

Financial Results for 2Q of Fiscal Year Ending March 31, 2020

Our Business Principles

Always a step ahead of the “Y” in “MONEY,”

our name MONEX symbolizes our position as a forerunner in finance.

In the face of an ever-changing future, the Monex Group utilizes state-of-the-art IT technologies and world-class financial expertise to design innovative ways of managing money and to redefine finance for a new era. We will strive to support everyone’s investment and economic needs.

To achieve this we are committed to:

- Celebrating the diversity of each and every one of our customers and employees;
- Driving the future of technology and first class financial professionalism that empowers traders and investors; and
- Creating new value to contribute to all stakeholders

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This is an English translation of Japanese presentation materials prepared in connection with the disclosure of the financial results of Monex Group, Inc. It includes information derived from the consolidated financial statements of Monex Group, Inc. which are prepared in accordance with International Financial Reporting Standards ("IFRSs"). This material is not intended to recommend or conduct solicitation for any product or service, etc.

<Forward-looking Statements>

This presentation material 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" and other similar words. These statements discuss future expectations, identify strategies, contain projections of results of operations or of our financial condition and 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.

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- I. Highlights
 - II. Consolidated Performance
 - III. Business Update

Appendix. Group Overview

As US online brokerages moved to the stage of zero-commissions, Japan and US segments further strengthen the offering of **asset-based services**

	- Discount Competition Stage -	- Zero Commission Stage -
Primary Service	Transaction Service	Asset-based Service
User Experience	Low-cost transaction features for diverse financial products	Added-value services to increase assets (Asset management, advisory)
Growth Driver	Transaction volume Market share	Customer base Assets in custody
Revenue Stream	Brokerage commission	Asset management fee Advisory fee
Profit Structure	Revenue linked to transaction volume	Revenue related to asset management

US

TradeStation launched “TSgo”, a new offering with free stock, ETF and options trading on web and mobile, in response to the industry’s recent adoption of zero commission trading. To manage through the lower interest rate environment, diversification of profits will be sought through the offering of differentiated products, services, and education in addition to the community-based platform that includes gamification elements

Japan

In addition to revenue generated from the existing transaction service, Monex Securities will focus on creating a new asset-based revenue stream through asset management advisory services and asset investment management service

Crypto Asset

Despite the market stagnation, Coincheck strictly carried out cost reduction as planned and successfully lowered the break-even point to build a minimal carry-cost call option. As a result, it secures the upside opportunity associated with a market recovery going forward and will actively pursue adding new cryptocurrency and new business development. Coincheck also strives to acquire more users in a cooperation with the group companies

US keeps the highest profitability among the five segments while Crypto Asset decreased SG&A as planned

Japan

Segment profit* remained to be about ¥0.4B securing surplus.
Monex Securities will further strengthen the asset-based services

US

With an expansion of its customer base, segment profit is ¥0.6B which is the largest among five segments

Crypto Asset

Despite unfavorable market condition, Coincheck has accomplished cost reduction by reducing fixed costs. Segment profit remains profitable

Asia Pacific

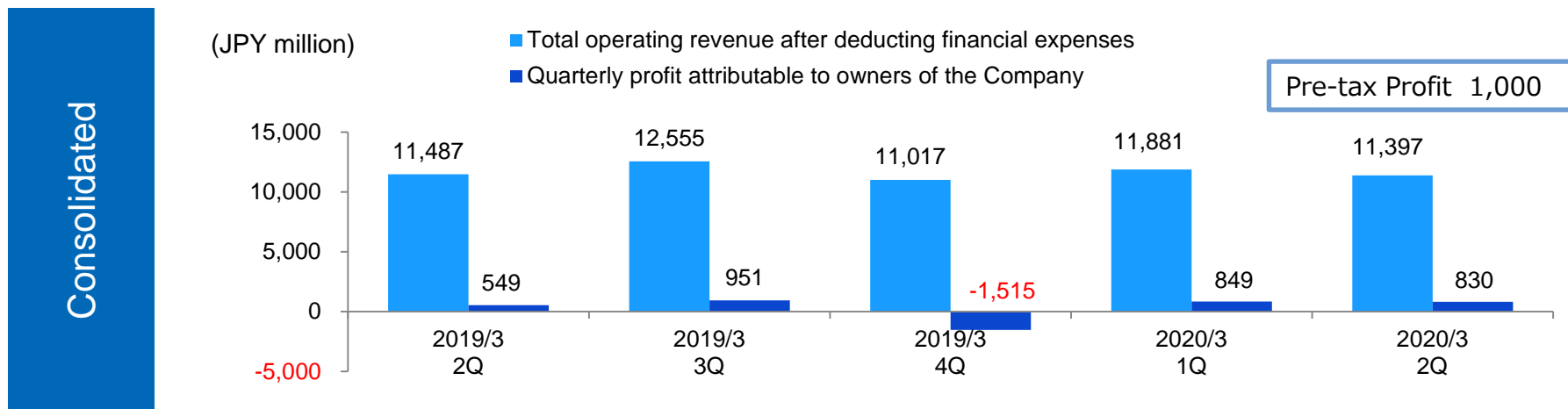
Monex Boom Securities recorded a bad debt of margin loan, ¥0.11B.
Segment loss* is ¥0.1B

Investment

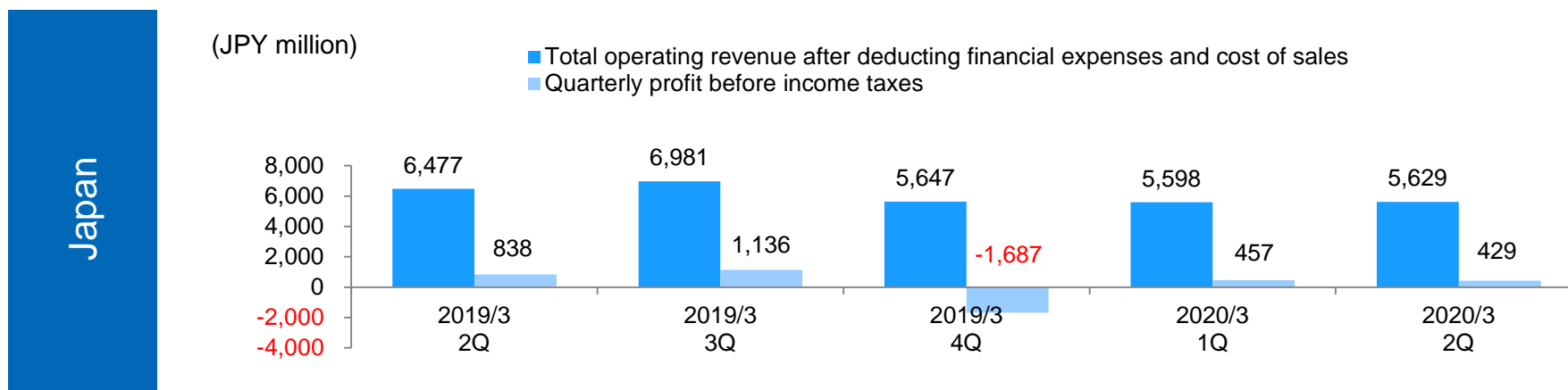
Recorded valuation gains of shares owned is ¥ 0.13B. MV I Investment Limited Partnership expands its portfolio to 14 companies (As of Sep 30)

* Segment profit (loss) = Pre-tax profit (loss). The same hereinafter

◆ Total operating revenue after deducting financial expenses and profit attributable to owners of the Company



◆ Total operating revenue after deducting financial expenses and cost of sales and segment profit

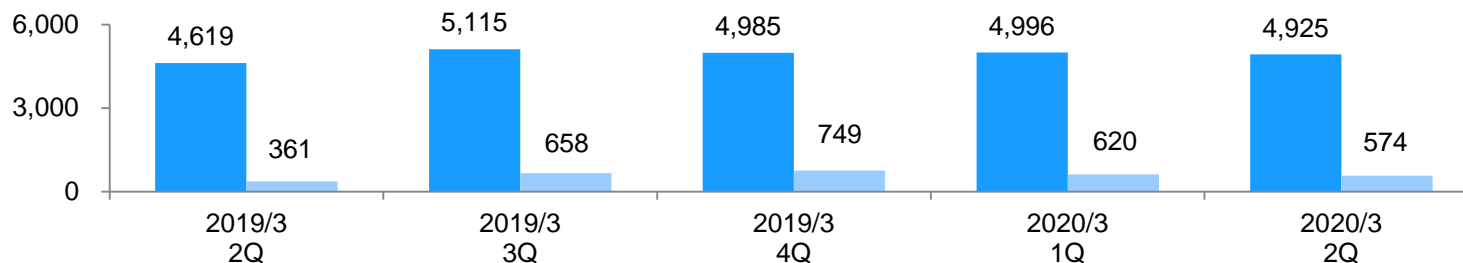


◆ Total operating revenue after deducting financial expenses and cost of sales and segment profit

