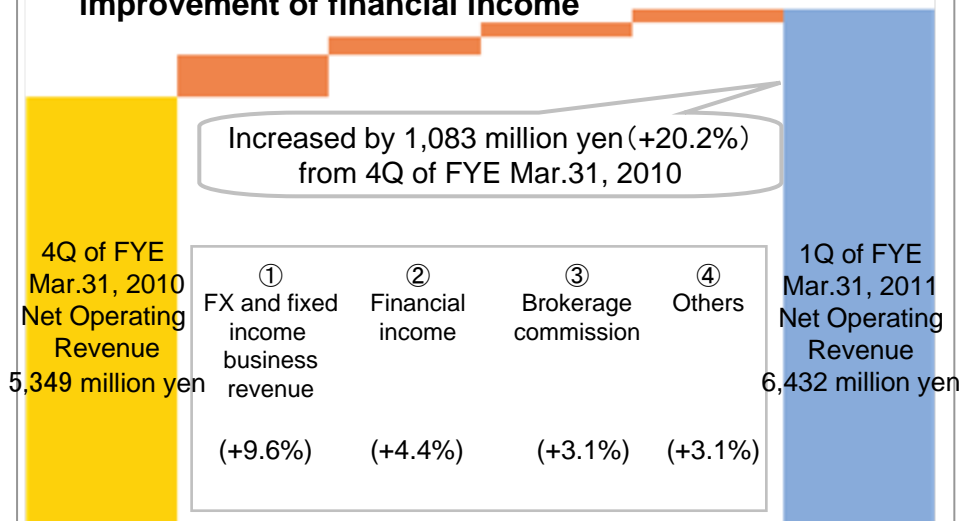
(*2) Profit margin (stated in this material) is calculated as Operating income / Net operating revenue (not operating revenue)

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

Highlights of Revenue (1) Increasing and Decreasing Factors

■ Comparison with 4Q of FYE Mar. 31, 2010

◆ Increased due to increase in FX trading values and improvement of financial income

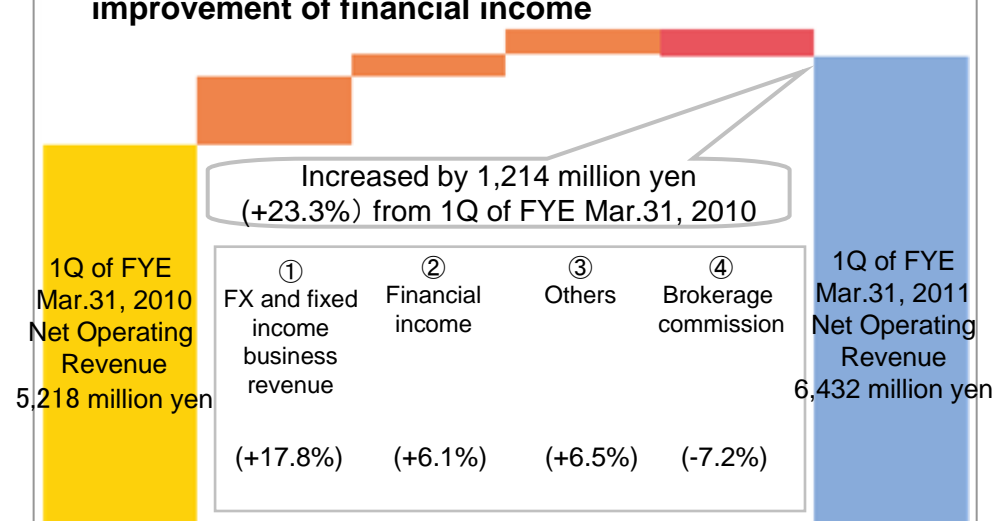


◆ Major increasing factors

- ① FX and fixed income business revenue +513 million yen
 - FX trading values increased continuously
- ② Financial Income +233 million yen
 - Funding efficiency increased due to the merger
- ③ Brokerage commission +167 million yen
 - Equity trading values increased
- ④ Others +168 million yen
 - Revenue from advisory service increased

■ Comparison with 1Q of FYE Mar.31, 2010

◆ Increased due to increase in FX trading values and improvement of financial income



◆ Major increasing factors

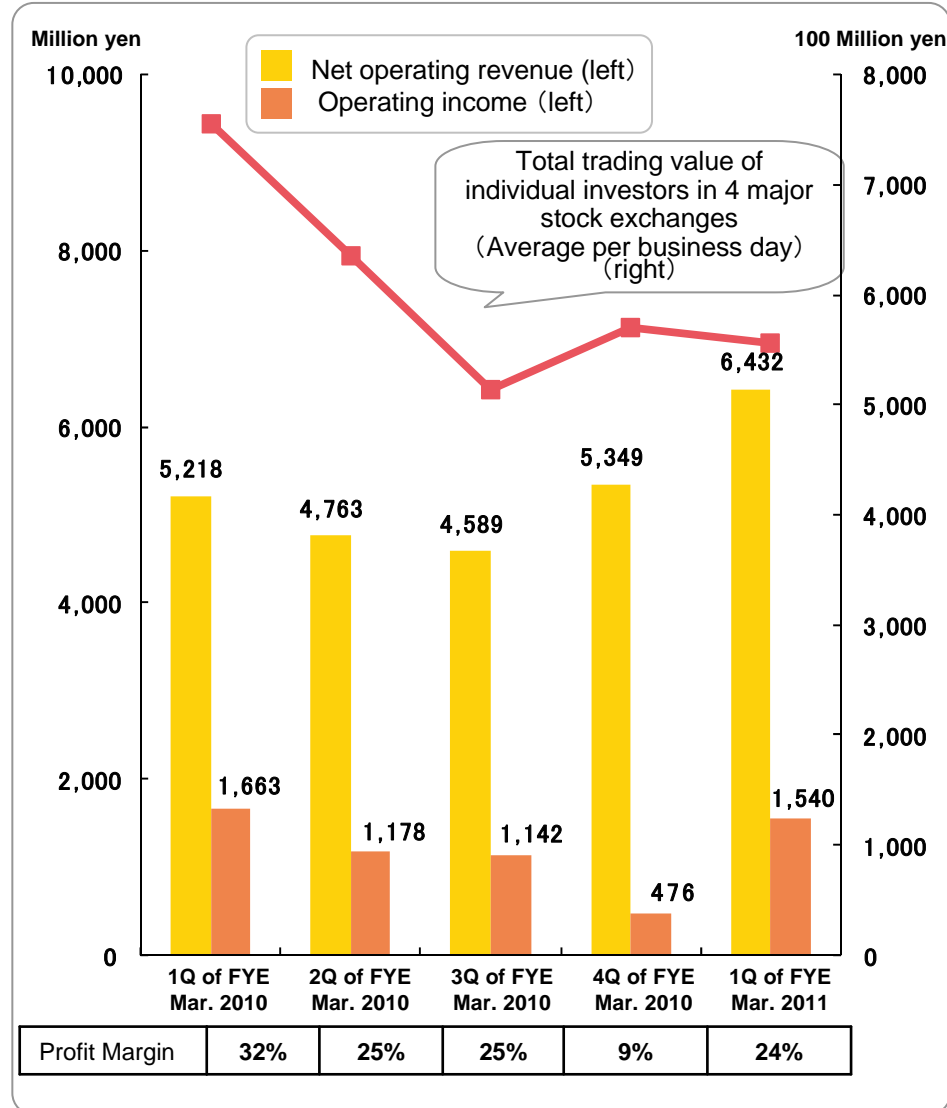
- ① FX and fixed income business revenues +929 million yen
 - FX trading values increased extremely
- ② Financial income +316 million yen
 - Funding efficiency increased by economies of scale
- ③ Others +341 million yen
 - Revenue related with mutual fund increased

◆ Major decreasing factors

- ④ Brokerage commission -373 million yen
 - Ex-ORIX Securities' commission rate is low in comparison with that of Monex, Inc.'s

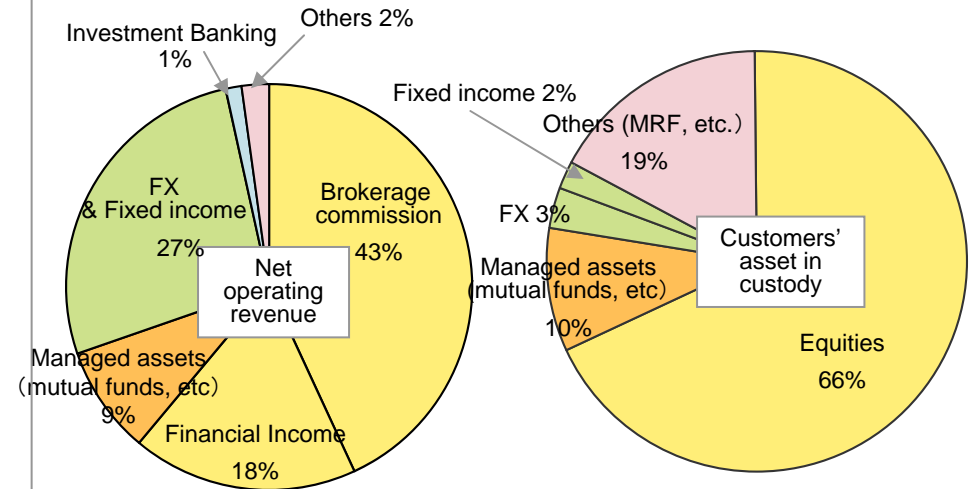
Highlights of Revenue (2) Revenue Trends and Structure

