

## **Monex Group, Inc.**

### **Consolidated Financial Summary under Japanese GAAP for the third quarter of the fiscal year ending March 31, 2011 (April 1, 2010-December 31, 2010)**

This is an English translation of Japanese report of the consolidated financial summary under Japanese GAAP for the third quarter of the fiscal year ending 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 third quarter of the fiscal year ending 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. / January 2011

# Consolidated Financial Summary

## For the third quarter of the fiscal year ending March 31, 2011

	Million Yen
<b>Operating results (from Apr. 1, 2010 to Dec. 31, 2010):</b>	
Operating revenues .....	¥ 18,502
Net operating revenues .....	16,228
Selling, general and administrative expenses .....	13,338
Operating income.....	2,890
Other, net.....	(439)
Income before income taxes and minority interests prior to distribution of gain in silent partnership	2,451
Distribution of gain in silent partnership .....	29
Income before income taxes and minority interests.....	2,422
Income taxes .....	520
Income before minority interests .....	1,902
Minority interests .....	3
Net Income.....	¥ 1,899
<b>Financial Position (as of Dec. 31, 2010):</b>	
Total assets .....	¥358,922
Net assets .....	71,062
<b>Per share amounts (from Apr. 1, 2010 to Dec. 31, 2010):</b>	
Net income .....	¥ 624.72
Net assets .....	22,200.48

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 December 31, 2010

Assets	Million Yen	%
Current assets:		
Cash and deposits .....	¥ 29,332	
Cash segregated for customers and others.....	127,107	
Money held in trust.....	39,342	
Trading assets .....	13,990	
Operating investment securities.....	1,020	
Margin transaction assets.....	98,823	
Payments on securities subscribed .....	393	
Short-term guarantee money deposited .....	10,538	
Short-term loans receivables .....	7,526	
Accrued revenues .....	2,753	
Deferred tax assets.....	2,400	
Other.....	6,921	
Allowance for doubtful receivables.....	(99)	
	340,046	94.7
Property and equipment, at cost:		
Buildings .....	324	
Furniture and fixtures .....	1,139	
Accumulated depreciation .....	(763)	
	700	0.2
Intangible assets, net of amortization:		
Software.....	1,562	
Goodwill.....	8,795	
Other.....	353	
	10,710	3.0
Investment and others:		
Investment securities .....	6,022	
Long-term guarantee deposits .....	944	
Other.....	547	
Allowance for doubtful receivables.....	(47)	
	7,466	2.1
<b>Total assets</b>	<b>¥ 358,922</b>	<b>100.0</b>

## Consolidated Balance Sheet (Continued)

### As of December 31, 2010

Liabilities and Net Assets	Million Yen	%
Current liabilities:		
Trading liabilities.....	¥ 3,579	
Margin transaction liabilities.....	31,246	
Loans payable secured by securities.....	19,704	
Deposits received.....	92,166	
Guarantee money received.....	86,713	
Short-term borrowings.....	36,700	
Bonds.....	9,500	
Income taxes payables.....	436	
Accrued employees' bonuses.....	37	
Accrued directors' bonuses.....	5	
Allowance for point services.....	160	
Other.....	2,696	
	282,942	78.8
Non-current liabilities:		
Long-term debt.....	2,500	
Long-term deposits received.....	1,167	
	3,667	1.0
Statutory reserve:		
Reserve for financial products transaction Liabilities.....	1,251	
	1,251	0.3
Net assets:		
Owners' equity		
Common stock.....	10,394	2.9
Authorized - 8,800,000 shares		
Issued - 2,991,120 shares		
Capital surplus.....	42,163	11.8
Retained earnings.....	18,310	5.1
	70,867	19.7
Valuation and translation adjustments.....	104	0.0
Minority interests.....	91	0.0
	71,062	19.8
<b>Total assets and liabilities</b>	<b>¥ 358,922</b>	<b>100.0</b>

## Consolidated Statements of Income

### For the third quarter of the fiscal year ending March 31, 2011

	Million Yen	%
Operating revenues:		
Commission revenues.....	¥ 9,105	
Net gain on trading account.....	3,567	
Net gain on operating investments .....	35	
Financial income .....	5,694	
Other operating revenues.....	101	
	18,502	100.0
Financial expenses.....	2,274	12.3
Net operating revenues	16,228	87.7
Selling, general and administrative expenses	13,338	72.1
Operating income	2,890	15.6
Other income (expenses):		
Reversal of reserve for financial products transaction liabilities.....	632	
Other, net .....	(1,071)	
	(439)	(2.4)
Income before income taxes and minority interests prior to distribution of gain in silent partnership	2,451	13.2
Distribution of gain in silent partnership	29	0.2
Income before income taxes and minority interests.....	2,422	13.1
Income taxes:		
Current.....	419	2.3
Deferred.....	101	0.5
Income before minority interests.....	1,902	10.3
Minority interests.....	3	0.0
Net income .....	¥ 1,899	10.3
Per share amounts		Yen
Net income .....	¥ 624.72	