

## **Monex Group, Inc.**

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

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

# Consolidated Financial Summary

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

	Million Yen
<b>Operating results (from Apr. 1, 2010 to Jun. 30, 2010):</b>	
Operating revenues .....	¥ 7,408
Net operating revenues .....	6,433
Selling, general and administrative expenses .....	4,892
Operating income.....	1,541
Other, net.....	(202)
Income before income taxes and minority interests prior to distribution of gain in silent partnership	1,339
Distribution of gain in silent partnership .....	11
Income before income taxes and minority interests.....	1,328
Income taxes .....	110
Income before minority interests .....	1,218
Minority interests .....	5
Net Income.....	¥ 1,213
<b>Financial Position (as of Jun. 30, 2010):</b>	
Total assets .....	¥377,703
Net assets .....	66,737
<b>Per share amounts (from Apr. 1, 2010 to Jun. 30, 2010):</b>	
Net income .....	¥ 405.38
Net assets .....	22,280.74

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 June 30, 2010

Assets	Million Yen	%
Current assets:		
Cash and deposits .....	¥ 32,766	
Cash segregated for customers and others.....	113,143	
Money held in trust.....	33,450	
Trading assets .....	13,481	
Operating investment securities.....	1,013	
Margin transaction assets.....	141,498	
Payments on securities subscribed .....	601	
Short-term guarantee money deposited .....	8,206	
Short-term loans receivables .....	5,023	
Accrued revenues .....	2,797	
Deferred tax assets.....	2,232	
Other.....	5,375	
Allowance for doubtful receivables.....	(150)	
	359,435	95.2
Property and equipment, at cost:		
Buildings .....	399	
Furniture and fixtures .....	830	
Accumulated depreciation .....	(654)	
	575	0.1
Intangible assets, net of amortization:		
Software.....	1,482	
Goodwill.....	7,871	
Other.....	389	
	9,742	2.6
Investment and others:		
Investment securities .....	5,944	
Long-term guarantee deposits .....	1,350	
Other.....	687	
Allowance for doubtful receivables.....	(30)	
	7,951	2.1
<b>Total assets</b>	<b>¥ 377,703</b>	<b>100.0</b>

## Consolidated Balance Sheet (Continued)

### As of June 30, 2010

Liabilities and Net Assets	Million Yen	%
Current liabilities:		
Trading liabilities.....	¥ 4,260	
Margin transaction liabilities.....	17,049	
Loans payable secured by securities.....	39,214	
Deposits received.....	74,782	
Guarantee money received.....	90,462	
Short-term borrowings.....	67,750	
Bonds.....	9,500	
Income taxes payables.....	171	
Accrued employees' bonuses.....	24	
Accrued directors' bonuses.....	30	
Allowance for point services.....	156	
Other.....	2,666	
	306,064	81.0
Non-current liabilities:		
Long-term debt.....	2,500	
Long-term deposits received.....	1,150	
	3,650	1.0
Statutory reserve:		
Reserve for financial products transaction Liabilities.....	1,252	
	1,252	0.3
Net assets:		
Owners' equity		
Common stock.....	8,800	2.4
Authorized - 8,800,000 shares		
Issued - 2,991,120 shares		
Capital surplus.....	38,999	10.3
Retained earnings.....	18,521	4.9
	66,320	17.6
Valuation and translation adjustments.....	324	0.1
Minority interests.....	93	0.0
	66,737	17.7
<b>Total assets and liabilities</b>	<b>¥ 377,703</b>	<b>100.0</b>

## Consolidated Statements of Income

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

	Million Yen	%
Operating revenues:		
Commission revenues.....	¥ 3,707	
Net gain on trading account.....	1,526	
Net gain on operating investments .....	10	
Financial income .....	2,131	
Other operating revenues.....	34	
	7,408	100.0
Financial expenses.....	975	13.2
Net operating revenues	6,433	86.8
Selling, general and administrative expenses	4,892	66.0
Operating income	1,541	20.8
Other income (expenses):		
Reversal of reserve for financial products transaction liabilities.....	631	
Other, net .....	(833)	
	(202)	(2.7)
Income before income taxes and minority interests prior to distribution of gain in silent partnership	1,339	18.1
Distribution of gain in silent partnership	11	0.1
Income before income taxes and minority interests.....	1,328	18.0
Income taxes:		
Current.....	130	1.8
Deferred.....	(20)	(0.3)
Income before minority interests.....	1,218	16.5
Minority interests.....	5	0.1
Net income .....	¥ 1,213	16.4
Per share amounts		
Net income .....	¥ 405.38	