

Financial Results of 1H of Fiscal Year Ending March 31, 2010

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

Forward-looking Statements

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



Important Matters Concerning Product-related Risks

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

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

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

Our Business Principles

1. PURSUE A SPIRIT OF INNOVATION

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

2. STAY CUSTOMER FOCUSED

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

3. CHALLENGE FOR THE BEST

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

Table of Contents

Important Matters Concerning Product-related Risks	...	p.1
Our Business Principles	...	p.2

I. Financial Results

1. Financial Overview		
(1) Major Business Activities for 2Q	...	p.5
(2) Financial Overview of 1H, FYE Mar. 31, 2010	...	p.6
(3) Highlights of 2Q (1) Net Operating Revenues and Ex. Income	...	p.7
(4) Highlights of 2Q (2) SG&A	...	p.8
(5) Highlights of 2Q (3) Balance Sheet	...	p.9
2. Financial Summary		
(1) 1Q of FYE Mar. 31, 2010 vs. 2Q of FYE Mar. 31, 2010 (3 mo.)	...	p.10
(2) 1H of FYE Mar. 31, 2009 vs. 1H of FYE Mar. 31, 2010 (6 mo.)	...	p.11
(3) Financial Highlights (Quarterly Trend)	...	p.12
(4) Profit Margin and Cost Structure	...	p.13
(5) Quarterly Trends in Income Statement	...	p.14
(6) Quarterly Trends in SG&A	...	p.15

II. Strategies

1. Business Strategies		
(1) Mission Statement	...	p.17
(2) The Monex Group	...	p.18
(3) Roadmap	...	p.19
(4) Overseas Business Development	...	p.20
2. Management Indicators		
(1) Revenues/SG&A per Customers' Assets in Custody	...	p.21
(2) Current and Future Structure of Revenue and Customers' Assets	...	p.22

III. Businesses

1. Brokerage Business		
- Stock Brokerage Business	...	p.24
- Interest Product Business	...	p.25
- FX Business	...	p.26
2. Managed Asset Business		
- Mutual Fund Business	...	p.27
- Alternative Investments	...	p.28
3. Investment Banking Business	...	p.29
4. Intelligence Infrastructure	...	p.30
5. R&D	...	p.31

IV. To Our Shareholders

1. ROE and Shareholder's Return	...	p.33
2. Investor's Guide	...	p.34

V. Appendix

1. Additional Data (Monex, Inc.)	...	p.36
2. Monex Inc.'s Customer Portfolio	...	p.37

1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

5. Appendix

Major Business Activities for the Second Quarter

◆ Realization of cost-cuts

Following the cut of 6.5% for this year's budget compared to that from the previous fiscal year, we are continuing to carry out further cuts, realizing a 9.0% decrease for the SG&A of the first half of this fiscal year compared to that from the previous fiscal year.

◆ Development of business management systems

Improvement of the quality and efficiency of business operations including management and internal controls due to the construction of the quality management system.

◆ Recovery of key businesses (trends of major revenue sources)

- Even though the trading value remained at 79%, the stock brokerage business has recovered, seeing that the number of executions 111% and brokerage commissions 95%, compared to that of the same term last year
- Due to the change in the leverage rate to 1:25 maximum, FX trading volume increased and the trading income was able to cover almost all of the losses of having made FX transaction fees free of charge (since July 13, 2009)
- Mutual fund sales, mainly those of emerging markets and bull and bear funds increased, with sale volume amount of 115% and sales commission of 159% compared to that of the same term last year (Agency commission were 65%, affected by the decrease of net asset value)

◆ New products and services

- Trade Science developed "Monex Joo", an original FX trading tool within the Group, and launched it for Monex FX
- The "Kabu-robot Fund" started sales in July, 2009 and reached approximately 2 billion yen in assets for the initial recruitment. It outperformed the TOPIX index by 3.11% as of October 23, 2009
- Strengthening the information offered to customers at the same level as institutional investors by hiring a chief strategist and offering strategy reports, as well as strengthening the approach to beginners with new services such as "MONEX CAMP" and "Virtual Trade Club"

◆ China business development

- Monex, Inc. applied for a provisional application to set up a representative office in Beijing in order to move towards starting up a financial business for individuals, and was accepted by the Chinese authorities
- Pursuing the preparations for starting the joint venture business in Beijing of financial training, in cooperation with SEEC

Financial Overview

■ Financial Overview of 2Q(Jul.- Sep.) of FYE Mar. 31, 2010

Trading valued in major markets took downturn, and both net operating revenues and net income decreased

◆ Net operating revenues	4,763 million yen	-8.7% from 1Q of FYE Mar. 31, 2010
-Brokerage commissions	2,670 million yen	-15.1% from 1Q of FYE Mar. 31, 2010
-Financial income	737 million yen	-12.1% from 1Q of FYE Mar. 31, 2010
-FX and fixed income business revenue	749 million yen	-6.3% from 1Q of FYE Mar. 31, 2010
◆ SG&A	3,585 million yen	+0.9% from 1Q of FYE Mar. 31, 2010
-Commissions paid	263 million yen	+34.2% from 1Q of FYE Mar. 31, 2010
-System related costs(*1)	1,542 million yen	+2.7% from 1Q of FYE Mar. 31, 2010
◆ Ordinary income	1,120 million yen	-38.0% from 1Q of FYE Mar. 31, 2010
◆ Extraordinary loss	143 million yen	Write-off of software
◆ Net income	622 million yen	
◆ Key performance indicators		
-ROE	6.0%	Annualized ROE in 1Q of FYE Mar. 31, 2010 was 14.0%
-Profit margin (Operating income / Net Operating revenues)(*2)	24.7%	-7.2 pt from 1Q of FYE Mar. 31, 2010

■ Overview of the Japanese Stock Market (as of the end of 2Q of FYE Mar. 2010)

- Nikkei 225 Average +1.8% from Jun. 30, 2009
- Trading Value(*3) -15.9% from 1Q of Mar. 31, 2010

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

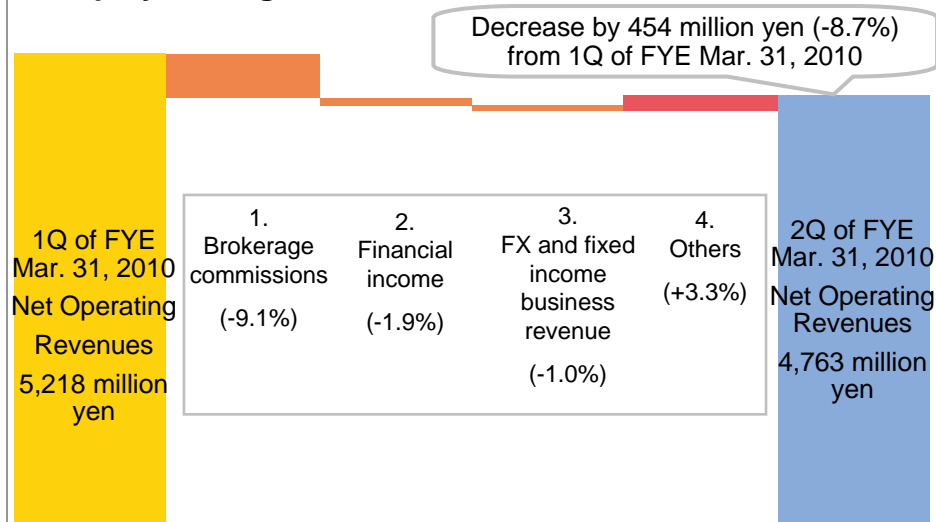
(*2) Profit margin (stated in this material) is calculated as Operating income / Net operating revenue (not operating revenue)

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

Highlights of 2Q (1) Net Operating Revenues

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

◆ Equity trading values took downturn



◆ Major decreasing factors

- 1. Brokerage commissions 475 million yen
-Equity trading values decreased
- 2. Financial income 101 million yen
-Temporary financial income (gain on sales of bonds) was recognized in 1Q
- 3. FX and fixed income business revenue 50 million yen
- Monex Inc. made all FX transaction fees free of charge. Trading values increased compared to 1Q, but the decrease of profitability per transaction was not completely covered.

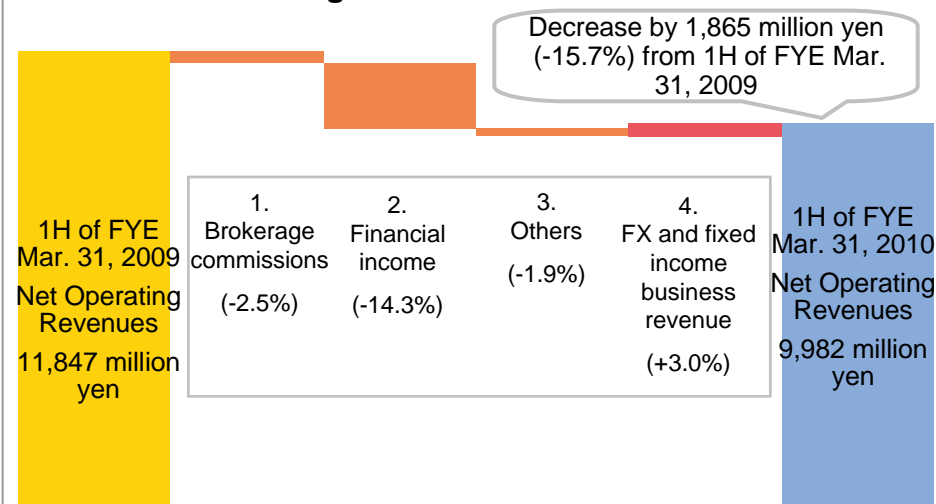
◆ Major increasing factor

- 4. Others 172 million yen
-M&A advisory fees and investor education business revenue etc.

(Figures are the decreasing/increasing amounts from the previous quarter)

■ Comparison with 1H of FYE Mar. 31, 2009

◆ Trading values decreased and temporary financial income was recognized in last 1H



◆ Major decreasing factors

- 1. Brokerage commissions 301 million yen
-Equity trading values decreased
- 2. Financial income 1,694 million yen
-Temporary financial income (gain on sales of bonds) was recognized in 1H
- 3. Others 226 million yen
- Mutual fund business revenues decreased, etc.

◆ Major increasing factor

- 4. FX and fixed income business revenue 357 million yen
-Trading revenues in Monex FX increased

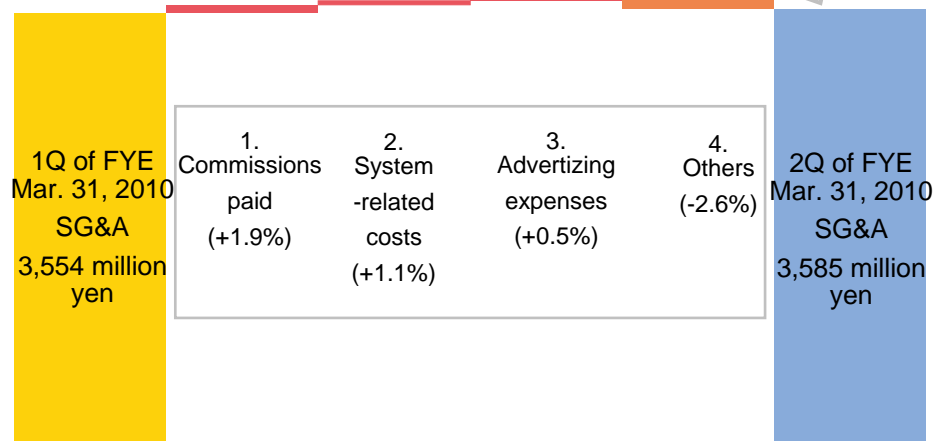
(Figures are the decreasing/increasing amounts from the previous quarter)

Highlights of 2Q (2) SG&A

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

◆ Temporary/variable costs increased

Increase by 30 million yen (+0.9%)
from 1Q of FYE Mar. 31, 2010



◆ Major increasing factors

- Commissions paid 67 million yen
- Temporarily increased due to the release of new services
- System related costs 40 million yen
- Outsourcing costs decreased, but depreciation/amortization costs and office rent increased after the renewal of a contract
- Advertisizing expenses 16 million yen
- Revision of some marketing strategies