US

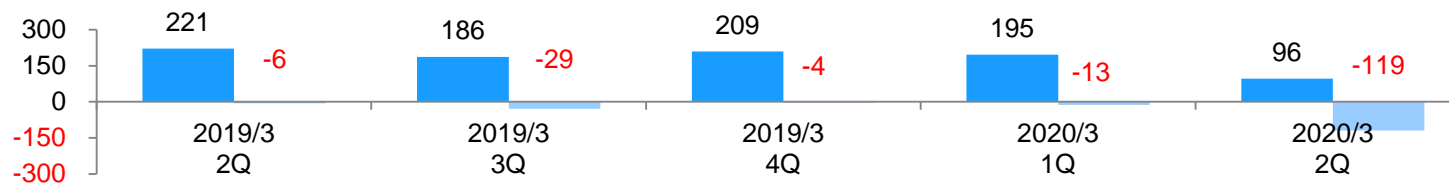
(JPY million)

■ Total operating revenue after deducting financial expenses and cost of sales
■ Quarterly profit before income taxes



Asia Pacific

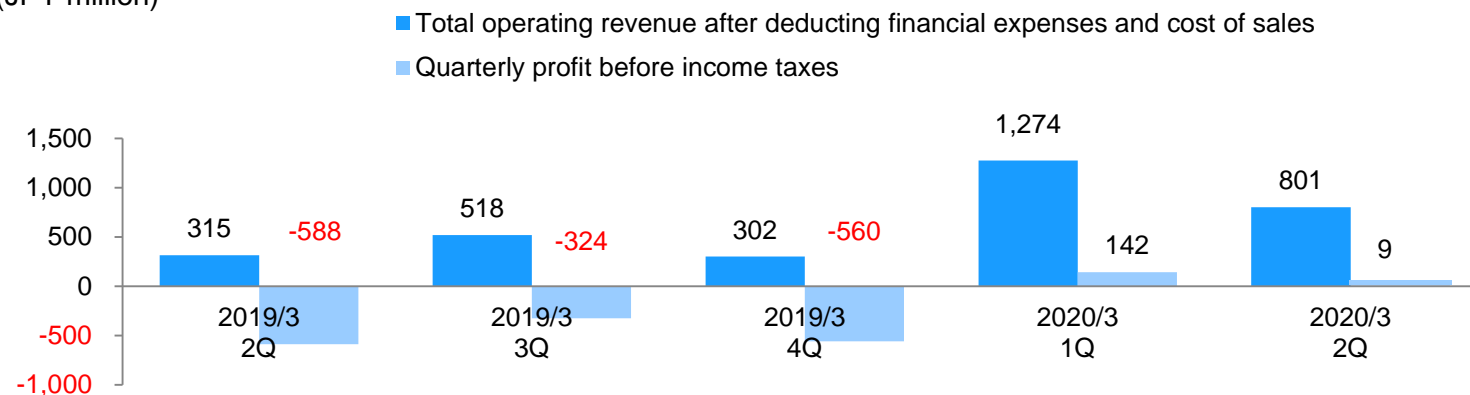
(JPY million)



◆ Total operating revenue after deducting financial expenses and cost of sales and segment profit

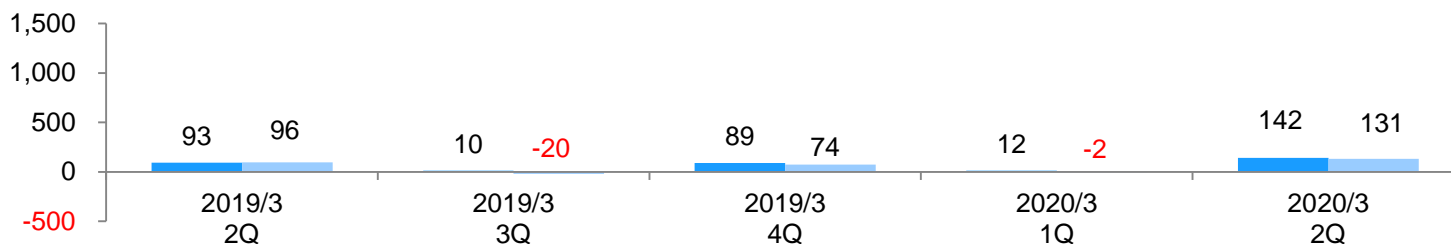
Crypto Asset

(JPY million)



Investment

(JPY million)



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YoY Comparison (6 months) Consolidated Performance

(JPY million)	FYE Mar. 2019 2Q (Apr. 2018– Sep. 2018)	FYE Mar. 2020 2Q (Apr. 2019– Sep. 2019)	Variance	Rate of change	Reference
Total operating revenue after deducting financial expenses	23,845	23,277	-567	-2%	P13: Analysis of Japan segment P15: Analysis of US segment (USD) P17: Analysis of Crypto Asset segment
SG&A	22,193	21,112	-1,080	-5%	P14: Analysis of Japan segment P16: Analysis of US segment (USD) P18: Analysis of Crypto Asset segment
The amount equivalent to operating income	1,652	2,165	513	31%	
Other income / expenses (net)	178	30	-147	-83%	Breakdown in DATA BOOK P22: Quarterly consolidated financial results (Other income and other expenses)
Quarterly profit before income taxes	1,830	2,195	366	20%	
Quarterly profit attributable to owners of the Company	1,745	1,679	-66	-4%	
EBITDA*	5,794	6,212	417	7%	

* EBITDA = The amount equivalent to operating income + depreciation and amortization cost + interest expense of US segment (the same hereinafter)

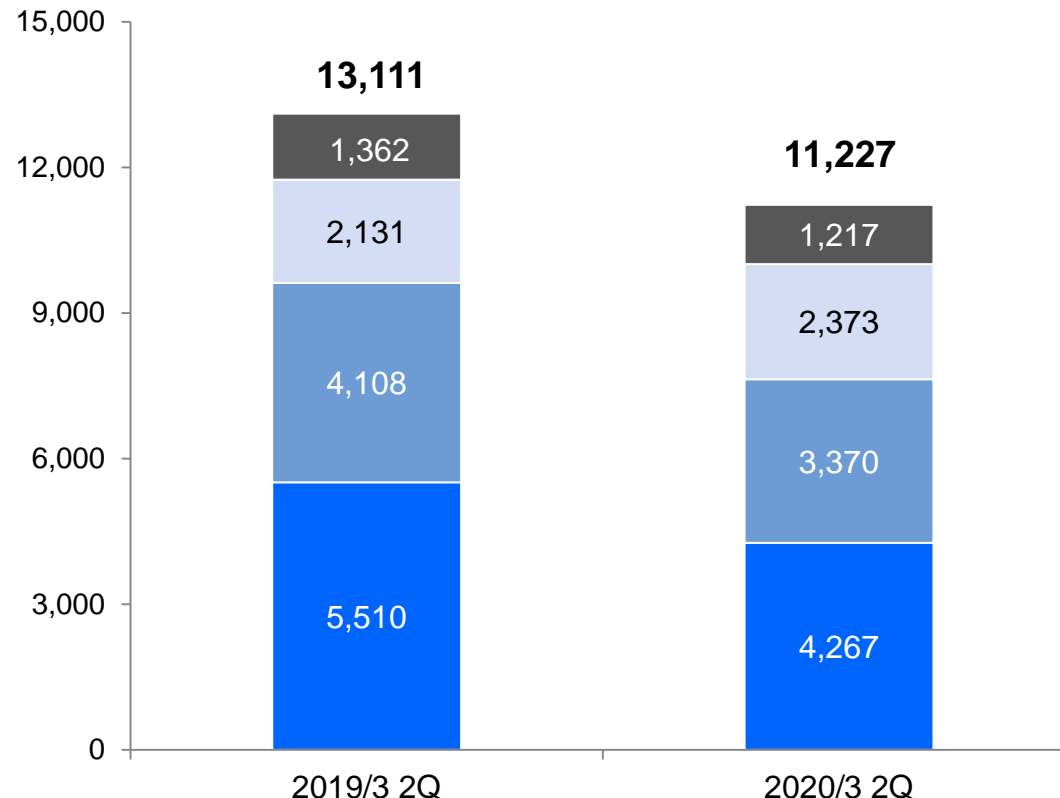
YoY Comparison (6 months) Segment Performance

	Japan		US		Asia Pacific		Crypto Asset		Investment	
(JPY million)	2019/3 2Q	2020/3 2Q	2019/3 2Q	2020/3 2Q	2019/3 2Q	2020/3 2Q	2019/3 2Q	2020/3 2Q	2019/3 2Q	2020/3 2Q
Total operating revenue after deducting financial expenses and cost of sales	13,111	11,227	9,238	9,921	413	292	1,256	2,075	315	154
SG&A	11,553	10,442	8,632	8,699	436	437	2,244	1,932	4	25
The amount equivalent to operating income	1,558	785	66	1,221	-23	-145	-988	143	310	129
Other income / expenses (net)	239	101	-36	-28	7	12	140	9	18	-0
Quarterly profit before income taxes	1,798	886	570	1,194	-15	-133	-847	152	328	129
Quarterly profit attributable to owners of the Company	1,631	624	444	1,008	-24	-119	-600	120	297	80
EBITDA	4,607	3,236	1,922	2,817	13	-86	-955	448	310	129
Note	See P13 “total operating revenue after deducting financial expenses and cost of sales” for more details See P14 “SG&A” for more details		See P15 “total operating revenue after deducting financial expenses and cost of sales” for more details See P16 “SG&A” for more details				See P17 “total operating revenue after deducting financial expenses and cost of sales” for more details See P18 “SG&A” for more details			

