

Monex Group, Inc.

Consolidated Financial Summary under IFRS for the fiscal year ending March 31, 2013 (April 1, 2012- March 31, 2013)

This is an English translation of Japanese report of the consolidated financial summary under IFRS for the fiscal year ending March 31, 2013. 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 fiscal year ending March 31, 2013. All of those financial statements have been prepared based on IFRS.

Monex Group, Inc. / May 2013

Consolidated Financial Summary

For the fiscal year ending March 31, 2013

(in million yen)	
Operating results (from Apr. 1, 2012 to Mar. 31, 2013):	
Total revenue.....	¥ 42,740
Total expenses.....	35,742
Income before income taxes	6,998
Income tax expense.....	3,091
Net Income	¥ 3,907
Net income attributable to :	
Owners of Monex Group.....	¥ 3,901
Non-controlling interests.....	6
(in million yen)	
Financial Position (as of Mar. 31, 2013):	
Total assets.....	¥ 682,193
Total shareholders' equity.....	79,667
(in yen)	
Per share amounts (from Apr. 1, 2012 to Mar. 31, 2013):	
Net income attributable to owners of Monex Group.....	¥ 1,301.73
Total shareholders' equity.....	26,583.96

Notes

Net income attributable to owners per share is computed by dividing net income attributable to owners by the weighted average number of common shares outstanding for the term. Total shareholders' equity per share is computed by dividing total shareholders' equity by the number of common shares outstanding at the end of the term.

Consolidated Statements of Income

	(in million yen)	
	For the fiscal year ending March 31, 2012	For the fiscal year ending March 31, 2013
Revenue:		
Commission received	¥ 17,030	¥ 20,367
Net trading income	6,200	6,974
Financial revenue	6,812	8,195
Other operating revenue	528	554
Total operating revenue	30,569	36,090
Other financial revenue	482	4,855
Other revenue	323	1,759
Equity in earnings of affiliates	—	36
Total revenue	31,375	42,740
Expense:		
Financial expenses	1,682	2,320
Selling, general and administrative expenses.	26,060	30,359
Other financial expenses	27	46
Other expenses	876	3,016
Equity in losses of affiliates	62	—
Total expenses	28,707	35,742
Income before income taxes	2,668	6,998
Income tax expense.....	1,574	3,091
Net income	¥ 1,094	¥ 3,907
Net income attributable to :		
Owners of Monex Group	¥ 1,028	¥ 3,901
Non-controlling interests.....	65	6
Earnings per share:		
		(in yen)
Basic earnings per share.....	¥ 337.95	¥ 1,301.73
Diluted earnings per share.....	—	—

Consolidated Statements of Comprehensive Income

	(in million yen)	
	For the fiscal year ending March 31, 2012	For the fiscal year ending March 31, 2013
Net income	¥ 1,094	¥ 3,907
Other comprehensive income:		
Foreign currency translation adjustment	485	3,305
Valuation difference on available-for-sale securities	4,277	(2,519)
Accumulated other comprehensive income for equity method investments	3	51
Other comprehensive income of income tax	4,765	837
Total comprehensive income	¥ 5,858	¥ 4,744
Total comprehensive income attributable to :		
Owners of Monex Group	¥ 5,793	¥ 4,738
Non-controlling interests	65	6