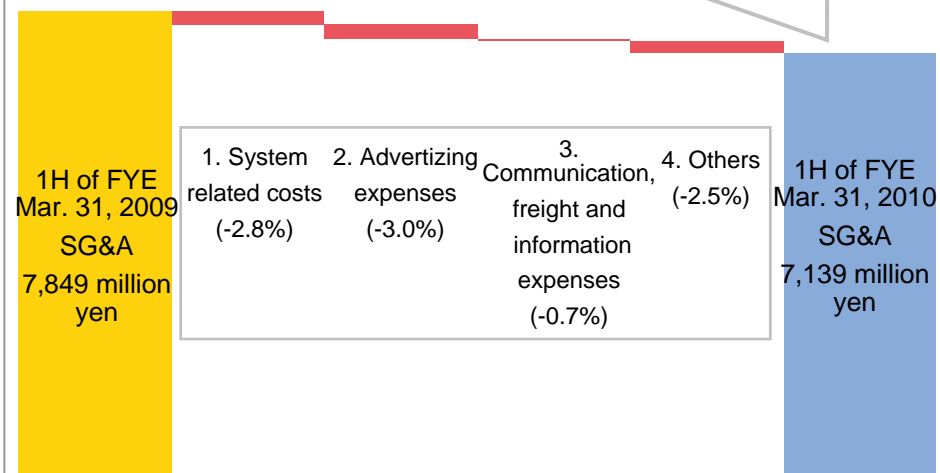
◆ Major decreasing factor

- Others 93 million yen
- Cost relating to transaction volume or bottom line of P/L decreased
(Figures are the decreasing/increasing amounts from the previous quarter)

■ Comparison with 1H of FYE Mar. 31, 2009

◆ 9.0% cost reduction, compared to last 1H

Decrease by 709 million yen (-9.0%)
from 1H of FYE Mar. 31, 2009



◆ Major decreasing factors

- System related costs 219 million yen
- Compressing fixed costs through the reduction of outsourcing costs
- Advertisizing expenses 235 million yen
- Revision of some marketing strategies
- Communication, freight and information expenses 57 million yen
- Revision of some services, etc.
- Others 196 million yen
- Consulting fees decreased, etc.

(Figures are the decreasing/increasing amounts from the previous quarter)

Highlights of 2Q (3) Balance Sheet

■ Maintain a safe financial structure by maintaining liquidity and credit trust, and by controlling risk assets

(in billion yen)

[Segregated cash trust]

Monex, Inc.	98.2
Monex FX	1.9
Total	100.2

[Cash margin from customers (minimum requirement)]

Monex, Inc.	90.5
Monex FX	1.7
Total	92.3

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

Property/equipment	0.5	(in billion yen) (Facilities, equipment, etc)
Software	1.3	(Assets to provide service)
Goodwill	0.6	(Premium of Monex FX)
Guarantee deposits, etc	0.8	(Real estate deposit, etc)
<u>Investment securities</u>	<u>6.0</u>	(See *4 below)
Total	9.4	

[Operation of investments]

Deposits	19.1
Net margin assets(*1)	56.2
<u>Short-term loans</u>	<u>3.0</u>
Investment total	78.4

[Financing]

Call Loans	5.0
Bank Loans	25.7
Short-term Notes	9.8
Cash collateral from stock lending	
<u>(*2)</u>	<u>16.0</u>
Financing total	56.5

JGB as collateral 2.1

Non-current assets (*3) 9.4

Total net assets 41.7

(*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	1.9	-0.0
Asia Focus (Maintenance of products)	1.2	1.2	—
Alphadyne Int. Fund (Enhancement of products)	0.4	0.4	—
eBANK (For business partnership)	0.9	0.9	—
Triangle Partners (Support of Chinese IPO)	0.5	0.5	—
Tokyo Stock Exchange Group	0.3	0.9	0.6
Others (*6)	0.5	—	—
Total	6.0		

(*1) Margin transaction assets – Margin transaction liabilities

(*2) Including collateral from securities financial firms

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

(*6) Investment per security: 71 million yen maximum

Financial Summary : 1Q of FYE Mar. 31, 2010 vs. 2Q of FYE Mar. 31, 2010 (in 3 months)

(in million yen, %)

	1Q of FYE Mar. 31, 2010 (Apr. 2009-Jun. 2009)	2Q of FYE Mar. 31, 2010 (Jul. 2009-Sep. 2009)	Change
Operating Revenues	6,138	5,242	-14.6 %
Net Operating Revenues	5,218	4,763	-8.7 %
SG&A	3,554	3,585	0.9 %
Operating Income	1,663	1,178	-29.1 %
Ordinary Income	1,808	1,120	-38.0 %
Net Income	1,413	622	-56.0 %
EBITDA*	2,355	1,315	-44.1 %

*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, %)

	1Q of FYE Mar. 31, 2010 (as of Jun. 30, 2009)	2Q of FYE Mar. 31, 2010 (as of Sep. 30, 2009)	Change
Total Assets	259,339	229,847	-11.4 %
Shareholders' Equity	40,994	41,703	1.7 %

(For reference : Monex, Inc.)

Capital Adequacy Ratio	392.2%	423.7%	-
------------------------	--------	--------	---

Financial Summary : 1H of FYE Mar. 31, 2009 vs. 1H of FYE Mar. 31, 2010

(in million yen, %)

	1H of FYE Mar. 31, 2009 (Apr. 2008-Sep. 2008)	1H of FYE Mar. 31, 2010 (Apr. 2009-Sep. 2009)	Change
Operating Revenues	13,952	11,380	-18.4 %
Net Operating Revenues	11,847	9,982	-15.7 %
SG&A	7,849	7,139	-9.0 %
Operating Income	3,998	2,842	-28.9 %
Ordinary Income	4,013	2,929	-27.0 %
Net Income	244	2,036	734.3 %
EBITDA*	5,325	3,671	-31.1 %

*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, %)

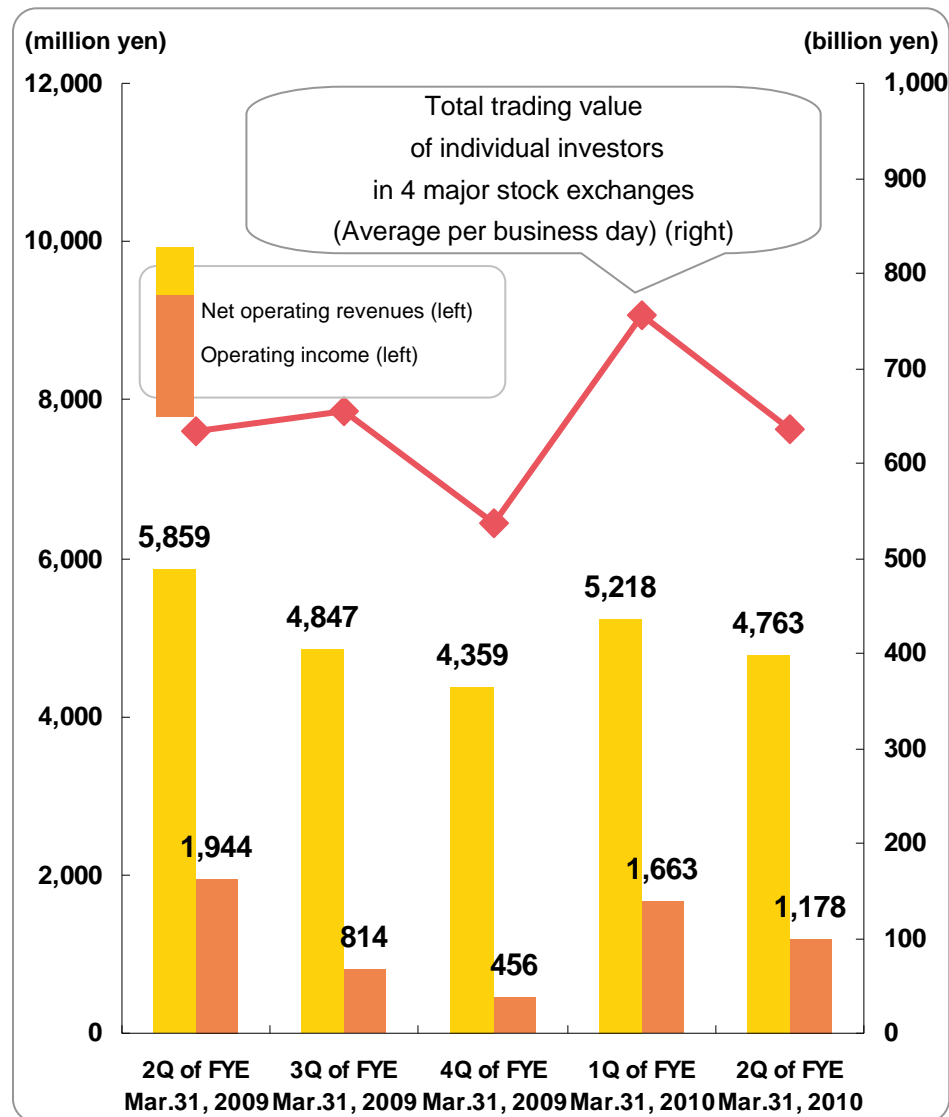
	1H of FYE Mar. 31, 2009 (as of Sep. 30, 2008)	1H of FYE Mar. 31, 2010 (as of Sep. 30, 2009)	Change
Total Assets	284,865	229,847	-19.3 %
Shareholders' Equity	42,820	41,703	-2.6 %

(For reference : Monex, Inc.)

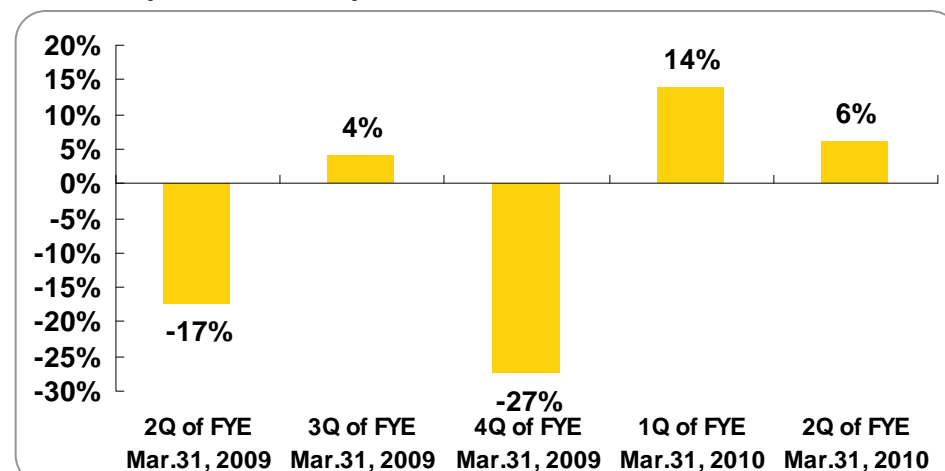
Capital Adequacy Ratio	386.0%	423.7%	-
------------------------	--------	--------	---

Financial Summary: Financial highlights (quarterly trend)

Net operating revenues and operating income

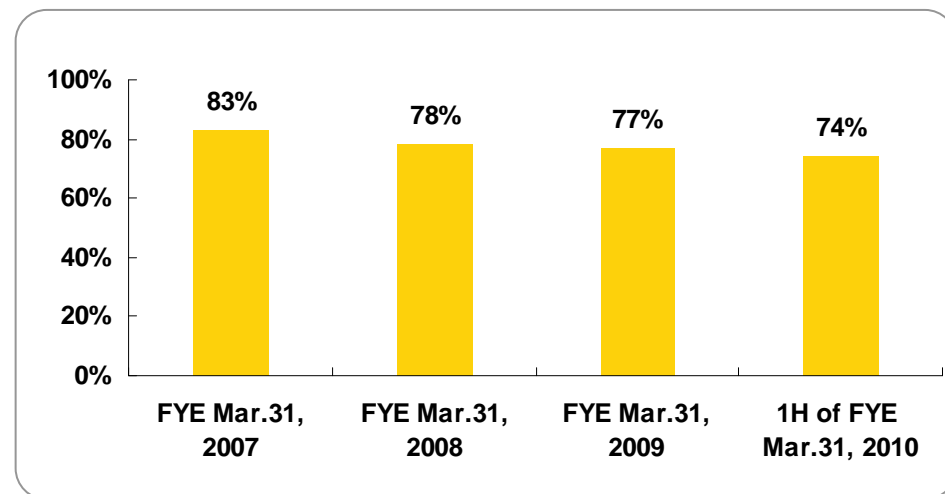


ROE (Annualized)



