

## **Monex Group, Inc.**

### **(Amendment) Consolidated Financial Summary under IFRS for the 1H of the fiscal year ending March 31, 2014 (April 1, 2013 - September 30, 2013)**

This is an English translation of Japanese report of the consolidated financial summary under IFRS for the 1H 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 1H of the fiscal year ending March 31, 2014. All of those financial statements have been prepared based on IFRS.

Monex Group, Inc. / October 2013

## Consolidated Financial Summary

### For the 1H of the fiscal year ending March 31, 2014

(in million yen)	
<b>Operating results (from Apr. 1, 2013 to Sep. 30, 2013):</b>	
Total revenue.....	¥ 31,593
Total expenses.....	20,515
Quarterly income before income taxes	11,078
Income tax expense.....	4,361
Quarterly net income	¥6,717
Quarterly net income attributable to :	
Owners of Monex Group, Inc. ....	¥6,715
Non-controlling interests.....	2
(in million yen)	
<b>Financial Position (as of Sep. 30, 2013):</b>	
Total assets.....	¥ 812,101
Equity attributable to owners of Monex Group, Inc. ....	78,770
(in yen)	
<b>Earnings per share attributable to owners of Monex Group, Inc. (from Apr. 1, 2013 to Sep. 30, 2013):</b>	
	¥ <u>23.07</u>

#### 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)	
	Six months ending September 30, 2012	Six months ending September 30, 2013
Revenue:		
Commission received .....	¥ 8,076	¥ 18,281
Net trading income .....	2,941	4,653
Financial revenue .....	3,698	6,045
Other operating revenue .....	274	305
Total operating revenue	14,989	29,284
Other financial revenue .....	232	2,300
Other revenue .....	1,638	9
Equity in earnings of affiliates .....	98	—
Total revenue	16,956	31,593
Expenses:		
Financial expenses .....	944	2,199
Selling, general and administrative expenses.	14,567	17,853
Other financial expenses .....	17	86
Other expenses .....	100	341
Equity in losses of affiliates .....	—	36
Total expenses	15,628	20,515
Quarterly income before income taxes	1,328	11,078
Income tax expense.....	64	4,361
Quarterly net income	¥ 1,264	¥ 6,717
Quarterly net income attributable to :		
Owners of Monex Group, Inc. ....	¥ 1,251	¥ 6,715
Non-controlling interests.....	13	2
Earnings per share attributable to owners of Monex Group, Inc. :		
		(in yen)
Basic earnings per share.....	¥ 4.17	¥ 23.07
Diluted earnings per share.....	—	—

## Quarterly Consolidated Statements of Comprehensive Income

	(in million yen)	
	Six months ending September 30, 2012	Six months ending September 30, 2013
Quarterly net income	¥ 1,264	¥ 6,717
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustment in foreign operations.....	(1,409)	1,036
Valuation difference on available-for-sale financial assets.....	(1,324)	(2,128)
Changes in fair value of hedging items .....	—	(93)
Accumulated other comprehensive income for equity method investments.....	10	(3)
Other comprehensive income after income taxes	(2,724)	(1,188)
Quarterly comprehensive income	¥ (1,460)	¥ 5,529
Quarterly comprehensive income attributable to :		
Owners of Monex Group, Inc.....	¥ (1,473)	¥ 5,527
Non-controlling interests .....	13	2