Net operating revenue and operating income

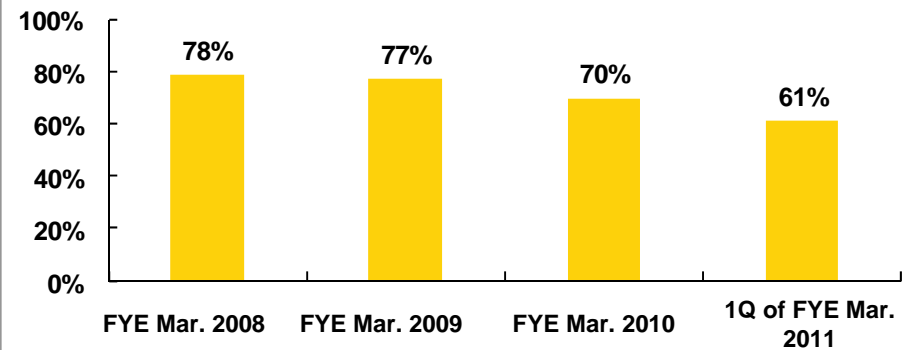


Revenue structure and dependency on brokerage

Revenue and asset in custody (1Q of FYE Mar. 31, 2011)



Trend of dependency on brokerage revenue*



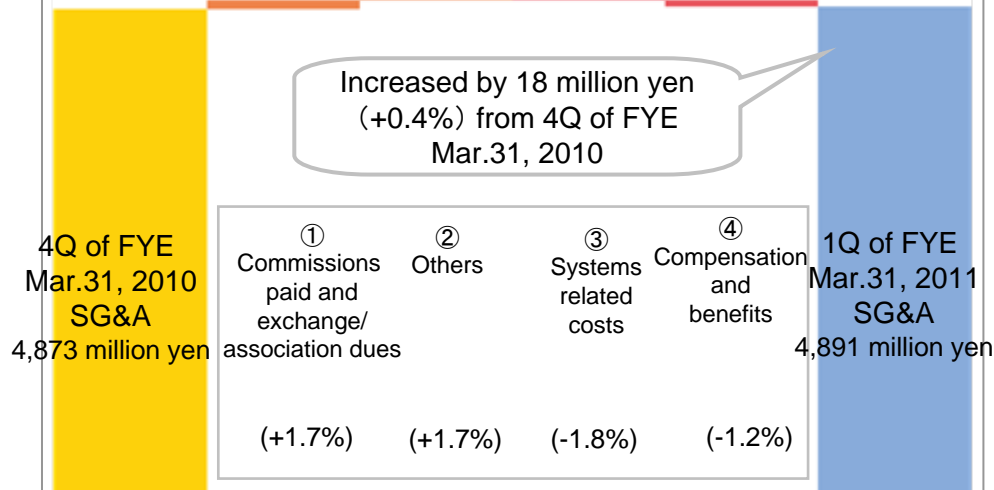
* Dependency on brokerage revenue = (Brokerage commission + Financial Income) / Net operating revenue x 100

Highlights of SG&A (1) Decreasing and Increasing Factors

■ Comparison with 4Q of FYE Mar. 31, 2010

◆ Remained flat by cost reduction efforts

(Note that SG&A of Ex-ORIX Sec. is included from February to April 2010)



◆ Major increasing factors

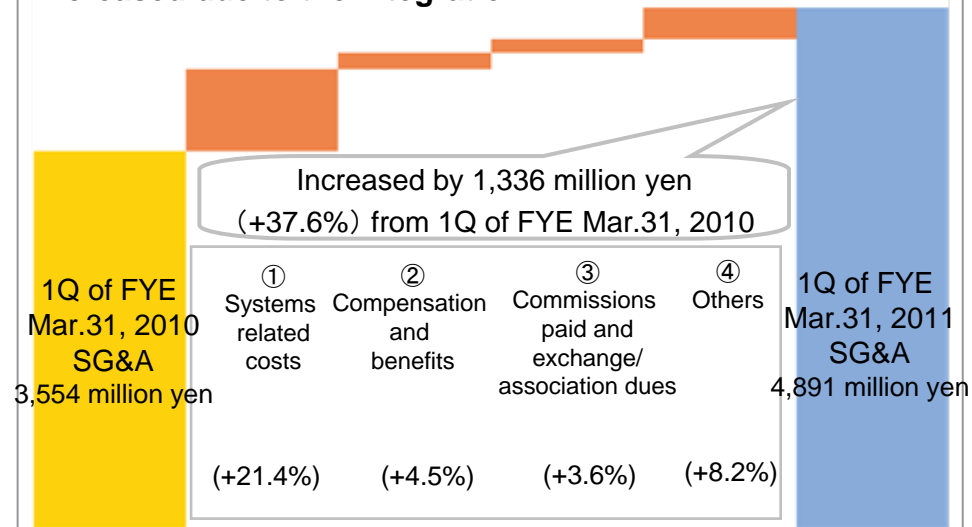
- ① Commissions paid and exchange/association dues +81 million yen
 - Equity trading values increased
- ② Others +82 million yen
 - Amortization of goodwill related to ORIX Securities

◆ Major decreasing factors

- ③ Systems related costs -85 million yen
 - Reduced after the merger
- ④ Compensation and benefits -59 million yen
 - Reduced in the number of employees after the merger

■ Comparison with 1Q of FYE Mar.31, 2010

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

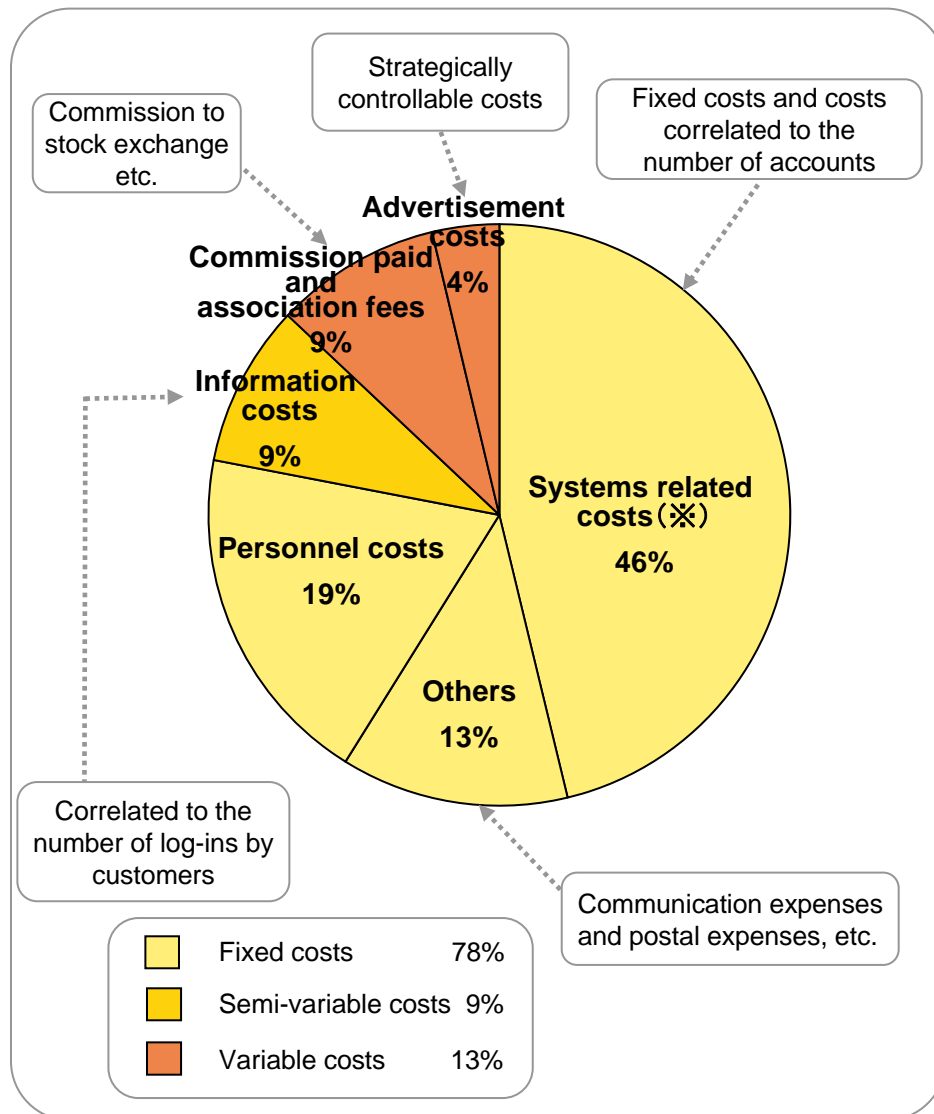


◆ Major increasing factors

- ① Systems related costs +759 million yen
 - Increased due to the integration
- ② Compensation and benefits +159 million yen
 - Increased due to the integration
- ③ Commissions paid and exchange/association dues +127 million yen
 - Equity trading values increased
- ④ Others +289million yen
 - Amortization of goodwill related to ORIX Securities

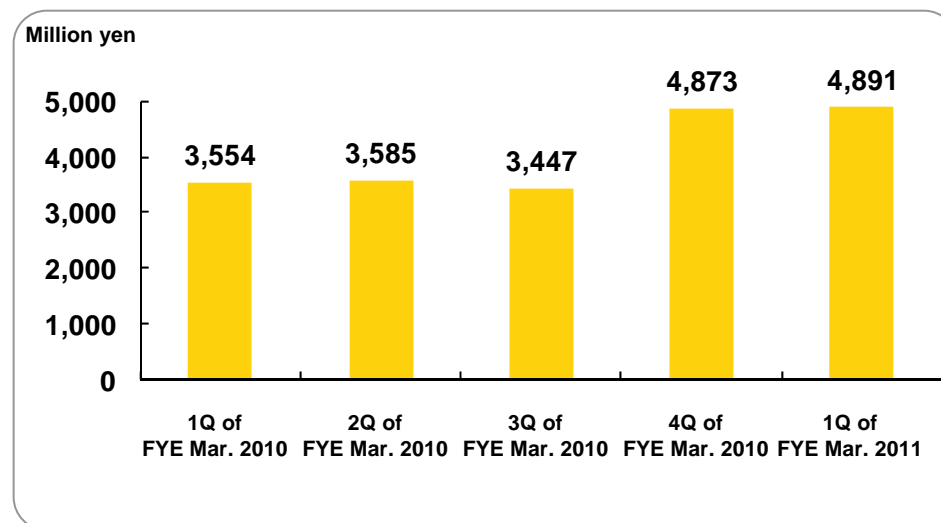
Highlights of SG&A (2) Cost Structure and Trends

■ Cost Structure (Apr. 2010 - Jun. 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	1Q FYE March 2011
Book-value Per Share (BPS)	20,253	19,664	17,235	22,139	22,280
Earnings Per Share (EPS)	4,066	3,080	△928	1,527	1,621
Return on Equity (ROE)	21.4%	15.5%	-5.0%	7.1%	7.3%
Dividend Per Share	2,900	1,550	400	700	(TBD)

*EPS and ROE of 1Q, FYE March 2011 are multiplied by 4 of 3 month data.