Consolidated Statements of Financial Position

	(in million yen)		
	As of March 31,2011	As of March 31,2012	As of March 31,2013
Assets:			
Cash and deposits	¥ 34,663	¥ 39,788	¥ 51,193
Cash segregated as deposits	175,202	291,899	349,837
Trading securities and other	1,833	2,430	4,078
Derivative assets	954	1,133	753
Investments in securities	13,181	22,144	18,551
Margin transaction assets	96,602	90,795	149,487
Loans secured by securities.....	—	15,339	44,583
Other financial assets	21,282	23,654	22,950
Property, plant and equipment.....	1,150	1,759	1,485
Intangible assets	11,055	35,916	37,394
Equity method investments	808	257	826
Deferred tax assets	2,031	105	61
Other assets	332	1,510	995
Total assets	359,093	526,729	682,193
Liabilities and Equity:			
Liabilities:			
Derivative liabilities	2,103	2,599	7,604
Margin transaction liabilities.....	31,637	27,826	39,745
Loans payable secured by securities	26,603	24,776	67,661
Deposits received	93,842	185,797	231,164
Guarantee deposits received.....	78,707	118,058	131,535
Bonds and loans payable.....	49,768	82,200	113,381
Other financial liabilities.....	1,415	1,794	2,099
Provision	48	122	88
Income taxes payable	582	391	2,072
Deferred tax liabilities.....	112	6,351	5,418
Other liabilities.....	281	1,009	1,726
Total liabilities	285,098	450,923	602,492
Equity:			
Capital stock.....	10,394	10,394	10,394
Capital surplus.....	42,091	40,521	40,521
Retained earnings	20,246	18,808	22,079
Accumulated other comprehensive income ...	1,071	5,836	6,673
Total shareholders' equity	73,802	75,558	79,667
Non-controlling interests.....	193	248	35
Total equity	73,995	75,806	79,702
Total liabilities and equity	¥ 359,093	¥ 526,729	¥ 682,193

Consolidated Statements of Cash Flows

	For the fiscal year ending March 31, 2012	(in million yen) For the fiscal year ending March 31, 2013
Net cash provided by operating activities:		
Income before income taxes	¥ 2,668	¥ 6,998
Depreciation and amortization.....	2,406	3,116
Impairment loss on non-financial assets	—	2,524
Gain on bargain purchase	—	(1,231)
Financial revenue and financial expenses.....	(5,584)	(10,683)
Decrease/increase in derivative assets and liabilities.....	654	5,688
Decrease/increase in assets/liabilities for margin transaction	1,996	(46,234)
Decrease/increase in loans/borrowings secured by securities.....	(11,475)	14,605
Decrease/increase in cash segregated as deposits	1,077	(36,934)
Increase in deposits and guarantee deposits received	173	36,034
Decrease in short-term loans receivable	9,452	354
Other, net	(844)	(640)
Sub total	523	(26,404)
Interest and dividends income received	6,305	8,174
Interest expenses paid	(1,697)	(2,231)
Income taxes paid	(1,200)	(50)
Net cash provided by (used in) operating activities	3,931	(20,510)
Cash flows used in investing activities:		
Payments into time deposits	—	(100)
Proceeds from withdrawal of time deposits	—	400
Purchase of investments in securities	(9,216)	(20,342)
Proceeds from sales and redemption of securities	11,205	25,038
Purchase of property, plant and equipment.....	(524)	(517)
Purchase of intangible assets	(1,801)	(2,958)
Payments from purchase of investments in subsidiaries resulting in change in scope of consolidation	(29,053)	(905)
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	3,370	—
Proceeds from sales of subsidiaries	—	46
Purchase of stocks of affiliates	—	(259)
Proceeds from sales of stocks of affiliates	716	—
Other, net	(58)	(2)
Net cash provided by (used in) investing activities	(25,361)	401
Cash flows used in financing activities:		
Net increase in short-term loans payable	18,200	23,834
Proceeds from long-term loans payable.....	34,259	9,986
Repayment and redemption of long-term loans payable.....	(20,001)	(2,772)
Repayment of equity.....	(2,141)	—
Proceeds from stock issuance to non-controlling interests	—	16
Purchase of treasury stock	(3,098)	—
Cash dividends paid.....	(938)	(629)
Cash dividends paid to non-controlling interests.....	—	(41)
Net cash provided by (used in) financing activities	26,281	30,395
Net increase in cash and cash equivalents	4,852	10,286
Cash and cash equivalents at beginning of period	33,538	38,674
Effect of exchange rate change on cash and cash equivalents	284	1,181
Cash and cash equivalents at end of period	¥ 38,674	¥ 50,140