ROE = (Quarterly net income × 4) ÷ ((FY beginning shareholders' equity + FY ending shareholders' equity) ÷ 2) × 100

Annual trend of dependency on brokerage revenue(*)

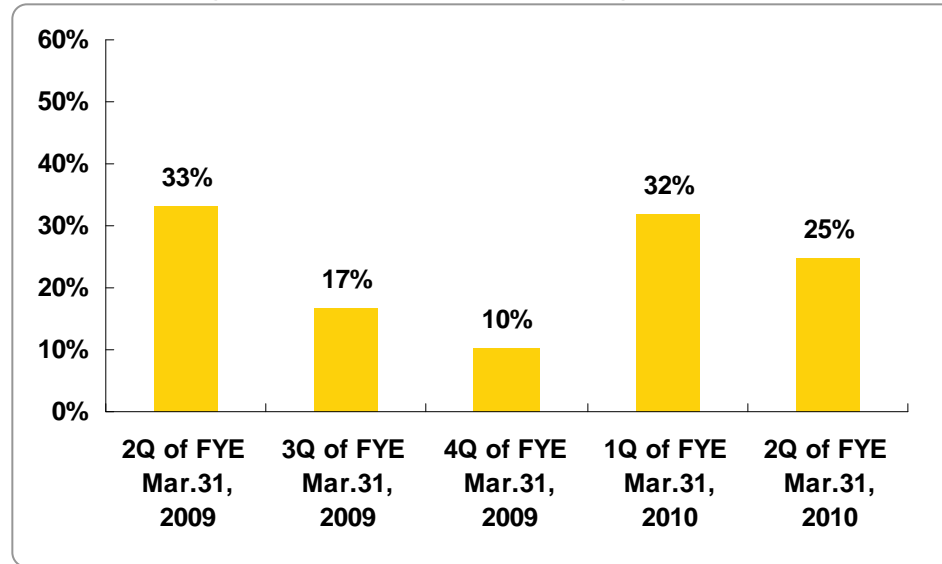


* Dependency on Brokerage revenue = (Brokerage commission + Financial Income) / Net operating revenue x 100

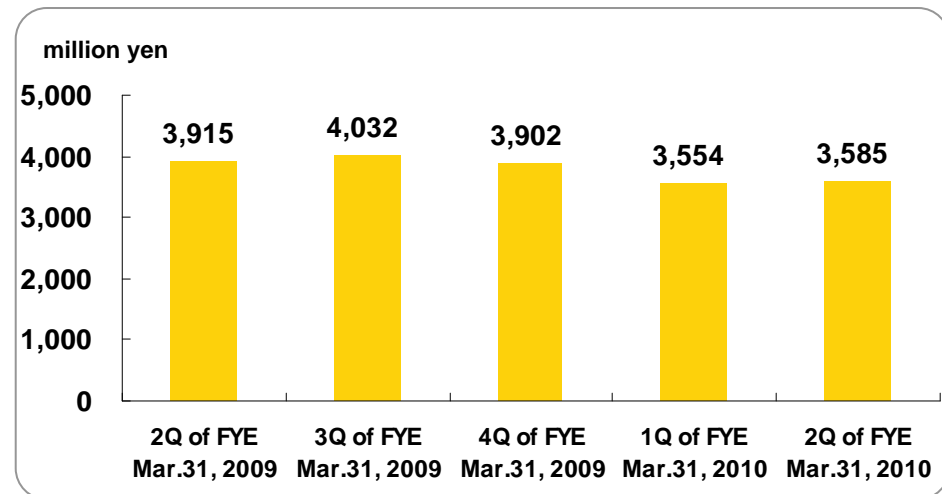
Financial Summary: Profit margin and cost structure

Profit Margin

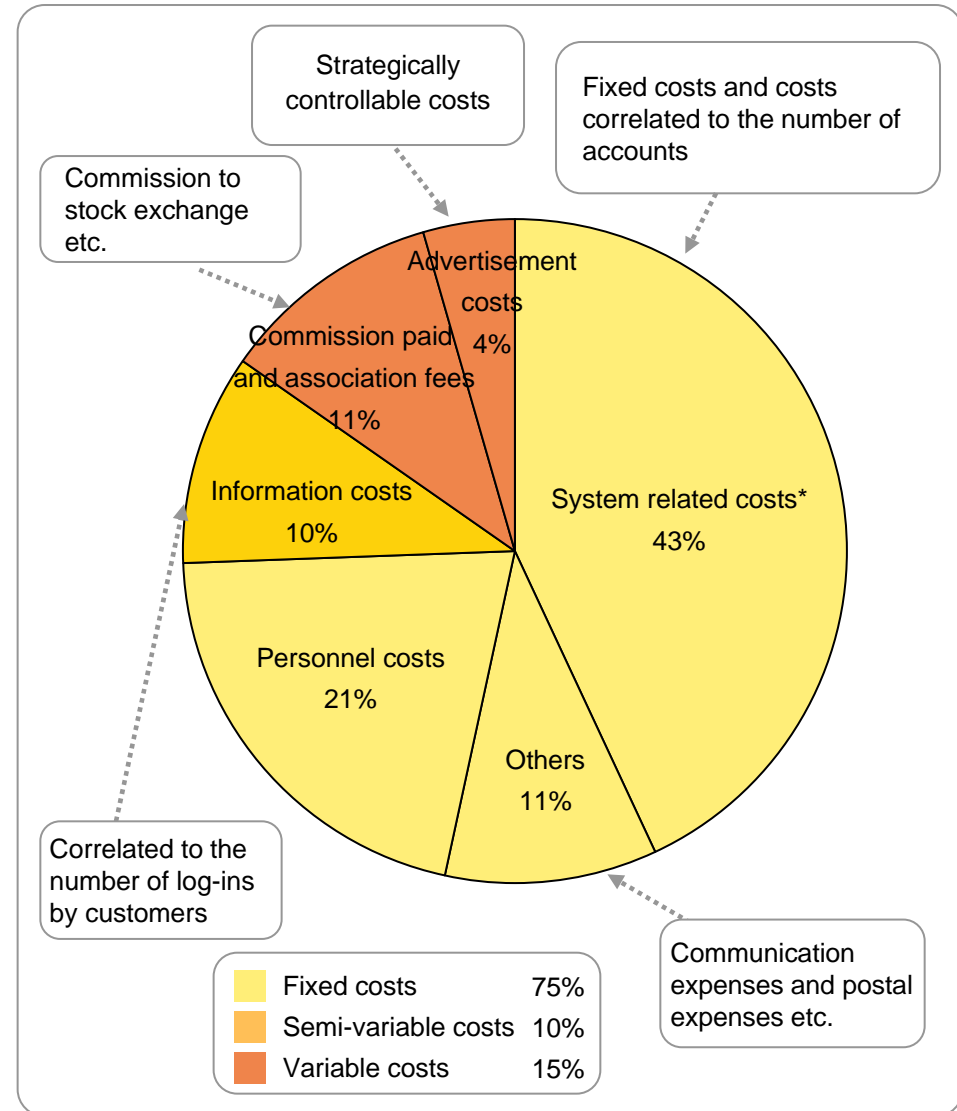
(Operating income/ Net Operating revenues)*



SG&A



Cost Structure (Jul. 2009 - Sep. 2009)



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

Financial Summary : Quarterly trends in income statement

(in million yen)

	FYE Mar.31, 2008				FYE Mar.31,2009				FYE Mar.31,2010	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Brokerage commissions	4,228	4,160	4,022	3,692	3,505	2,612	2,911	2,342	3,145	2,670
Underwriting and distribution commissions	19	77	5	9	1	0	1	2	1	3
Subscription and distribution commissions	322	302	222	227	113	57	88	75	136	125
Other commissions	886	1,180	1,104	1,083	945	875	807	560	543	471
Margin forex trades commissions	398	631	514	597	438	388	476	286	238	30
Mutual funds agency commissions	353	395	414	360	369	341	229	176	215	247
Others	134	153	175	125	137	145	101	97	89	193
Net gain on trading account	32	9	107	-5	195	155	295	454	558	715
Net gain on operating investments	-	-14	-20	-4	9	0	-27	21	-45	-0
Financial income	2,479	1,947	2,447	1,702	2,542	2,834	1,805	1,429	1,758	1,216
Other operating revenues	61	52	89	67	56	45	50	42	38	40
Operating revenues	8,029	7,716	7,979	6,771	7,370	6,581	5,932	4,927	6,138	5,242
Financial expenses	1,158	656	1,041	653	1,382	722	1,085	568	919	478
Net operating revenues	6,871	7,059	6,937	6,118	5,987	5,859	4,847	4,359	5,218	4,763
Selling, general and administrative expenses	3,554	3,558	3,471	3,387	3,933	3,915	4,032	3,902	3,554	3,585
Operating income	3,317	3,501	3,466	2,731	2,054	1,944	814	456	1,663	1,178
Ordinary income	3,354	3,433	3,441	2,582	2,125	1,887	799	419	1,808	1,120
Quarterly net income	1,902	1,953	1,902	1,448	2,152	-1,908	443	-2,832	1,413	622

Financial Summary: Quarterly trends in SG&A

(in million yen)

	FYE Mar.31, 2008				FYE Mar.31,2009				FYE Mar.31,2010	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Transaction-related expenses	1,361	1,310	1,151	1,099	1,182	1,172	1,188	1,095	979	1,044
Commissions paid	231	248	245	233	238	214	240	190	196	263
Exchange and association dues	180	168	178	132	157	111	109	92	128	117
Communication, freight and information expenses	597	608	522	531	519	513	522	526	494	480
Advertizing expenses	333	264	176	181	243	299	292	268	145	161
Others	18	21	28	20	24	33	23	16	14	21
Compensation and benefits	657	647	692	652	766	698	744	698	777	751
Rental and maintenance	262	235	371	371	441	489	457	489	395	438
Data processing and office supplies	1,007	1,075	981	966	1,073	1,057	1,092	1,037	962	952
Data processing	979	1,027	950	940	1,045	1,029	1,064	1,016	946	935
Office supplies	28	47	31	25	27	28	27	20	15	17
Amortization and depreciation	56	61	73	78	95	106	150	152	143	150
Taxes other than income taxes	62	60	60	58	64	57	48	66	54	38
Provision for allowance for doubtful receivables	0	1	1	-3	4	-4	-	-	-	-
Other operating expenses	146	165	138	163	305	337	350	362	241	208
Selling, general and administrative expenses	3,554	3,558	3,471	3,387	3,933	3,915	4,032	3,902	3,554	3,585

1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

5. Appendix

Mission Statement

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

The Monex Group

Holding Company

Monex Group, Inc.

[Financial products and services for individual investors]

Securities Company



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

FX Business



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

(As of September 30, 2009)

[Overseas subsidiary and office]

Overseas Businesses

MBH America, Inc.