Balance Sheet

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

(in billion yen)

[Segregated cash trust]

Monex, Inc.	142.9
Monex FX	3.6
Total	146.5

[Cash margin from customers (minimum requirement)]

Monex, Inc.	132.4
Monex FX	3.2
Total	135.6

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

(in billion yen)

Property/equipment	0.5	(Facilities, equipment, etc.)
Software	1.5	(Assets to provide service)
Goodwill	7.8	(Premium of ORIX Sec, etc.)
Guarantee deposits, etc	2.3	(Real estate deposit, etc)
<u>Investment securities</u>	<u>5.9</u>	(See (*4) below)
Total	18.2	

[Funds operation]

Cash/Deposits	32.7
Net margin assets(*1)	124.4
<u>Call loan</u>	<u>5.0</u>
Total	162.2

[Financing]

Call money	35.0
Bank borrowing	35.2
Short-term notes	9.5
<u>Cash collateral from stock lending(*2)</u>	<u>40.9</u>
Total	120.7

JGB as collateral	2.1
Non-current assets (*3)	18.2

Total net assets	66.7
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(*4) Value of main investment securities (billion yen)

Name of securities (Purpose for acquisition)	Book value	Estimated value(*5)	Premium
LIFENET INSURANCE (Incubation)	2.0	1.8	-0.1
Asia Focus (Maintenance of products)	1.1	1.1	—
Triangle Partners (Support of Chinese IPO)	0.3	0.3	—
Dot Commodity, Inc.	0.4	0.4	—
Tokyo Stock Exchange Group	1.3	2.0	0.7
Others (*6)	0.6	—	—
Total	5.9		

(*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 : 4Q of FYE Mar. 31, 2010 vs. 1Q of FYE Mar. 31, 2011 (in 3 months)

(in million yen, %)

	4Q of FYE Mar. 31, 2010 (Jan. 2010 – Mar. 2010)	1Q of FYE Mar. 31, 2011 (Apr. 2010 – Jun. 2010)	Change
Operating Revenues	5,801	7,407	27.7%
Net Operating Revenues	5,349	6,432	20.2%
SG&A	4,873	4,891	0.4%
Operating Income	476	1,540	223.2%
Ordinary Income	412	1,814	339.8%
Net Income	936	1,212	29.5%
EBITDA*	398	1,911	379.2%

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

(in million yen, %)

	4Q of FYE Mar. 31, 2010 (as of Mar. 31, 2010)	1Q of FYE Mar. 31, 2011 (as of Jun. 30, 2010)	Change
Total Assets	374,688	377,703	0.8%
Shareholders' Equity	66,222	66,644	0.6%

(For reference : Monex, Inc.)

Capital Adequacy Ratio	386.0%	411.2%	-
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Financial Summary : 1Q of FYE Mar. 31, 2010 vs. 1Q of FYE Mar. 31, 2011 (in 3 months)

(in million yen, %)

	1Q of FYE Mar. 31, 2010 (Apr. 2009-Jun. 2009)	1Q of FYE Mar. 31, 2011 (Apr. 2010-Jun. 2010)	Change
Operating Revenues	6,138	7,407	20.7%
Net Operating Revenues	5,218	6,432	23.3%
SG&A	3,554	4,891	37.6%
Operating Income	1,663	1,540	-7.4%
Ordinary Income	1,808	1,814	0.3%
Net Income	1,413	1,212	-14.2%
EBITDA*	2,355	1,911	-18.9%

*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, 2010 (as of Jun. 30, 2009)	1Q of FYE Mar. 31, 2011 (as of Jun. 30, 2010)	Change
Total Assets	259,339	377,703	45.6%
Shareholders' Equity	40,994	66,644	62.6%

(For reference : Monex, Inc.)

Capital Adequacy Ratio	392.2%	411.2%	-
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Financial Summary: Quarterly trends in income statement

(in million yen)

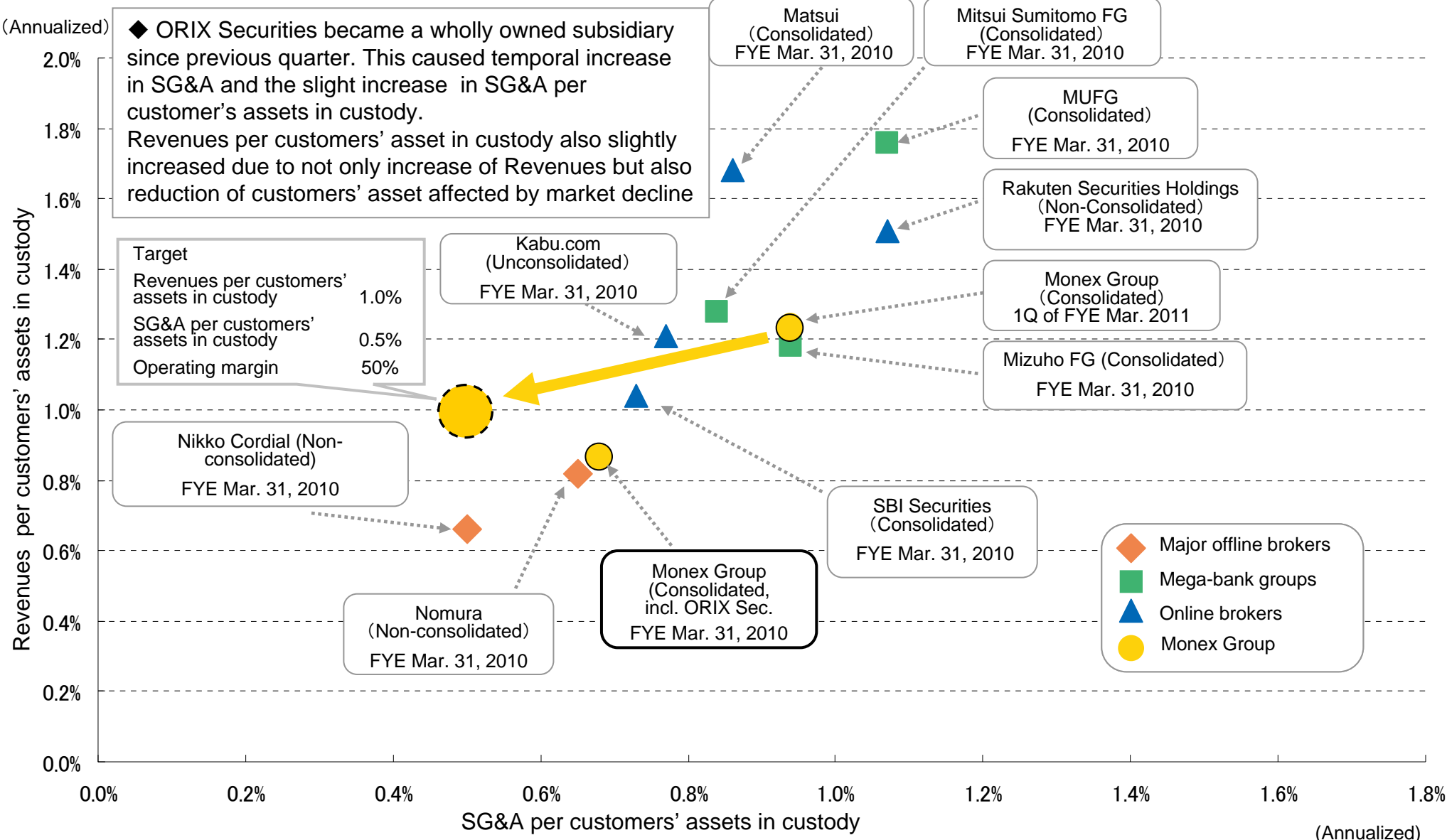
	FYE Mar.31, 2009				FYE Mar. 31, 2010				FYE Mar. 31, 2011
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Brokerage commissions	3,505	2,612	2,911	2,342	3,145	2,670	2,073	2,604	2,772
Underwriting and distribution commissions	1	0	1	2	1	3	3	14	1
Subscription and distribution commissions	113	57	88	75	136	125	129	147	209
Other commissions	945	875	807	560	543	471	363	584	723
Margin forex trades commissions	438	388	476	286	238	30	0	130	201
Mutual funds agency commissions	369	341	229	176	215	247	264	290	311
Others	137	145	101	97	89	193	98	163	210
Net gain on trading account	195	155	295	454	558	715	1,051	1,089	1,526
Net gain on operating investments	9	0	- 27	21	- 45	- 0	- 0	-70	9
Financial income	2,542	2,834	1,805	1,429	1,758	1,216	1,658	1,374	2,130
Other operating revenues	56	45	50	42	38	40	37	56	33
Operating revenues	7,370	6,581	5,932	4,927	6,138	5,242	5,317	5,801	7,407
Financial expenses	1,382	722	1,085	568	919	478	728	451	974
Net operating revenues	5,987	5,859	4,847	4,359	5,218	4,763	4,589	5,349	6,432
Selling, general and administrative expenses	3,933	3,915	4,032	3,902	3,554	3,585	3,447	4,873	4,891
Operating income	2,054	1,944	814	456	1,663	1,178	1,142	476	1,540
Ordinary income	2,125	1,887	799	419	1,808	1,120	1,137	412	1,814
Quarterly net income	2,152	- 1,908	443	-2,832	1,413	622	803	936	1,212

