



Monex Group, Inc.

Consolidated Financial Summary under IFRS for the 1st quarter of the fiscal year ending March 31, 2015 (April 1, 2014 - June 30, 2014)

This is an English translation of Japanese report of the consolidated financial summary under IFRS for the 1st quarter of the 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 1st quarter of the 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. / July 2014

Consolidated Financial Summary

For the 1st quarter of the fiscal year ending March 31, 2015

(in million yen)	
Operating results (from Apr. 1, 2014 to Jun. 30, 2014):	
Total revenue.....	¥ 10,903
Total expenses.....	10,012
Quarterly income before income taxes	890
Income tax expense.....	329
Quarterly net income	¥562
Quarterly net income attributable to :	
Owners of Monex Group, Inc.	¥562
Non-controlling interests.....	—

(in million yen)	
Financial Position (as of Jun. 30, 2014):	
Total assets	¥ 939,831
Equity attributable to owners of Monex Group, Inc.	79,062

(in yen)	
Earnings per share attributable to owners of Monex Group, Inc. (from Apr. 1, 2014 to Jun. 30, 2014):	
	¥ 1.95

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)	
	Three months ending June 30, 2013	Three months ending June 30, 2014
Revenue:		
Commission received	¥ 10,763	¥ 6,314
Net trading income	2,821	1,244
Financial revenue	3,126	3,115
Other operating revenue	155	149
Total operating revenue	16,866	10,823
Other financial revenue	2,296	20
Other revenue	10	45
Equity in earnings of affiliates	—	15
Total revenue	19,171	10,903
Expenses:		
Financial expenses	1,197	1,355
Selling, general and administrative expenses.	9,315	8,525
Other financial expenses	0	84
Other expenses	239	47
Equity in losses of affiliates	14	—
Total expenses	10,765	10,012
Quarterly income before income taxes	8,407	890
Income tax expense.....	3,261	329
Quarterly net income	¥ 5,146	¥ 562
Quarterly net income attributable to :		
Owners of Monex Group, Inc.	¥ 5,144	¥ 562
Non-controlling interests.....	2	—
Earnings per share attributable to owners of Monex Group, Inc. :		
Basic earnings per share.....	¥ 17.52	¥ 1.95
Diluted earnings per share.....	—	—

Quarterly Consolidated Statements of Comprehensive Income

	(in million yen)	
	Three months ending June 30, 2013	Three months ending June 30, 2014
Quarterly net income	¥ 5,146	¥ 562
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustment in foreign operations	1,273	(399)
Valuation difference on available-for-sale financial assets	(2,381)	226
Changes in fair value of hedging items	(28)	(11)
Accumulated other comprehensive income for equity method investments	(3)	(3)
Other comprehensive income after income taxes	(1,138)	(186)
Quarterly comprehensive income	¥ 4,008	¥ 376
Quarterly comprehensive income attributable to :		
Owners of Monex Group, Inc	¥ 4,006	¥ 376
Non-controlling interests	2	—

Quarterly Consolidated Statements of Financial Position

	(in million yen)	
	As of March 31, 2014	As of June 30, 2014
Assets:		
Cash and cash equivalents.....	¥ 85,442	¥ 84,600
Cash segregated as deposits	426,719	444,129
Trading securities and other	2,458	2,880
Derivative assets.....	11,326	10,791
Investments in securities	8,390	8,521
Margin transaction assets	178,230	157,424
Loans secured by securities.....	152,382	150,784
Other financial assets	28,990	33,659
Property and equipment	1,579	2,228
Intangible assets	41,558	42,143
Equity method investments	861	872
Deferred tax assets	247	52
Other assets	1,089	1,746
Total assets	939,270	939,831
Liabilities and Equity:		
Liabilities:		
Derivative liabilities	9,047	8,016
Margin transaction liabilities.....	36,308	35,733
Loans payables secured by securities.....	183,765	198,781
Deposits received	287,385	314,871
Guarantee deposits received.....	167,039	169,848
Bonds and loans payables	159,125	122,982
Other financial liabilities.....	4,280	4,897
Provisions	156	157
Income tax payables.....	5,629	191
Deferred tax liabilities.....	3,810	3,825
Other liabilities.....	2,026	1,468
Total liabilities	858,569	860,769
Equity:		
Common stock	10,394	10,394
Additional paid-in capital.....	40,510	40,510
Retained earnings	22,856	21,404
Other components of equity	6,941	6,755
Equity attributable to owners of Monex Group, Inc.	80,701	79,062
Total equity	80,701	79,062
Total liabilities and equity	¥ 939,270	¥ 939,831

Quarterly Consolidated Statements of Cash Flows

	(in million yen)	
	Three months ending June 30, 2013	Three months ending June 30, 2014
Cash flows from operating activities:		
Quarterly income before income taxes	¥ 8,407	¥ 890
Depreciation and amortization.....	859	917
Financial revenue and financial expenses.....	(4,225)	(1,695)
Decrease/increase in derivative assets and liabilities.....	(5,917)	(602)
Decrease/increase in assets/liabilities for margin transaction.....	(31,305)	20,231
Decrease/increase in loans/loans payables secured by securities.....	17,185	16,536
Decrease/increase in cash segregated as deposits.....	(33,341)	(19,862)
Decrease/increase in deposits received and guarantee deposits received.....	57,320	33,323
Decrease/increase in short-term loans receivable	984	230
Other, net	(4,378)	(8,264)
Sub total	5,588	41,704
Interest and dividends income received.....	3,171	2,850
Interest expenses paid.....	(1,068)	(1,261)
Income taxes paid.....	(2,121)	(5,971)
Net cash provided by (used in) operating activities	5,571	37,321
Cash flows from investing activities:		
Proceeds from withdrawal of time deposits.....	100	—
Purchase of investments in securities	(7,560)	(3,096)
Proceeds from sales and redemption of securities	10,892	3,011
Purchase of property and equipment.....	(203)	(564)
Purchase of intangible assets	(577)	(1,785)
Other, net	(14)	(56)
Net cash provided by (used in) investing activities	2,638	(2,490)
Cash flows from financing activities:		
Net increase/decrease in short-term loans payables.....	(18,032)	(36,409)
Proceeds from long-term loans payables	46,653	1,500
Repayment and redemption of long-term loans payables	(1,250)	(1,250)
Purchase of non-controlling interests.....	(47)	—
Purchase of treasury stock	(5,514)	—
Cash dividends paid.....	(834)	(1,875)
Net cash provided by (used in) financing activities	20,976	(38,034)
Net increase/decrease in cash and cash equivalents	29,184	(3,202)
Cash and cash equivalents at the beginning of period	50,140	84,855
Effect of exchange rate change on cash and cash equivalents	484	(228)
Cash and cash equivalents at the end of period	¥ 79,808	¥ 81,425