

Financial Results of 1Q 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 1Q	...	p.5
(2) Financial Overview of 1Q, FYE Mar. 31, 2010	...	p.6
(3) Highlights of 1Q (1) Net Operating Revenues and Ex. Income	...	p.7
(4) Highlights of 1Q (2) SG&A	...	p.8
(5) Highlights of 1Q (3) Balance Sheet	...	p.9
2. Financial Summary		
(1) 4Q of FYE Mar. 31, 2009 vs. 1Q of FYE Mar. 31, 2010 (3 mo.)	...	p.10
(2) 1Q of FYE Mar. 31, 2009 vs. 1Q of FYE Mar. 31, 2010 (3 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
6. Kabu-robot Project	...	p.32

IV. To Our Shareholders

1. ROE and Shareholder's Return	...	p.34
2. Investor's Guide	...	p.35

V. Appendix

1. Additional Data (Monex, Inc.)	...	p.37
2. Monex Inc.'s Customer Portfolio	...	p.38

1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

5. Appendix

Major Business Activities for the First Quarter

◆ **Implementation of cost-cuts**

Approximately one billion yen was decreased for this year's budget compared to that from the previous fiscal year, by cutting SG&A costs (approximately a 6.5% decrease). The Company successfully cut the actual SG&A costs further for the first quarter by approximately 9.6% from the same term last year

◆ **Recovery of key businesses**

The stock brokerage has recovered, in that trading value was 70%, brokerage commissions 90%, and number of executions 110% of the same term last year. Mutual fund sales, mainly those of emerging countries, have been recovering. Trading volume by Monex FX has also had high growth, and profits are being secured for the group as a whole

◆ **New products and services**

The sales for "Kabu-robo Fund," an outcome from a project that the Group has promoted, which carries out its original program trading has started on July 10, 2009. The "Intelligence Infrastructure" has been enriched, adding contents such as issuing reports on Chinese securities, and the launch of video streaming of comments by analysts from J.P. Morgan

◆ **China business development**

The preparations for starting the joint venture business of financial training in cooperation with SEEC is currently underway. Using this as a bridgehead, the building of a framework for the development of the securities business is also in preparation

◆ **Development of a quality management system**

The Quality Management Office has been set up in Monex, Inc., which promotes quality improvement by reviewing the internal reviewing structure and the management structure of the Group, and thereby making a more efficient and appropriate management process

◆ **Strengthening of governance and human resources**

Strengthen governance by organizing advisory committees in which outside directors can be more involved in specific consultations. Provide training for managements, and plan and implement opportunities for employees to study abroad (MBA) and dispatch employees to other companies domestically and internationally

Financial Overview

■ Financial Overview of 1Q(Apr.- Jun.) of FYE Mar. 31, 2010

Nearly 10% cost reduction which exceeded budget, and stock trading values took an upturn which turned up our bottom line

◆ Net operating revenues	5,218 million yen	+19.7% from 4Q of FYE Mar. 31, 2009
▪ Brokerage commissions	3,145 million yen	+34.3% from 4Q of FYE Mar. 31, 2009
▪ Financial income	839 million yen	-2.5% from 4Q of FYE Mar. 31, 2009
▪ FX business revenue	713 million yen	+0.5% from 4Q of FYE Mar. 31, 2009
◆ SG&A	3,554 million yen	-8.9% from 4Q of FYE Mar. 31, 2009
▪ System related costs(*1)	1,501 million yen	-10.6% from 4Q of FYE Mar. 31, 2009
▪ Transaction-related expenses	979 million yen	-10.6% from 4Q of FYE Mar. 31, 2009
▪ Consulting fee	56 million yen	-71.2% from 4Q of FYE Mar. 31, 2009
◆ Ordinary income	1,808 million yen	+331.2% from 4Q of FYE Mar. 31, 2009
◆ Extraordinary income	332 million yen	
◆ Net Income	1,413 million yen	Bottom line in 4Q of FYE Mar. 31, 2009 was net loss of 2,832 million yen, due to extraordinary loss
◆ Key performance indicators		
▪ ROE	14.0%	Annualized ROE in 4Q of FYE Mar. 31, 2009 was -27.4%
▪ Profit margin (Operating income / Net Operating revenues)(*2)	31.9%	+21.4 pt from 4Q of FYE Mar. 31, 2009

■ Overview of the Japanese Stock Market (as of the end of 1Q of FYE Mar. 2010)

• Nikkei 225 Average	+22.8% from Mar. 31, 2009
• Trading Value(*3)	+40.9% from 4Q of Mar. 31, 2009

(*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)

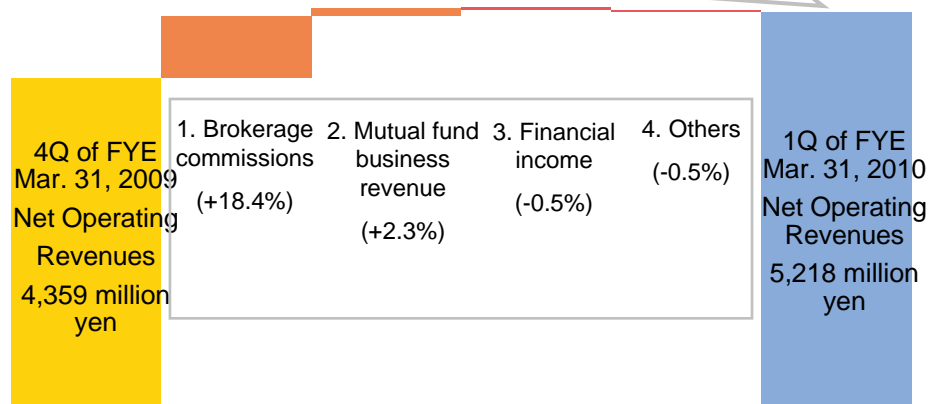
(*3) Total trading value of individual investors in 4 Japanese major markets

Highlights of 1Q (1) Net Operating Revenues and Extraordinary Income

■ Comparison with 4Q of FYE Mar. 31, 2009

◆ Equity trading values took a upturn, and brokerage commissions increased

Increase by 859 million yen (+19.7%)
from 4Q of FYE Mar. 31, 2009



◆ Major increasing factors

1. Brokerage commissions 803 million yen
-Equity trading values increased
2. Mutual fund business revenue 99 million yen
-Both sales and agency commissions increased

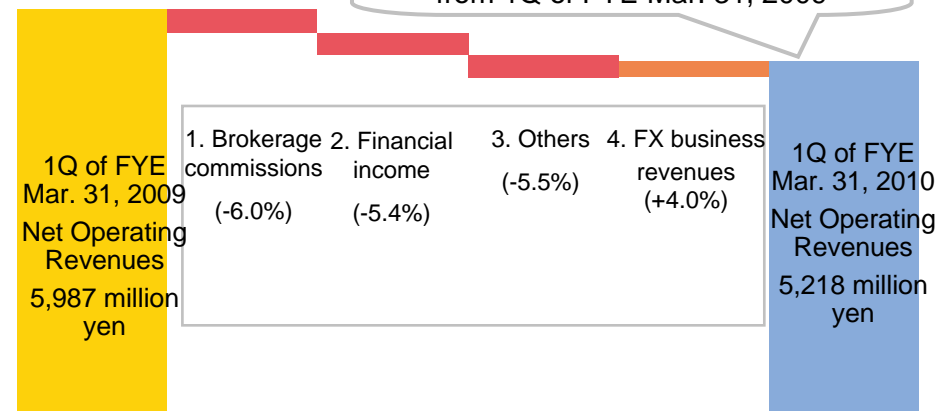
◆ Major decreasing factor

3. Financial income 21 million yen
-Outstanding margin trades increased, but gains on sales of notes decreased

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

◆ Trading values by individual investors and margin trades outstanding decreased

Decrease by 769 million yen (-12.9%)
from 1Q of FYE Mar. 31, 2009



◆ Major decreasing factors

1. Brokerage commissions 359 million yen
-Future and Option commissions increased, but equity trading values decreased
2. Financial income 320 million yen
-Margin trades outstanding decreased

◆ Major increasing factor

3. FX business revenue 237 million yen
-Trading revenues in Monex FX increased

■ Extraordinary income of 1Q

◆ Reversal of reserve for financial products transaction liabilities 312 million yen

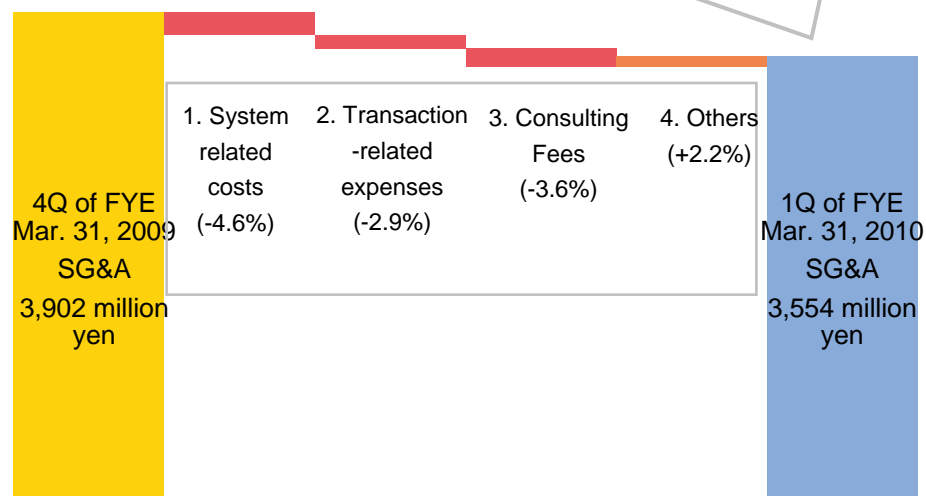
Reversed the excess of the maximum reserve amount for financial products transactions liabilities due to the shift of the subject fiscal years to be calculated (from FYE Mar. 2007- FYE Mar. 2009 to FYE Mar. 2008-FYE Mar. 2010)

Highlights of 1Q (2) SG&A

■ Comparison with 4Q of FYE Mar. 31, 2009

◆ Nearly 10% cost reduction compared to last quarter

Decrease by 347 million yen (-8.9%)
from 4Q of FYE Mar. 31, 2009



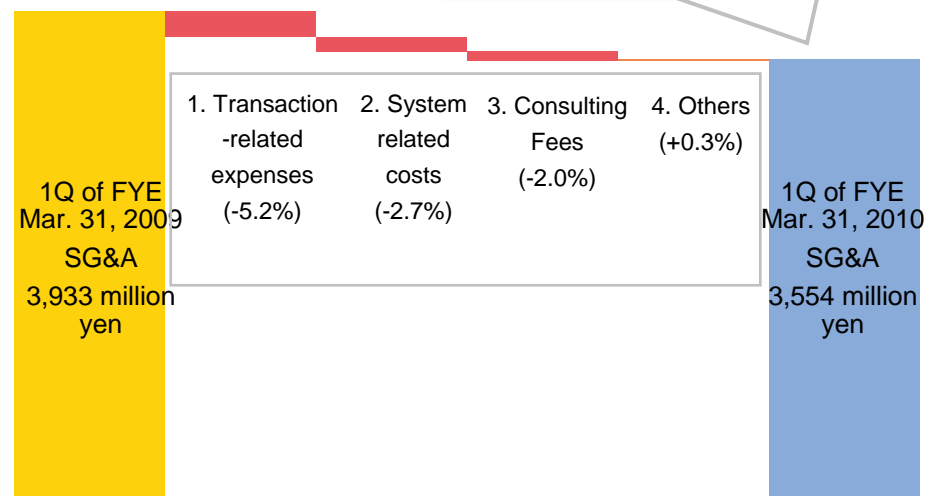
◆ Major decreasing factors

- System related costs 177 million yen
 - Slash of fixed cost by reducing outsourcing expenses
 - Cut-down of maintaining fees, etc.
- Transaction-related expenses 115 million yen
 - Reduction of information costs and revision of marketing strategy
- Consulting fees 140 million yen
 - Reduction by making some operations more efficient

