

## **Monex Group, Inc.**

### **Consolidated Financial Summary under IFRS for the 3Q of the fiscal year ending March 31, 2014 (April 1, 2013 - December 31, 2013)**

This is an English translation of Japanese report of the consolidated financial summary under IFRS for the 3Q of the fiscal year ending March 31, 2014. 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 the fiscal year ending March 31, 2014. All of those financial statements have been prepared based on IFRS.

Monex Group, Inc. / January 2014

## Consolidated Financial Summary

### For the 3Q of the fiscal year ending March 31, 2014

(in million yen)	
<b>Operating results (from Apr. 1, 2013 to Dec. 31, 2013):</b>	
Total revenue .....	¥ 45,102
Total expenses .....	30,069
Quarterly income before income taxes	15,033
Income tax expense .....	5,772
Quarterly net income	¥9,261
Quarterly net income attributable to :	
Owners of Monex Group, Inc. ....	¥9,259
Non-controlling interests.....	2
(in million yen)	
<b>Financial Position (as of Dec. 31, 2013):</b>	
Total assets .....	¥ 916,958
Equity attributable to owners of Monex Group, Inc. ....	80,059
(in yen)	
<b>Earnings per share attributable to owners of Monex Group, Inc. (from Apr. 1, 2013 to Dec. 31, 2013):</b>	
	¥ 31.92

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, 2012	Nine months ending December 31, 2013
<b>Revenue:</b>		
Commission received .....	¥ 12,606	¥ 26,218
Net trading income .....	4,487	6,377
Financial revenue .....	5,703	9,623
Other operating revenue .....	410	450
Total operating revenue	23,205	42,668
Other financial revenue .....	250	2,416
Other revenue .....	1,705	19
Equity in earnings of affiliates .....	24	—
Total revenue	25,184	45,102
<b>Expenses:</b>		
Financial expenses .....	1,573	3,392
Selling, general and administrative expenses.	21,768	26,269
Other financial expenses .....	42	29
Other expenses .....	206	379
Equity in losses of affiliates .....	—	0
Total expenses	23,590	30,069
Quarterly income before income taxes	1,594	15,033
Income tax expense.....	49	5,772
Quarterly net income	¥ 1,545	¥ 9,261
<b>Quarterly net income attributable to :</b>		
Owners of Monex Group, Inc. ....	¥ 1,542	¥ 9,259
Non-controlling interests.....	3	2
<b>Earnings per share attributable to owners of Monex Group, Inc. :</b>		
		(in yen)
Basic earnings per share.....	¥ 5.14	¥ 31.92
Diluted earnings per share.....	—	—

## Quarterly Consolidated Statements of Comprehensive Income

	(in million yen)	
	Nine months ending December 31, 2012	Nine months ending December 31, 2013
Quarterly net income	¥ 1,545	¥ 9,261
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustment in foreign operations .....	1,347	2,982
Valuation difference on available-for-sale financial assets .....	(1,941)	(2,154)
Changes in fair value of hedging items .....	—	(107)
Accumulated other comprehensive income for equity method investments .....	17	(0)
Other comprehensive income after income taxes	(577)	720
Quarterly comprehensive income	¥ 967	¥ 9,982
Quarterly comprehensive income attributable to :		
Owners of Monex Group, Inc .....	¥ 965	¥ 9,980
Non-controlling interests .....	3	2

