



Monex Group, Inc.

Consolidated Financial Summary under IFRSs for the 1Q of the fiscal year ending March 31, 2022 (April 1, 2021 - June 30, 2021)

This is an English translation for the Japanese report of the consolidated financial summary under IFRSs for the 1Q of the fiscal year ending March 31, 2022. 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 1Q of the fiscal year ending March 31, 2022. All of those financial statements have been prepared based on IFRSs. All financial information presented in million yen has been rounded to the nearest million.

Use of estimates and judgments

Management of Monex Group, Inc. and its subsidiaries 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 2021

Consolidated Financial Summary

For the 1Q of the fiscal year ending March 31, 2022

(Millions of Yen)	
Operating results (from Apr. 1, 2021 to Jun. 30, 2021):	
Total revenue.....	27,325
Total expenses.....	16,217
Quarterly profit before income taxes	11,107
Income tax expense.....	3,823
Quarterly profit	7,284
Quarterly profit attributable to :	
Owners of the Company.....	7,260
Non-controlling interests.....	24

(Millions of Yen)	
Financial Position (as of Jun. 30, 2021):	
Total assets.....	1,407,080
Equity attributable to owners of the Company	95,254

(Yen)	
Earnings per share attributable to owners of the Company (from Apr. 1, 2021 to Jun. 30, 2021):	
Basic earnings per share.....	28.18
Diluted earnings per share	24.54

Note:

Earnings per share attributable to owners of the Company are computed by dividing 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 Jun. 30, 2020	Three months ending Jun. 30, 2021
Revenue:		
Operating revenue	14,267	27,060
Other financial income	83	194
Other income	21	59
Equity in profits of equity method investments	12	12
Total revenue	14,383	27,325
Expenses:		
Financial expenses	1,059	991
Selling, general and administrative expenses	11,264	15,148
Other financial expenses	2	55
Other expenses	67	23
Total expenses	12,392	16,217
Quarterly profit before income taxes	1,991	11,107
Income tax expense	572	3,823
Quarterly profit	1,419	7,284
Quarterly profit or loss attributable to :		
Owners of the Company	1,425	7,260
Non-controlling interests	(6)	24
Earnings per share attributable to owners of the Company:		
	(in yen)	(in yen)
Basic earnings per share	5.57	28.18
Diluted earnings per share	5.55	24.54

Quarterly Consolidated Statements of Comprehensive Income

	(Millions of Yen)	
	Three months ending Jun. 30, 2020	Three months ending Jun. 30, 2021
Quarterly profit	1,419	7,284
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Changes in fair value of equity instruments measured at fair value through other comprehensive income	164	176
Items that may be reclassified subsequently to profit or loss:		
Changes in fair value of debt instruments measured at fair value through other comprehensive income	(105)	49
Foreign currency translation adjustments in foreign operations	130	99
Share of other comprehensive income of equity method investments	4	(13)
Other comprehensive income after income taxes	193	311
Quarterly comprehensive income	1,612	7,594
Quarterly comprehensive income attributable to :		
Owners of the Company	1,618	7,570
Non-controlling interests	(6)	24

Quarterly Consolidated Statements of Financial Position

	(Millions of Yen)	
	As of Mar. 31, 2021	As of Jun. 30, 2021
Assets:		
Cash and cash equivalents.....	163,989	169,932
Cash segregated as deposits	774,582	761,586
Trading securities and other	4,457	6,607
Derivative assets.....	12,067	12,189
Inventories.....	45,462	31,899
Investments in securities	8,515	8,069
Margin transaction assets	182,017	194,722
Loans secured by securities.....	42,774	57,516
Other financial assets	112,904	110,470
Property and equipment	4,961	4,819
Intangible assets	44,861	44,475
Equity method investments	345	338
Deferred tax assets	1,456	927
Other assets	2,738	3,530
Total assets	1,401,130	1,407,080
Liabilities and Equity:		
Liabilities:		
Derivative liabilities.....	5,621	5,129
Margin transaction liabilities.....	37,637	29,495
Loans payable secured by securities	117,259	122,132
Deposits received	492,466	504,960
Guarantee deposits received.....	334,357	341,508
Bonds and loans payable	246,220	246,199
Other financial liabilities.....	17,496	18,710
Provisions.....	208	208
Income taxes payable	6,571	3,777
Deferred tax liabilities.....	3,074	3,431
Other liabilities.....	49,695	35,313
Total liabilities	1,310,605	1,310,863
Equity:		
Common stock	10,394	10,394
Additional paid-in capital.....	40,253	40,245
Treasury stock	(446)	(446)
Retained earnings	30,148	35,475
Other components of equity	9,225	9,587
Equity attributable to owners of the Company	89,573	95,254
Non-controlling interests.....	952	963
Total equity	90,524	96,217
Total liabilities and equity	1,401,130	1,407,080

Quarterly Consolidated Statements of Cash Flows

	(Millions of Yen)	
	Three months ending Jun. 30, 2020	Three months ending Jun. 30, 2021
Cash flows from operating activities:		
Quarterly profit before income taxes	1,991	11,107
Depreciation and amortization	2,025	2,093
Financial income and financial expenses	(2,757)	(3,413)
Decrease/increase in derivative assets and liabilities	2,345	(615)
Decrease/increase in assets/liabilities for margin transaction	(27,491)	(20,848)
Decrease/increase in loans/loans payable secured by securities	20,145	(9,807)
Decrease/increase in cash segregated as deposits	(50,229)	14,209
Decrease/increase in deposits received and guarantee deposits received	47,353	18,363
Decrease/increase in short-term loans receivable	(4,632)	3,295
Other, net	(935)	(2,280)
Sub total	(12,186)	12,106
Interest and dividends income received	2,618	3,573
Interest expenses paid	(992)	(939)
Income taxes refund/paid	(673)	(7,418)
Net cash provided by (used in) operating activities	(11,233)	7,321
Cash flows from investing activities:		
Purchase of investments in securities	(1,511)	(39)
Proceeds from sales and redemption of securities	22	1,052
Purchase of property and equipment	(108)	(92)
Purchase of intangible assets	(1,666)	(1,413)
Other, net	(4)	1
Net cash provided by (used in) investing activities	(3,267)	(491)
Cash flows from financing activities:		
Net increase/decrease in short-term loans payable	2,900	30,023
Proceeds from issuance of bonds payable	7,311	—
Redemption of bonds payable	(1,000)	—
Repayment of long-term loans payable	(1)	(30,001)
Repayments of lease liabilities	(292)	(231)
Cash dividends paid	(802)	(1,911)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(46)	—
Dividends paid to non-controlling interests	—	(32)
Net cash provided by (used in) financing activities	8,071	(2,152)
Net increase/decrease in cash and cash equivalents	(6,429)	4,678
Cash and cash equivalents at the beginning of period	127,832	161,331
Effect of exchange rate change on cash and cash equivalents	863	806
Cash and cash equivalents at the end of period	122,266	166,815