## Quarterly Consolidated Statements of Financial Position

	(in million yen)	
	As of March 31,2013	As of September 30,2013
<b>Assets:</b>		
Cash and cash equivalents .....	¥ 51,193	¥ 84,420
Cash segregated as deposits .....	349,837	403,189
Trading securities and other .....	4,078	3,868
Derivative assets .....	753	1,646
Investments in securities .....	18,551	7,821
Margin transaction assets .....	149,487	162,484
Loans secured by securities .....	44,583	79,555
Other financial assets .....	22,950	27,287
Property and equipment .....	1,485	1,670
Intangible assets .....	37,394	38,467
Equity method investments .....	826	785
Deferred tax assets .....	61	100
Other assets .....	995	808
Total assets	682,193	812,101
<b>Liabilities and Equity:</b>		
<b>Liabilities:</b>		
Derivative liabilities .....	7,604	6,543
Margin transaction liabilities .....	39,745	34,828
Loans payables secured by securities .....	67,661	106,863
Deposits received .....	231,164	283,433
Guarantee deposits received .....	131,535	151,325
Bonds and loans payables .....	113,381	136,529
Other financial liabilities .....	2,099	3,302
Provisions .....	88	156
Income tax payables .....	2,072	4,686
Deferred tax liabilities .....	5,418	3,956
Other liabilities .....	1,726	1,710
Total liabilities	602,492	733,331
<b>Equity:</b>		
Common stock .....	10,394	10,394
Additional paid-in capital .....	40,521	40,510
Retained earnings .....	22,079	22,381
Other components of equity .....	6,673	5,485
Equity attributable to owners of Monex Group, Inc.	79,667	78,770
Non-controlling interests .....	35	—
Total equity	79,702	78,770
Total liabilities and equity	¥ 682,193	¥ 812,101

## Quarterly Consolidated Statements of Cash Flows

	(in million yen)	
	Six months ending September 30, 2012	Six months ending September 30, 2013
Cash flows from operating activities:		
Quarterly income before income taxes .....	¥ 1,328	¥ 11,078
Depreciation and amortization.....	1,476	1,696
Gain on bargain purchase .....	(1,231)	—
Financial revenue and financial expenses.....	(2,969)	(6,059)
Decrease/increase in derivative assets and liabilities.....	(1,167)	(1,998)
Decrease/increase in assets/liabilities for margin transaction.....	(9,509)	(17,913)
Decrease/increase in loans/loans payables secured by securities.....	5,782	4,533
Decrease/increase in cash segregated as deposits.....	14,351	(47,598)
Decrease/increase in deposits received and guarantee deposits received.....	(8,737)	65,331
Decrease/increase in short-term loans receivable.....	1,459	(704)
Other, net .....	3,750	(4,400)
Sub total	4,532	3,965
Interest and dividends income received.....	2,701	5,607
Interest expenses paid.....	(820)	(1,926)
Income taxes paid.....	(394)	(1,673)
Net cash provided by (used in) operating activities	6,019	5,974
Cash flows from investing activities:		
Payments into time deposits .....	(100)	—
Proceeds from withdrawal of time deposits.....	—	100
Purchase of investments in securities .....	(8,306)	(12,353)
Proceeds from sales and redemption of securities .....	7,159	22,836
Purchase of property and equipment.....	(369)	(496)
Purchase of intangible assets .....	(1,943)	(1,300)
Payments for purchase of subsidiaries.....	(822)	—
Proceeds from sales of subsidiaries .....	46	—
Payments for purchase of affiliates.....	(239)	—
Other, net .....	(73)	(76)
Net cash provided by (used in) investing activities	(4,647)	8,711
Cash flows from financing activities:		
Net increase/decrease in short-term loans payables.....	3,200	(30,631)
Proceeds from long-term loans payables.....	—	55,146
Repayment and redemption of long-term loans payables.....	(1,250)	(1,250)
Repayment of equity.....	16	—
Purchase of non-controlling interests.....	—	(47)
Purchase of treasury stock .....	—	(5,514)
Cash dividends paid.....	(300)	(897)
Cash dividends paid to non-controlling interests.....	(41)	—
Net cash provided by (used in) financing activities	1,625	16,807
Net increase/decrease in cash and cash equivalents	2,998	31,492
Cash and cash equivalents at the beginning of period	38,674	50,140
Effect of exchange rate change on cash and cash equivalents	(375)	375
Cash and cash equivalents at the end of period	¥ 41,296	¥ 82,007