

## **Monex Group, Inc.**

### **Consolidated Financial Summary under Japanese GAAP for the fiscal year ended March 31, 2011 (April 1, 2010-March 31, 2011)**

This is an English translation of Japanese report of the consolidated financial summary under Japanese GAAP for the fiscal year ended March 31, 2011. If there is any discrepancy between a statement in English and a statement in Japanese, the Japanese statement shall always control.

#### **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 ended March 31, 2011. All of those financial statements have been prepared based on accounting principles generally accepted in Japan. Please note there are significant differences between Japanese GAAP and U.S. GAAP and we have not prepared a reconciliation to show what our results or financial position would be under U.S. GAAP.

Monex Group, Inc. / April 2011

## Consolidated Financial Summary

### For the fiscal year ended March 31, 2011

	Million Yen
<b>Operating results (from Apr. 1, 2010 to Mar. 31, 2011):</b>	
Operating revenues .....	¥ 25,227
Net operating revenues .....	22,589
Selling, general and administrative expenses .....	17,848
Operating income.....	4,741
Other incomes, net .....	(1,467)
Income before income taxes and minority interests prior to distribution of gain in silent partnership	3,274
Distribution of gain in silent partnership .....	6
Income before income taxes and minority interests.....	3,268
Income taxes .....	1,273
Income before minority interests	1,995
Minority interests .....	2
Net Income.....	¥ 1,993
<b>Financial Position (as of Mar. 31, 2011):</b>	
Total assets .....	¥ 365,731
Net assets .....	71,026
<b>Per share amounts (from Apr. 1, 2010 to Mar. 31, 2011):</b>	
Net income .....	¥ 647.82
Net assets .....	22,154.32

Notes

Net income per share is computed by dividing net income by the weighted average number of common shares outstanding for the term and net assets per share is computed by dividing net assets by the number of common shares outstanding at the end of the term.

## Consolidated Balance Sheet

### As of March 31, 2011

Assets	Million Yen	%
Current assets:		
Cash and deposits .....	¥ 34,950	
Cash segregated for customers and others.....	138,627	
Money held in trust.....	36,575	
Trading assets .....	9,504	
Operating investment securities.....	971	
Margin transaction assets.....	96,602	
Payments on securities subscribed .....	634	
Short-term guarantee money deposited .....	6,435	
Short-term loans receivables .....	10,738	
Accrued revenues .....	2,423	
Deferred tax assets.....	1,978	
Other.....	7,707	
Allowance for doubtful receivables.....	(97)	
	347,047	94.9
Property and equipment, at cost:		
Buildings .....	338	
Furniture and fixtures .....	1,259	
Accumulated depreciation .....	(860)	
	737	0.2
Intangible assets, net of amortization:		
Software.....	1,792	
Goodwill.....	8,049	
Other.....	1,073	
	10,914	3.0
Investment and others:		
Investment securities .....	6,007	
Long-term guarantee deposits .....	591	
Other.....	1,487	
Allowance for doubtful receivables.....	(1,052)	
	7,033	1.9
<b>Total assets</b>	<b>¥ 365,731</b>	<b>100.0</b>

## Consolidated Balance Sheet (Continued)

### As of March 31, 2011

Liabilities and Net Assets	Million Yen	%
Current liabilities:		
Trading liabilities.....	¥ 3,321	
Margin transaction liabilities.....	31,638	
Loans payable secured by securities.....	26,603	
Deposits received.....	93,857	
Guarantee money received.....	85,012	
Short-term borrowings.....	44,800	
Bonds.....	5,000	
Income taxes payables.....	582	
Accrued employees' bonuses.....	23	
Accrued directors' bonuses.....	8	
Allowance for point services.....	161	
Other.....	1,150	
	292,155	79.9
Non-current liabilities:		
Deferred tax liabilities	143	
Long-term deposits received.....	1,153	
	1,296	0.4
Statutory reserve:		
Reserve for financial products transaction Liabilities.....	1,254	
	1,254	0.3
Net assets:		
Owners' equity		
Common stock.....	10,394	2.8
Authorized - 8,800,000 shares		
Issued - 3,196,805 shares		
Capital surplus.....	42,163	11.5
Retained earnings.....	18,404	5.0
	70,961	19.4
Valuation and translation adjustments.....	(138)	0.0
Minority interests.....	203	0.1
	71,026	19.4
<b>Total assets and liabilities</b>	<b>¥ 365,731</b>	<b>100.0</b>