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

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



◆ ORIX Securities became a wholly owned subsidiary since previous quarter. This caused temporal increase in SG&A and the slight increase in SG&A per customer's assets in custody. Revenues per customers' asset in custody also slightly increased due to not only increase of Revenues but also reduction of customers' asset affected by market decline

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

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 June 30, 2010)

[Financial products and services for individual investors]

Securities Company



Monex, Inc.
Premium online financial institution
(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

Beijing Representative Office
(Monex Group)
Developing business opportunities in China

BaiFor Investment Advisory Ltd.

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

MBH America, Inc.

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

[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
(Investment Ratio) Monex G: 55%
Asuka Asset Management: 45%

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]



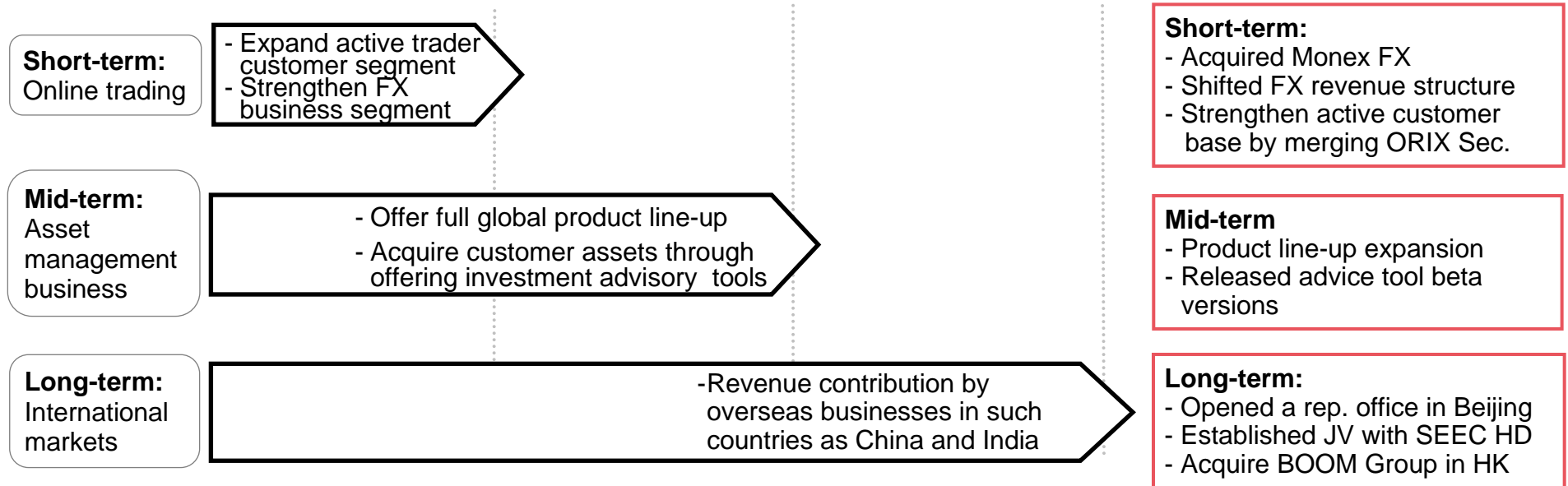
LIFENET INSURANCE COMPANY
New type of life insurance service through the internet
(Investment Ratio) Monex G: 18.5%

Roadmap

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

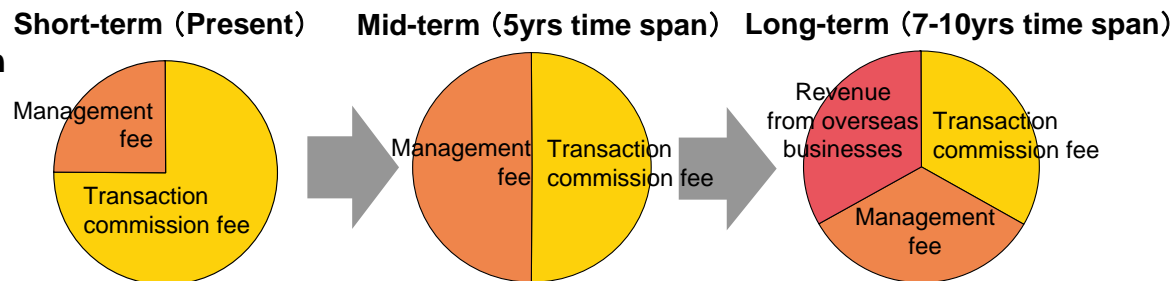
◆ Our goal is to become a GLOBAL TECHNOLOGY-BASED RETAIL financial services provider

◆ Strategies for future growth



◆ Image of

total revenue contribution



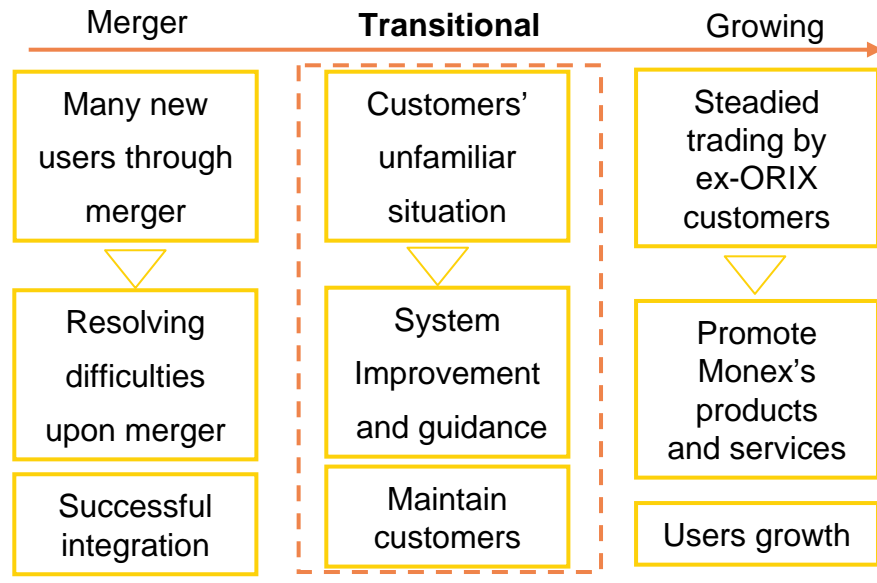
Short-term Strategy: Marketing Strategy after Merger of Monex, Inc. and ORIX Sec.

■ Upon merger: Maintain ex-ORIX customer base

◆ Maintain and strengthen business base through merger

- Establishment of the Sales Division (as of May 1, 2010) in order to promote products and services and to enrich customer base.
- Plan to grow revenue base by ex-ORIX users by phased sales approach operated by Sales Division
- In transitional period after merger, plan to keep ex-ORIX customer base by calling users and improving tools, etc.
- Try to grow the customer base in growing period

◆ Operate sales strategy according to the stage



■ Next stage: Increasing market share

Aim to expand trading shares by fully utilizing the customer base strengthened by the merger

◆ Stock trading

Present Over 8% trading share in total after merger

Ex-MS user Review commission table and appeal trading tool

Ex-OS user Appeal MS original services

◆ Future/Option trading

Present About 20% trading share of futures

Ex-MS user Acknowledging by seminars and trading tools, etc.