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

Beijing Representative Office


(Monex Group)
Developing business opportunities in China

JV in China

(In preparation to establish in Beijing)
Financial training
(Investment Ratio) Monex G: 49%
SEEC Investment: 51%

[Business development for exclusive products and services]

Investment Education



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

Asset Management

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

R&D of Program Trading

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

M&A Advisory

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

Business Incubation

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

[Incubation]



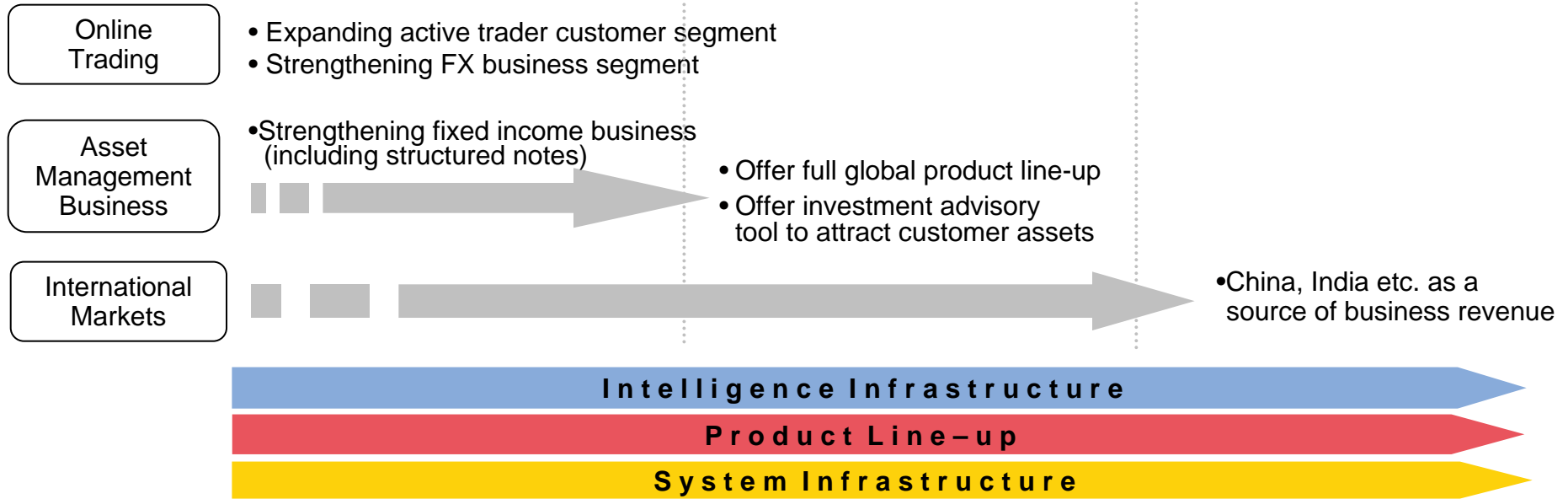
LIFENET INSURANCE COMPANY
New type of life insurance service through the internet
(Investment Ratio) Monex G: 18.5%

Roadmap

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

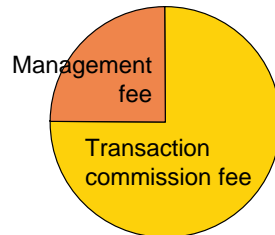
◆ Our goal is to become a **GLOBAL TECHNOLOGY-BASED RETAIL** financial services provider

◆ Future growth and management policy

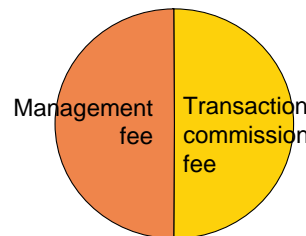


◆ Image of total revenue contribution

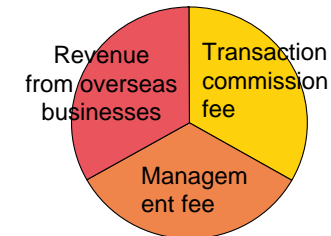
Short-term (Present)



Mid-term (5yrs time span)



Long-term (7-10yrs time span)

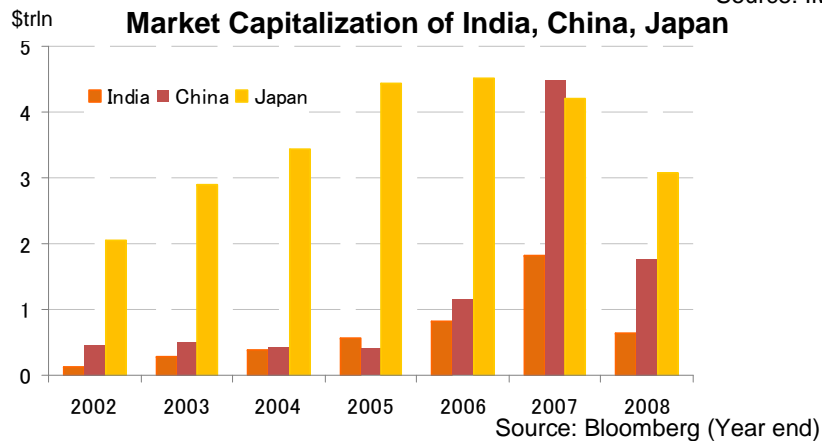
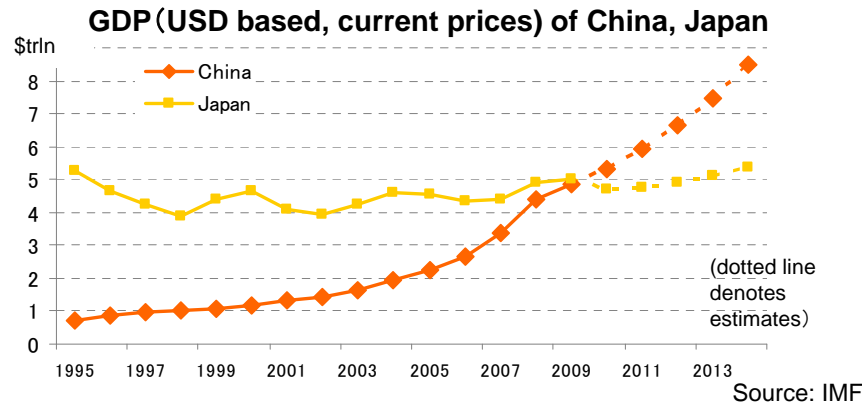


Overseas Business Development

Business development and areas of growth

◆ Overseas markets with high growth potential

With the extraordinary levels of economic growth we see in countries such as the BRICs, we also see increase in financial assets of individuals. With this comes increasing levels of interest in personal wealth management and therefore, we place such markets as areas of growth.



Update on overseas business development

◆ China

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

-Full-scale research of the onshore market, trends of individual investors and online trading, etc.

March 2009 - Agreement to establish JV in the PRC

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

-JV project is positioned as a bridgehead toward building a presence in the PRC, in preparation stage for full business development

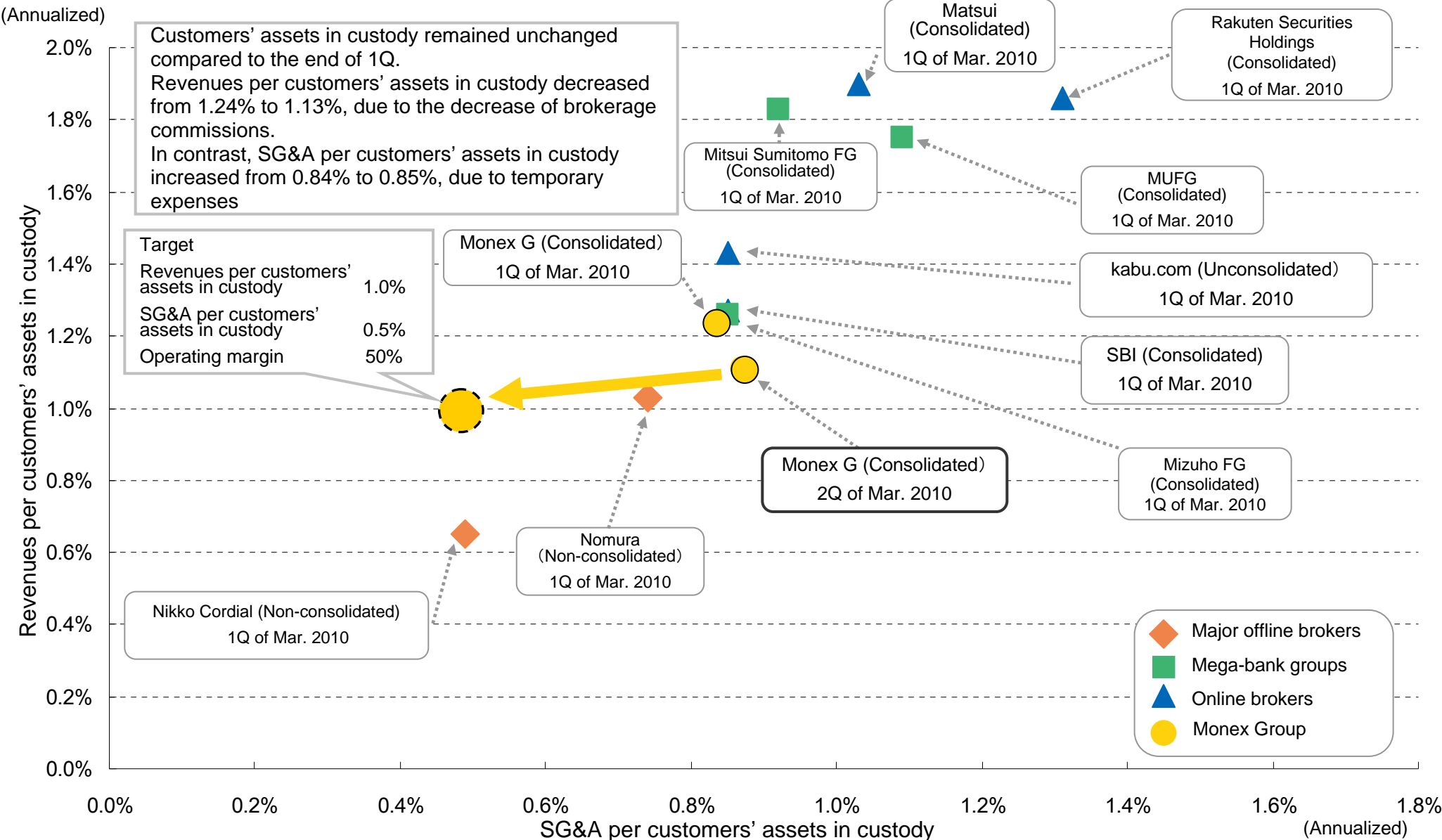
September 2009 – Monex, Inc. filed application documents to China Securities Regulatory Commission (CSRC) for the establishment of a Beijing representative office

-To further research on the development of securities business in PRC, application documents filed for establishing Beijing Representative Office for Monex Inc. and received by China Securities Regulatory Commission

◆ India

-India is strategically positioned as another potential growth market, and is currently in the research stage for development

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

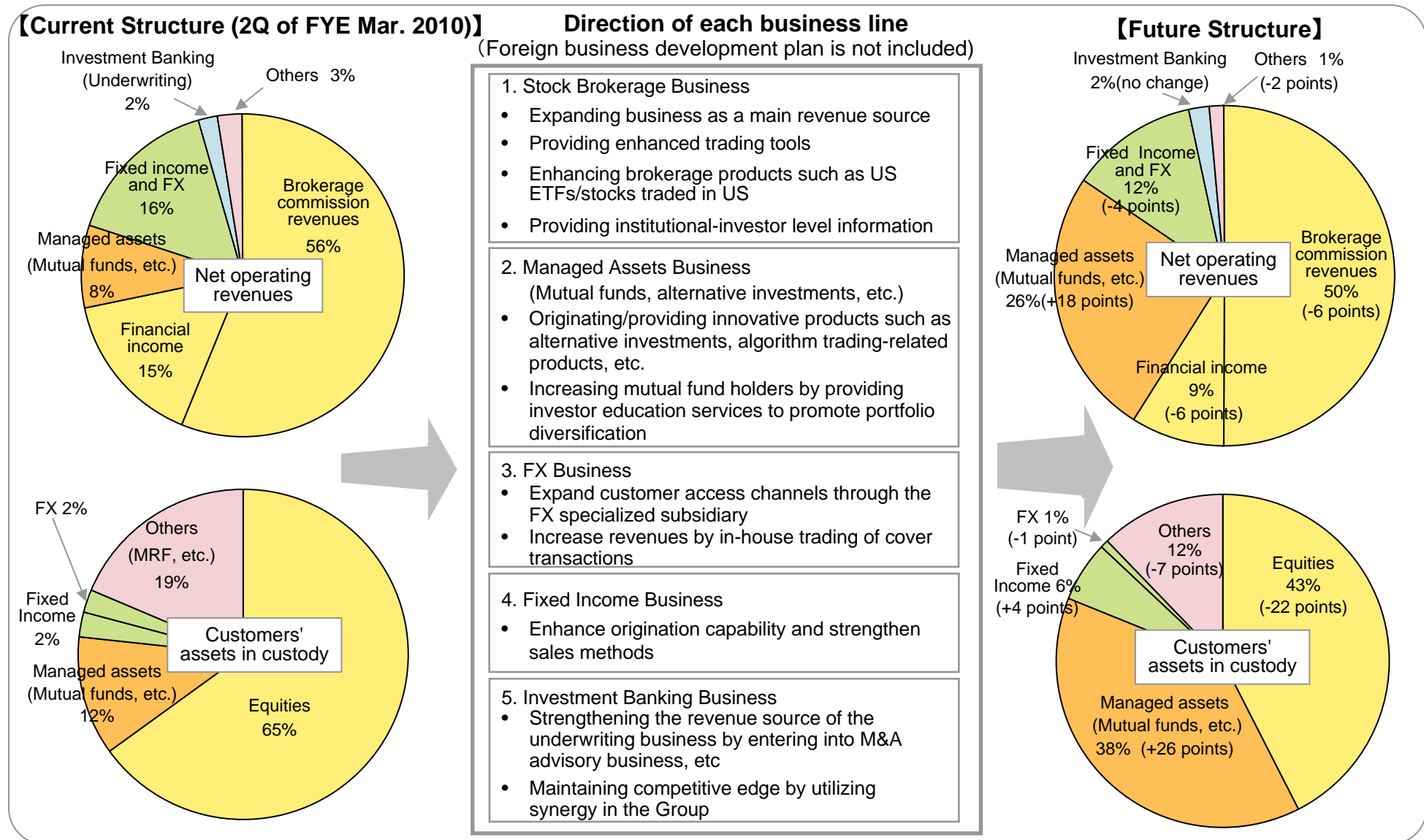


MUFG, Mizuho FG and SMBC : Customers' assets in custody = Total assets, Operating revenues = Gross profits, SG&A = General and administrative expenses