Japan : Decreased market trading volume by individual traders led to lower brokerage commissions and net financial income. Tightened spread of FX services drove a rise in market share of trading volume to the highest level

■ Total operating revenue after deducting financial expenses and cost of sales

(JPY million)



Total operating revenue after deducting financial expenses and cost of sales
-14.4% (-1,884)

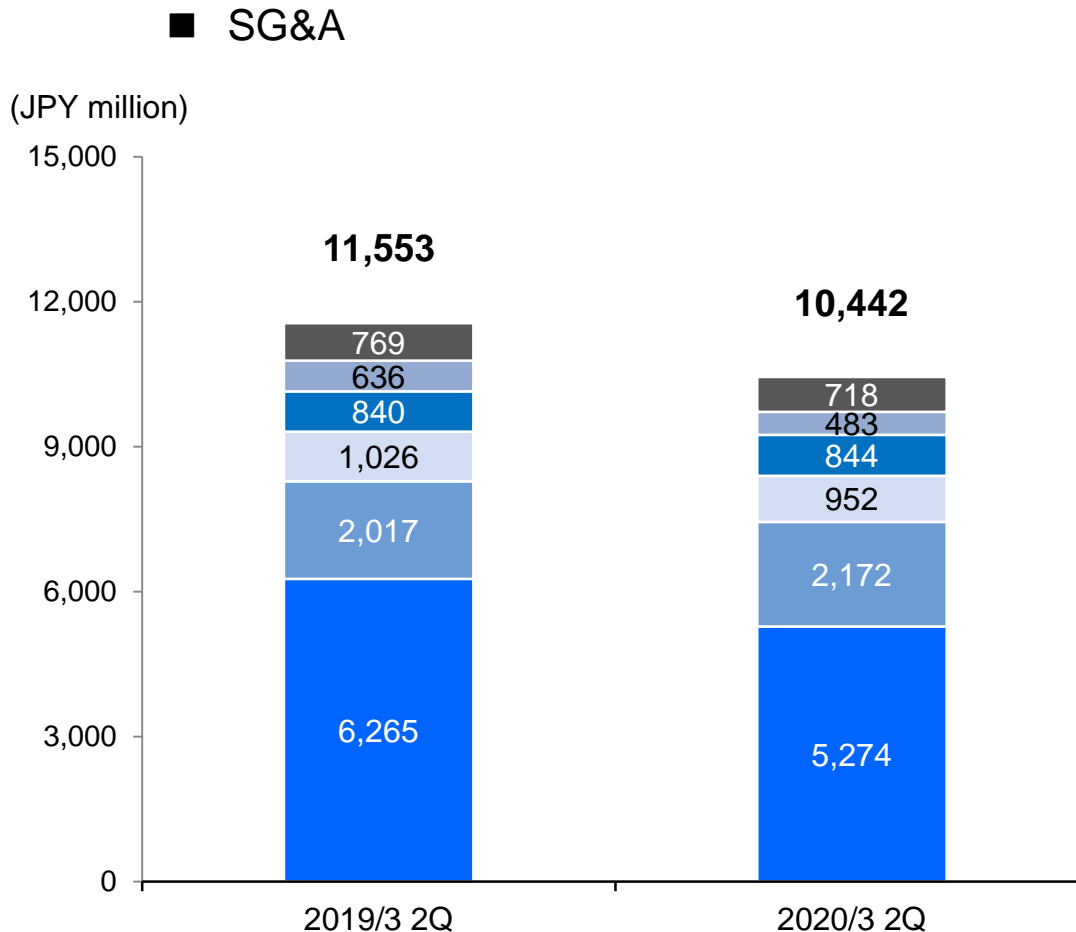
- Others (-146)
- FX & fixed income (+242) *1
- Net financial income (-737) *2
- Brokerage commissions (-1,243) *3

*1 Market share of FX trading volume 0.81% → 1.69%

*2 Net financial income of margin trading balance -702
 Margin balance Market balance -22%
 Monex Securities' balance -21% (ave.)

*3 Total trading volume of individual investors in two Japanese major equity markets, including ETFs etc. - 19 %

Japan : System related expenses largely decreased due to lower depreciation cost reflecting the impairment in the previous fiscal year



SG&A Total -9.6% (-1,111)

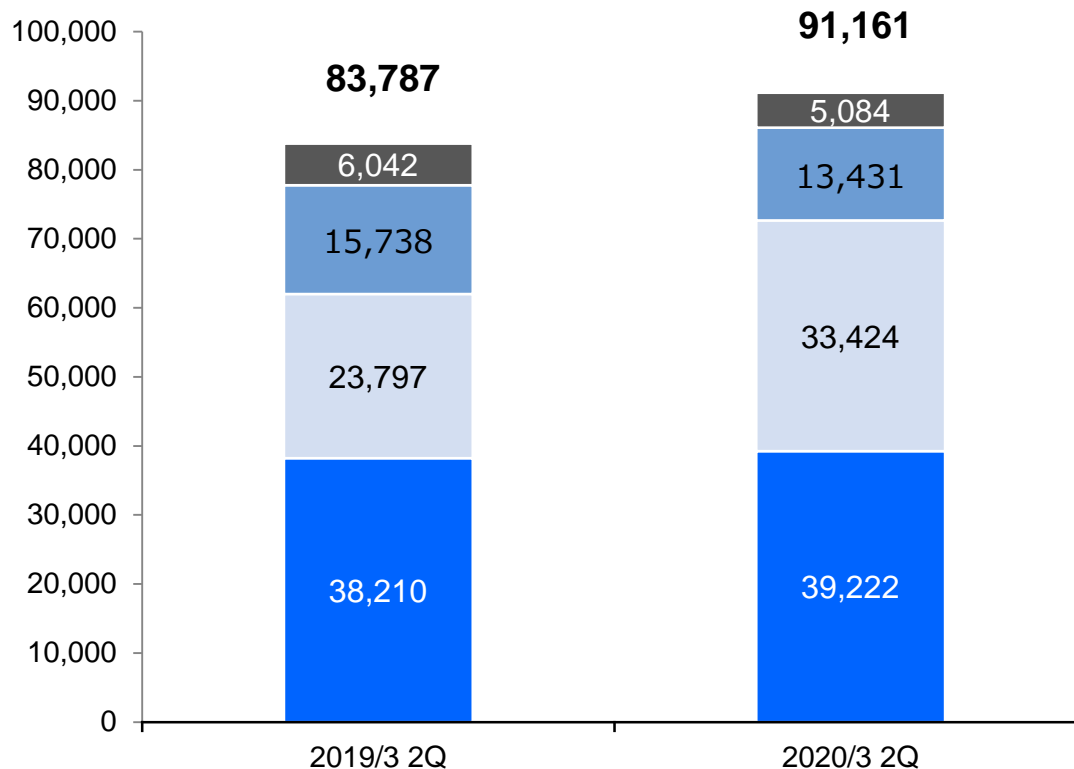
- Others (-52)
- Advertising expenses (-153)
- Communication, freight and information expenses (+4)
- Commissions paid, exchange and association dues (-73)
- Compensation and benefits (+155)
- System related expenses (-991) *

* Rental expenses	-171
Maintenance expenses and data processing	-222
Depreciation cost	-598

US : Higher interest rates and growing customers' assets drove larger net financial income. Additionally, the interest rate swap backed by customers' assets in custody expired in Nov 2018

■ Total operating revenue after deducting financial expenses and cost of sales

(USD thousand)