Ex-OS user Promotion by reasonable commission table

◆ FX trading

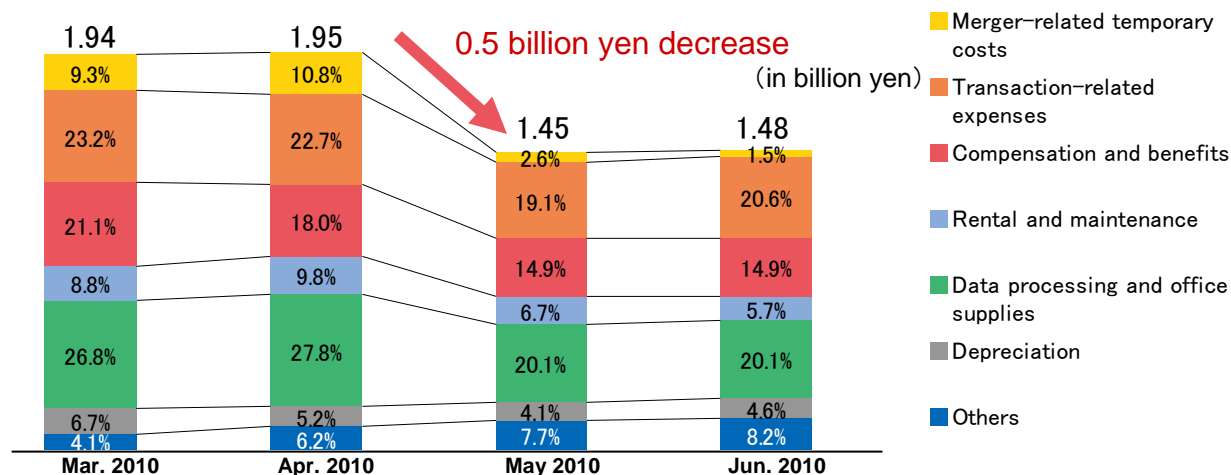
Monex aims for further customer acquisitions before the tightening of regulations for high leveraged trading, by offering safe and low-leverage products

■ Expansion of investment education

Holding investment education as a major pillar for marketing, we will progress with the acquisition of a new customer base of a younger generation, increase the loyalty of existing customers by greatly expanding the number of online and offline seminars

Short-term Strategy: Cost Reduction and P/L Impact after the Merger

Monthly Trend of Cost Reduction (SG&A)



*The number (%) is the proportion to the amount of SG&A in Mar. 2010

- ◆ The total amount of Compensation and benefits and system related costs in May 2010 reduced approximately 0.29 billion yen from that of April 2010 due to the merger of Monex, Inc. and ORIX Securities as of May 1, 2010
- ◆ 3.5 billion yen of running costs is expected to be reduced in total on an annual basis
- ◆ Others include amortization of goodwill related to the merger

Merger-related temporary costs

	1Q of FYE Mar. 2011(results)	2Q of FYE Mar. 2011(forecast)	
SG&A	0.29 billion yen <ul style="list-style-type: none"> • Depreciation of Systems of Ex-ORIX Sec.(Ex-OS) • Office rental expense of Ex-OS • Marketing Expense for the merger campaign 	0.06 billion yen <ul style="list-style-type: none"> • Office rental fees of Ex-OS • Office rental expense of Ex-OS • Marketing Expense for the merger-related campaign 	<ul style="list-style-type: none"> ◆ 1.41 billion yen of the merger-related temporary costs was included in the 1Q of FYE March 2011. ◆ 0.11 billion yen of the merger-related temporary costs is forecasted in and after 2Q of FYE March 2011.
Extraordinary loss	1.12 billion yen <ul style="list-style-type: none"> • Data transfer expense of Ex-OS • Cancellation cost of systems of Ex-OS • Contingency system back-up expense of Ex-OS • Delivery cost of ID, password, and terms & condition at merger • Pension related cost of Ex-OS • Office restoration expense of Ex-OS 	0.05 billion yen <ul style="list-style-type: none"> • Data transfer expense of Ex-OS 	<ul style="list-style-type: none"> ◆ 1.52 billion yen is forecasted in total as of the merger-related temporary costs in FYE March 2011.

Mid-term Strategy: Intelligence Infrastructure

◆“Intelligence Infrastructure”

◆Creating a new value by financial intelligence & IT

Intelligence Infrastructure (new information platform)

Give market information and education to customers

- Chief Economist N.MURAKAMI, 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

◆Advice Tools dedicated to various customers

- **MONEX VISION**, portfolio management tool, was highly evaluated and its open Beta ver. is planned to be released in this fall.
- **MONEX SIGN**, technical trading advice tool, is gathering the feedback and to be improved and released after reflecting them.

◆“MONEX VISION” and “MONEX SIGN”

◆Technical trading advice tool “MONEX SIGN (Beta 2)”

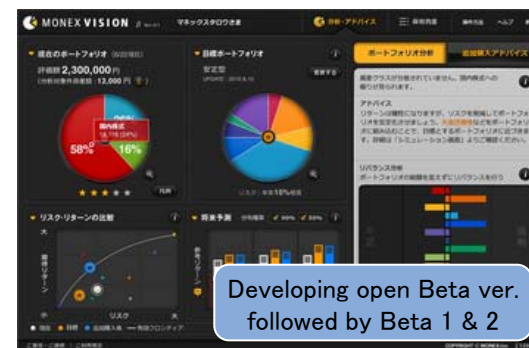


Major functions

- Advise the combination of stocks and technical analysis.
- Buying / Selling alert by the technical analysis
- Risk management function. (ex. Trading stop alert)

➔ Planning to improve and release reflecting the feedback

◆Portfolio management advice tool “MONEX VISION”



Feedback from monitors

- Average assets of monitors were higher than average.
- As Beta 1 & 2 were in high repute, we plan to expand monitors.

➔ Planning to release open Beta version (*) in this fall

* Open Beta version: Strengthened its system to be used by more customers.

Long-Term Strategy: Overseas Business Development

■ Achievements and future plans for overseas business development

◆ Updates on business development in mainland China

- JV in Beijing: BaiFor (百富睿通投資顧問有限会社) - Start of Financial Education (Training) Services

Development of system platform for online education services for financial institutions, etc. in China and related software underway

- Application of Beijing Rep. Office of Monex Inc.

The official application for opening representative office in Beijing has been formally accepted by CSRC in July 2010.

- Development of cooperation relationship with a leading financial group in China over various areas such as study of domestic online securities trading, investment into China, etc.

◆ To acquire BOOM Group in HK, Asia's global financial center

Background

- Bi-directional flows of money: from mainland China into the world and the world into mainland China

➡ Take advantage of HK's function being the gateway of China-related assets

- HK as touchstone for globalization of capital market in China

Increase in the number of RMB related products available in HK, expecting policy measures on RMB globalization

➡ Develop RMB related products and provide Japanese domestic investors with them



About BOOM Group

- History: Incorporated in 1997 in HK as the first online securities company in Asia.

- Products: Stock trading in 12 markets; Margin trades in HK, US, Sing., Aus. and JP.; HK IPO; HK warrant; mutual funds, etc.

- Strength: Multi currency accounts: customers can trade in 12 markets in multiple currencies including HKD, USD, SGD, AUD and JPY.

Future Plan

July 27, 2010 Signing of acquisition agreement

Oct.-Nov. 2010 (planned) 100% to be acquired by Monex Group after approval from Hong Kong Securities and Futures Commission

Future Business Development

- BOOM Group will further increase its presence in HK through expanding margin trading, facilitating account opening, and developing new products.

- In consideration of RMB globalization, BOOM Group will take in investment capital flows from mainland China into HK

➡ Develop BOOM Group to be the hub in Asia including China so that it will function as one of the core strategic strongholds for overseas business development of Monex

1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

Breakdown of Net Operating Revenues

■ 1Q of FYE Mar. 31, 2011 (3 months: from Apr. 2010 to Jun. 2010)

(in million yen)

Business category	Entity	Management Fee	Transactional commission fee	Total	%	Refer to
Brokerage	Monex, Inc. ORIX Securities	1,155 (Interest income from margin business)	2,772 (Commissions)	3,928	61%	p.27
FX business	Monex, Inc. Monex FX ORIX Securities	—	1,619 (Trading income, etc.)	1,619	26%	p.28
Managed asset	Monex, Inc. ORIX Securities Monex Alternative Investments Trade Science	340 (Agency commissions, management fee, etc.)	209 (Selling commissions of mutual funds)	549	9%	pp. 29-30
Fixed income	Monex, Inc. ORIX Securities	—	109	109	1%	p.31
Investment banking	Monex, Inc. ORIX Securities Monex Hambrecht	—	81	81	1%	p.31
Total		1,496	4,790	6,286	98%	
Others				146	2%	
Net Operating Revenues				6,432	100%	

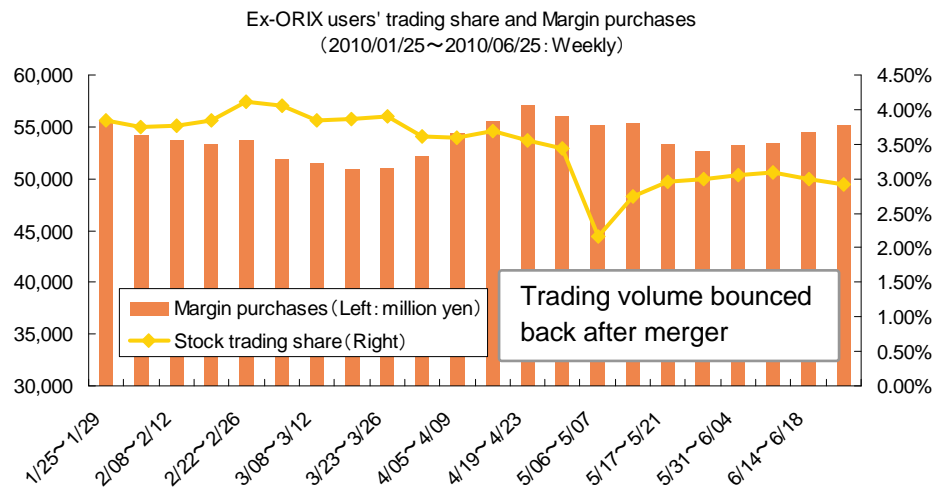
We aim to increase the ratio of management fees, as transaction/commission fees are largely affected by market conditions

Equity Business

■ Stock: Keeping Customer base of ORIX Sec

◆ Keeping customer base of ORIX Sec

- Keep customer base (Margin purchases, Login users, etc)
- Trading volume decreased due to weak market
→ Carry out some plans to activate the users' trading
→ Campaign to increase trading, etc.



