



## **Monex Group, Inc.**

### **Consolidated Financial Summary under IFRS for the 3Q of fiscal year ending March 31, 2015 (April 1, 2014 - December 31, 2014)**

This is an English translation of Japanese report of the consolidated financial summary under IFRS for the 3Q of fiscal year ending March 31, 2015. If there is any discrepancy between a statement in English and a statement in Japanese, the Japanese statement shall always control. All financial information presented in million yen is has been rounded to the nearest million.

#### **Forward Looking Statement**

This report contains forward-looking statements that are based on our current expectations, assumptions, estimates and projections about our industry and us. These forward-looking statements are subject to various risks and uncertainties. Generally, these forward-looking statements can be identified by the use of terms such as “may”, “will”, “expect”, “anticipate”, “estimate”, “plan” or other similar words. These statements discuss future expectations, identify strategies, contain projections of results of operations or of our financial condition or state other “forward-looking” information. Our operations are subject to risks, uncertainties and other factors that could cause our actual results to differ materially from those contained in any forward-looking statement.

#### **Accounting Principles**

The financial information included in this report is based on our un-audited consolidated financial statements for the 3Q of fiscal year ending March 31, 2015. All of those financial statements have been prepared based on IFRS.

The consolidated statement of financial position and the consolidated statement of cash flows are restated by the application of Amendments to IAS 32.

Monex Group, Inc. / January 2015

## Consolidated Financial Summary

### For the 3Q of fiscal year ending March 31, 2015

(in million yen)	
<b>Operating results (from Apr. 1, 2014 to Dec. 31, 2014):</b>	
Total revenue.....	¥ 37,222
Total expenses.....	33,718
Quarterly income before income taxes	3,503
Income tax expense.....	1,622
Quarterly net income	¥ 1,881
Quarterly net income attributable to :	
Owners of Monex Group, Inc. ....	¥ 1,881
Non-controlling interests.....	—
(in million yen)	
<b>Financial Position (as of Dec. 31, 2014):</b>	
Total assets .....	¥ 1,025,144
Equity attributable to owners of Monex Group, Inc. ....	85,032
(in yen)	
<b>Earnings per share attributable to owners of Monex Group, Inc. (from Apr. 1, 2014 to Dec. 31, 2014):</b>	
	¥ 6.54

Notes

Quarterly net income attributable to owners per share is computed by dividing quarterly net income attributable to owners by the weighted average number of common shares outstanding for the period.

## Quarterly Consolidated Statements of Income

	(in million yen)	
	Nine months ending December 31, 2013	Nine months ending December 31, 2014
Revenue:		
Commission received .....	¥ 26,218	¥ 21,837
Net trading income .....	6,377	4,388
Financial revenue .....	9,623	10,259
Other operating revenue .....	450	493
Total operating revenue	42,668	36,977
Other financial revenue .....	2,416	75
Other revenue .....	19	105
Equity in earnings of affiliates .....	—	65
Total revenue	45,102	37,222
Expenses:		
Financial expenses .....	3,392	4,099
Selling, general and administrative expenses.	26,269	27,413
Other financial expenses .....	29	353
Other expenses .....	379	1,855
Equity in losses of affiliates	0	—
Total expenses	30,069	33,718
Quarterly income before income taxes	15,033	3,503
Income tax expense.....	5,772	1,622
Quarterly net income	¥ 9,261	¥ 1,881
Quarterly net income attributable to :		
Owners of Monex Group, Inc. ....	¥ 9,259	¥ 1,881
Non-controlling interests.....	2	—
Earnings per share attributable to owners of Monex Group, Inc. :		
	(in yen)	(in yen)
Basic earnings per share.....	¥ 31.92	¥ 6.54
Diluted earnings per share.....	—	—

## Quarterly Consolidated Statements of Comprehensive Income

	(in million yen)	
	Nine months ending December 31, 2013	Nine months ending December 31, 2014
Quarterly net income	¥ 9,261	¥ 1,881
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustment in foreign operations .....	2,982	4,172
Valuation difference on available-for-sale financial assets .....	(2,154)	831
Changes in fair value of hedging items .....	(107)	(186)
Accumulated other comprehensive income for equity method investments .....	(0)	(8)
Other comprehensive income after income taxes	720	4,809
Quarterly comprehensive income	¥ 9,982	¥ 6,690
Quarterly comprehensive income attributable to :		
Owners of Monex Group, Inc .....	¥ 9,980	¥ 6,690
Non-controlling interests .....	2	—