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

◆ Nearly 10% cost reduction, compared to last 1Q

Decrease by 378 million yen (-9.6%)
from 1Q of FYE Mar. 31, 2009



◆ Major decreasing factors

- Transaction-related expenses 203 million yen
 - Commissions paid and Exchange/association dues decreased due to decrease of trading values
 - Reduction of information costs and revision of marketing strategy
- System related costs 108 million yen
 - Slash of fixed costs by reducing outsourcing expenses
- Consulting fees 79 million yen
 - Reduction by making some operations more efficient

Highlights of 1Q (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.	99.5
Monex FX	1.4
Total	100.9

[Cash margin from customers (minimum requirement)]

Monex, Inc.	91.4
Monex FX	1.4
Total	92.9

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

Property/equipment	0.5	(Facilities, equipment, etc)
Software	1.4	(Assets to provide service)
Goodwill	0.7	(Premium of Monex FX)
Guarantee deposits, etc	0.8	(Real estate deposit, etc)
<u>Investment securities</u>	<u>6.1</u>	(See *4 below)
Total	9.6	

[Operation of investments]

Deposits	26.8
JGB	19.7
Net margin assets(*1)	43.7
<u>Short-term loans</u>	<u>11.0</u>
Investment total	101.3

[Financing]

Call Loans	5.0
Bank Loans	30.3
Short-term Notes	6.3
Cash collateral from stock lending	
<u>(*2)</u>	<u>39.4</u>
Financing total	81.0

JGB as collateral 2.2

Non-current assets (*3) 9.6

Total net assets 41.0

(*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	2.0	0.0
Asia Focus (Maintenance of products)	1.1	1.1	-0.0
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	0.0
Tokyo Stock Exchange Group	0.3	0.9	0.6
Others (16 securities) (*6)	0.5	—	—
Total	6.1		

(*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: 87 million yen maximum

Financial Summary : 4Q of FYE Mar. 31, 2009 vs. 1Q of FYE Mar. 31, 2010 (in 3 months)

(in million yen, %)

	4Q of FYE Mar. 31, 2009 (Jan. 2009-Mar. 2009)	1Q of FYE Mar. 31, 2010 (Apr. 2009-Jun. 2009)	Change
Operating Revenues	4,927	6,138	24.6 %
Net Operating Revenues	4,359	5,218	19.7 %
SG&A	3,902	3,554	-8.9 %
Operating Income	456	1,663	264.4 %
Ordinary Income	419	1,808	331.2 %
Net Income	-2,832	1,413	-
EBITDA*	268	2,355	777.6 %

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

(in million yen, %)

	4Q of FYE Mar. 31, 2009 (as of Mar. 31, 2009)	1Q of FYE Mar. 31, 2010 (as of Jun. 30, 2009)	Change
Total Assets	235,694	259,339	10.0 %
Shareholders' Equity	39,807	40,994	3.0 %

(For reference : Monex, Inc.)

Capital Adequacy Ratio	400.9%	392.2%	-
------------------------	--------	--------	---

Financial Summary : 1Q of FYE Mar. 31, 2009 vs. 1Q of FYE Mar. 31, 2010 (in 3 months)

(in million yen, %)

	1Q of FYE Mar. 31, 2009 (Apr. 2008-Jun. 2008)	1Q of FYE Mar. 31, 2010 (Apr. 2009-Jun. 2009)	Change
Operating Revenues	7,370	6,138	-16.7 %
Net Operating Revenues	5,987	5,218	-12.9 %
SG&A	3,933	3,554	-9.6 %
Operating Income	2,054	1,663	-19.0 %
Ordinary Income	2,125	1,808	-14.9 %
Net Income	2,152	1,413	-34.3 %
EBITDA*	3,220	2,355	-26.9 %

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

(in million yen, %)

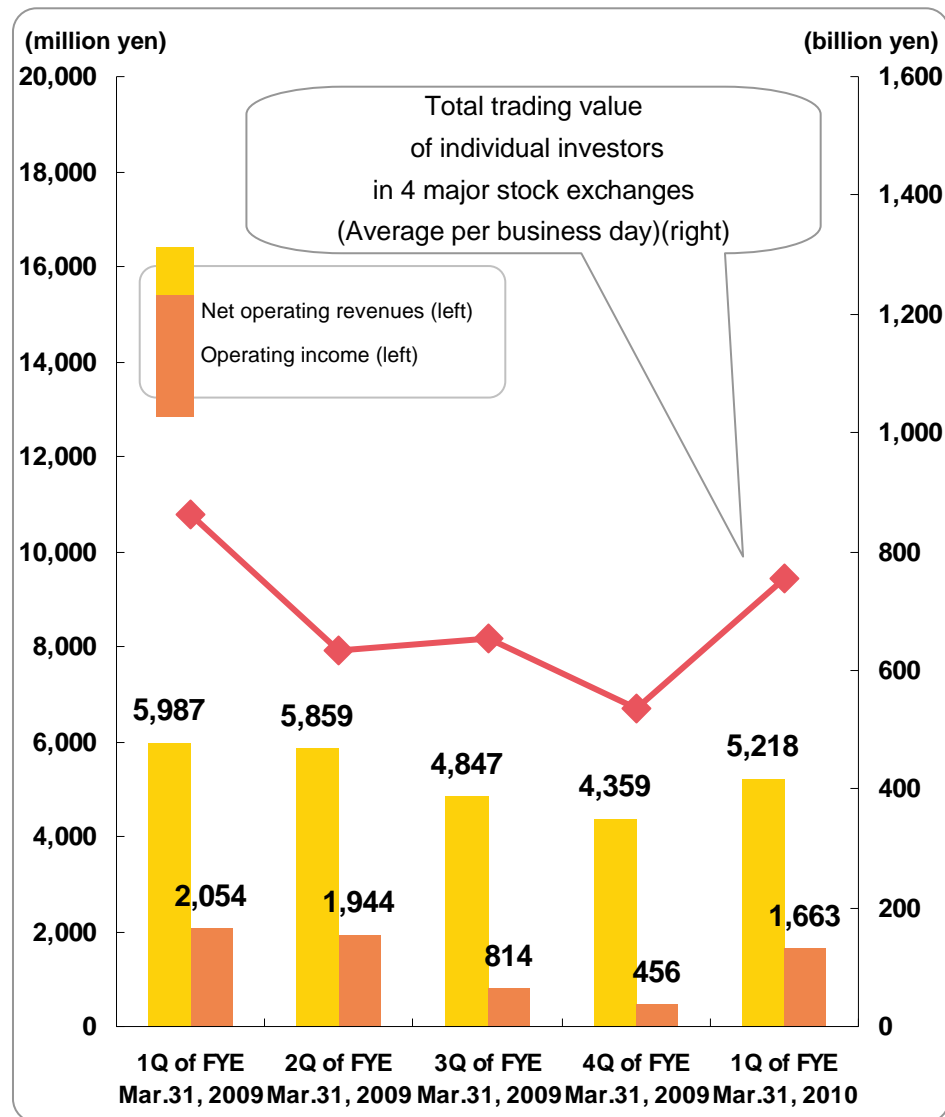
	1Q of FYE Mar. 31, 2009 (as of Jun. 30, 2008)	1Q of FYE Mar. 31, 2010 (as of Jun. 30, 2009)	Change
Total Assets	364,766	259,339	-28.9 %
Shareholders' Equity	45,180	40,994	-9.3 %

(For reference : Monex, Inc.)

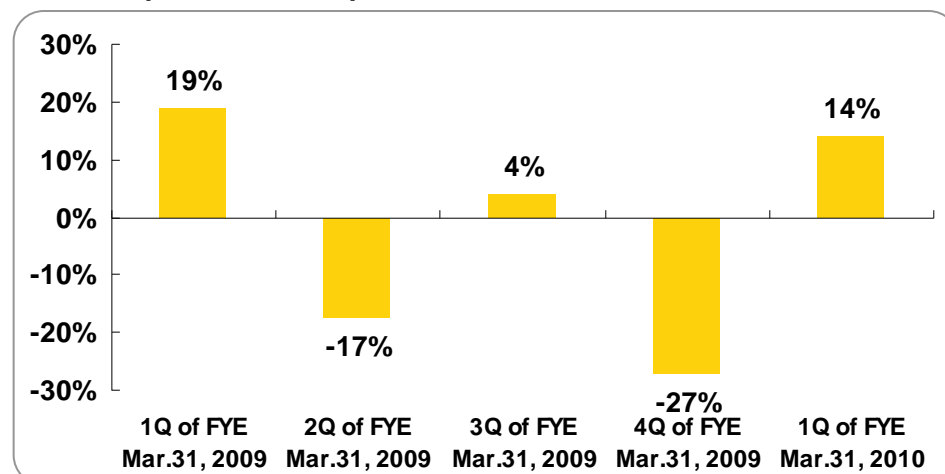
Capital Adequacy Ratio	325.4%	392.2%	-
------------------------	--------	--------	---

Financial Summary: Financial highlights (quarterly trend)

Net operating revenues and Operating Income

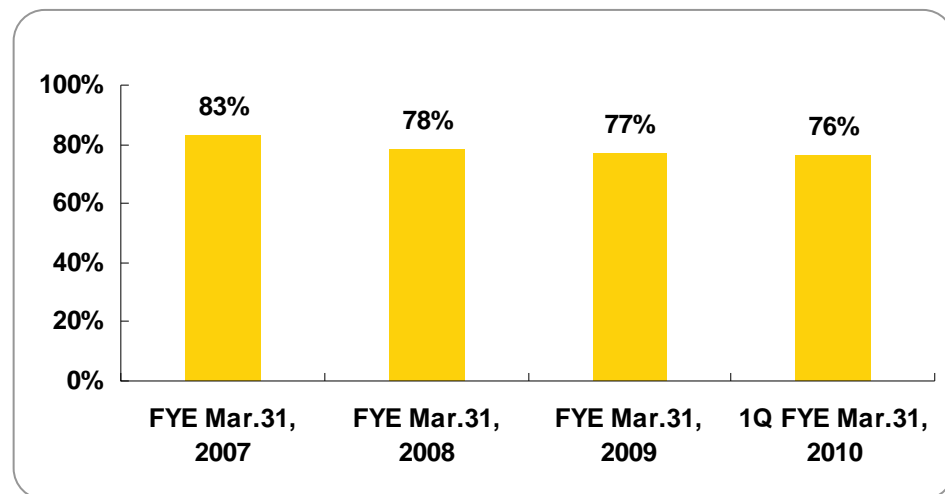


ROE (Annualized)