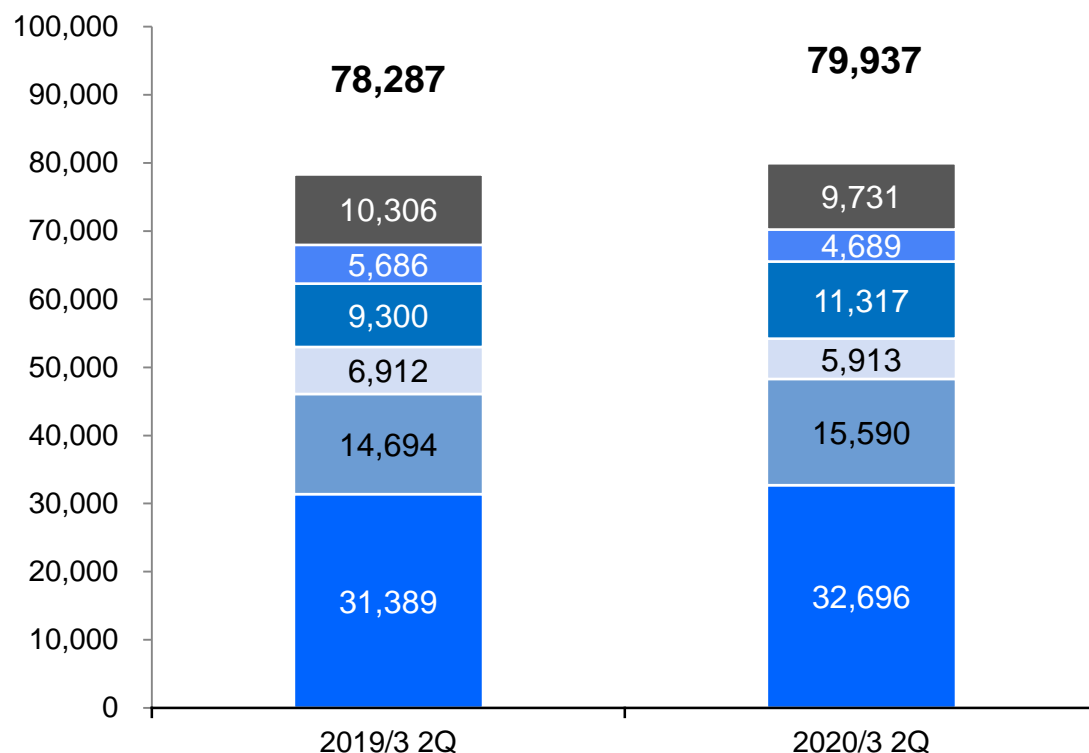
Total operating revenue after deducting financial expenses and cost of sales
+8.8% (+7,374)

- Others (-958)
- Other commissions (-2,307)
- Net financial income (+9,627)
- Brokerage commissions (+1,012)

US : Discretionary spending remains efficiently controlled while variable costs increased in proportion to the increase in revenue

■ SG&A

(USD thousand)



SG&A Total +2.1% (+1,651)

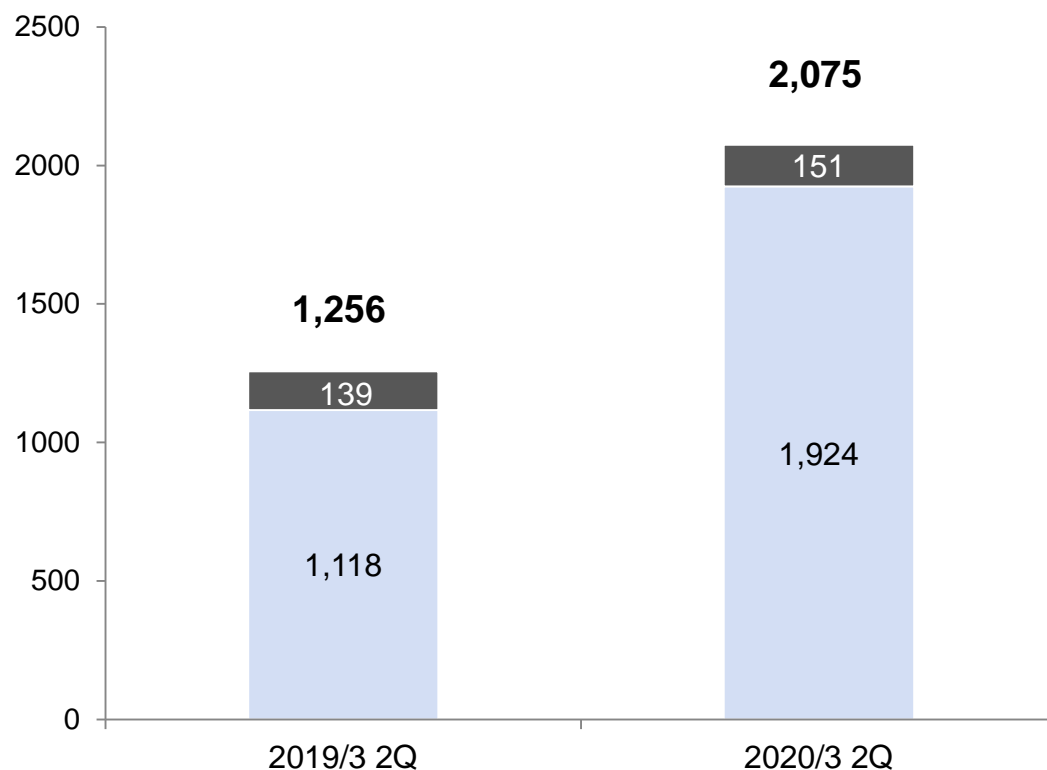
- Others (-575) *
- Advertising expenses (-997)
- Amortization and depreciation (+2,017) *
- Communication, freight and information expenses (-999)
- Commissions paid and association dues (+896)
- Compensation and benefits (+1,308)

* Reclassification by applying IFRS16

Crypto : Coincheck sequentially resumed its services since October 2018.

Trading income largely increased

■ Total operating revenue after deducting financial expenses and cost of sales
(JPY million)



Total operating revenue after deducting financial expenses and cost of sales
+65.2% (+819)

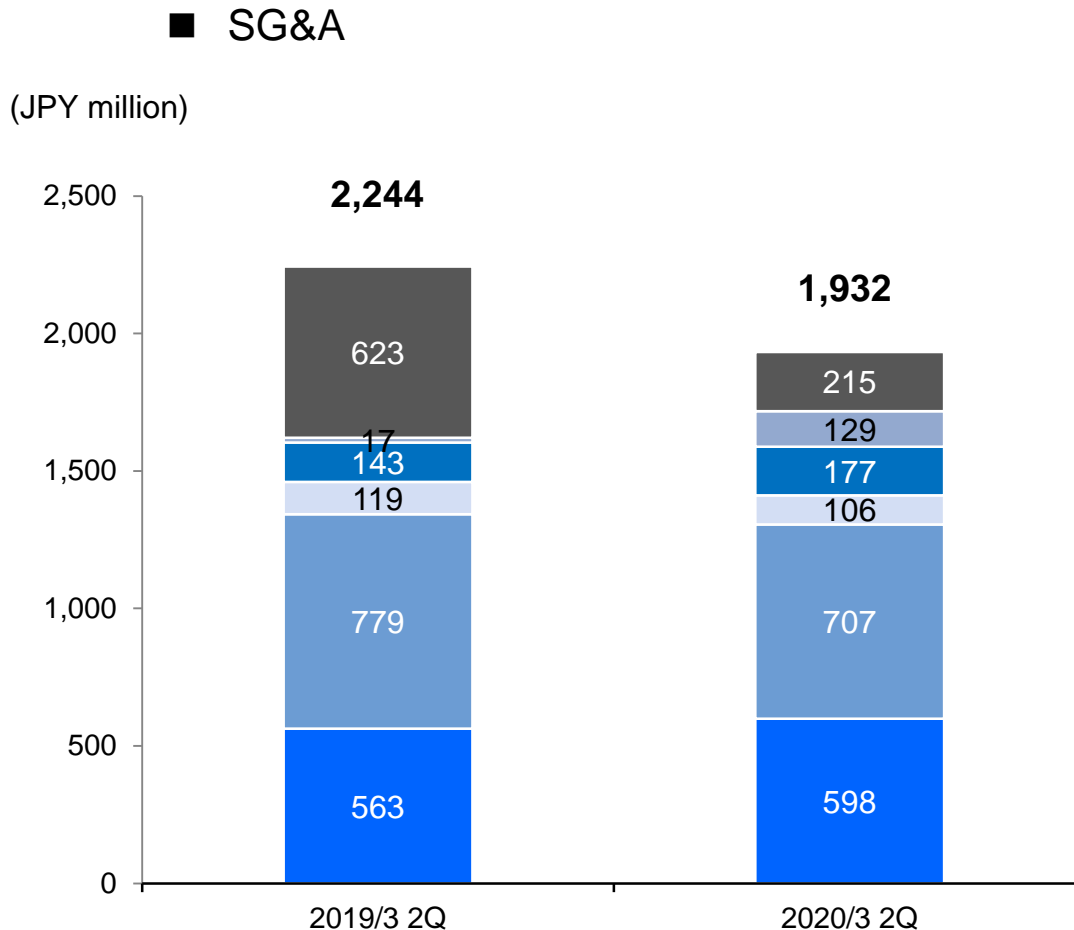
■ Others (+12)
■ Trading income (+806) *

* Service comparison

In 1Q - 2Q FYE Mar. 2019, new account openings, purchasing and depositing services of all the altcoins were under suspension. Four cryptocurrencies out of 13 available cryptocurrencies offered then has been delisted from the Coicheck services since June 2018

In 1Q - 2Q FYE Mar. 2020, all the services are available and Coincheck started offering a new cryptocurrency, Monacoin, from the beginning of June 2019

Crypto : SG&A declined due to lower fixed costs



SG&A Total -13.9% (-312)

- Others (-409) *
- Advertising expenses (+112)
- Communication, freight and information expenses (+34)
- Commissions paid, exchange and association dues (-13)
- Compensation and benefits (-72)
- System related expenses (+36)