Source : Each company's IR data

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

Strengthen FX and mutual fund businesses and diversify revenue sources



1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

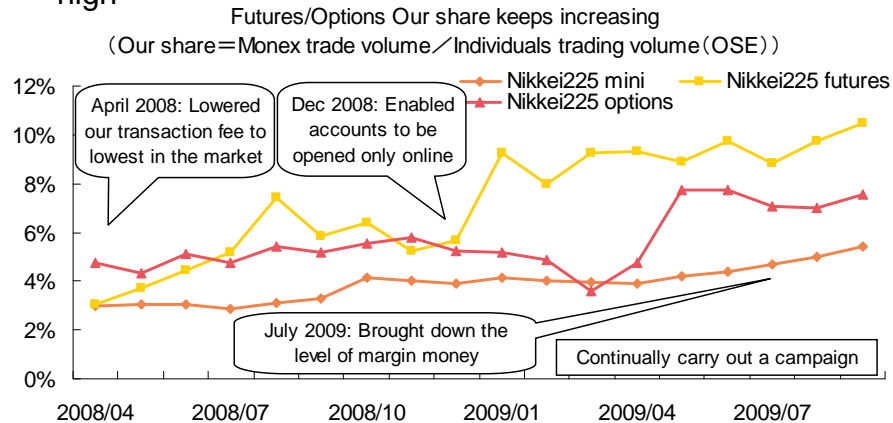
5. Appendix

Stock and Derivative Brokerage Business : Expansion of shares of trading products

Further activation of Nikkei225 Futures/Options

◆ Market shares continually increasing

- Trade volume, commission income and market share remain high



◆ Actions to further activate futures/options trading

- Transaction fee is cheapest level in the industry
- Improve the trading conditions, such as margin levels
- Continue to introduce using the "Monex mail"
- Improvement of futures/options services in preparation

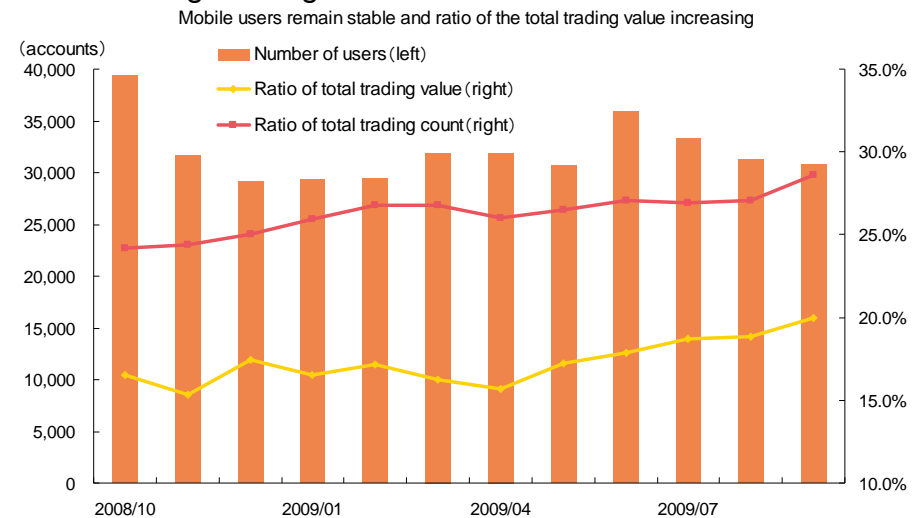
For further growth

- ◆ Preparing for TSE's next-generation trading system "arrowhead"
- ◆ Planning to increase the number of US ETFs and stocks
- ◆ Considering introduction of the product "CFD" (Contract for Difference)

Stock market

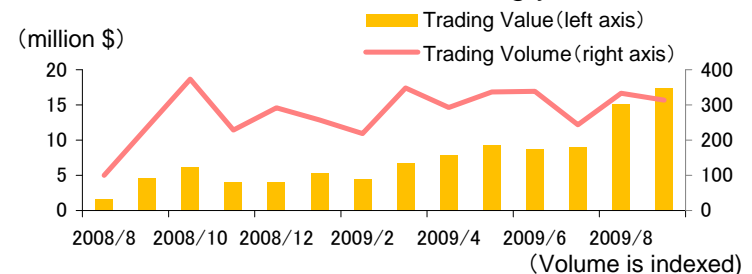
◆ Mobile trading service grows

- Mobile trading shares steadily increasing
- Number of mobile trading users is stable
- Improved the mobile website in July 2009, making trading and data gathering easier



◆ Trading of U.S. stocks has steadily increased

- Trading value has increased since August 2009 due to the rise in the US market, and the strong yen



FX Business : Expanding profit in a growing market

■ Structure of trading profit on FX business

◆ Monex, Inc. FX PLUS

Trading volume rose in 2Q for the following reasons:

- Made transaction fees free as of July 13, 2009
- Changed the maximum leverage rate to 1:25 on September 7, 2009
- Marketing campaign to narrow AUD/JPY spread by 1 pip in August and September 2009.

◆ Monex FX, Inc

- Remained in surplus on monthly basis, and the monthly number of active accounts and balance was also strong
- Reduced the minimum order unit to 1,000 currencies as of July 4, 2009 which helped expand the new customer base
- Monex Joo, the new trading tool for active users developed in collaboration with Trade Science released on August 27, 2009 achieved popularity

Monex FX, Inc. trading department

Cover transaction

Inter-bank Market

Trading revenue is stable in spite of reduced spread

■ For further growth

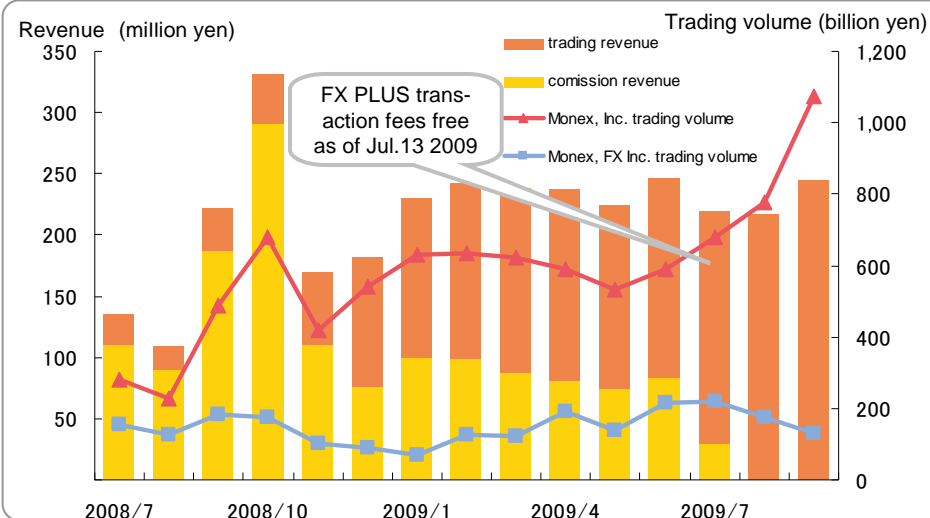
◆ Monex, Inc. FX PLUS

- Improved usability of the system by allowing the OCO (one cancels the other, or one side done then cancel the other) order function to select buy or sell
- Spreads of 6 currency pairs planned to be reduced in November 2009

◆ Monex FX, Inc

- Reduced the spread of the following currencies as a campaign from September 15 to October 16, 2009: GBP/USD 8pips⇒5 pips, EUR/USD 4 pips⇒2 pips Planning to continue with other currency pairs in Nov 2009.
- Planning to send out original press releases in order to strengthen the Monex FX brand and recognition

■ Changing profit structure by new service and cover transaction



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

■ Enhancing fixed income products

Signs that the issuance of notes will pick up because of the stability and strengthening of credit markets and the global trend of low-interest rates

◆ Offering a variety of foreign currency notes (During this quarter)

4 currencies (JPY/AUD/NZD/ZAR)

6 issuers (Toyota Motor Credit Corporation/IBRD/Kommuninvest of Sweden etc.)

Short term notes, Fixed rate notes, Dual currency notes, Step-up notes etc.

◆ “Monex Notes for Individuals” series

Become a more stable source of finance for Monex Group as well as satisfying the needs of customers by lengthening the term of the notes

Short-term yen notes

6 months maturity, 1.1% [APR]

(Sold 3 times with a total of 8.5 billion yen by the end of Sep. 2009, 4.5 billion yen during this quarter)

1 year maturity, 1.2% [APR]

(Sold once with a total of 2 billion yen by the end of Sep. 2009, 2 billion yen during this quarter)

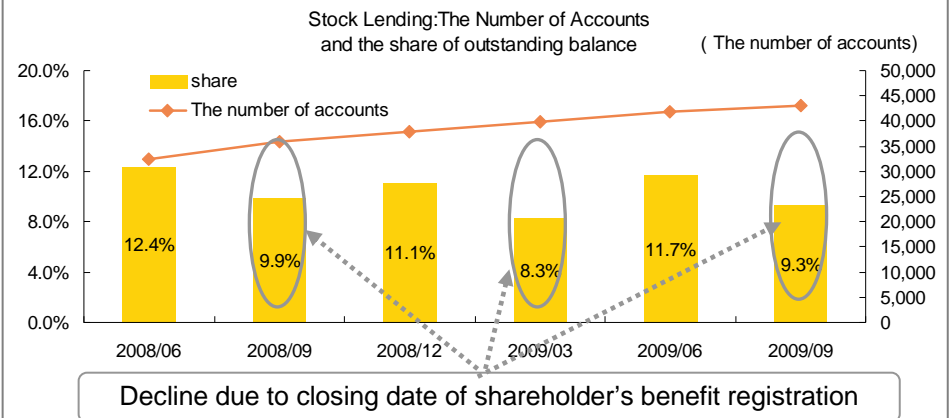
■ For further growth

- ◆ Making a system to distribute secondary notes online to make fixed income investing more convenient
- ◆ Expand notes investors by accessing new customers and revitalizing existing customers
- ◆ Improve the reinvestment rate of redemption money

■ Original short-term investment products/services

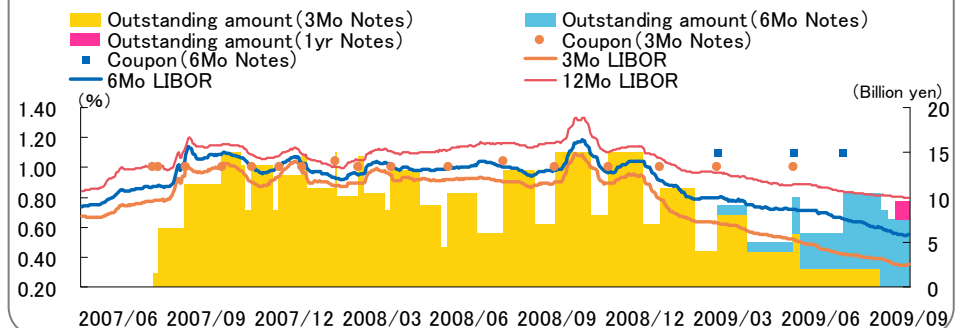
◆ Growth of the stock lending service

- Rebound of stock prices and growth of outstanding balance increased estimated value of stock lending. The value reached the level of Sep. 2008. Most users now enjoy the automatic “shareholder’s benefit” acquisition service



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

- To provide an attractive means of investment for customers and a continuous source of finance for Monex Group