## Consolidated Statements of Income

### For the fiscal year ended March 31, 2011

	Million Yen	%
Operating revenues:		
Commission revenues.....	¥ 13,158	
Net gain on trading account.....	4,725	
Net gain on operating investments .....	26	
Financial income .....	7,155	
Other operating revenues.....	163	
	25,227	100.0
Financial expenses.....	2,638	10.5
Net operating revenues	22,589	89.5
Selling, general and administrative expenses	17,848	70.7
Operating income	4,741	18.8
Other income (expenses):		
Reversal of reserve for financial products transaction liabilities.....	628	
Other, net .....	(2,095)	
	(1,467)	(5.8)
Income before dividends distribution from silent partnership, income taxes	3,274	13.0
Dividends distribution from silent partnership	6	0.1
Income before income taxes and minority interests.....	3,268	12.9
Income taxes:		
Current.....	565	2.2
Deferred.....	708	2.8
Income before minority interests	1,995	7.9
Minority interests.....	2	0.0
Net income .....	¥ 1,993	7.9
Per share amounts		
Net income .....	¥ 647.82	

## Consolidated Statements of Cash Flows For the fiscal year ended March 31, 2011

	Million Yen
Net cash provided by operating activities:	
Income before income taxes and minority interests.....	¥ 3,268
Depreciation and amortization .....	1,320
Loss on adjustment for changes of accounting standard for asset retirement obligations.....	17
Loss (gain) on sales of investment securities.....	(99)
Loss on retirement of noncurrent assets.....	116
Amortization of goodwill.....	635
Increase (decrease) in allowance for doubtful accounts.....	1,047
Increase (decrease) in provision for bonuses.....	(162)
Increase (decrease) in provision for directors' bonuses.....	(32)
Increase (decrease) in provision for point card certificates.....	(35)
Increase (decrease) in reserve for financial products transaction liabilities .....	(629)
Interest and dividends income .....	(7,402)
Interest expenses .....	2,638
Decrease (increase) in cash segregated as deposits.....	(2,103)
Decrease (increase) in money held in trust .....	(2,100)
Decrease (increase) in trading products-assets (liabilities) .....	(878)
Decrease (increase) in investment securities for sale.....	114
Decrease/increase in assets/liabilities for margin transaction .....	7,285
Decrease/increase in loans/borrowings secured by securities.....	(8,319)
Decrease (increase) in advances paid.....	(1,134)
Decrease (increase) in cash paid for subscription .....	52
Decrease (increase) in short-term loans receivable.....	7,878
Decrease (increase) in short-term guarantee deposits .....	2,279
Increase (decrease) in deposits received .....	13,918
Increase (decrease) in guarantee deposits received.....	(16,325)
Increase (decrease) in accrued consumption taxes .....	(37)
Other, net .....	(1,769)
Sub total.....	(457)
Interest and dividends income received .....	7,032
Interest expenses paid .....	(2,629)
Income taxes paid .....	343
Net cash provided by (used in) operating activities .....	4,289

## Consolidated Statements of Cash Flows (Continued)

### For the fiscal year ended March 31, 2011

Million Yen

Cash flows used in investing activities:	
Purchase of short-term investment securities.....	(4,095)
Proceeds from redemption of securities.....	2,197
Purchase of property, plant and equipment.....	(603)
Purchase of intangible assets.....	(1,207)
Purchase of investment securities.....	(47)
Proceeds from sales and redemption of investment securities.....	1,662
Payments for guarantee deposits.....	(513)
Proceeds from collection of guarantee deposits.....	537
Proceeds from purchase of investments in subsidiaries.....	7
Proceeds from sales of investments in subsidiaries.....	25
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation.....	34
Other, net.....	(84)
Net cash provided by (used in) investing activities.....	(2,087)
Cash flows used in financing activities:	
Net increase (decrease) in short-term loans payable.....	5,373
Proceeds from issuance of bonds.....	4,992
Redemption of bonds.....	(9,500)
Proceeds from issuance of common stock.....	3,160
Cash dividends paid.....	(1,793)
Net cash provided by (used in) financing activities.....	2,232
Effect of exchange rate change on cash and cash equivalents.....	24
Net increase (decrease) in cash and cash equivalents.....	4,458
Cash and cash equivalents at beginning of period.....	29,306
Cash and cash equivalents at end of period.....	¥ 33,764