* Professional fees decreased after the registration of Coincheck as a cryptocurrency exchange agency

(JPY million)	1Q FYE Mar. 2020 (Apr. 2019- Jun. 2019)	2Q FYE Mar. 2020 (Jul. 2019- Sep. 2019)	Variance	Rate of change	Reference
Total operating revenue after deducting financial expenses	11,881	11,397	-484	-4%	P21: Analysis of Japan segment P23: Analysis of US segment (USD) P25: Analysis of Crypto Asset segment
SG&A	10,666	10,446	-220	-2%	P22: Analysis of Japan segment P24: Analysis of US segment (USD) P26: Analysis of Crypto Asset segment
The amount equivalent to operating income	1,215	950	-265	-22%	
Other income / expenses (net)	-19	50	69		Breakdown in DATA BOOK P22: - Quarterly consolidated financial results (Other income and other expenses)
Quarterly profit before income taxes	1,196	1,000	-196	-16%	
Quarterly profit attributable to owners of the Company	849	830	-19	-2%	
EBITDA	3,177	3,035	-142	-4%	

QoQ Comparison (3 months) Segment Performance

	Japan		US		Asia Pacific		Crypto Asset		Investment	
(JPY million)	2020/3 1Q	2020/3 2Q	2020/3 1Q	2020/3 2Q	2020/3 1Q	2020/3 2Q	2020/3 1Q	2020/3 2Q	2020/3 1Q	2020/3 2Q
Total operating revenue after deducting financial expenses and cost of sales	5,598	5,629	4,996	4,925	195	96	1,274	801	12	142
SG&A	5,194	5,248	4,364	4,336	212	225	1,127	805	14	11
The amount equivalent to operating income	404	381	633	589	-16	-129	147	-4	-2	131
Other income / expenses (net)	53	48	-13	-15	3	9	-5	13	0	-0
Quarterly profit before income taxes	457	429	620	574	-13	-119	142	9	-2	131
Quarterly profit attributable to owners of the Company	313	311	464	544	-16	-103	99	21	-4	83
EBITDA	1,576	1,660	1,425	1,392	13	-99	299	149	-2	131

Note

See P21 "total operating revenue after deducting financial expenses and cost of sales" for more details
See P22 "SG&A" for more details

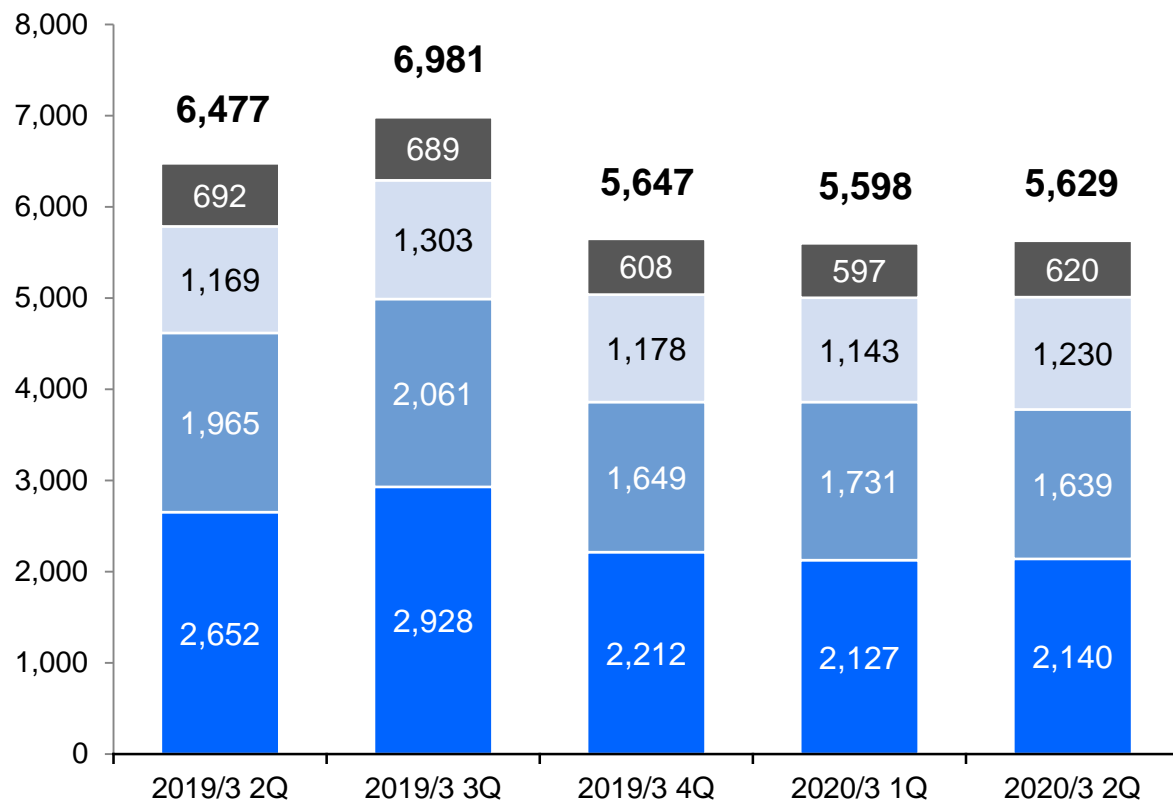
See P23 "total operating revenue after deducting financial expenses and cost of sales" for more details. See P24 "SG&A" for more details.

See P25 "total operating revenue after deducting financial expenses and cost of sales" for more details. See P26 "SG&A" for more details.

Japan : Tightened spread of FX services contributed to keep the market share of trading volume at the highest level

■ Quarterly total operating revenue after deducting financial expenses and cost of sales

(JPY million)



Quarterly total operating revenue after deducting financial expenses and cost of sales +0.6% (+31)

*Figures in parenthesis is the variance from previous quarter (JPY million)

- Others (+23)
- FX & fixed income (+87)
- Net financial income (-92) *1
- Brokerage commissions (+13) *2

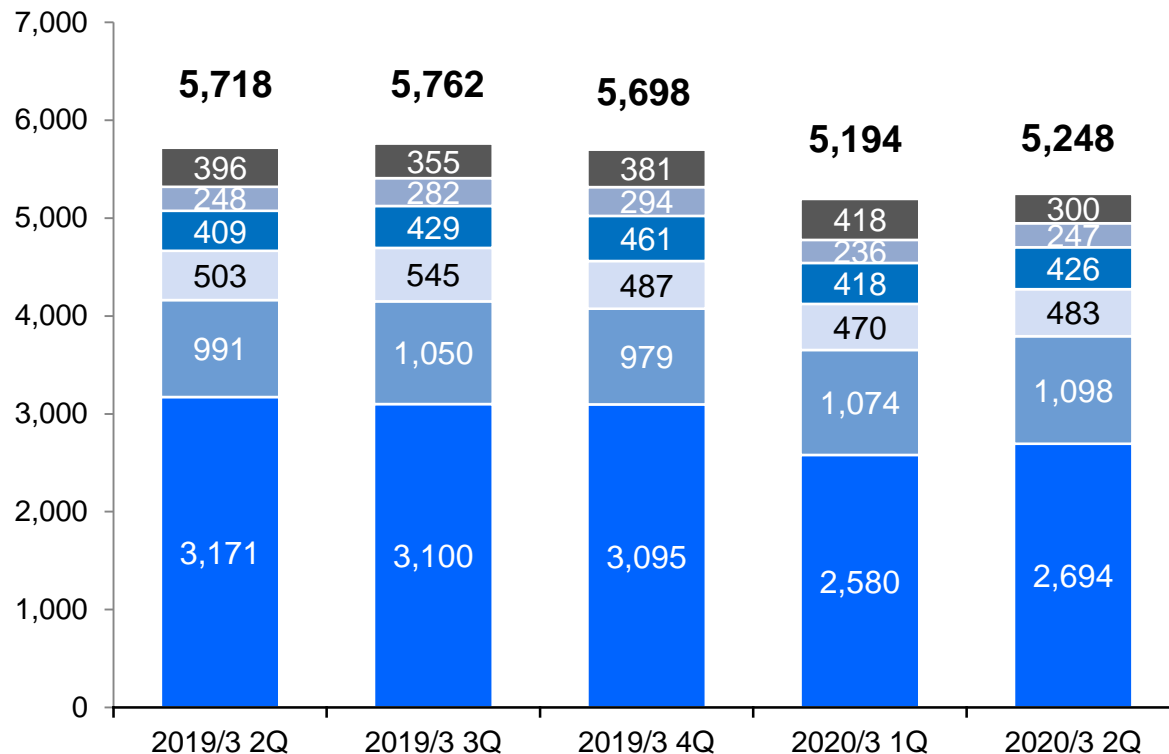
*1 Market margin balance +3%
Monex margin balance +2%

*2 Total trading volume of individual investors in two Japanese major equity markets, including ETFs etc. -6 %

Japan : The impairment in the previous fiscal year contributed to lower SG&A

■ Quarterly SG&A

(JPY million)



Quarterly SG&A +1.0% (+53)