■ For further growth

◆ Actions to retain customers after merger

- Speedy support to the demands for products/services/tools
- Segmentalized approach via phone and e-mail

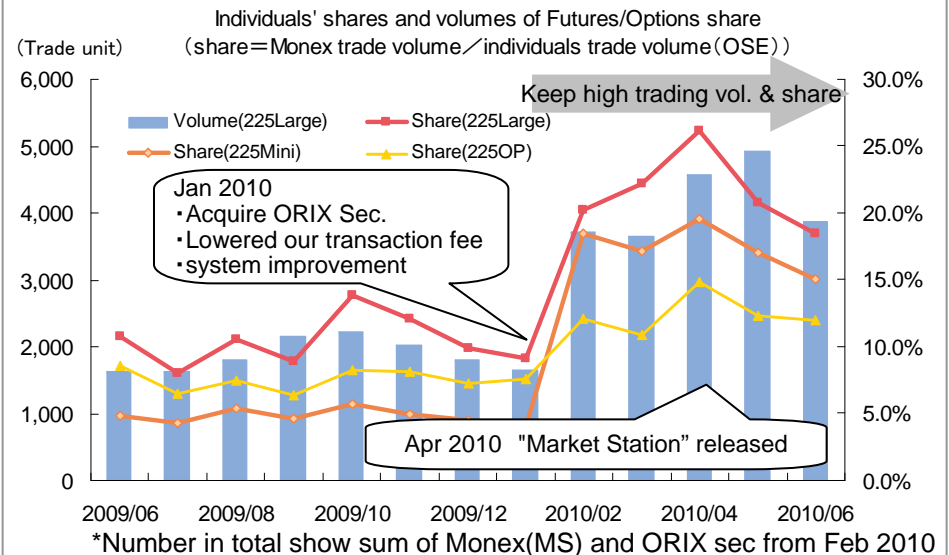
◆ Build up trading tools

- Making trading tools more highly functional
- Plan to develop trading tools for Smartphone

■ Futures/Options: Aim to increase trading share

◆ Increasing trading share by merger

- Trading share and volume keeps high level. Largest in Apr.
- Offering better services to each user for larger trading volume



◆ Improve trading tools and views for traders backup

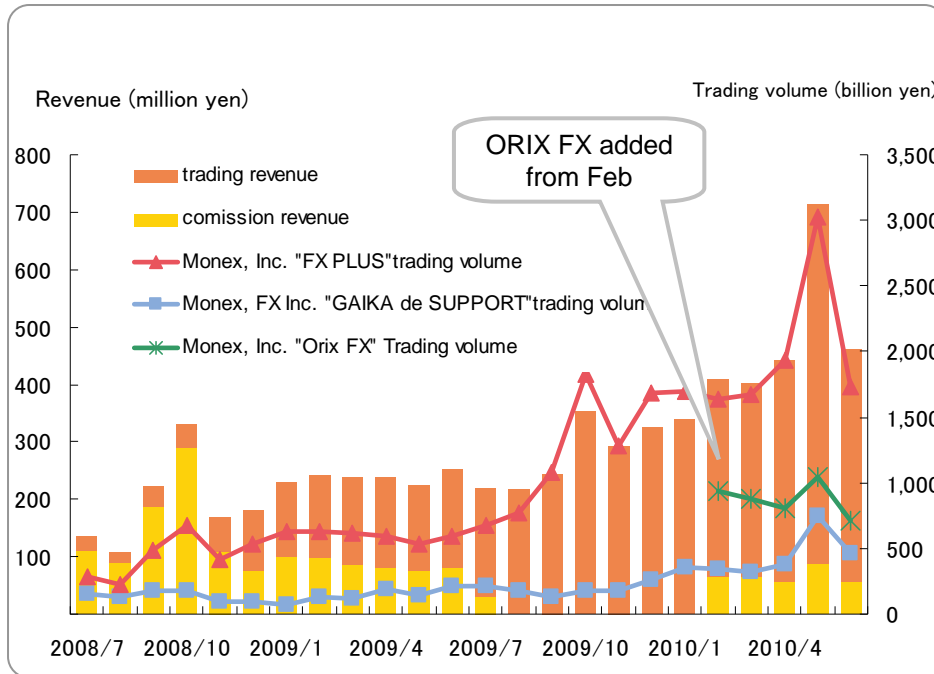
- Aim to heighten Ex-OS users' satisfaction by improving trading tools→Promote for further trading by Ex-OS users
- Appeal new trading tool to Ex-MS users
- Upgrade Future trading function of "Market Station"
- Keep upgrading mobile trading browser

◆ Expand customer base by extending evening session

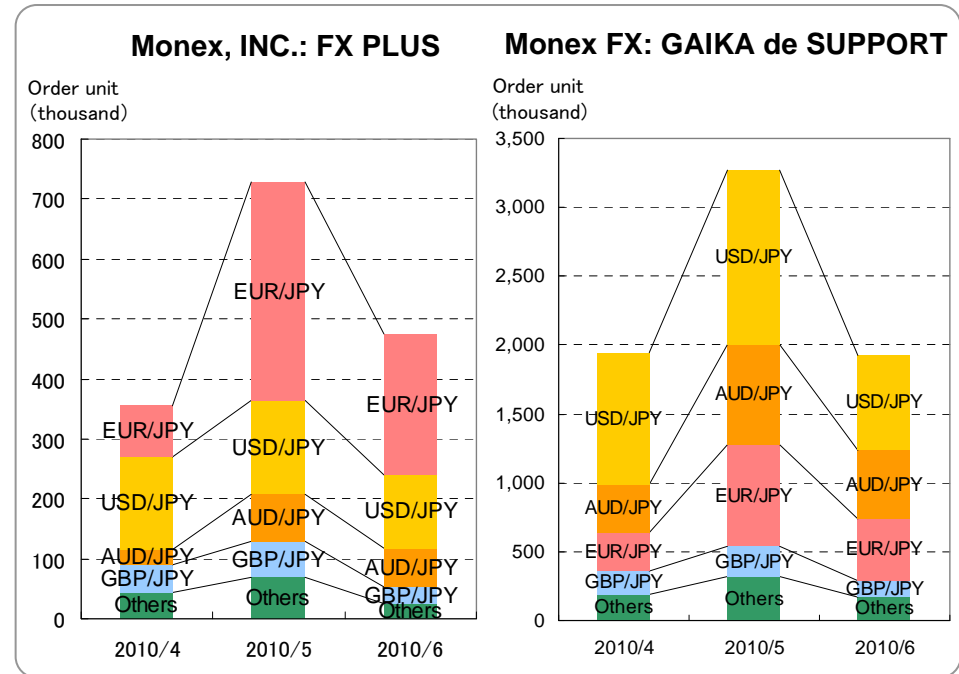
- Extension of trading hours of Evening Session, starting from July 20, 2010 →carry out related campaign to grow trading

FX Business

Positioned as a priority growth area



Breakdown by currency pairs



For further growth

◆ Monex, INC.: FX PLUS

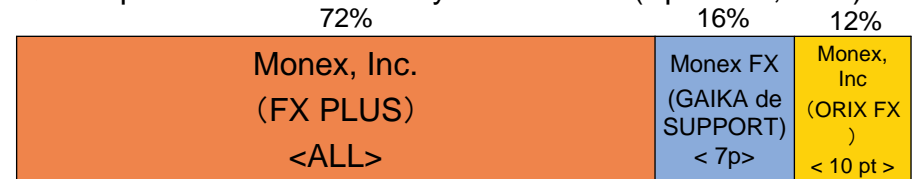
- Planning to add a new trading tool, 'Monex Joo'
- Planning to support order via Smartphone

◆ Monex FX: GAIKA de SUPPORT

- Planning to provide signal based trading method
- Planning to support order via Smartphone

Revenue by trading at leverage rate lower than 1:25

◆ Composition of revenues by FX business(Apr.-Jun.,2010)



< Revenue from leverage rate 1:25 or lower >

Approximately 90 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

Mutual Fund Business

Strengthen product lines and services to expand mutual fund asset

The sales trend recovering (Apr.-Jun. 2010)

Total amount of sales: About 25.3 billion yen (39.8% up from 1Q FYE2010, 48.8% up from 4Q FYE2010)

Amount outstanding: About 231.7 billion yen (31.6% up from 1Q FYE2010, 5.5% up from 4Q FYE2010)

Foreign currency MMF: About 4.2 billion yen (125.2% up from 1Q FYE2010)

No. of auto funding contracts (as of the end of June 2010): about 69,000 (22.2% up from 1Q FYE2010)

Expanding product line by merging ORIX Securities

Plan to increase sales amount by adding 39 mutual funds from ex-ORIX's line-up and introducing 3 new funds (241 funds in total as of Jun 2010)

Improving automatic reserving service via bank account

- Customers are able to apply via website
- Plan to add Mitsubishi Tokyo UFJ Bank, Sumitomo Mitsui Banking Corporation in addition to Mizuho Bank, Rakuten Bank currently available as of Jun 2010

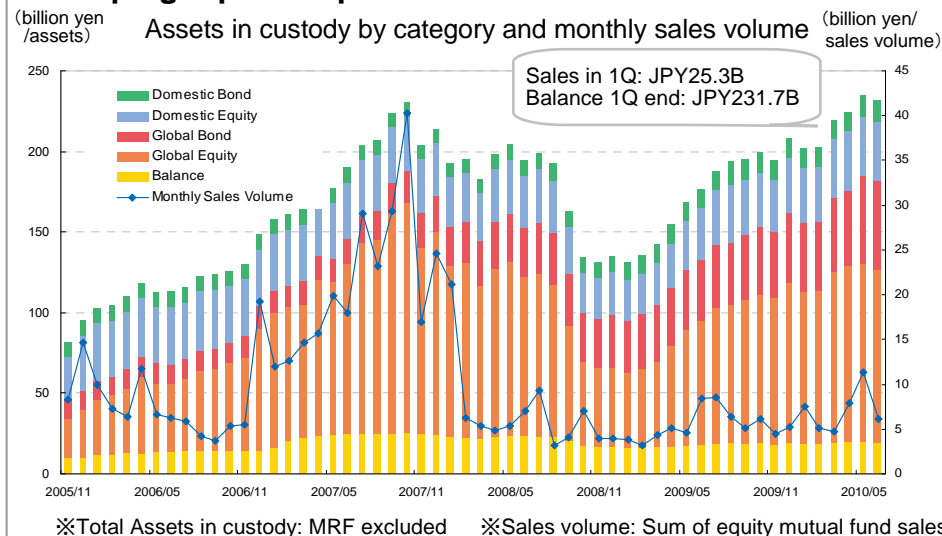
Future measure

◆ Though mutual fund sales tended to decrease under merger preparation, after completing merger we aim to re-start aggressively introducing new funds in order to regain top position in online securities