## Quarterly Consolidated Statements of Financial Position

	(in million yen)	
	As of March 31, 2014	As of December 31, 2014
<b>Assets:</b>		
Cash and cash equivalents.....	¥ 85,442	¥ 69,506
Cash segregated as deposits .....	426,719	512,422
Trading securities and other .....	2,458	2,783
Derivative assets.....	11,326	11,705
Investments in securities .....	8,390	9,229
Margin transaction assets .....	178,230	169,575
Loans secured by securities.....	152,382	132,095
Other financial assets .....	28,990	64,660
Property and equipment .....	1,579	2,475
Intangible assets .....	41,558	47,594
Equity method investments .....	861	913
Deferred tax assets .....	247	30
Other assets .....	1,089	2,157
Total assets	939,270	1,025,144
<b>Liabilities and Equity:</b>		
<b>Liabilities:</b>		
Derivative liabilities .....	9,047	14,684
Margin transaction liabilities.....	36,308	37,952
Loans payables secured by securities.....	183,765	174,882
Deposits received .....	287,385	371,253
Guarantee deposits received.....	167,039	180,822
Bonds and loans payables .....	159,125	149,815
Other financial liabilities.....	4,280	4,911
Provisions.....	156	157
Income tax payables.....	5,629	555
Deferred tax liabilities.....	3,810	3,459
Other liabilities.....	2,026	1,623
Total liabilities	858,569	940,112
<b>Equity:</b>		
Common stock .....	10,394	10,394
Additional paid-in capital.....	40,510	40,510
Retained earnings .....	22,856	22,378
Other components of equity .....	6,941	11,750
Equity attributable to owners of Monex Group, Inc.	80,701	85,032
Total equity	80,701	85,032
Total liabilities and equity	¥ 939,270	¥ 1,025,144

## Quarterly Consolidated Statements of Cash Flows

	(in million yen)	
	Nine months ending December 31, 2013	Nine months ending December 31, 2014
Cash flows from operating activities:		
Quarterly income before income taxes .....	¥ 15,033	¥3,503
Depreciation and amortization.....	2,537	2,879
Loss on business restructuring.....	—	1,655
Financial revenue and financial expenses.....	(8,618)	(5,882)
Decrease/increase in derivative assets and liabilities.....	(1,087)	4,969
Decrease/increase in assets/liabilities for margin transaction .....	(42,391)	10,300
Decrease/increase in loans/loans payables secured by securities.....	18,606	12,247
Decrease/increase in cash segregated as deposits .....	(75,979)	(53,418)
Decrease/increase in deposits received and guarantee deposits received.....	114,587	64,249
Decrease/increase in short-term loans receivable .....	(115)	(20,592)
Other, net .....	(10,967)	(17,142)
Sub total .....	11,605	2,767
Interest and dividends income received .....	8,678	9,783
Interest expenses paid .....	(3,192)	(4,076)
Income taxes paid .....	(2,782)	(8,316)
Net cash provided by (used in) operating activities .....	14,309	157
Cash flows from investing activities:		
Proceeds from withdrawal of time deposits .....	100	—
Purchase of investments in securities .....	(12,617)	(6,171)
Proceeds from sales and redemption of securities .....	23,015	6,020
Purchase of property and equipment.....	(690)	(1,165)
Purchase of intangible assets .....	(2,346)	(5,994)
Other, net .....	(41)	(221)
Net cash provided by (used in) investing activities .....	7,420	(7,531)
Cash flows from financing activities:		
Net increase/decrease in short-term loans payables.....	(37,113)	(39,763)
Proceeds from long-term loans payables .....	70,061	32,221
Repayment and redemption of long-term loans payables .....	(17,500)	(2,500)
Purchase of non-controlling interests.....	(47)	—
Purchase of treasury stock .....	(5,514)	—
Cash dividends paid.....	(4,040)	(2,354)
Net cash provided by (used in) financing activities .....	5,846	(12,396)
Net increase/decrease in cash and cash equivalents .....	27,575	(19,770)
Cash and cash equivalents at the beginning of period .....	50,140	84,855
Effect of exchange rate change on cash and cash equivalents .....	1,458	2,073
Cash and cash equivalents at the end of period .....	¥ 79,173	¥ 67,159