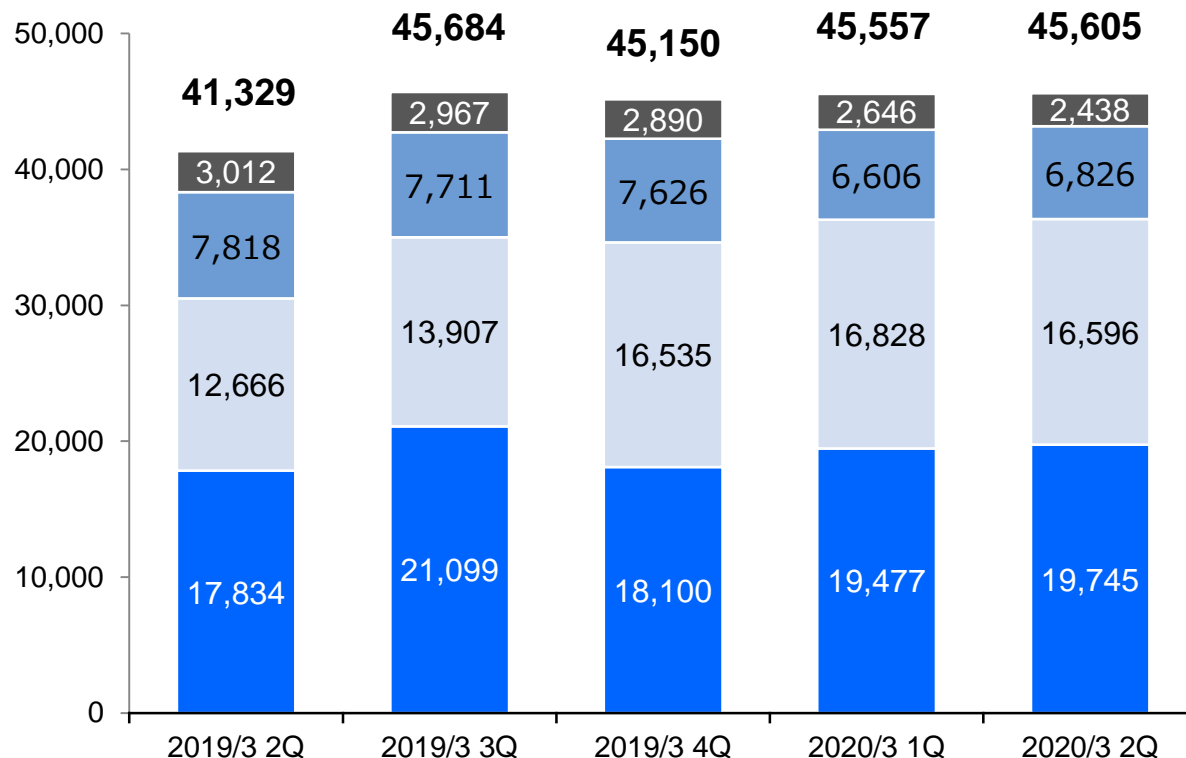
*Figures in parenthesis is the variance from previous quarter (JPY million)

- Others (-118)
- Advertising expenses (+11)
- Communication, freight and information expenses (+8)
- Commissions paid, exchange and association dues (+13)
- Compensation and benefits (+25)
- System related expenses (+114)

US : Revenue remains solid due to an increase in brokerage commissions driven by higher volatility

■ Quarterly total operating revenue after deducting financial expenses and cost of sales

(USD thousand)



Quarterly total operating revenue after deducting financial expenses and cost of sales +0.1% (+48)

*Figures in parenthesis is the variance from previous quarter (USD thousand)

- Others (-208)
- Other commission (+220)
- Net financial income (-232)
- Brokerage commissions (+267)

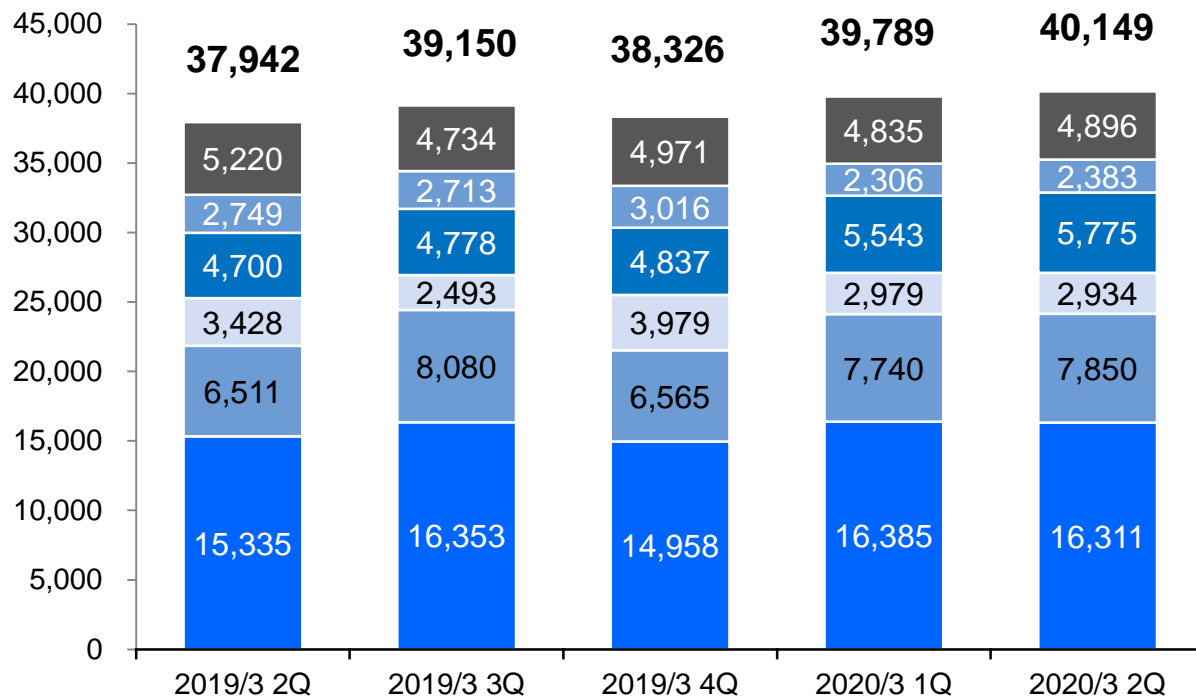
US : Amortization and depreciation cost slightly increased due to system investments for new business developments. Total SG&A is well under control

■ Quarterly SG&A

Quarterly SG&A +0.9% (+360)

*Figures in parenthesis is the variance from previous quarter
(USD thousand)

(USD thousand)

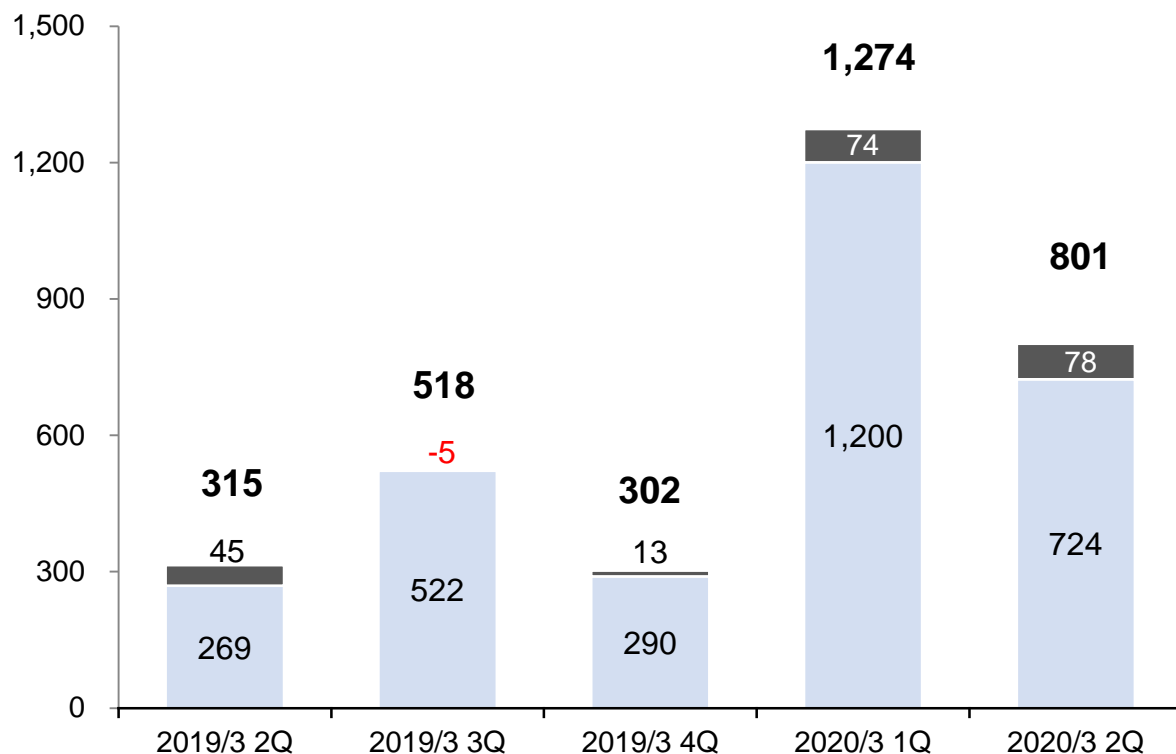


- Others (+60)
- Advertising expenses (+76)
- Amortization and depreciation (+232)
- Communication, freight and information expenses (-45)
- Commissions paid and association dues (+110)
- Compensation and benefits (-73)