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

Annual trend of dependency on brokerage revenue(*)

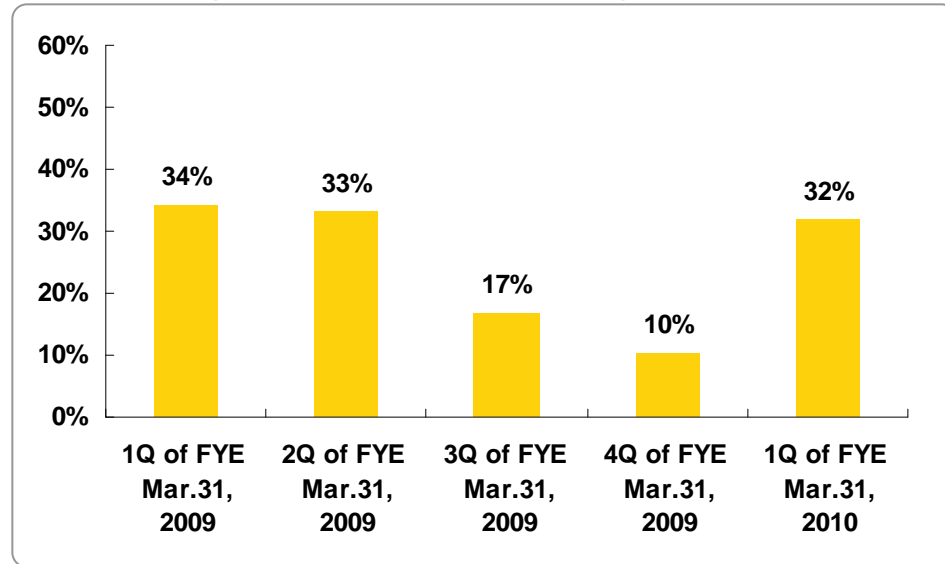


* Dependency on Brokerage revenue = (Brokerage commission + Financial Income) / Net operating revenue x 100

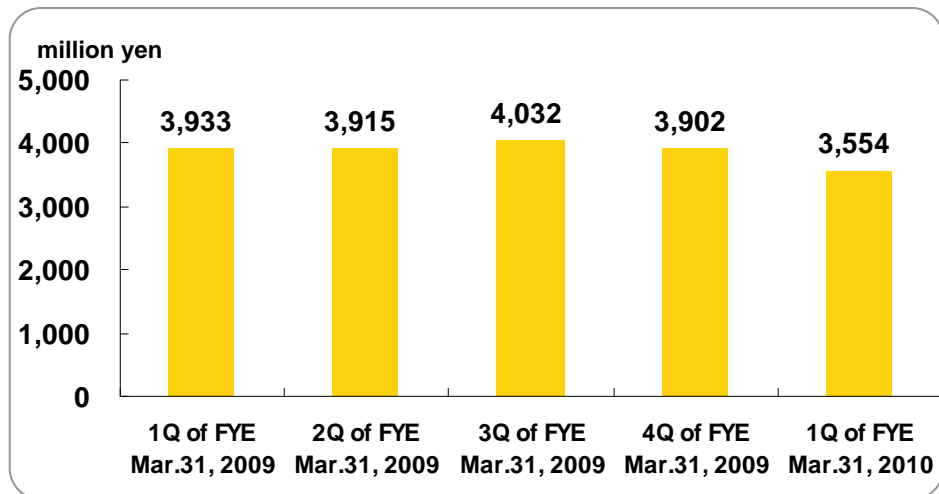
Financial Summary: Profit margin and cost structure

Profit Margin

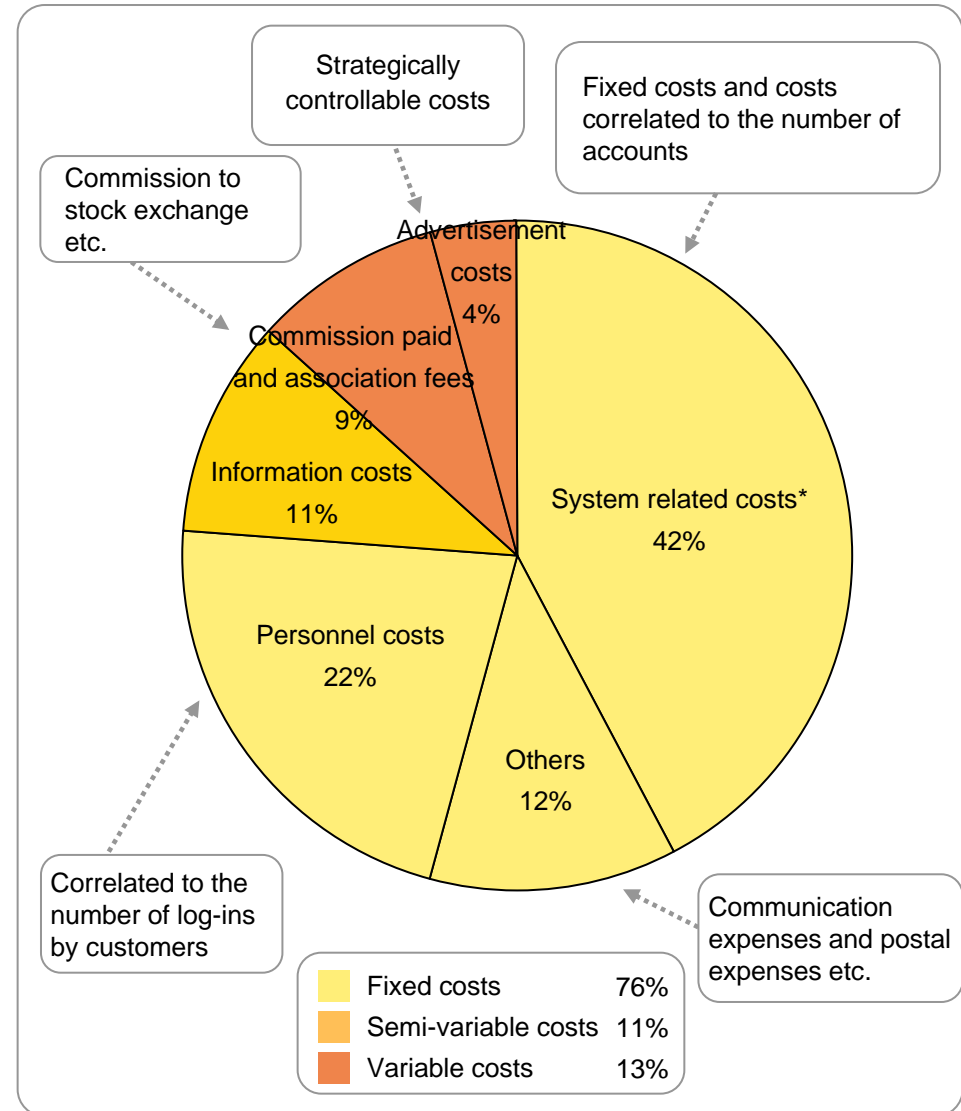
(Operating income/ Net Operating revenues)*



SG&A



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

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

1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

5. Appendix

Mission Statement

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

The Monex Group

Holding Company

Monex Group, Inc.

(As of June 30, 2009)

[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%

[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



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%

R&D of Program Trading



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

M&A Advisory



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

Business Incubation



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

[Incubation]



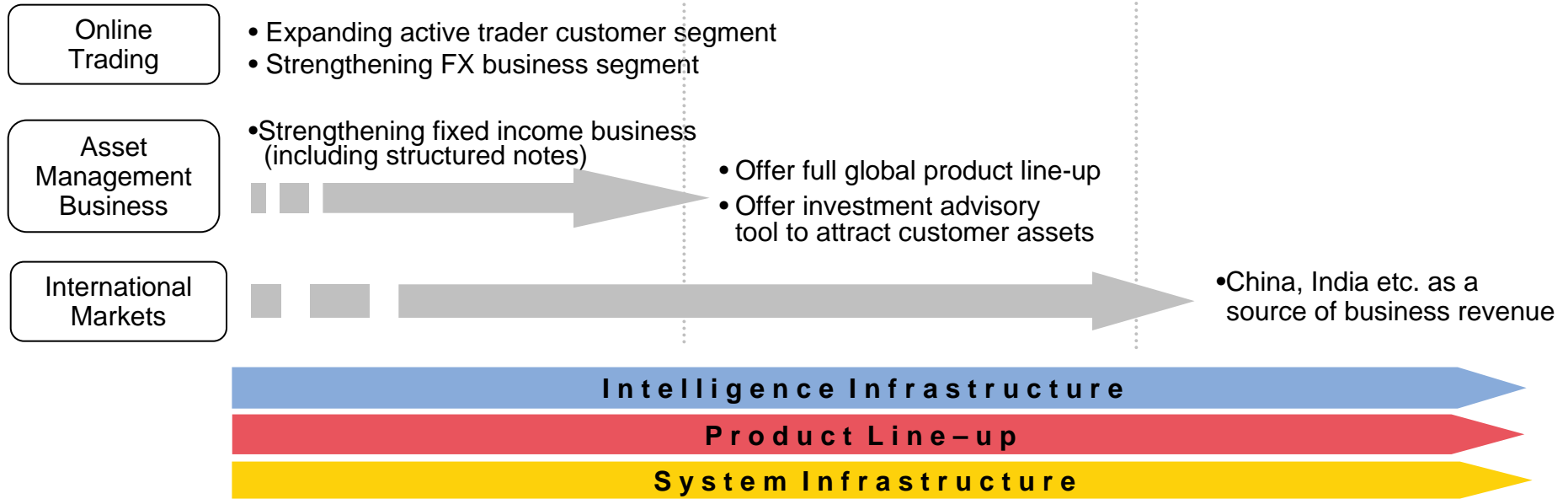
LIFENET INSURANCE COMPANY
New type of life insurance service through the internet
(Investment Ratio) Monex G: 18.5%

Roadmap

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

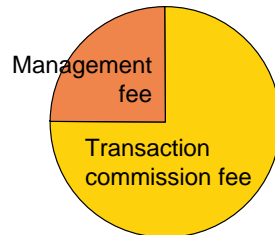
◆ Our goal is to become a GLOBAL TECHNOLOGY-BASED RETAIL financial services provider

◆ Future growth and management policy

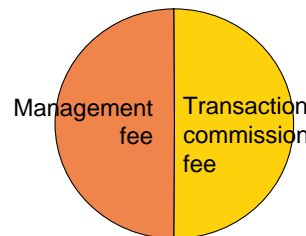


◆ Image of total revenue contribution

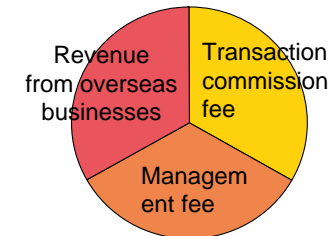
Short-term (Present)