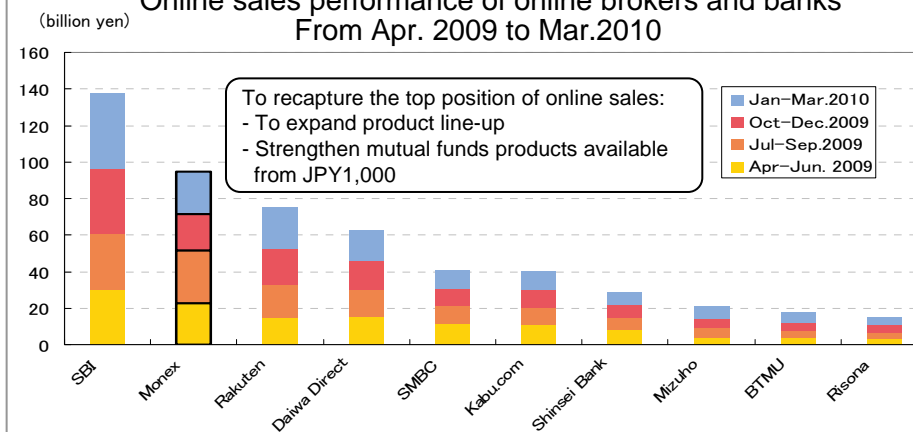
◆ To increase mutual fund sales by vary sales channels

Top-class online mutual fund sales

Keeping top-class position in online mutual fund sales



Online sales performance of online brokers and banks From Apr. 2009 to Mar.2010



Source: Kinzai Institute for Financial Affairs, Inc.

Alternative Investment Business

Efforts of MAI for institutional investors rewarded

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

MAI makes breakthrough as the FOF manager in Japan

- While pension funds in Japan have been traditionally sourcing FOF mandates out to U.S. and U.K. managers, MAI has made breakthrough to be awarded total ¥1.9 billion of mandates from domestic pension funds in 3 months.

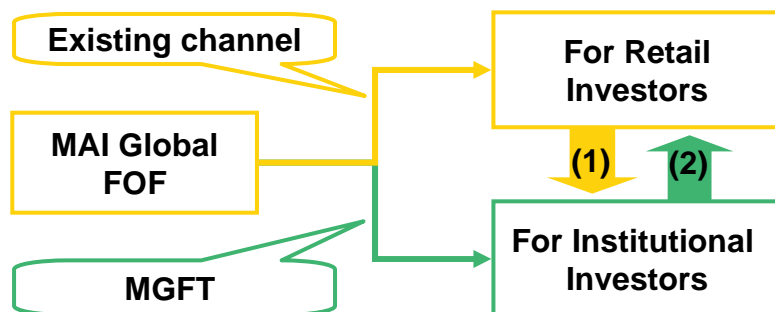
AUM updates of Pension mandate (with Mizuho Trust)

Fund acronym	Portfolio asset	AUM
MGFT	Global FOF	¥1.9billion

MGFT: Monex Global Fund of Funds Trust

FOF: Fund of Funds, AUM from 2010 April 1 to July 1

Coherent pool of two channels for institution and retail



(1) Approach institutions with solid track records of retail products

(2) Provide retail investors with rare access to institution quality

Unprecedented products for retail investors

Product line-ups of alternative FOF for retail investors

Fund nickname	Portfolio assets	AUM
Asia Focus	HF of Japan and Asia	¥6.2billion ¹
China Focus	China A, HK & Taiwan share	¥2.5billion ¹
PH2006	Global FOF and PE	¥3.4billion ¹
PH2007	Global FOF and PE	¥2.0billion ²
PH2010	Global FOF and HF	¥1.0billion ²

HF: Hedge Fund, HK: Hong Kong, PE: Private Equity Fund

PH: Premium Hybrid

AUM:1: as of June 30, 2010, 2: as of May 31

Private Equity portfolio updates of PH2007

- Four PE have been invested as below with strategy and area diversification in consideration
- The rest of the two will be distressed HF as an alternative to PE from liquidity and quicker redemption point of view

Fund name	asset	strategy	area
1. Carlyle Asia Growth Partners IV	PE	growth	Asia
2. Partners Group Secondary 2008	PE	secondary	Global
3. Robeco Clean Tech PE II	PE	clean tech	Global
4. Oaktree European Principal II	PE	distressed	Europe
5. Fund A (to be disclosed July end)	HF	distressed	Global
6. Fund B (to be disclosed August end)	HF	distressed	Europe

Fixed Income and Stock Lending Businesses/Investment Banking Business

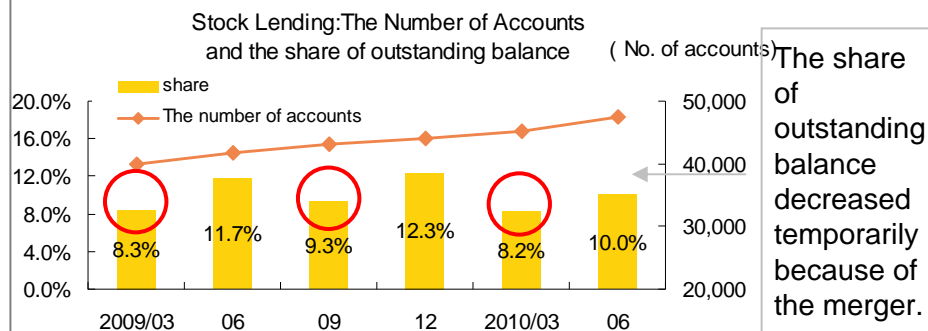
■ Fixed income and stock lending businesses

◆ Fixed income: Provision of various investment vehicle such as structured note and issued note

- Development of system for issued notes
- Investors can make settlement with 6 foreign currencies
- Provision of structured notes in response to various needs
- Timely arrangement according to the market situation
- Sold notes focusing on SRI
- e.g. “Vaccines Bond”(issued by International Finance Facility for Immunisation(IFFIm))
- Stable sales of “Monex Short-term Notes” to 24th series
- Total sales amounted to 96.3 billion yen since June 2007

◆ Stock lending service: Possibility after the merger

- Ex-OS accounts' stock lending share of outstanding balance is about 1.5%(about 4.7 billion yen). We promote them to increase the amount of stock lending.



■ Investment Banking Business

◆ IPO Underwriting Business (Monex, Inc.)

- The only participant in the underwriting of IPO of the Dai-ichi Life Insurance Co. as an online security firm
 - Participated in 2 IPOs in the 1st quarter of 2010 (2 out of 5 total issues)*
 - Aiming to increase our market share of IPO deals and provide financing advisory services for listed company through the partnerships with ORIX Corporation
- * Based on underwriting date.
IPO of the Dai-ichi Life Insurance Co. is not included

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

M&A track record

- Advised two deals in the first quarter:
- Sale of personnel-service business
 - Acquisition of a telemarketing center

Facilitating deals

- Facilitating Japan-China cross-border M&A deals
- Increasing number of candidate deals as joint advisors of Monex Inc. and MH

◆ Efforts for implementation of Open IPO® (MH)

- Receiving inquiries about newspaper article on Open IPO
- Cooperating with WR Hambrecht + Co and proposing Open IPO® for privatization in Japan

R&D

■ R&D by Trade Science Corporation (TS)

Positioned as an in-house laboratory for information science and financial engineering, TS plans to offer leading-edge financial services and products

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

- Has hosted an open platform of a trading algorithm (*Kabu-robo* Contest), and provides investment advisory service for the mutual fund, using highly performing *Kabu-robos* after entering into agreements with developers and carrying out necessary improvements/verifications



- Has made efforts to upgrade the *kabu-robo* systems. (in May, 2 out of 4 *kabu-robos* have been replaced by 2 new ones)
- Outperforms the TOPIX by +4.04% as at June 30, 2010



Kabu-robo Contest <http://kaburobo.jp/>

- Planning to launch the new service that enables the retail customers to auto-trade based on the buy/sell signals

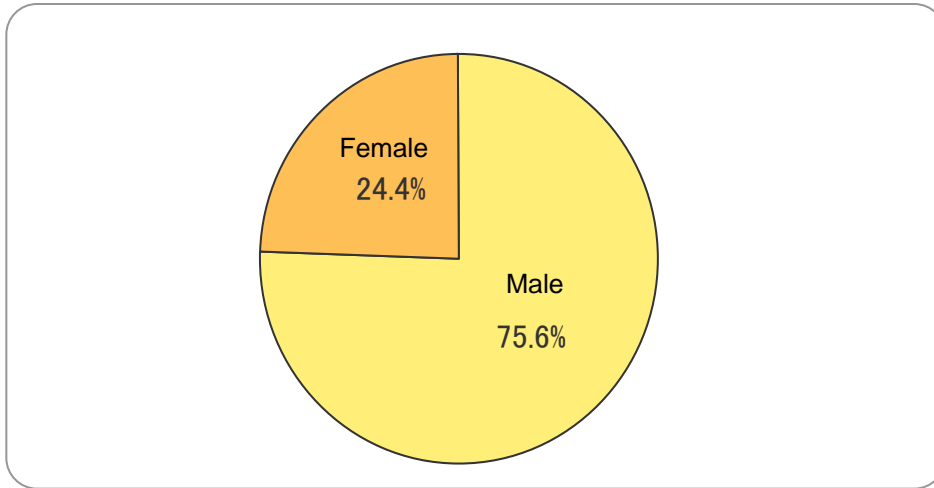
◆ R&D of the investment tools

- Developed FX trading tool “Monex Joo” for Monex FX
- Planning to further enhance its functions, and to increase the exposure by introducing it to Monex, Inc.

