



Monex Group, Inc.

Consolidated Financial Summary under IFRS for the 1st quarter of the fiscal year ending March 31, 2016 (April 1, 2015 - June 30, 2015)

This is an English translation for the Japanese report of the consolidated financial summary under IFRS for the 1st quarter of the fiscal year ending March 31, 2016. If there is any discrepancy between the statement in English and Japanese, the Japanese statement shall take precedence.

Basis of preparation of financial statements

The financial information included in this report is based on our un-audited consolidated financial statements for the 1st quarter of the fiscal year ending March 31, 2016. All of those financial statements have been prepared based on IFRS. All financial information presented in million yen has been rounded to the nearest million.

Use of estimates and judgments

Monex Group, Inc. and its subsidiaries' management is required to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses in preparation of financial statements in accordance with IFRSs. Actual results could differ from these estimates.

Accounting estimates and its underlying assumptions are continually reviewed. The impact of revisions to accounting estimates is prospectively recognized in the period when the revision is made and in subsequent periods.

Monex Group, Inc. / July 2015

Consolidated Financial Summary

For the 1st quarter of the fiscal year ending March 31, 2016

(Millions of Yen)	
Operating results (from Apr. 1, 2015 to Jun. 30, 2015):	
Total revenue.....	¥ 14,297
Total expenses.....	11,796
Quarterly profit before income taxes	2,501
Income tax expense.....	769
Quarterly profit	¥ 1,733
Quarterly profit attributable to :	
Owners of the Company.....	¥ 1,733

(Millions of Yen)	
Financial Position (as of Jun. 30, 2015):	
Total assets.....	¥1,110,430
Equity attributable to owners of the Company.....	87,124

(Yen)	
Earnings per share attributable to owners of the Company (from Apr. 1, 2015 to Jun. 30, 2015):	¥ 6.02

Note:

Earnings per share attributable to owners of the Company are computed by dividing quarterly profit attributable to owners by the weighted average number of common shares outstanding for the period.

Quarterly Consolidated Statements of Income

	(Millions of Yen)	
	Three months ending June 30, 2014	Three months ending June 30, 2015
Revenue:		
Commission received	¥ 6,314	¥ 8,499
Net trading income	1,244	1,813
Financial income	3,115	3,670
Other operating income	149	212
Total operating revenue	10,823	14,194
Other financial income	20	77
Other income	45	26
Equity in profits of equity method investments	15	—
Total revenue	10,903	14,297
Expenses:		
Financial expenses	1,355	1,234
Selling, general and administrative expenses.	8,525	10,517
Other financial expenses	84	30
Other expenses	47	9
Equity in losses of equity method investments	—	5
Total expenses	10,012	11,796
Quarterly profit before income taxes	890	2,501
Income tax expense	329	769
Quarterly profit	¥ 562	¥ 1,733
Quarterly profit attributable to :		
Owners of the Company	¥ 562	¥ 1,733
Earnings per share attributable to owners of the Company:		
	(in yen)	(in yen)
Basic earnings per share	¥ 1.95	¥ 6.02
Diluted earnings per share	—	—

Quarterly Consolidated Statements of Comprehensive Income

	(Millions of Yen)	
	Three months ending June 30, 2014	Three months ending June 30, 2015
Quarterly profit	¥ 562	¥ 1,733
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Changes in fair value of available-for-sale financial assets	226	19
Changes in fair value of hedging instrument	(11)	(119)
Foreign currency translation adjustments in foreign operations	(399)	529
Share of other comprehensive income of equity method investments	(3)	45
Other comprehensive income after income taxes	(186)	473
Quarterly comprehensive income	¥ 376	¥ 2,206
Quarterly comprehensive income attributable to :		
Owners of the Company	¥ 376	¥ 2,206

Quarterly Consolidated Statements of Financial Position

	(Millions of Yen)	
	As of March 31, 2015	As of June 30, 2015
Assets:		
Cash and cash equivalents.....	¥ 68,540	¥ 76,497
Cash segregated as deposits	525,567	561,518
Trading securities and other	4,148	4,628
Derivative assets.....	13,432	14,135
Investments in securities	8,176	3,839
Margin transaction assets	175,637	184,044
Loans secured by securities.....	159,969	152,210
Other financial assets	46,003	56,995
Property and equipment	2,408	2,372
Intangible assets	48,807	50,865
Equity method investments	1,136	1,176
Deferred tax assets	20	64
Other assets	1,398	2,087
Total assets	¥ 1,055,242	¥ 1,110,430
Liabilities and Equity:		
Liabilities:		
Derivative liabilities	¥ 12,159	¥ 12,916
Margin transaction liabilities.....	46,125	44,083
Loans payable secured by securities	195,521	193,128
Deposits received	368,656	416,313
Guarantee deposits received.....	184,850	196,401
Bonds and loans payable	150,418	148,743
Other financial liabilities	4,958	5,507
Provisions	158	158
Income taxes payable	230	1,092
Deferred tax liabilities	3,732	3,400
Other liabilities	1,504	1,564
Total liabilities	968,310	1,023,305
Equity:		
Common stock	10,394	10,394
Additional paid-in capital.....	40,510	40,510
Retained earnings	23,991	23,710
Other components of equity	12,038	12,511
Equity attributable to owners of the Company	86,932	87,124
Total equity	86,932	87,124
Total liabilities and equity	¥ 1,055,242	¥ 1,110,430

Quarterly Consolidated Statements of Cash Flows

	(Millions of Yen)	
	Three months ending June 30, 2014	Three months ending June 30, 2015
Cash flows from operating activities:		
Quarterly profit before income taxes	¥ 890	¥ 2,501
Depreciation and amortization	917	1,154
Financial income and financial expenses	(1,695)	(2,483)
Decrease/increase in derivative assets and liabilities	(602)	(134)
Decrease/increase in assets/liabilities for margin transaction	20,231	(10,449)
Decrease/increase in loans/loans payable secured by securities	16,536	5,476
Decrease/increase in cash segregated as deposits	(19,862)	(33,641)
Decrease/increase in deposits received and guarantee deposits received	33,323	56,521
Decrease/increase in short-term loans receivable	230	(8,988)
Other, net	(8,264)	(864)
Sub total	41,704	9,094
Interest and dividends income received	2,850	3,525
Interest expenses paid	(1,261)	(1,308)
Income taxes paid	(5,971)	(726)
Net cash provided by (used in) operating activities	37,321	10,585
Cash flows from investing activities:		
Purchase of investments in securities	(3,096)	(2)
Proceeds from sales and redemption of securities	3,011	4,396
Purchase of property and equipment	(564)	(88)
Purchase of intangible assets	(1,785)	(2,741)
Purchase of joint ventures	—	(288)
Other, net	(56)	19
Net cash provided by (used in) investing activities	(2,490)	1,297
Cash flows from financing activities:		
Net increase/decrease in short-term loans payable	(36,409)	(593)
Proceeds from long-term loans payable	1,500	—
Repayment and redemption of long-term loans payable	(1,250)	(1,250)
Cash dividends paid	(1,875)	(1,872)
Net cash provided by (used in) financing activities	(38,034)	(3,714)
Net increase/decrease in cash and cash equivalents	(3,202)	8,167
Cash and cash equivalents at the beginning of period	84,855	66,337
Effect of exchange rate change on cash and cash equivalents	(228)	290
Cash and cash equivalents at the end of period	¥ 81,425	¥ 74,794