Mutual Fund Business: Top-class online mutual fund business

Strengthen product lines and services to expand mutual fund asset

Sales volume and balance

Total sales amount of equity mutual funds

April-June 2009: Approx. 20.0 billion yen

Total assets in custody (excluding MRF)

As of June 2009: Approx. 195.3 billion yen

Monthly fund auto-purchase program

September 2009: Approx 57,200 purchases

Provide high-quality fund search engine to support fund selection and valuation

-Offer a more refined search with a variety of items to be able to be searched such as fund characteristics, cost, total return, risk level, sharpe ratio, etc

Fund search



Launch of “Kabu- robo Fund”

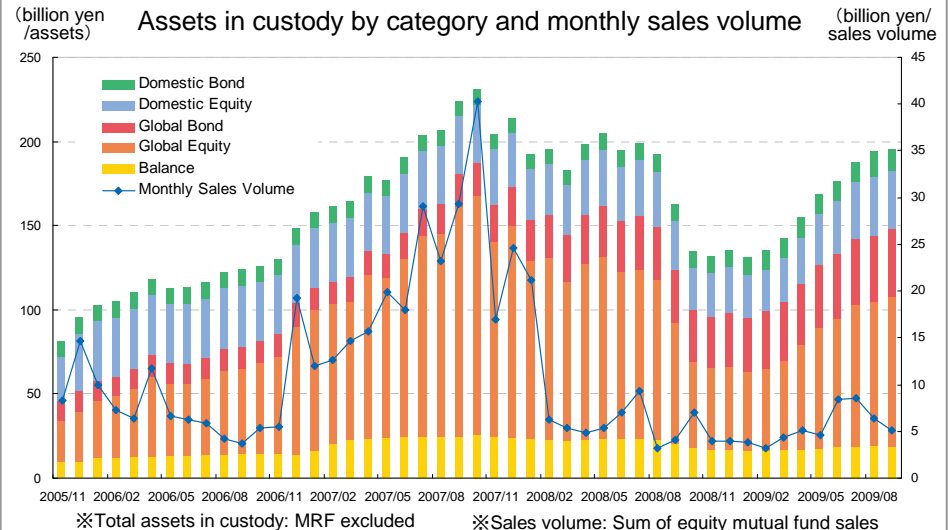
- Our original algorithm fund designed to meet individual investor’s absolute return needs
- Launched in July with AUM 2 billion yen
- Outperformed against TOPIX 3.11% as of Oct.23rd
- Half of the investors are first-time fund purchasers at Monex

For Further Growth

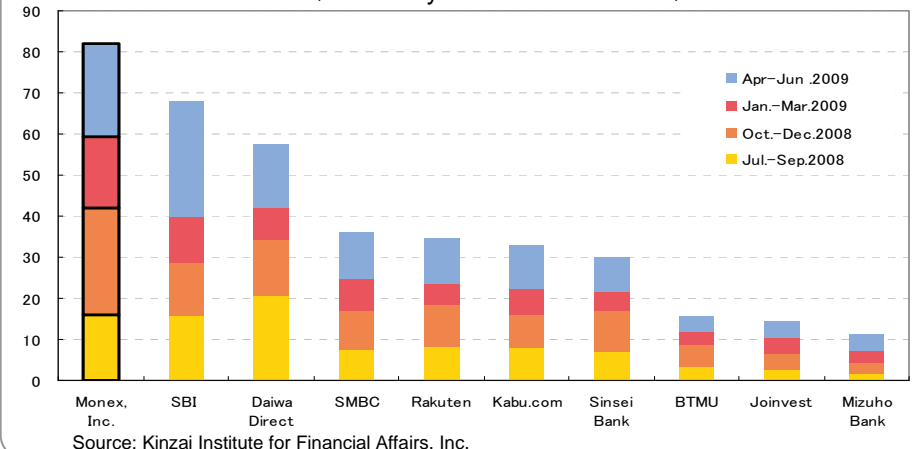
- ◆ More user friendly system for monthly auto-investments is under development
- ◆ Continuing to offer a more enhanced product line by introducing new and original funds

Top-class online mutual fund sales

Keeping the top-class position in online mutual fund sales



(billion yen) Online sales performance of online brokers and banks (From July 2008 to June 2009)



Alternative Investment Business: For Global First Class Investment Management



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

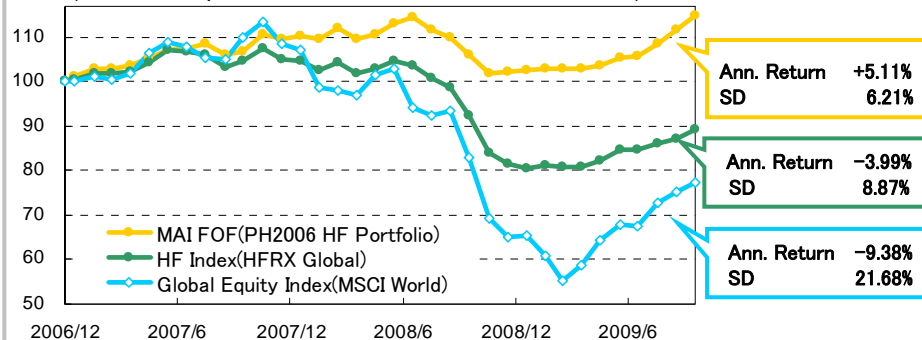
■ Institutional investors business efforts

◆ Global first class performance

Recovered from losses of 2008 2H by having a substantial performance relative to the HF* index

HF-FOF** portfolio performance of PH2006***

(Normalized performance at 2006/12/15, in USD, Net)



(Source: HFR Asset Management, Reuter, MAI 2007/7-2009/6)

◆ Alliance with big institutions for business development

Major U.S. investment bank, as the exclusive distributor of HF-FOF to financial institutions. Started marketing activities towards institutions such as banks and insurance companies
 Propose coalition with major trust banks to provide investment management services to pension funds

◆ Active contributions to the pension funds community

Participate by giving speeches at pension seminars, etc.

*HF: hedge fund **FOF: fund of funds ***PH2006: Premium Hybrid 2006

■ Individual investors business efforts

◆ Unprecedented alternative investment products for individual investors

Institutional-quality products for individual investors

(As of September 2009)

Fund Nickname	Underlying Assets	AUM
Asia Focus	Japan HF + Asia HF	JPY6.7b*
China Focus	Equity L/S: Taiwan, HK, and China A-share	JPY2.8b
Premium Hybrid 2006	Global HF + PE Fund	JPY3.4b
Premium Hybrid 2007	Global HF + PE Fund	JPY1.9b

*Reflects performance generated in August 2009

◆ Asia Focus : Investments in Japanese and Asian HF-FOF

Co-managed with Fullerton Fund Management, a global investment company based in Singapore, since the fund inception in July 2005

◆ Premium Hybrid : Diversified investments in HF and PE

Looking for an optimal time to launch the 3rd fund
 Alternative product series with no comparison in the world
 Excellent investment opportunities currently available in PE funds of distressed, secondary and emerging markets

Investment Banking Business: Aiming towards creating new financial services

■ Monex, Inc. and WR Hambrecht & Co Japan, Inc.

- ◆ Aiming to provide small and mid capital companies with a wide variety of investment banking services such as fund raising, investments, IPOs and M&A advice
- ◆ Providing one-stop financial services for corporate clients
- ◆ Providing services based on networks in the U.S. and the Asian region including China for cross-border M&A and int'l expansion
- ◆ Facilitating cooperation between the Corporate Finance Department of Monex, Inc. and WR Hambrecht & Co Japan, Inc. ("WRHJ") to utilize the infrastructure of the Monex Group to promote a new style of M&A advisory services

■ Fund raising and investments

◆ Participation in IPO deals

Due to the sluggish market, the number of IPOs and the fund raising size has shrunk, causing a generally weaker performance of our underwriting business.

While many other security firms are backing away from the IPO underwriting business, we will further continue the underwriting business to utilize our knowledge based upon our top tier track record of the underwriting as an online security firm (3 in TSE Mothers, 1 in OSE Hercules)

◆ Balance sheet management

Currently building a system to diversify earning sources by proposing a broader range of management advisory services from equity to debt, in order to make up for the decrease in revenue due to the downturn of the IPO market

■ M&A

◆ M&A track record

Advised three deals in the second quarter:

- Issuance of preferred stocks by an established manufacturing company
- Investment from a recycling company to a plastic molding company
- Strategic alliance and investment from a major general trading company to a telecom service joint venture

◆ Facilitating domestic deals

Increasing number of recurring clients and designated mandate from prime and robust clientele

◆ Facilitating cross-border deals

Keeping good relationships with boutique investment banks in the U.S., China, etc. to maintain a rich local network. Promoting deals with several prime Chinese companies involved in areas like agriculture, energy, and environment

■ Efforts for implementation of Open IPO® (WRHJ)

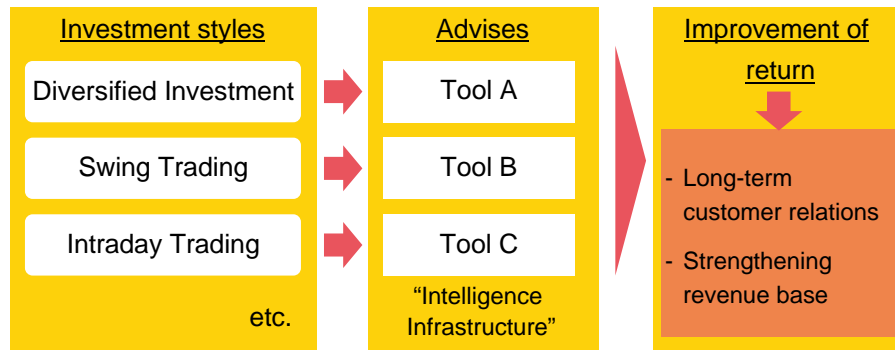
- Cooperating with WR Hambrecht + Co to implement Open IPO® into the Japanese stock market
- Proposing Open IPO® for privatization in Japan as a transparent and compelling pricing method

Intelligence Infrastructure: Creating a new value of Monex Group

■ Creating a new value - Advisory

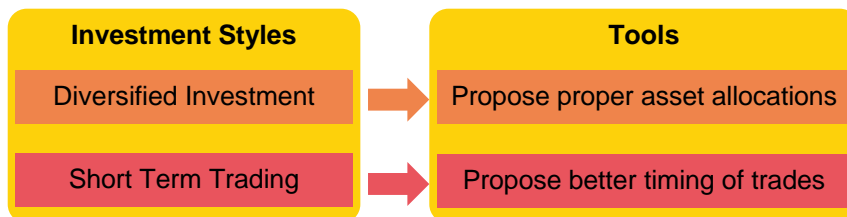
◆ Creating a new value of Monex

- To provide proper investment advice to various customers with various investment styles to help improve their returns



◆ "Intelligence Infrastructure"

- "Intelligence Infrastructure" is a collective term for a cutting edge online advise function, which we have positioned as one of our most important strategies
 - Planning on providing tools which will match various investment styles such as the ones below



- Constructing a new agile R&D environment
 - Postponed the release of a new tool which we had planned to release in first half year

■ Continuous outflow of information

◆ Started to provide weekly Strategy Reports

- Started to provide weekly Strategy Reports of the Japanese stock market by Makoto Haga, the Chief Strategist
 - We also continue to provide weekly economic reports by Naoki Murakami, the Chief Economist



◆ Expansion of J.P. Morgan's Information Service

- Providing institutional investor level analyst reports to individual investors as well as video contents by J.P. Morgan's strategists and analysts about the macro market
 - The number of views of reports has increased as a result of adding a function enabling customers to see reports on shares they hold
 Approx. 70,000 in Apr. (without function)
 Approx. 140,000 in Sep. (with function)



◆ Released the website "MONEX CAMP"

- MONEX CAMP answers questions that beginners hold about investing. Providing investment education through lecture style contents
 (URL: <http://camp.monex.co.jp>)



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

- 31,093 people subscribed to the basic e-learning courses

R&D: The next generation of asset management by *Kabu-robot*

Recent developments of Trade Science

trade-science Trade Science Corporation

◆ R&D outfit of Monex Group

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

◆ Investment advisory service for *Kabu-robot*

- The *Kabu-robot* Contest, held by Trade Science, is an open platform, offering a free programming and testing environment of *Kabu-robot* to the public. Approximately 20,000 people, some of whom are professional software developers with financial literacy, have participated
- We will form a license agreement with authors of *Kabu-robots* achieving a high record in the *Kabu-robot* Contest, and after necessary improvements and further verifications, they are able to offer investment advisory services
- Trade Science also develops and operates systems for investment advice services