## Quarterly Consolidated Statements of Financial Position

	(in million yen)	
	As of March 31, 2013	As of December 31, 2013
<b>Assets:</b>		
Cash and cash equivalents .....	¥ 51,193	¥ 81,739
Cash segregated as deposits .....	349,837	444,133
Trading securities and other .....	4,078	5,062
Derivative assets .....	753	1,683
Investments in securities .....	18,551	8,034
Margin transaction assets .....	149,487	190,533
Loans secured by securities .....	44,583	109,573
Other financial assets .....	22,950	31,455
Property and equipment .....	1,485	1,689
Intangible assets .....	37,394	40,724
Equity method investments .....	826	836
Deferred tax assets .....	61	86
Other assets .....	995	1,410
Total assets	682,193	916,958
<b>Liabilities and Equity:</b>		
<b>Liabilities:</b>		
Derivative liabilities .....	7,604	8,662
Margin transaction liabilities .....	39,745	38,399
Loans payables secured by securities .....	67,661	150,515
Deposits received .....	231,164	333,690
Guarantee deposits received .....	131,535	161,692
Bonds and loans payables .....	113,381	128,865
Other financial liabilities .....	2,099	3,709
Provisions .....	88	156
Income tax payables .....	2,072	5,115
Deferred tax liabilities .....	5,418	4,052
Other liabilities .....	1,726	2,045
Total liabilities	602,492	836,899
<b>Equity:</b>		
Common stock .....	10,394	10,394
Additional paid-in capital .....	40,521	40,510
Retained earnings .....	22,079	21,761
Other components of equity .....	6,673	7,394
Equity attributable to owners of Monex Group, Inc.	79,667	80,059
Non-controlling interests .....	35	—
Total equity	79,702	80,059
Total liabilities and equity	¥ 682,193	¥ 916,958

## Quarterly Consolidated Statements of Cash Flows

	(in million yen)	
	Nine months ending December 31, 2012	Nine months ending December 31, 2013
Cash flows from operating activities:		
Quarterly income before income taxes .....	¥ 1,594	¥ 15,033
Depreciation and amortization .....	2,268	2,537
Gain on bargain purchase .....	(1,231)	—
Financial revenue and financial expenses .....	(4,337)	(8,618)
Decrease/increase in derivative assets and liabilities .....	2,694	565
Decrease/increase in assets/liabilities for margin transaction .....	(3,852)	(42,391)
Decrease/increase in loans/loans payables secured by securities .....	9,646	18,606
Decrease/increase in cash segregated as deposits .....	(8,160)	(75,979)
Decrease/increase in deposits received and guarantee deposits received .....	18,586	112,168
Decrease/increase in short-term loans receivable .....	1,081	(115)
Other, net .....	2,719	(10,200)
Sub total	21,008	11,605
Interest and dividends income received .....	4,571	8,678
Interest expenses paid .....	(1,187)	(3,192)
Income taxes paid .....	(192)	(2,782)
Net cash provided by (used in) operating activities	24,199	14,309
Cash flows from investing activities:		
Payments into time deposits .....	(100)	—
Proceeds from withdrawal of time deposits .....	400	100
Purchase of investments in securities .....	(15,056)	(12,617)
Proceeds from sales and redemption of securities .....	13,959	23,015
Purchase of property and equipment .....	(388)	(690)
Purchase of intangible assets .....	(2,410)	(2,346)
Payments for purchase of subsidiaries .....	(822)	—
Proceeds from sales of subsidiaries .....	46	—
Payments for purchase of affiliates .....	(259)	—
Other, net .....	(90)	(41)
Net cash provided by (used in) investing activities	(4,719)	7,420
Cash flows from financing activities:		
Net increase/decrease in short-term loans payables .....	(10,499)	(37,113)
Proceeds from long-term loans payables .....	—	70,061
Repayment and redemption of long-term loans payables .....	(2,772)	(17,500)
Repayment of equity .....	16	—
Purchase of non-controlling interests .....	—	(47)
Purchase of treasury stock .....	—	(5,514)
Cash dividends paid .....	(625)	(4,040)
Cash dividends paid to non-controlling interests .....	(41)	—
Net cash provided by (used in) financing activities	(13,920)	5,846
Net increase/decrease in cash and cash equivalents	5,560	27,575
Cash and cash equivalents at the beginning of period	38,674	50,140
Effect of exchange rate change on cash and cash equivalents	(537)	1,458
Cash and cash equivalents at the end of period	¥ 44,771	¥ 79,173