Crypto : Transaction volume and revenue declined as the uptrend of cryptocurrency market has been in a break

■ Quarterly total operating revenue after deducting financial expenses and cost of sales

(JPY million)



Quarterly total operating revenue after deducting financial expenses and cost of sales **-37.1% (-473)**

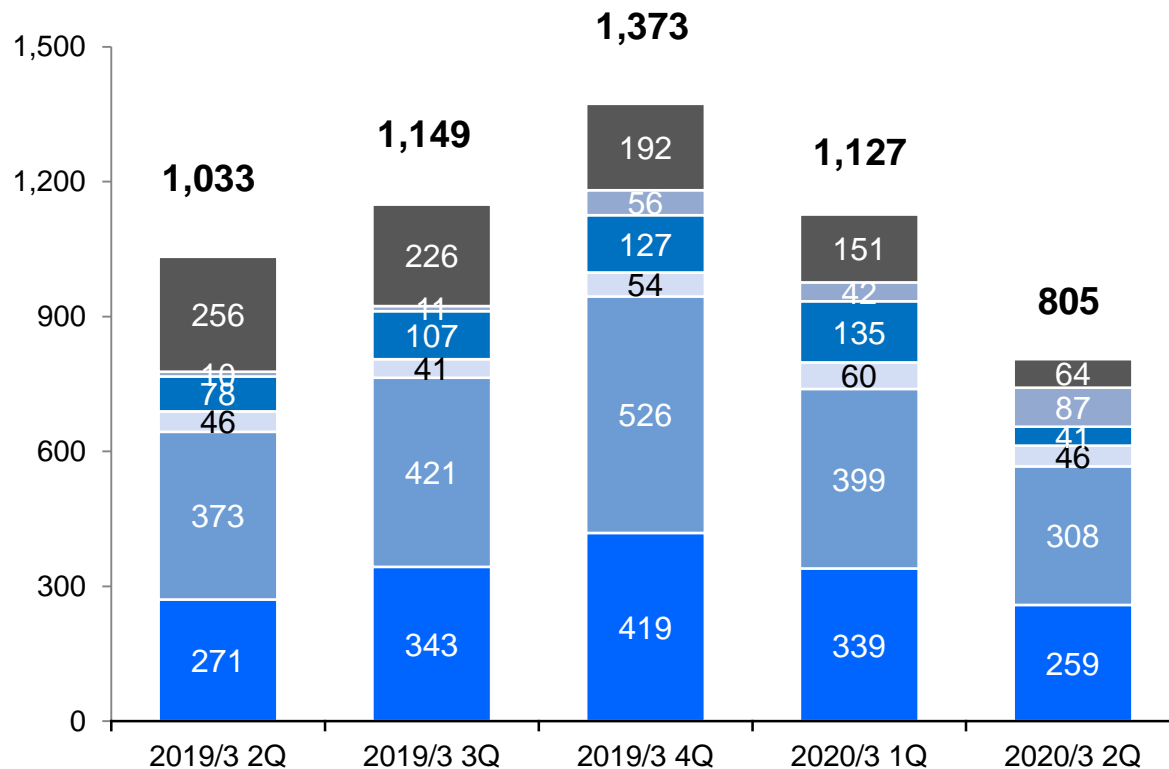
*Figures in parenthesis is the variance from previous quarter (JPY million)

■ Others (+4)
■ Trading income (-477)

Crypto : Coincheck executed a significant fixed cost reduction

■ Quarterly SG&A

(JPY million)



Quarterly SG&A -28.5% (-321)

*Figures in parenthesis is the variance from previous quarter (JPY million)

- Others (-87)
- Advertising expenses (+45)
- Communication, freight and information expenses (-94)
- Commissions paid, exchange and association dues (-13)
- Compensation and benefits (-91)
- System related expenses (-81)

The difference between “Net capital” and “Non-current assets” is the source of funds for investments and shareholders distribution

◆ Summary of consolidated statement of financial position as of Sep 30, 2019

<u>Assets</u> JPY 1,063.0B	<u>Liabilities</u> JPY 985.9B
Major assets: Assets related to financial instruments trading business JPY 779.3B	Major liabilities: Liabilities related to financial instruments trading business JPY 971.5B
Others JPY 53.4B	Others JPY 14.4B
Cash and cash equivalents JPY 174.1B	
Non-current assets (*1) JPY 56.2B	Net capital JPY 77.2B

(*1) Non-current assets

Property and equipment	JPY	4.9B
Intangible assets (Goodwill)	JPY	17.0B (*2)
Intangible assets (Identifiable intangible assets)	JPY	9.8B (*3)
Intangible assets (Software and others)	JPY	19.9B
Equity method investments	JPY	0.3B
Available-for-sale investments in securities (Lv.3)	JPY	4.3B

(*2) Goodwill: JPY 17.0B

Japan JPY 7.8B, US JPY 8.8B, Asia Pacific JPY 0.4B

(*3) Identifiable intangible assets: JPY 9.8B

US JPY 9.3B, AP JPY 0.5B

◆ The JPY 21.0B difference between Net capital (JPY 77.2B) and Non-current assets (JPY 56.2B) is the source of funds for the following:

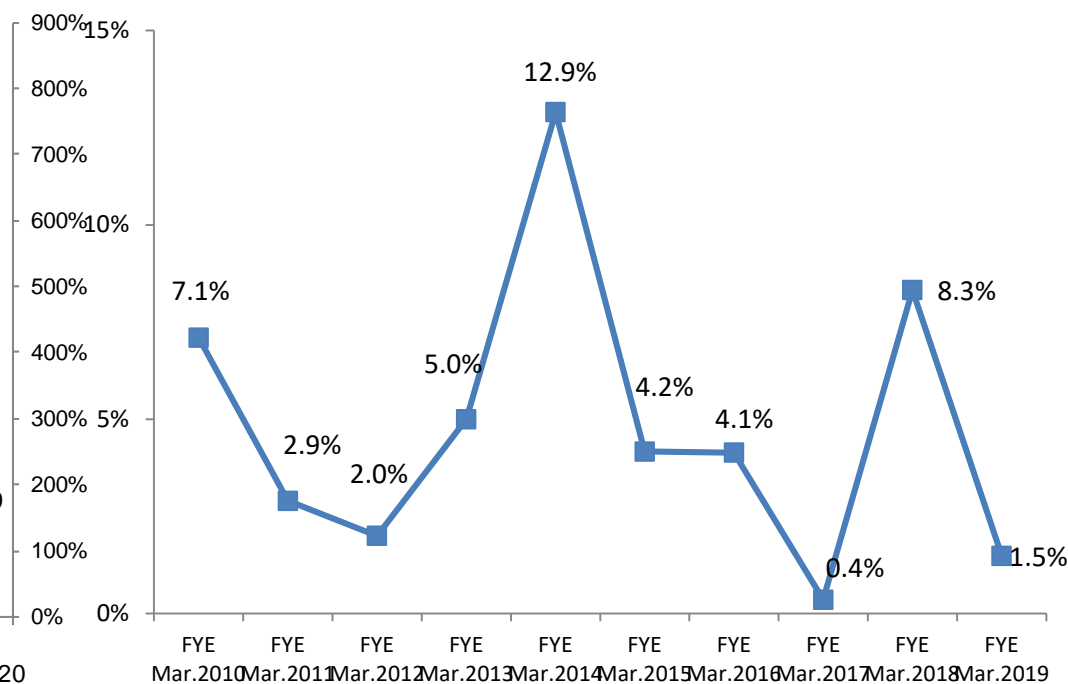
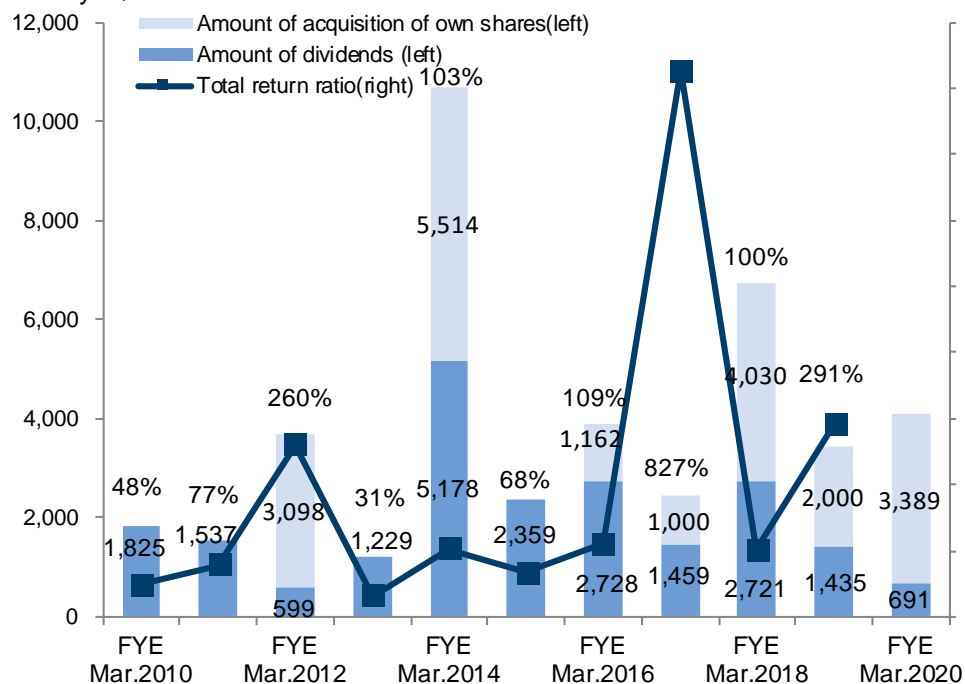
1. To comply with capital adequacy ratio regulations for securities subsidiaries in Japan and overseas
2. Internal reserve for investments in future businesses
3. Shareholders distribution (dividends + share buyback)