Mid-term (5yrs time span)



Long-term (7-10yrs time span)



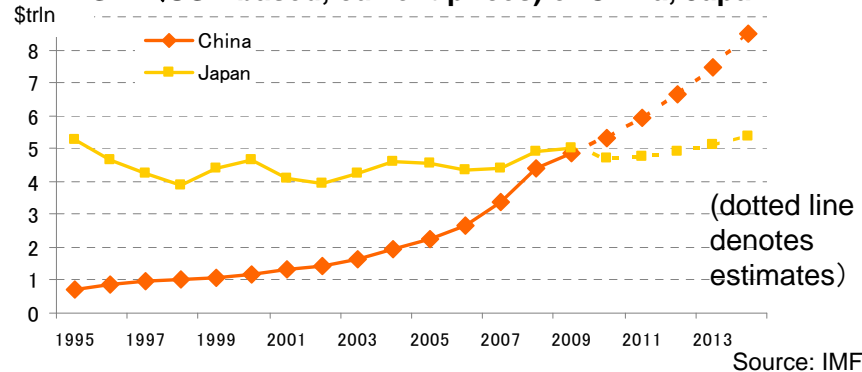
Overseas Business Development

Business development and areas of growth

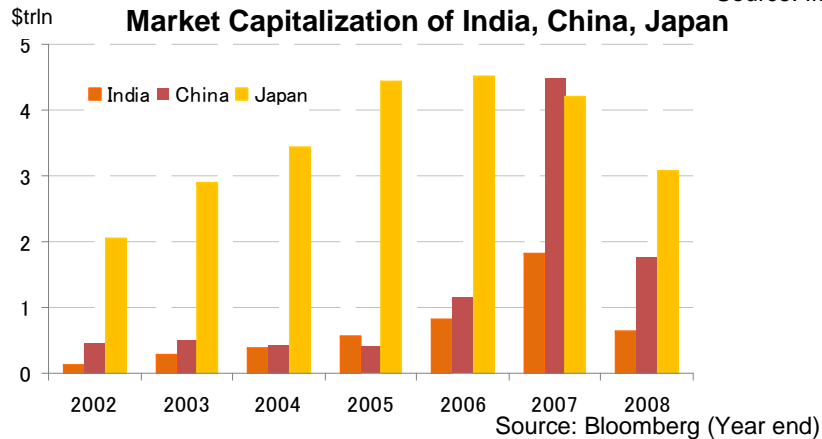
Overseas markets with high growth potential

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

GDP (USD based, current prices) of China, Japan



Market Capitalization of India, China, Japan



Update on overseas business development

China

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

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

March 2009 - Agreement to establish JV in the PRC

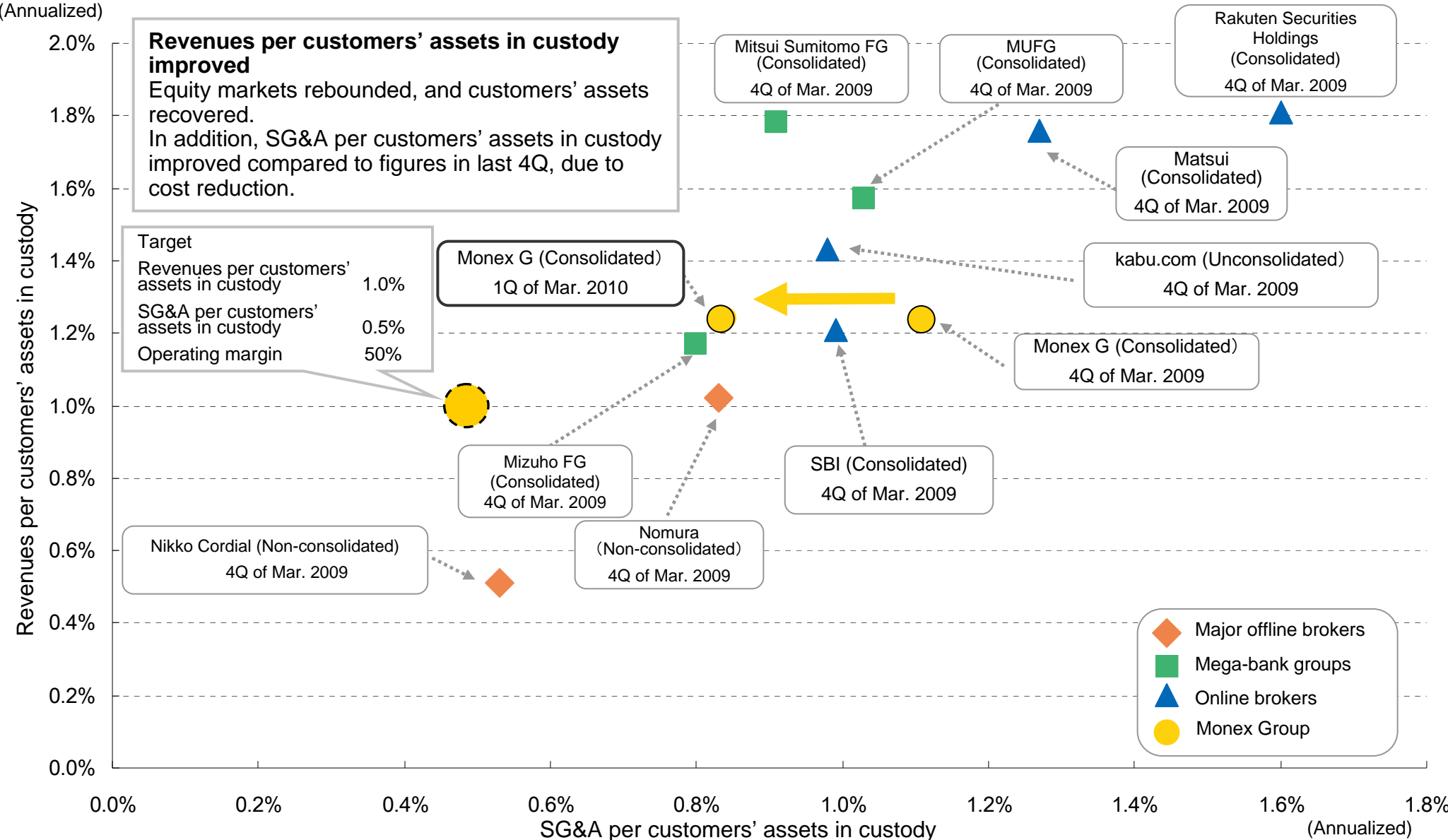
-Agreement reached to establish a joint venture company with the group companies of Stock Exchange Executive Council ('SEEC'), which has been deeply involved in the creation and development of the capital markets in the PRC, as well as being one of the largest financial media groups

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

India

-Placing India as another potential growth market, currently in the research stage for business development

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



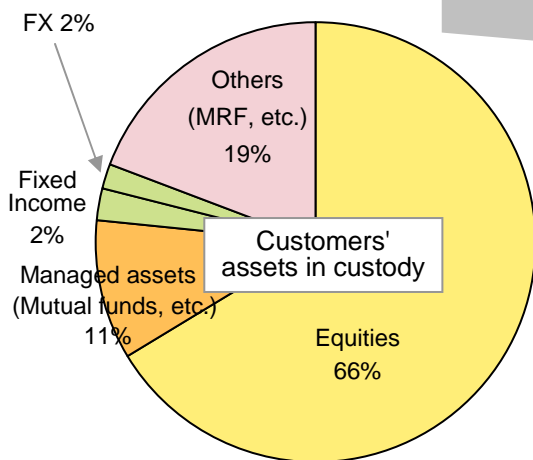
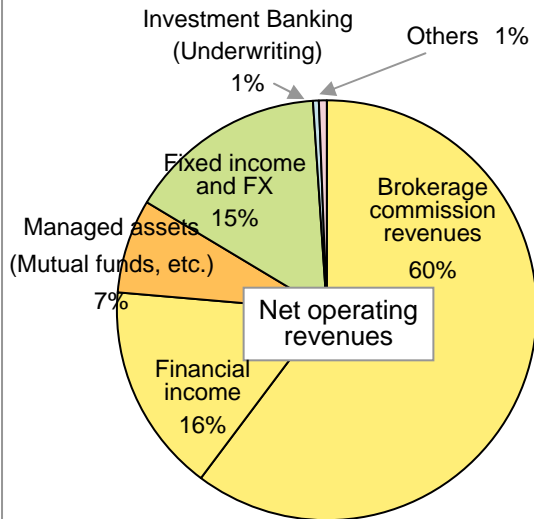
MUFG, Mizuho FG and SMBC : Customers' assets in custody = Total assets, Operating revenues = Gross profits, SG&A = General and administrative expenses

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

【Current Structure (1Q of FYE Mar. 2010)】



Direction of each business line
(Foreign business development plan is not included)

1. Stock Brokerage Business
Expanding business as a main revenue source

- Providing enhanced trading tools
- Enhancing brokerage products such as US ETFs/Stocks traded in US
- Providing institutional-investor level information

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

- Originating/providing innovative products such as alternative investments, algorithm trading-related products, etc.
- Increasing mutual fund' holders by providing investor education service to promote portfolio diversification

3. FX Business

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

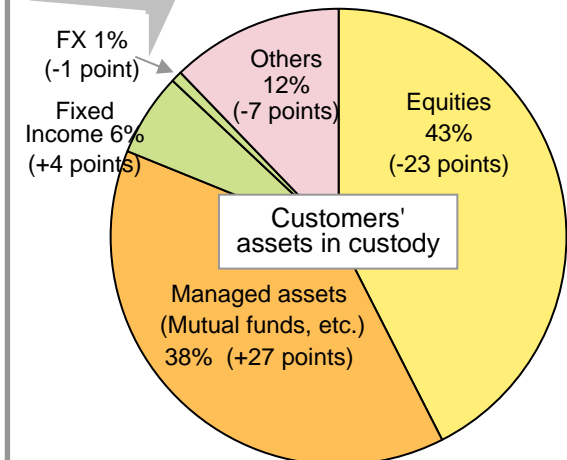
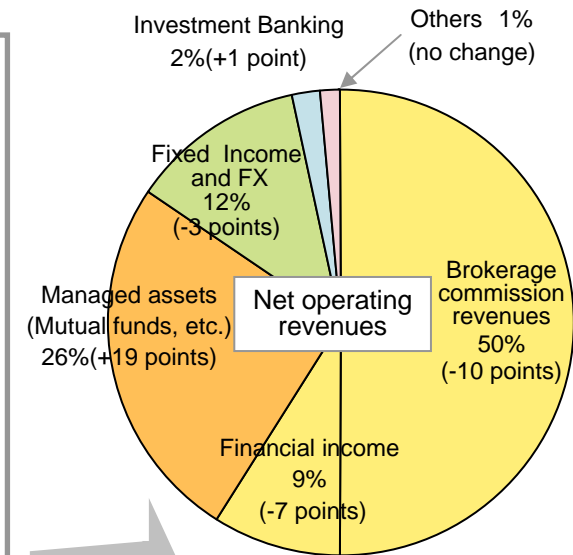
4. Fixed Income Business