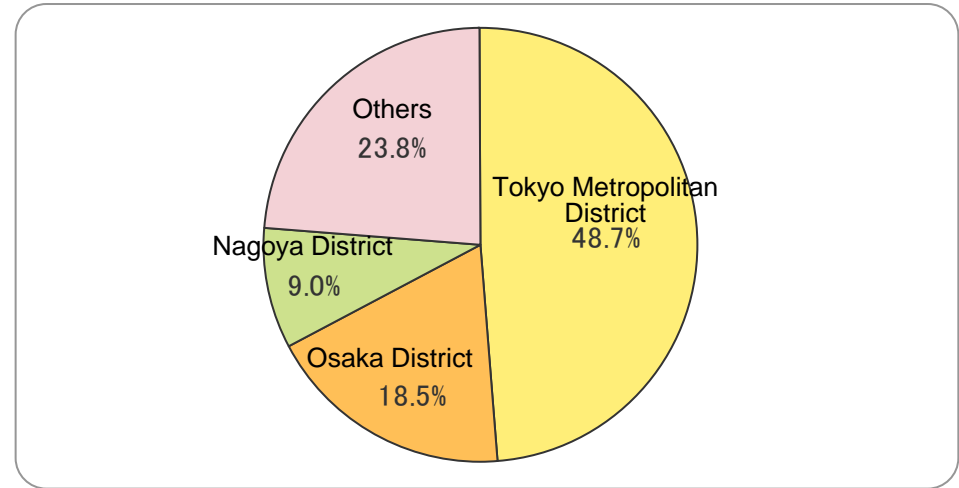


Customer Portfolio of Monex, Inc. (1,316,445 accounts as of the end of Jun, 2010*)

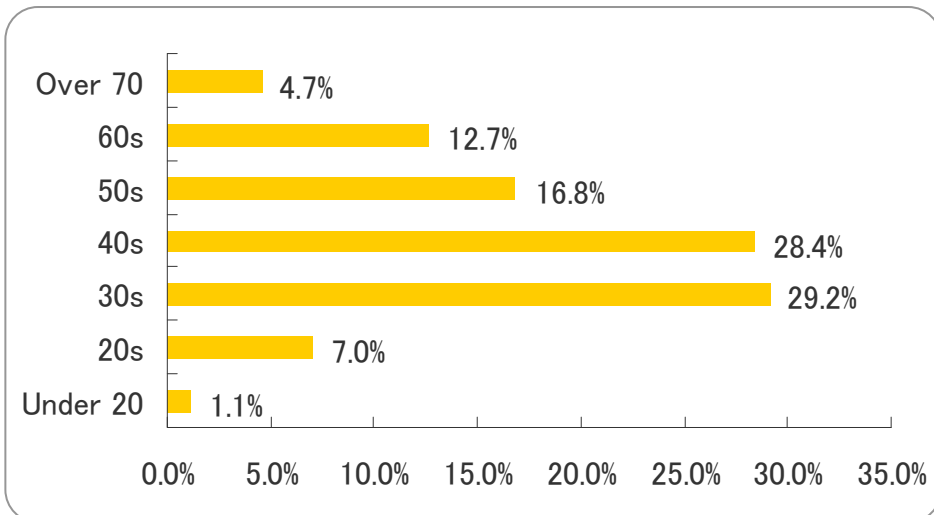
■ Sex



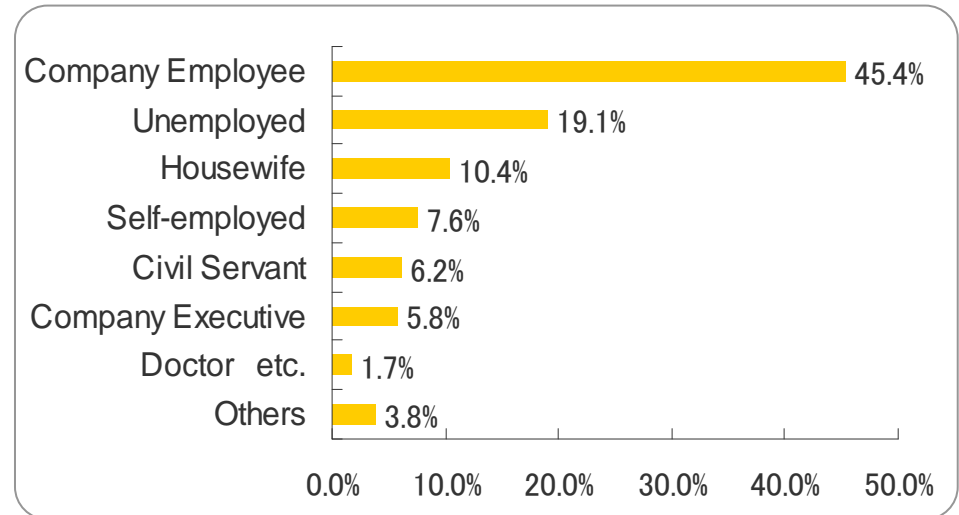
■ District



■ Age



■ Occupation



*This number is the sum of Monex, Inc.'s. and ex-ORIX Securities, including approximately 140,000 duplicate accounts as of June 30th

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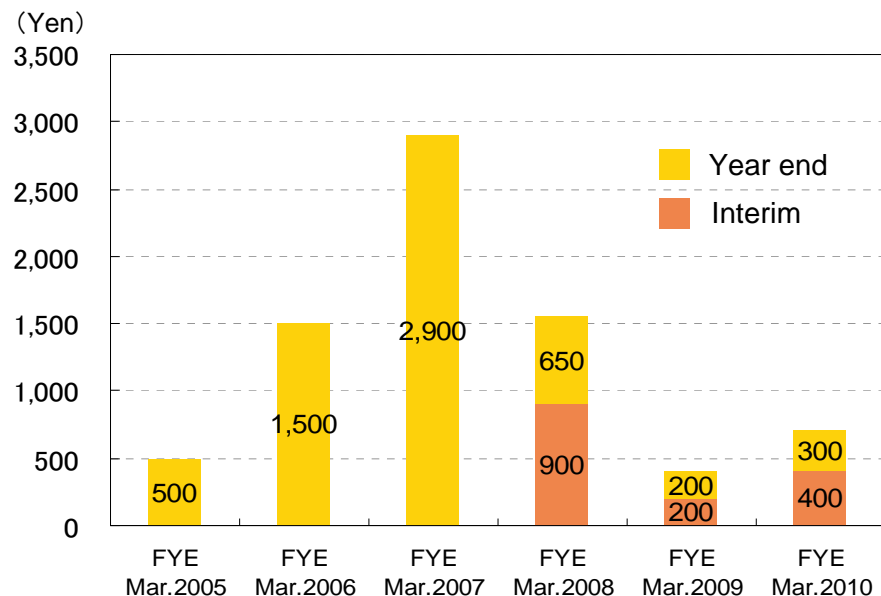
Investors' Guide

■ Pursuing investment returns for our shareholders

◆ Basic policy for shareholder's return

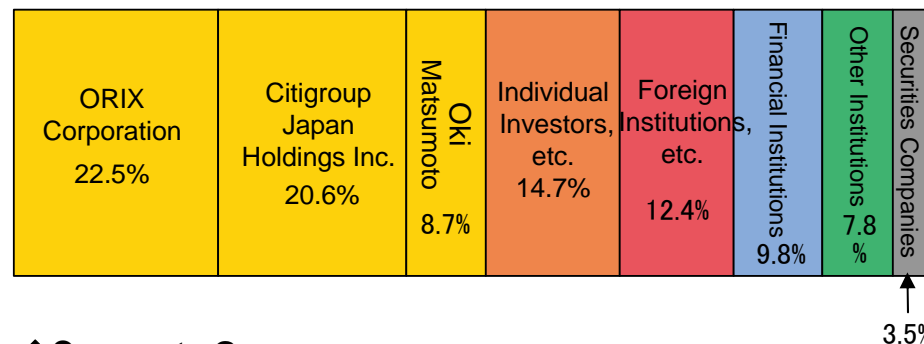
- The Company's policy for shareholder's return is to pay the dividends based on the business performance. The payout ratio is generally targeted at 50% of consolidated net income of current fiscal year
- Interim dividends to be paid out
- In case the Company has a net loss, the management will consider 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 Mar. 2010:
2,991,120 shares



◆ Corporate Governance

Secured 5 independent directors and auditors out of 14 board directors and auditors

- 4 independent directors (3 external) out of 10 board directors
- 2 independent auditors (2 external) out of 4 auditors

Disclosure about Remuneration for Board Directors

The total amount of board directors' remuneration is within the limit resolved at the General Meeting of Shareholders and the contents of the remuneration consists of a fixed portion and a performance-linked portion which fluctuates depending on the consolidated net income. The Company established Remuneration Committee consisting of external and independent board directors in order to discuss its substantial contents. External directors receive only a fixed amount of remuneration because of the importance of their having a position independent from business execution in their supervisory functions.