

## **Monex Group, Inc.**

### **Consolidated Financial Summary under Japanese GAAP for the first half of the fiscal year ending March 31, 2011 (April 1, 2010-September 30, 2010)**

This is an English translation of Japanese report of the consolidated financial summary under Japanese GAAP for the first half 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 first half 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. / October 2010

## Consolidated Financial Summary

### For the first half of the fiscal year ending March 31, 2011

	Million Yen
<b>Operating results (from Apr. 1, 2010 to Sep. 30, 2010):</b>	
Operating revenues .....	¥ 12,686
Net operating revenues .....	11,280
Selling, general and administrative expenses .....	9,030
Operating income.....	2,250
Other, net.....	(254)
Income before income taxes and minority interests prior to distribution of gain in silent partnership	1,996
Distribution of gain in silent partnership .....	21
Income before income taxes and minority interests.....	1,975
Income taxes .....	373
Income before minority interests .....	1,602
Minority interests .....	2
Net Income.....	¥ 1,600

	Million Yen
<b>Financial Position (as of Sep. 30, 2010):</b>	
Total assets .....	¥357,707
Net assets .....	67,137

	Yen
<b>Per share amounts (from Apr. 1, 2010 to Sep. 30, 2010):</b>	
Net income .....	¥ 535.03
Net assets .....	22,415.26

#### 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 September 30, 2010

Assets	Million Yen	%
Current assets:		
Cash and deposits .....	¥ 28,843	
Cash segregated for customers and others.....	111,271	
Money held in trust.....	37,062	
Trading assets .....	11,791	
Operating investment securities.....	992	
Margin transaction assets.....	115,089	
Payments on securities subscribed .....	448	
Short-term guarantee money deposited .....	7,692	
Short-term loans receivables .....	17,022	
Accrued revenues .....	3,094	
Deferred tax assets.....	2,192	
Other.....	4,336	
Allowance for doubtful receivables.....	(114)	
	339,718	95.0
Property and equipment, at cost:		
Buildings .....	319	
Furniture and fixtures .....	970	
Accumulated depreciation .....	(625)	
	664	0.2
Intangible assets, net of amortization:		
Software.....	1,488	
Goodwill.....	7,725	
Other.....	362	
	9,575	2.7
Investment and others:		
Investment securities .....	5,944	
Long-term guarantee deposits .....	1,257	
Other.....	595	
Allowance for doubtful receivables.....	(46)	
	7,750	2.1
<b>Total assets</b>	<b>¥ 357,707</b>	<b>100.0</b>

## Consolidated Balance Sheet (Continued)

### As of September 30, 2010

Liabilities and Net Assets	Million Yen	%
Current liabilities:		
Trading liabilities.....	¥ 2,578	
Margin transaction liabilities.....	21,533	
Loans payable secured by securities.....	35,455	
Deposits received.....	73,640	
Guarantee money received.....	88,854	
Short-term borrowings.....	49,350	
Bonds.....	12,500	
Income taxes payables.....	392	
Accrued employees' bonuses.....	47	
Accrued directors' bonuses.....	40	
Allowance for point services.....	156	
Other.....	1,118	
	285,663	79.9
Non-current liabilities:		
Long-term debt.....	2,500	
Long-term deposits received.....	1,159	
	3,659	1.0
Statutory reserve:		
Reserve for financial products transaction Liabilities.....	1,248	
	1,248	0.3
Net assets:		
Owners' equity		
Common stock.....	8,800	2.5
Authorized - 8,800,000 shares		
Issued - 2,991,120 shares		
Capital surplus.....	38,999	10.9
Retained earnings.....	18,909	5.3
	66,708	18.7
Valuation and translation adjustments.....	339	0.1
Minority interests.....	90	0.0
	67,137	18.8
<b>Total assets and liabilities</b>	<b>¥ 357,707</b>	<b>100.0</b>

## Consolidated Statements of Income

### For the first half of the fiscal year ending March 31, 2011

	Million Yen	%
Operating revenues:		
Commission revenues.....	¥ 6,331	
Net gain on trading account.....	2,630	
Net gain on operating investments .....	23	
Financial income .....	3,635	
Other operating revenues.....	67	
	12,686	100.0
Financial expenses.....	1,406	11.1
Net operating revenues	11,280	88.9
Selling, general and administrative expenses	9,030	71.2
Operating income	2,250	17.7
Other income (expenses):		
Reversal of reserve for financial products transaction liabilities.....	635	
Other, net .....	(889)	
	(254)	(2.0)
Income before income taxes and minority interests prior to distribution of gain in silent partnership	1,996	15.7
Distribution of gain in silent partnership	21	0.2
Income before income taxes and minority interests.....	1,975	15.5
Income taxes:		
Current.....	297	2.3
Deferred.....	76	0.6
Income before minority interests.....	1,602	12.6
Minority interests.....	2	0.0
Net income .....	¥ 1,600	12.6
Per share amounts	Yen	
Net income .....	¥ 535.03	