- Enhance origination capability and strengthen sales methods

5. Investment Banking Business

- Strengthening the revenue source of the underwriting business by entering into M&A advisory business, etc
- Maintaining competitive edge by utilizing synergy in Monex group

【Future Structure】



1. Financial Results

2. Strategies

3. Businesses

4. To our Shareholders

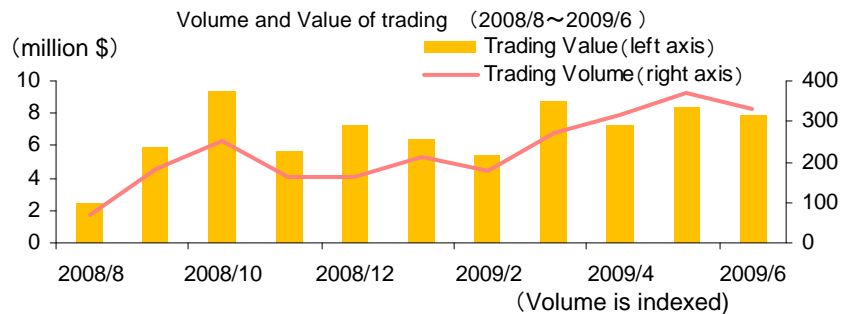
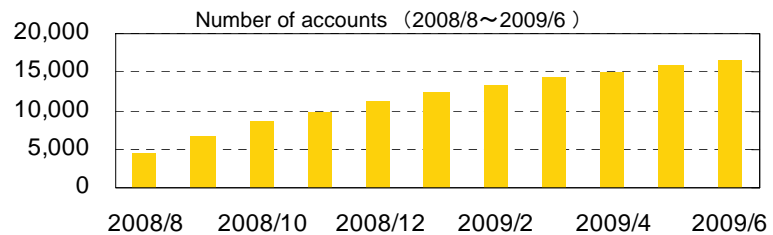
5. Appendix

Stock Brokerage Business : Expansion of shares of trading products

Business results of U.S. ETFs and stocks

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

- Number of accounts reached 16,000 in over ten months since the service started in August 2008
- Trading volume and value has increased



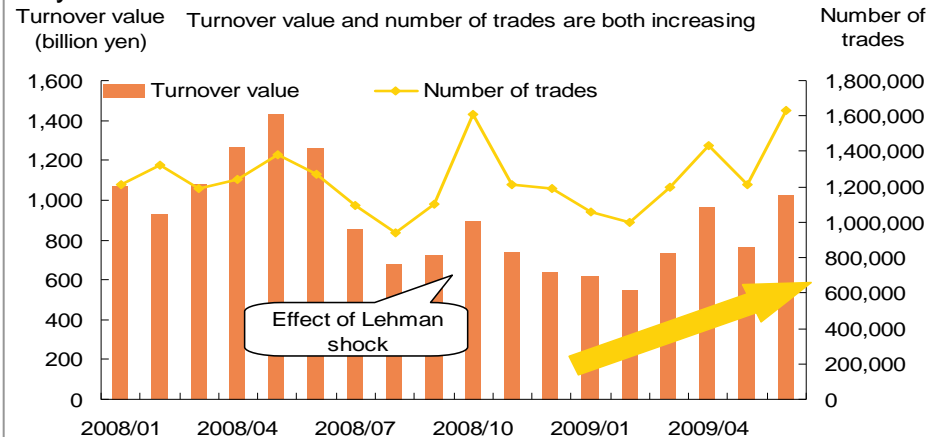
For further growth

- ◆ Planning new trading products
- ◆ Improvement of futures/options services
- ◆ Planning to increase the number of US ETFs and stocks
- ◆ Planning to add new investment information service for Chinese stocks

Upturn of stock market in Japan

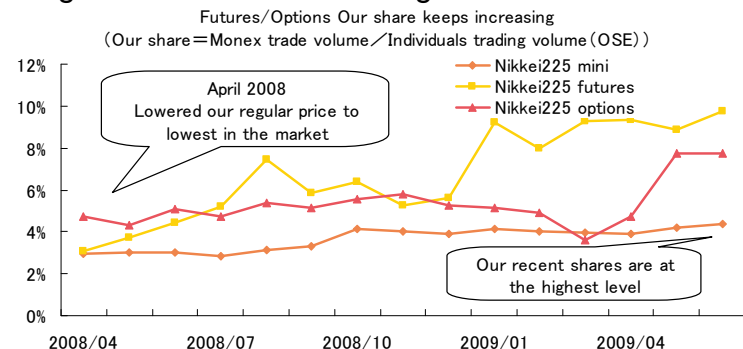
Trading value improved since April to June of 2008

- The bottom of turnovers and users was Jan. to Mar. 2009
- Trading values over 1 trillion for the first time this year in June
- Market share of individual investors is up 10pts from last year's 20% to 30%.



Further activation of Nikkei225 Futures/Options

- Lowered margin level in July to improve trading condition
- Running a series on the mail magazine to increase recognition



Adding varieties to the fixed income products and growth of the stock lending service

■ Enhancing fixed income products

◆ “Monex Notes for Individuals” series

Short-term yen notes

3 months maturity, 1.0-1.04% [APR]

(Sold 17 times with a total of 73.7 billion yen by the end of Jun. 2009, and 2 billion yen during this quarter)

6 months maturity, 1.1% [APR]

(Sold twice with a total of 4 billion yen by the end of Jun. 2009, and 3 billion yen during this quarter)

◆ Offering a variety of foreign currency notes (5 currencies)

Currencies offered for 1Q of FYE 2010:

JPY/AUD/NZD/ZAR/TRY

◆ Vaccine Bonds

Bonds issued by having 7 member countries agree to provide long-term contributions to provide vaccines to children in developing countries as collateral

Issuer International Finance Facility for Immunization Company (IFFIm)

Currency ZAR

Tenor 4yr Coupon 6.85% [APR]

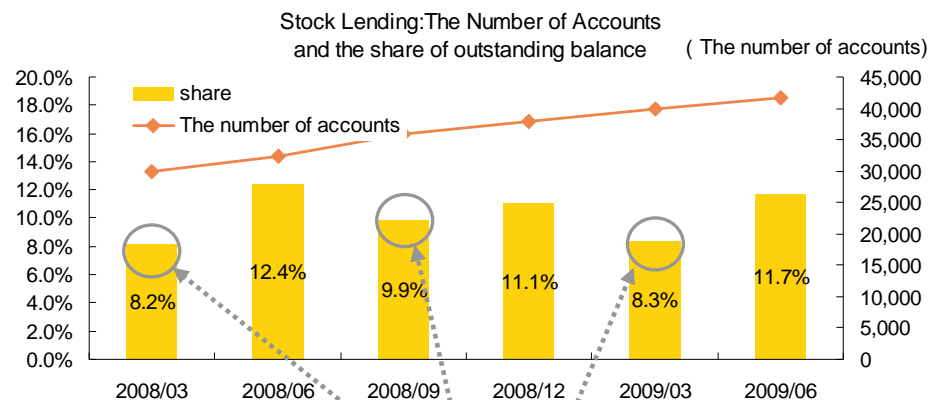
■ For further growth

- ◆ Access new customers
- ◆ Revitalize existing customers
- ◆ Improve the reinvestment rate of redemption money
- ◆ Starting to distribute secondary notes online to make fixed income investing more convenient

■ Original short-term investment products/services

◆ Growth of the stock lending service

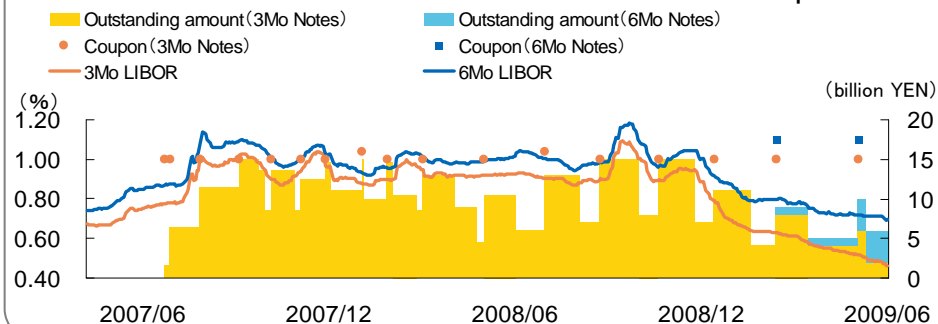
- Renewed the website in May, focusing on the “bonus interest” service to increase users



Decline due to closing date of shareholders' benefit registration

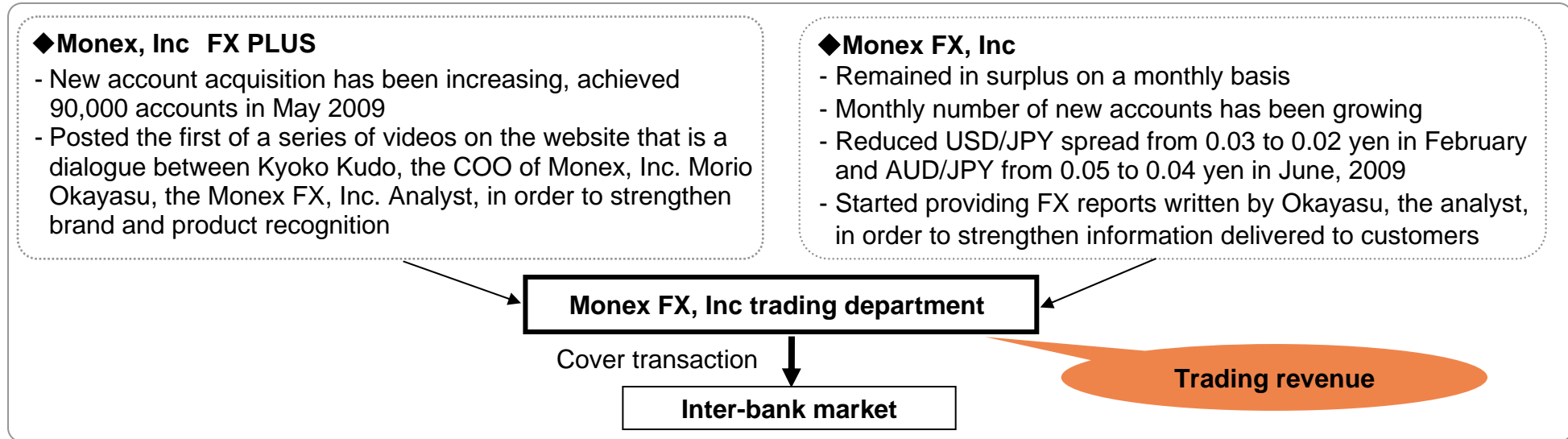
◆ Stable offer of “Monex Short-term Notes for Individuals”