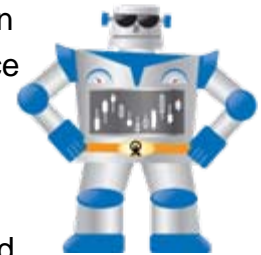
KABU ROBO
advanced robot trading platform

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



◆ *Kabu-robot*, automated investment software

- *Kabu-robot* investment decisions are based on investment strategies programmed in advance using real-time market data. By automating investment decisions utilizing high-speed computing technology, timely decisions are made possible with all arbitrariness eliminated



- Planning to launch absolute return (long-short) funds, SMA and trading signal services that will be customized to each individual investor

◆ “*Kabu-robot* Trade Manager”

- “*Kabu-robot* Trade Manager”, a tool enabling individual investors to use *Kabu-robot* investment decisions on their own investments, has been made available. It allows the investors to enjoy automated stock trading at Monex, Inc. (Beta version released on June 2009)



◆ Developing trading tools for Monex Group customers

- Developing trading tools especially focused on active traders. Monex Joo was released in August 2009 as the first of this development

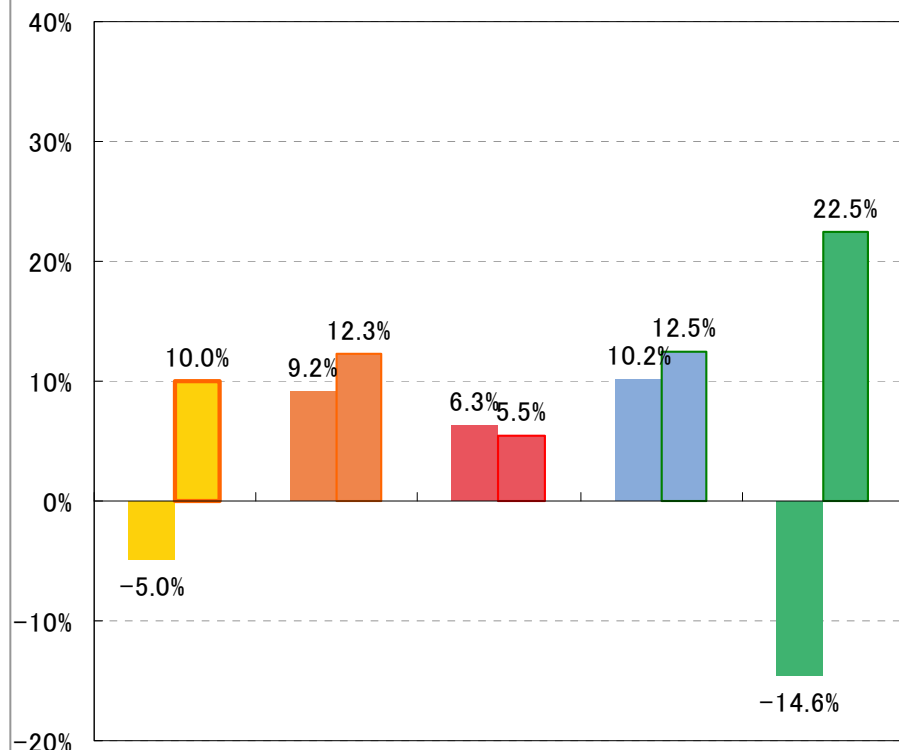


1. Financial Results
2. Strategies
3. Businesses
- 4. To our Shareholders**
5. Appendix

ROE and Shareholder's Return

■ Pursuing investment returns for our shareholders

◆ ROE



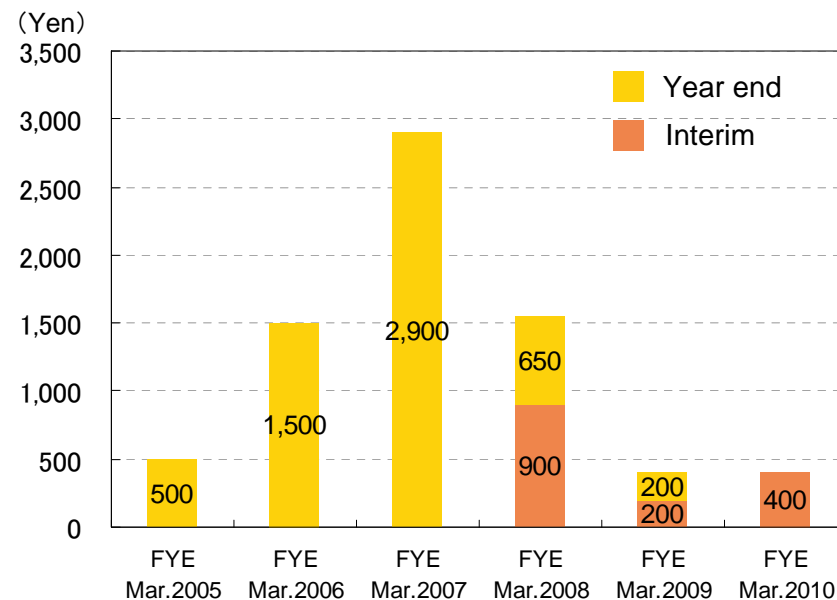
Monex G (Consolidated)	Matsui (Consolidated)	SBI (Consolidated)	kabu.com (Unconsolidated)	Rakuten (Consolidated)
FYE 1H FYE	FYE 1Q FYE	FYE 1Q FYE	FYE 1Q FYE	FYE 1Q FYE
March March	March March	March March	March March	March March
2009 2010	2009 2010	2009 2010	2009 2010	2009 2010

*Made by Monex Group, Inc. from each company's IR data as of Oct.26, 2009

◆ 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

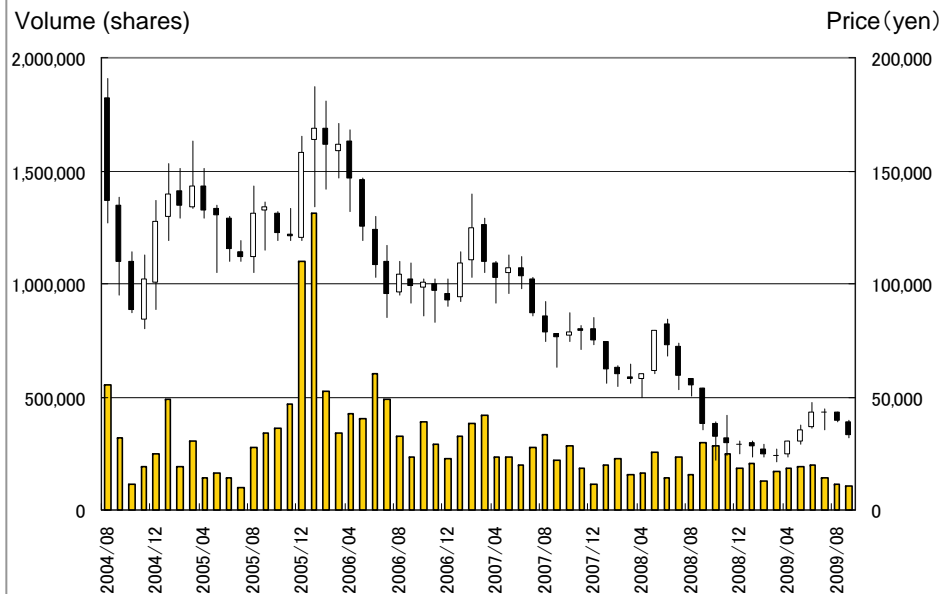
◆ Dividend record



Investors' Guide

■ Stock information of Monex Group, Inc.

◆ Share price and volume



◆ Indicators per share

	FYE March 2006	FYE March 2007	FYE March 2008	FYE March 2009	1H FYE March 2010
Book-value Per Share (BPS)	JPY 17,606	JPY 20,253	JPY 19,664	JPY 17,235	JPY 17,990
Earnings Per Share (EPS)	JPY 5,677	JPY 4,066	JPY 3,080	-JPY 928	JPY 1,758
Return On Equity (ROE)	38.1%	21.4%	15.5%	-5.0%	10.0%
Dividend Per Share	JPY 1,500	JPY 2,900	JPY 1,550	JPY 400	(Interim) JPY400

*EPS and ROE of 1H, FYE March 2010 are multiplied by 2 of 6 month data

◆ Major shareholders and share distribution

(Recorded as of the end of September 2009)

Major shareholders

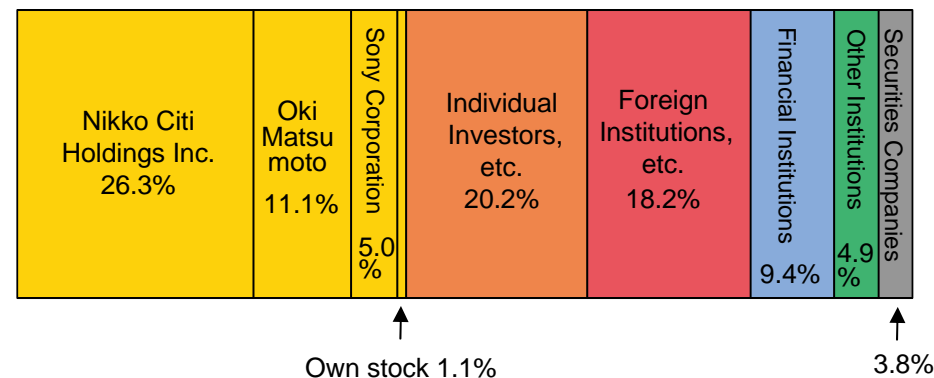
Financial Institutions	9.43%
Securities Companies	3.75%
Other Institutions	36.23%
Foreign Institutions, etc.	18.21%
Individual Investors, etc.	31.25%
Treasury Stock	1.13%

Top 3 shareholders

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

* Changed its name to Citigroup Japan Holdings Corp. as of Oct. 1, 2009

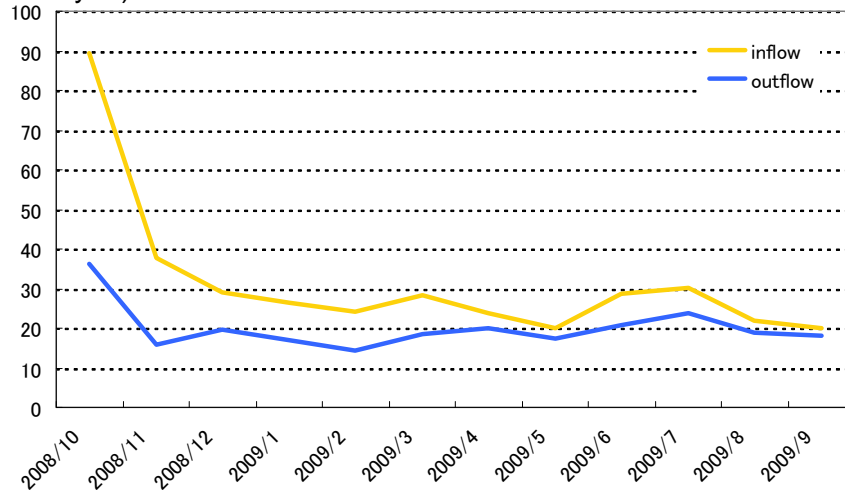
◆ Share distribution based on the Company's recognition



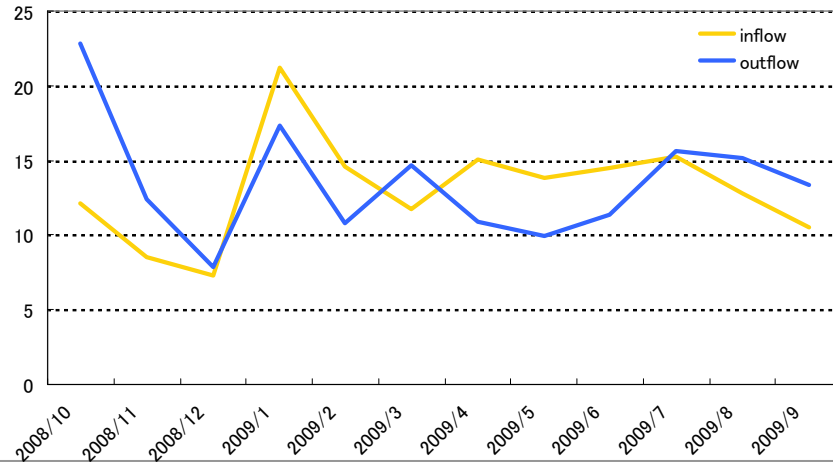
1. Financial Results
2. Strategies
3. Businesses
4. To our Shareholders
- 5. Appendix**

Additional Data (Monex, Inc.)