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



FX Business : Expanding profit in a growing market

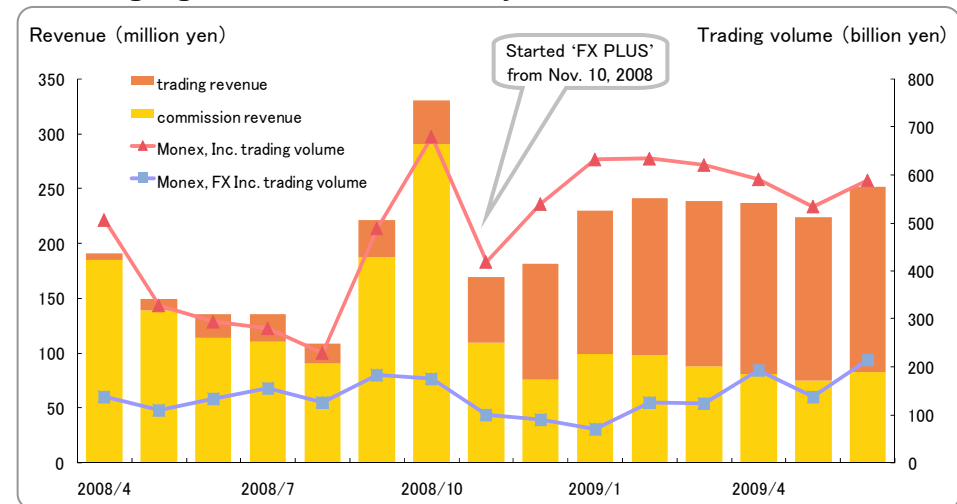
Structure of trading profit on FX business



For further growth

- ◆ Monex, Inc. FX PLUS**
- Made all FX PLUS handing fees free of charge as of July 13, 2009
 - Started sending out a mail magazine
- ◆ Monex FX, Inc**
- Reduced the minimum order unit to 1,000 currencies on July 4, 2009 in order to attract customers who prefer smaller sized orders
 - Developing a new tool to attract active users in collaboration with Trade Science

Changing revenue structure by in-house cover transaction



Mutual Fund Business: Top-class online mutual fund business

Strengthen product lines and services to expand mutual fund balance

Sales volume and balance making a recovery

Total sales amount of equity mutual funds

April-June 2009: Approx. 18.2 billion yen

Total assets in custody (excluding MRF)

As of June 2009: Approx. 176.1 billion yen

Improve Navigation Function

Release new tools and contents such as “fund bookmark”, “page history storing” and various rankings for a user-friendly interface to support fund selection and valuation

Launch of “Kabu- robo Fund” in July 2009

Start the initial offering of “Kabu- robo Fund”, an original algorithm fund that utilizes *Kabu- robo*, an automated investment program, selected and developed by Trade Science.

Manager : T&D Asset Management
Sub-Advisor : Trade Science



Kabu- robo Fund Character

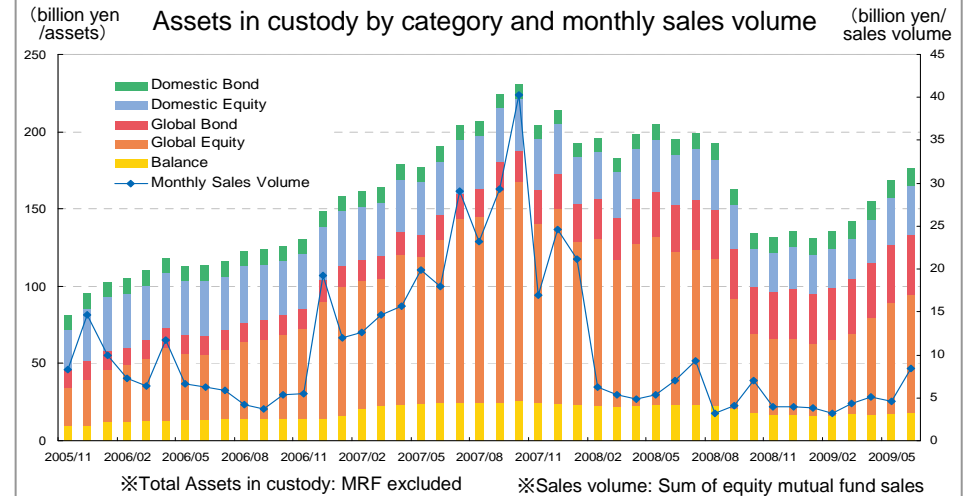
For further growth

◆ Improve fund navigation functions to support fund selection and portfolio analysis

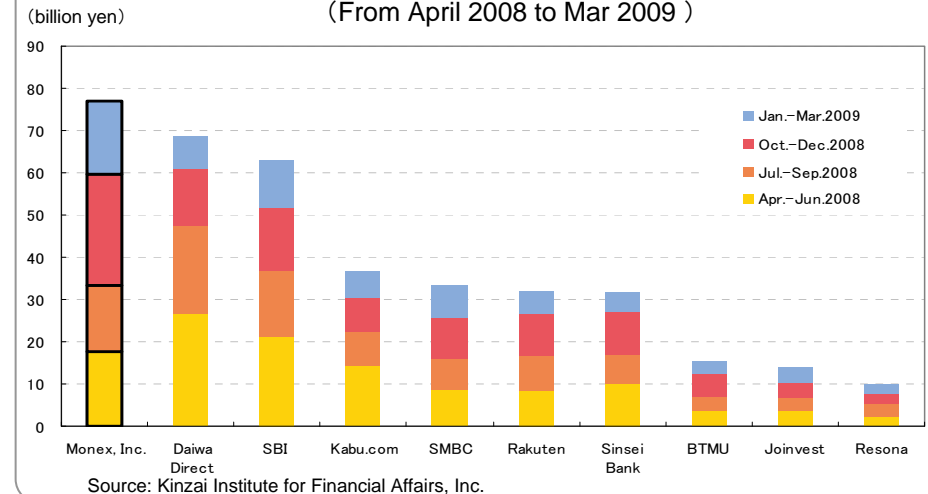
◆ Realizing more enhanced product lines by introducing new and original funds

Top-class online mutual fund sales

Keeping the top-class position in online mutual fund sales



Online sales performance of online brokers and banks (From April 2008 to Mar 2009)



Alternative Investment Business: Opportunities in post financial market crisis



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

■ Efforts for institutional investors business

- ◆ 4 year track record proven in individual investors business
- ◆ BASEL II compliant look-through disclosure available
- ◆ Alliance with major houses to complement client access
- ◆ Post crisis manager reshuffle shed a spotlight on MAI

Institution	Vehicle	Alliance
Large Pension Fund	Discretionary Manager	MAI stand-alone
Small Pension Fund	Offshore Unit trust	Trust Bank
Bank & Insurance	Offshore Unit trust	Investment Bank
Corporation	Offshore Unit trust	Investment Bank

■ Efforts for individual investors business

- ◆ Institutional-quality products for individual investors
- ◆ Expertise on fund of PE funds with limited liquidity
- ◆ Post crisis anomaly to acquire quality assets at discount prices
- ◆ Pursue cutting-edge alternative investment products

■ Institutional-quality products for individuals

◆ Cutting-edge alternative investment products for individuals

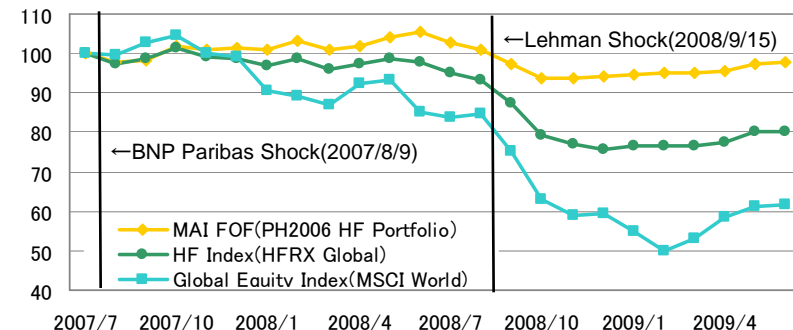
(As of June 2009)

Fund Nickname	Underlying Assets	AUM
Asia Focus	Japan HF + Asia HF	JPY6.8b*
China Focus	Equity L/S: Taiwan, HK, and China A-share	JPY2.8b
Premium Hybrid 2006 (PH2006)	Global HF + PE Fund	JPY3.3b
Premium Hybrid 2007	Global HF + PE Fund	JPY1.9b

*Reflects performance generated in May 2009

◆ Stable performance in the financial market crisis of 2007-08

HF-FOF portfolio performance extracted from PH2006
 (Normalized performance at 2007/7/31, in USD, Net)



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

Investment Banking Business: Rapid adaptation to environmental change

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

- ◆ Aiming to provide small and mid cap. companies with a wide variety of investment banking services such as fund raising, investment, IPO 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

■ Fund raising and investments

◆ Balance sheet management

We are planning to diversify our 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

◆ Participation in IPO deals

	Total IPOs	Participated IPOs	Participation Ratio
1Q of FYE 2007	44	23	52%
1Q of FYE 2008	30	13	43%
1Q of FYE 2009	2	2	100%
1Q of FYE 2010	2	1	50%

※Based on underwriting date

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.

■ M&A

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

-Closed the first cross-border M&A deal in the first quarter, which was an investment from a Japanese company to a Chinese venture company and business collaborations between the two

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

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

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

■ Efforts for implementation of Open IPO® (WRHJ)

- 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

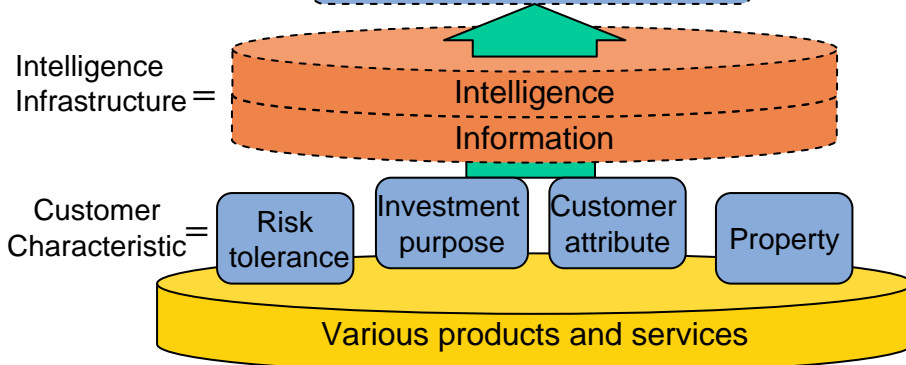
Intelligence Infrastructure: Creating a new value of Monex Group

■ Creating a new value - Advisory

◆ Creating a new value of Monex

- Providing proper investment advice in addition to global standard products

New value of Monex = Provide proper investment advice



◆ "Intelligence Infrastructure"

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

Market Information

Investment Strategy

Investment Theory

WEB TOOL



In the 1st phase of this tool, our customers will be able to see their current and past asset transitions and risk returns

IT based new infrastructure

■ Continuous outflow of information

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

- Providing institutional investor level reports for customers by Naoki Murakami, the Chief Economist
- "Global Weekly Report" video popularity increasing
- More frequent issuances of the "Economic Report"



- We also continue to provide customers with J.P. Morgan's Analyst Reports which are usually issued for institutional investors
- Easier access to J.P. Morgan reports with a new system
- Providing video service by J.P. Morgan strategists and analysts on the macro market, etc



◆ Online seminar/video service

- Enhancing online services
- Started online "Q&A Chat Seminars" once a week, where customers can ask Monex staff any questions about the market and economy

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

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

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

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

R&D: 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, there are various plans to offer leading-edge financial services and products such as investment advisory services using *Kabu-robot*



◆ Investment advisory service to the “Kabu-robot Fund”

- Investment advice is made by the top Kabu-robot from the Kabu-robot contest, which has been held by Trade Science
- The programming platform of *Kabu-robot* has been openly available to the public, and approximately 19,000 people including developers and investors have participated in the trading challenge. The “Kabu-robot Fund” is made up of the best parts of a collective intelligence



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



◆ *Kabu-robot*, automated investment program

- Using real-time market data, *Kabu-robot* makes day-to-day investment decisions using pre-programmed investment strategies on what/when to buy and sell. By automating investment decisions utilizing high-speed computing technology, timely decisions are made possible with all arbitrariness eliminated
- The system of *Kabu-robot* will be used for not only mutual funds but SMA, trading advisor for individual investors, and also used for FX and other assets in future

◆ Information technology services

- “*Kabu-robot Trade Manager*” will enable individual investors to perform automated stock trading at Monex, Inc. (Beta version released in June 2009)



◆ Developing trading tools for the group companies

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



*Under development

Kabu- robo Project: Innovative challenge to heighten our corporate value

■ Key concepts of the *Kabu- robo* project

- ◆ **Internet oriented** Construct a system in which a variety of excellent ideas can be accumulated on an open platform
- ◆ **Technology based** Incorporation of cutting-edge AI technology and financial engineering
- ◆ **Investors participation** Provide opportunities for investment algorithm written by individual investors to be incorporated in full-fledged financial products
- ◆ **Trading focused** Improve risk-return profile by utilizing short-term trading with stock price trend
- ◆ **For individual investors** Pursue absolute returns and lower downside risks by actively taking cash positions
- ◆ **Extensibility** Applicable for various investment strategies besides long-only Japan stock investments
- ◆ **Looking to the future** Kabu- robo Fund’s Master (Allocation) Robot technology can be applied to online SMA services
- ◆ **Entertainment value** Unique marketing promotions such as making an original theme song and special movie/website

■ Launch of “Kabu- robo Fund” for individual investors in July, 2009

Internet oriented

Process of robot selection

Over 19,000 participants
in *Kabu- robo* contests

↓

Over 4,000 simulation robots

↓

50 robots under training

↓

Robot Universe (approx. 7)

↓

Trading Robots (approx. 4)

Investors participation

Involvement of individual investors

- Participants of *Kabu- robo* contests vary from individuals, companies and academics
- Trade Science offers a simulation environment for the development and evaluation of robots
- Robots selected by Trade Science can be cyber fund managers of the *Kabu- robo* fund
- Robot developers enter into license contracts with Trade Science and receive license fees

Looking to the future

A master robot decides allocation of capital for trading robots

Investment Universe
500 major stocks listed on the TSE

↓

Trading Robots
(4 as of inception)

↓

Master Robot
Allocation and risk management

↓

Construction of Portfolio

Entertainment value

Special website movie and song



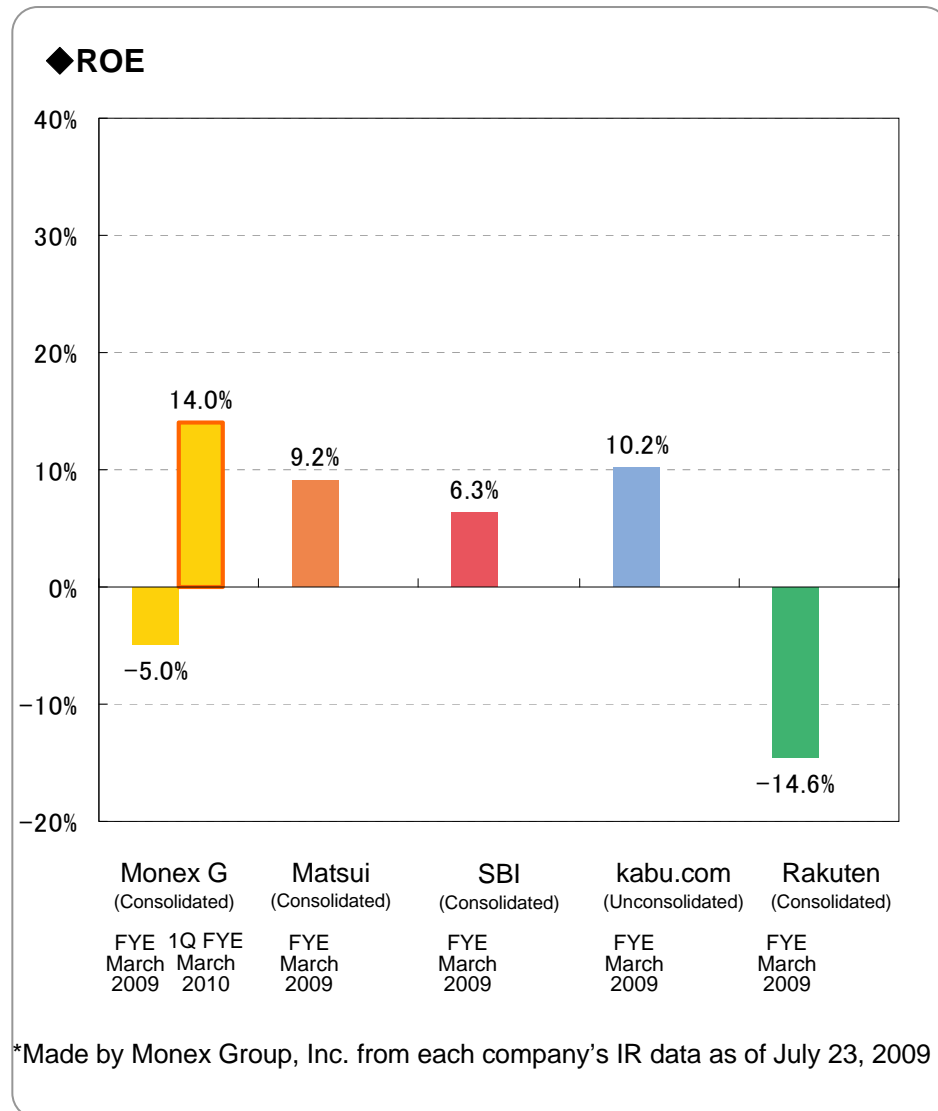
http://www.monex.co.jp/kaburobo/



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

ROE and Shareholders' Return

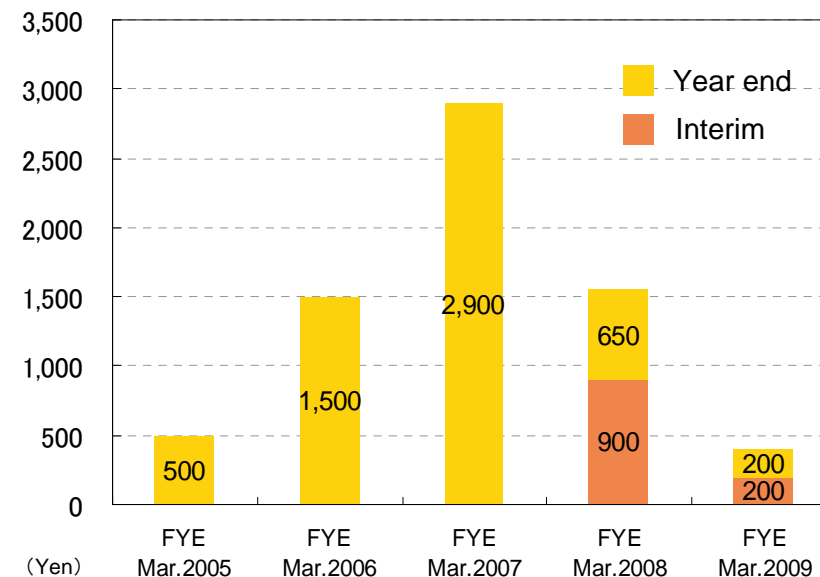
■ Pursuing investment returns for our shareholders



◆ Shareholder's return

- The Company's policy for shareholders' 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 the 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

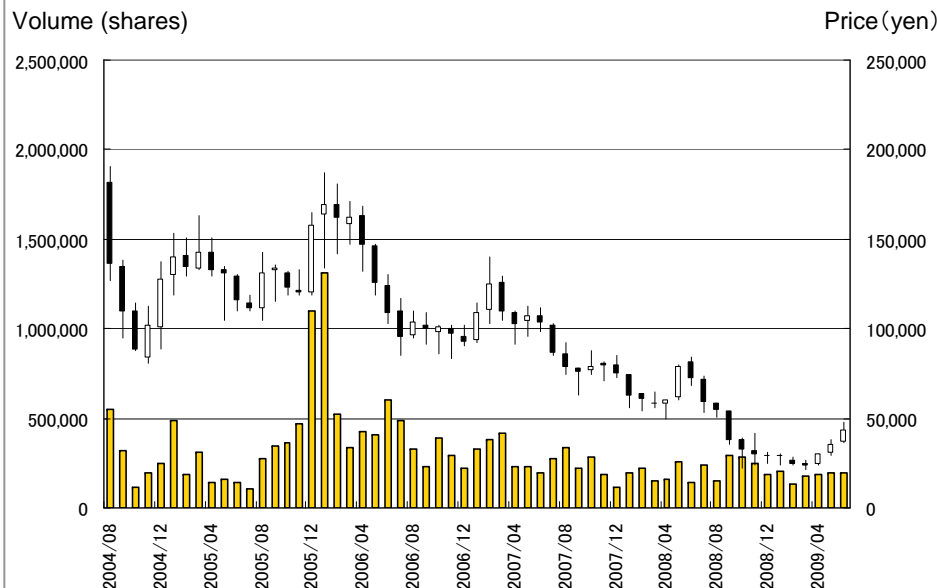
◆ Dividend record



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	1Q FYE March 2010
Book-value Per Share (BPS)	JPY 17,606	JPY 20,253	JPY 19,664	JPY 17,235	JPY 17,681
Earnings Per Share (EPS)	JPY 5,677	JPY 4,066	JPY 3,080	-JPY 928	JPY 2,443
Return On Equity (ROE)	38.1%	21.4%	15.5%	-5.0%	14.0%
Dividend Per Share	JPY 1,500	JPY 2,900	JPY 1,550	JPY 400	(TBD)

*EPS and ROE of 1Q, FYE March 2009 are multiplied by 4 of 3 month data.