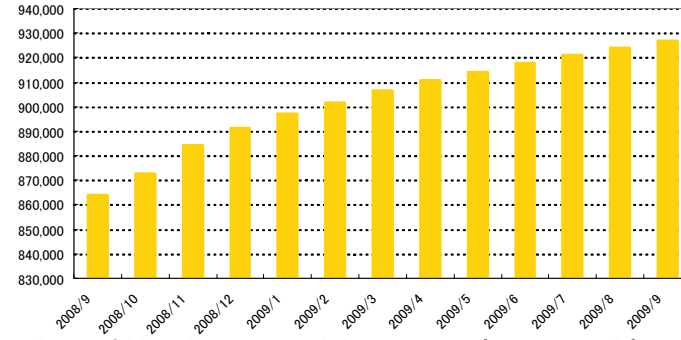
◆ Cash Inflow/Outflow
(billion yen)



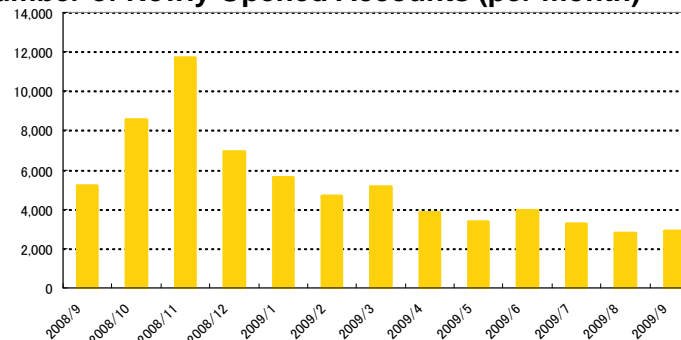
◆ Stock Inflow/Outflow
(billion yen)



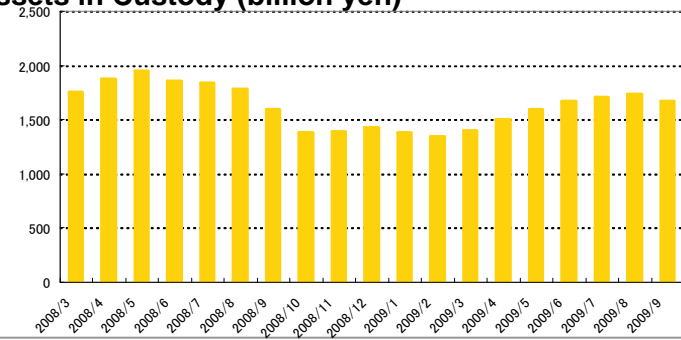
◆ Total Number of Accounts



◆ Number of Newly Opened Accounts (per month)

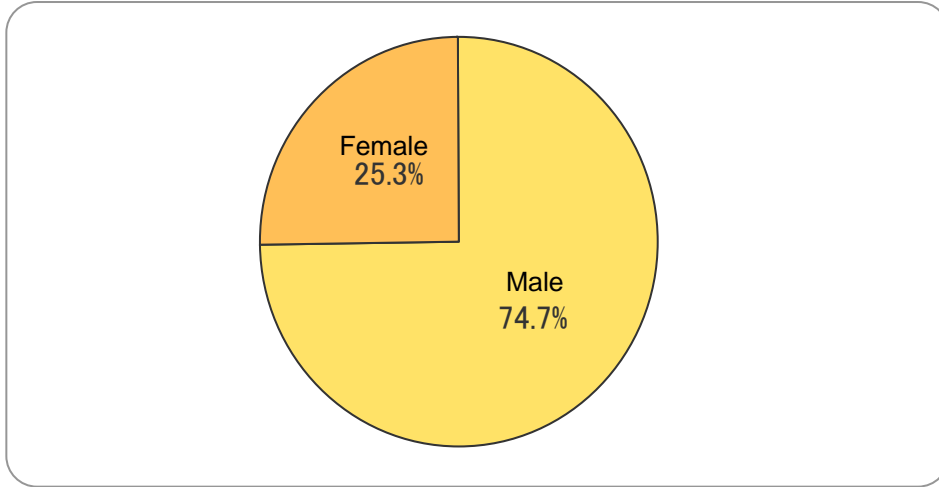


◆ Assets in Custody (billion yen)

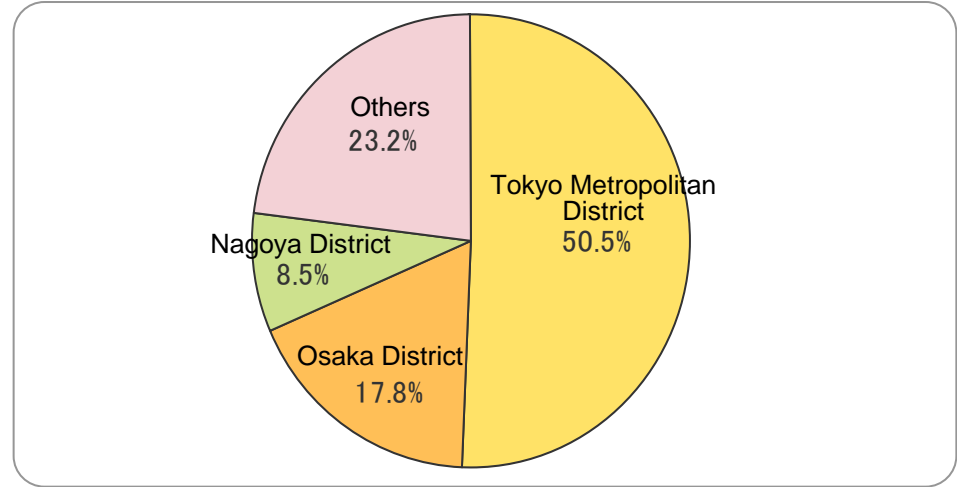


Customer Portfolio of Monex, Inc. (as of the end of Sep, 2009)

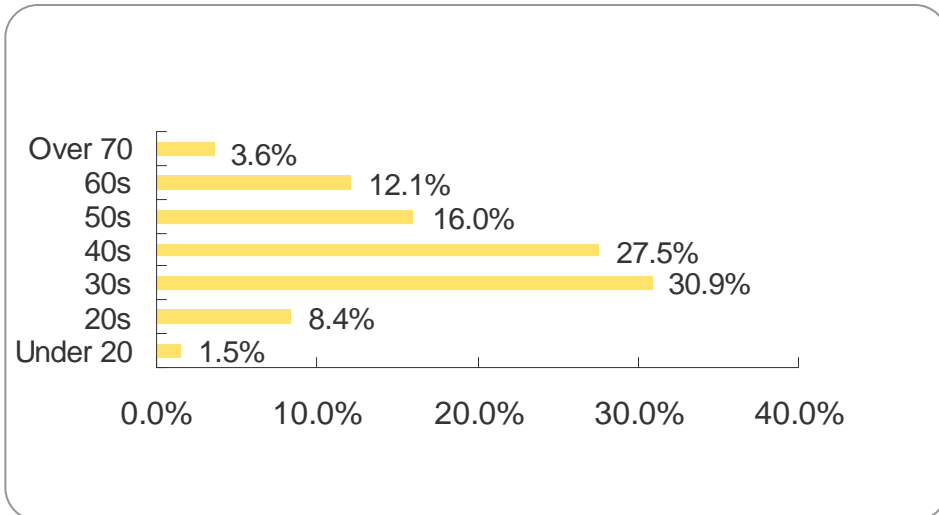
■ Sex



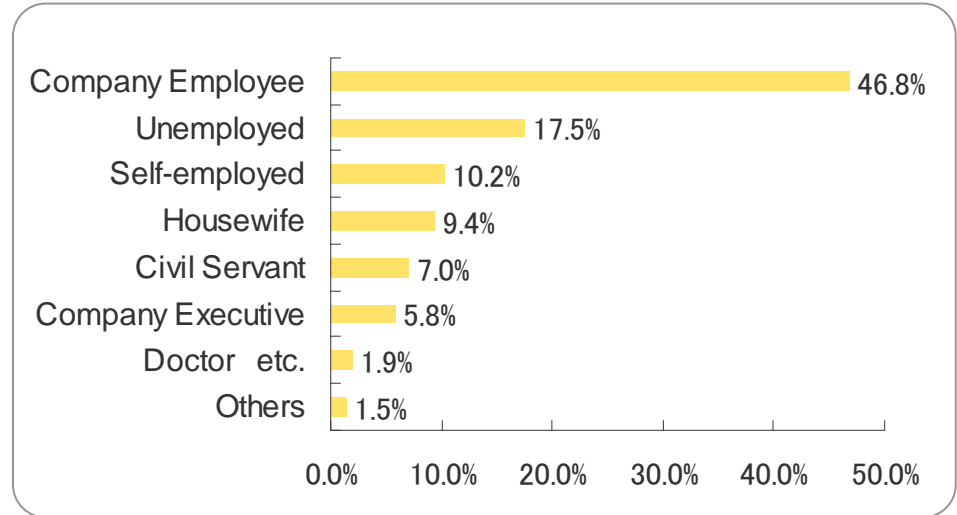
■ District



■ Age



■ Occupation



ADDITIONAL MATERIAL

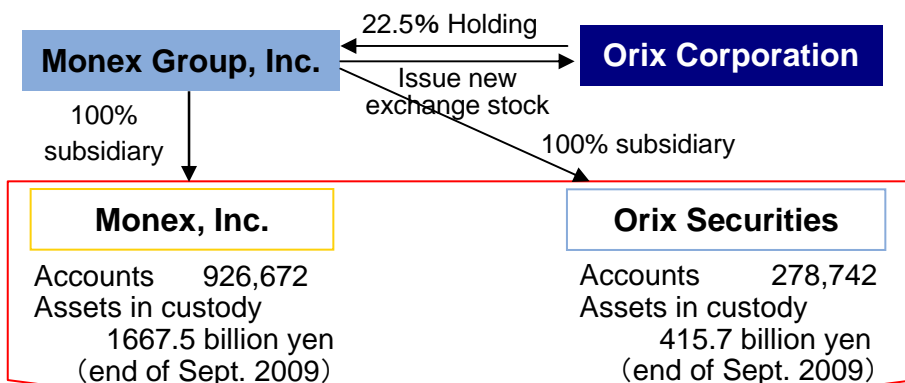
Monex Group and Orix Corporation to Merge Respective Securities Subsidiaries and Enter into Capital Alliance

■ Structure and purpose of merger

- ◆ Orix Securities will become a wholly owned subsidiary of Monex Group by Share Exchange*, and Monex Group will become an equity method affiliate of Orix Corporation

*Subject to approval at the Extraordinary Shareholders' Meeting on December 26 2009

Organization Chart after Share Exchange Agreement is in effect (planned January 17, 2010)



Merger (planned May, 2010)

Aim to become the biggest internet financial company in the country with the expansion of infrastructure and dramatic expansion of products/services through the merger

■ Outlook after share exchange and capital alliance (planned)

- ◆ Become a top-sized internet financial company after merger
 - Total assets in custody expected to exceed 2.1 trillion yen, and the number of customer accounts expected to exceed 1.3 million accounts after the merger (Overlapping accounts for customers accounts not taken into consideration)
- ◆ Policy for fees, products and services after the merger
 - Current fee structures offered to each of its respective customers are planned to basically stay the same and products and services are planned to be expanded
- ◆ As with past mergers, Monex will aim for early merger effects by carrying out systems-related cost reductions
- ◆ Strengthening of relations with Orix through capital alliance
 - Plans of further cooperation and collaboration between Monex Group and subsidiaries including Monex, Inc. and Orix Corp.

Accelerate growth on a larger scale as a securities firm by providing better products and services to customers, and at the same time, expand the corporate value for shareholders

◆ Major shareholders after share exchange (planned)

Orix Corporation	22.5%
Citigroup Japan Holdings Corporation	20.6%
Oki Matsumoto	8.7%
Sony Corporation	3.9%