◆ Major shareholders and share distribution

(Recorded as of the end of March 2009)

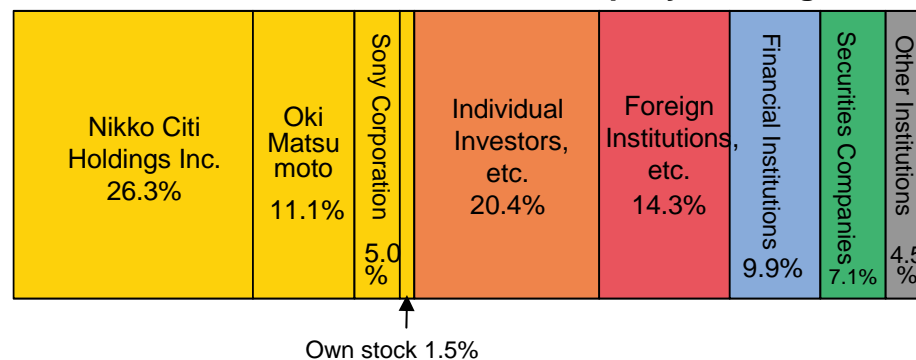
Major shareholders

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

Top 3 shareholders

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

◆ Share Distribution based on the Company's Recognition

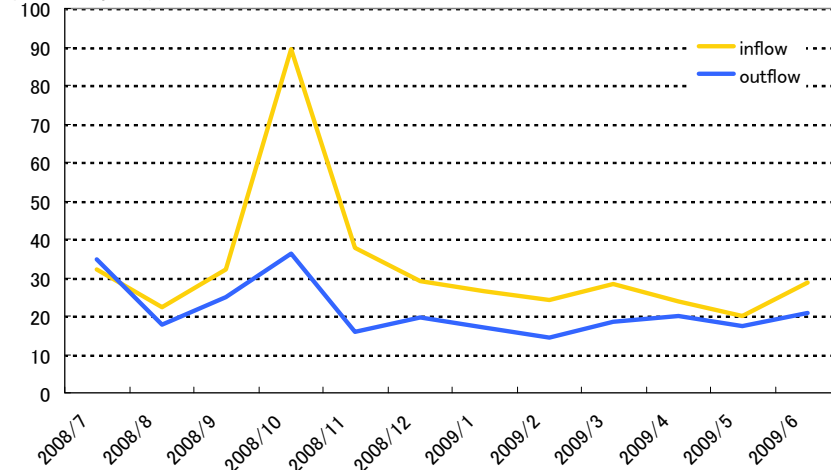


1. Financial Results
2. Strategies
3. Businesses
4. To our Shareholders
- 5. Appendix**

Additional Data (Monex, Inc.)

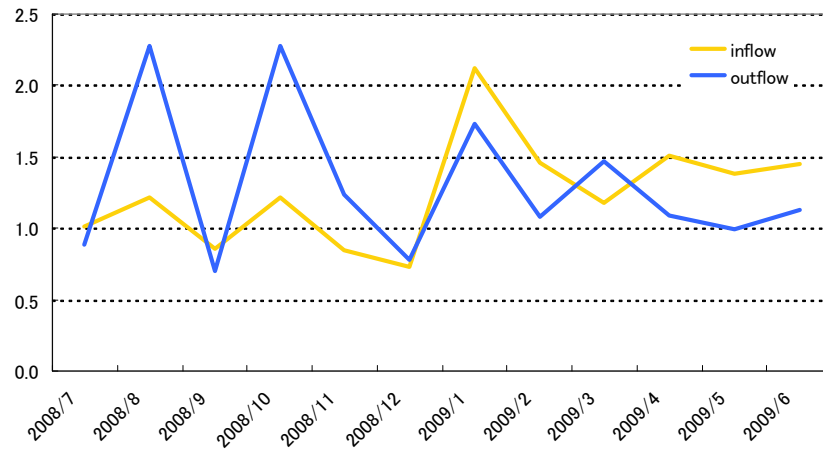
◆ Cash Inflow/Outflow

(billion yen)

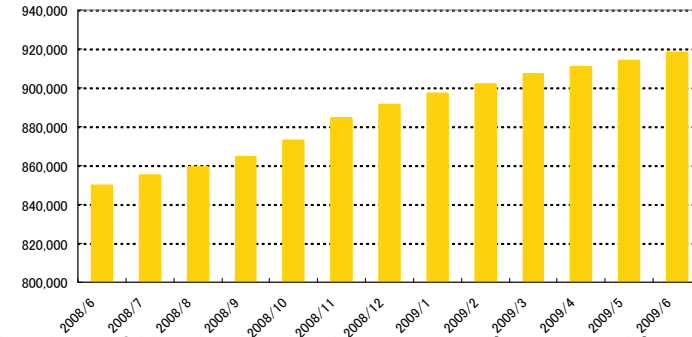


◆ Stock Inflow/Outflow

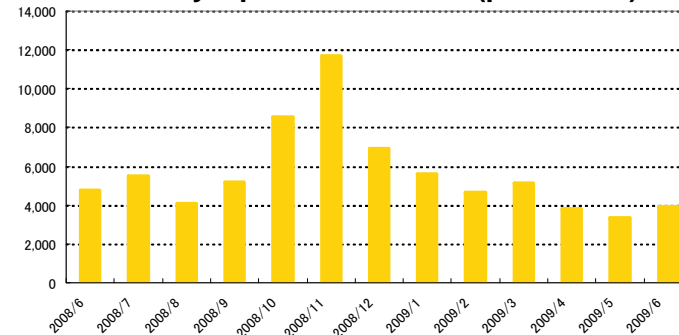
(billion yen)



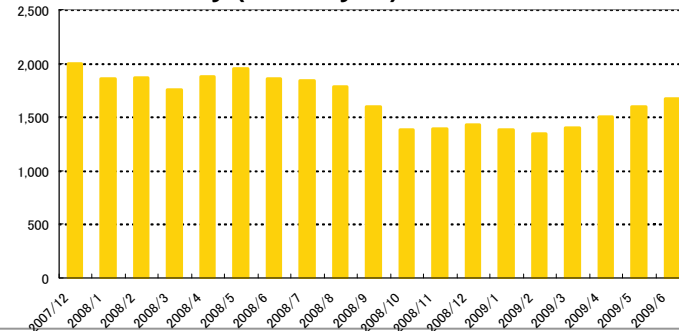
◆ Total Number of Accounts



◆ Number of Newly Opened Accounts (per month)

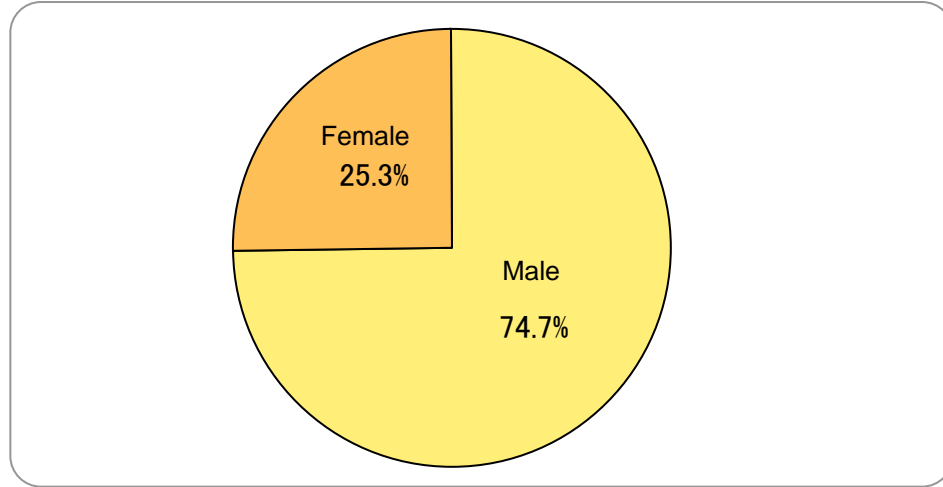


◆ Assets in Custody (billion yen)

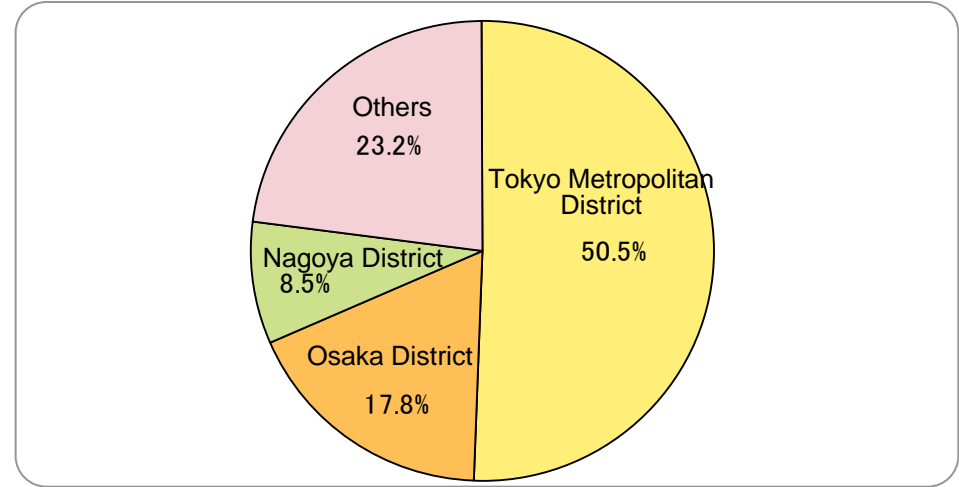


Customer Portfolio of Monex, Inc. (as of the end of June, 2009)

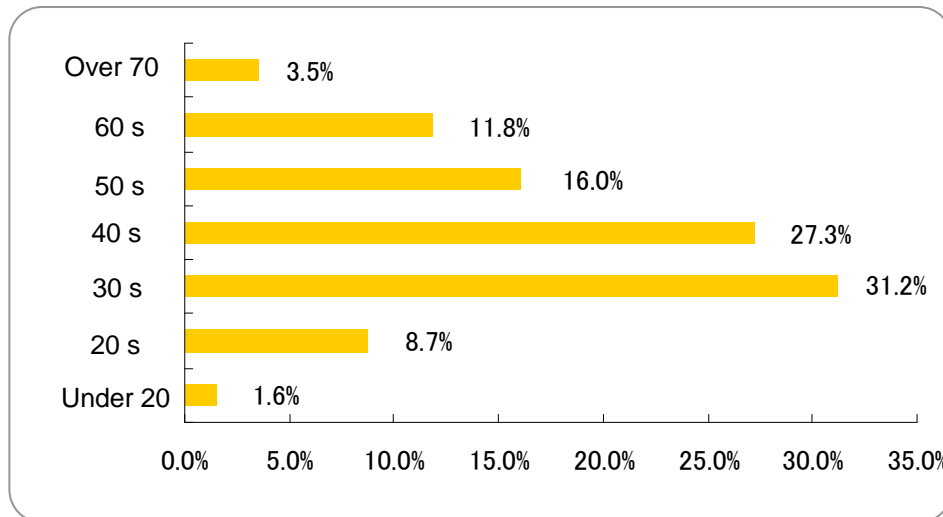
■ Sex



■ District



■ Age



■ Occupation