Total return ratio (*1) is 75% on a multi-year basis

◆ Total return amount(*2) and total return ratio

◆ Return on Equity ratio

(million yen)



(*1) Total return ratio = (dividend paid*3 + amount of share buyback*4) / profit attributable to owners of the Company

(*2) Total return amount = dividend paid + amount of share buyback

(*3) Refer to P52 "Dividend history" for more information of dividend per share

(*4) Amount of share buyback : JPY 3.1B in Jun. 2011, 5.5B in May 2013, 1.2B in Jul.-Aug.2015, 1.0B in May-Jun. 2016, 1.0B in May 2017, 3.0B in Feb.-Mar. 2018, 2.0B in Aug. 2018, 3.4B in Jul.-Aug. 2019

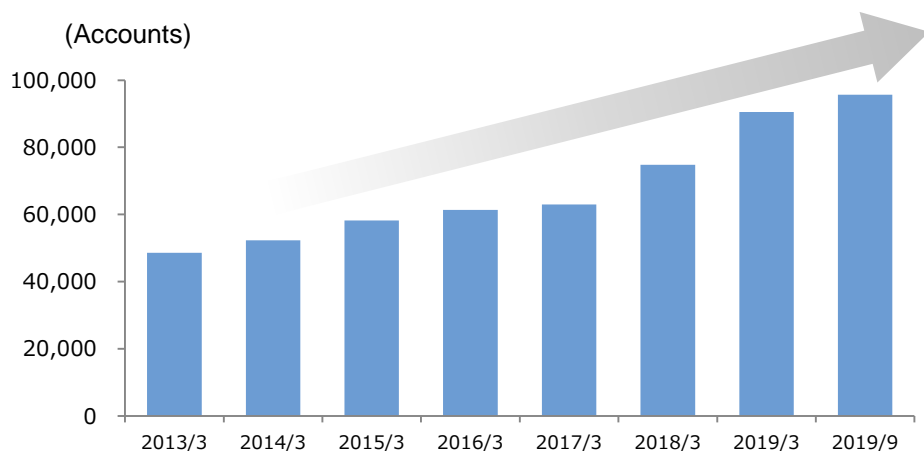
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Account growth was at the record high. “TSgo” will accelerate the growth further

- New branding and simplified offerings continue to successfully attract casual traders/millennials to expand customer base
- Free trade campaign was a key driver to record highest number of quarterly account openings
- Limited impact expected in FY19 from the conversion of legacy commission plans to “TSgo”
- Efforts to differentiate through product, service and education in a community-focused platform that includes gamification elements are already underway towards the launch

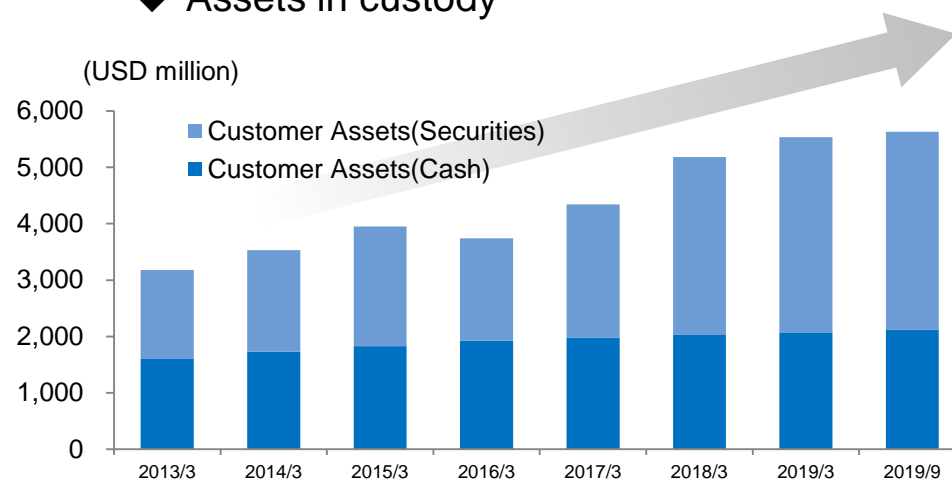
◆ Account growth

(Accounts)



◆ Assets in custody

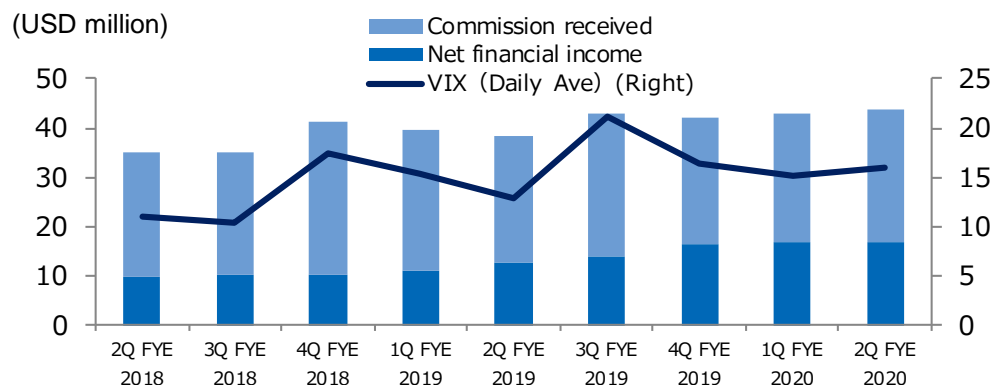
(USD million)



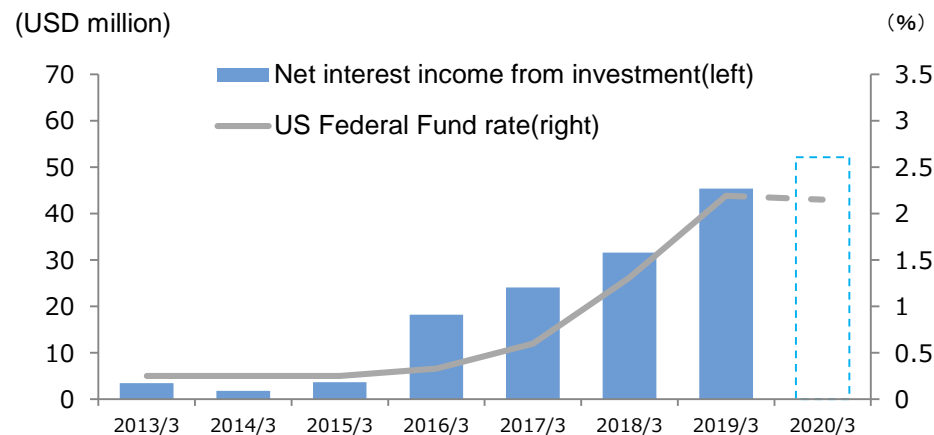
Diversify the revenue stream with the development of new businesses while growing existing profits through expansion of customer base

- Commission received plus net financial income increased by 1% on QoQ. Commission received increased by approximately 1% under higher intraday volatility due to the market uncertainty over the rate cut, trade war, etc.
- Net interest income in 2Q was \$14M. Net interest income in FYE March 2020 is expected to be between \$51M and \$53M, even if there are additional rate cuts during the remainder of the year (Net interest income in FYE March 2019 was approximately \$45M)
- TradeStation Crypto, Inc. launched beta-testing of its cryptocurrency service in October and is preparing for an official launch in November

◆ VIX and commission received + net financial income



◆ Net interest income(*) and US Federal Fund rate



* Excluding income from margin trading and stock lending

Aiming to expand customer base and to create a new asset-based revenue stream

Wealth Creation Service

Monex Stock Scouter

- Implemented several feature updates including optimization for mobile phone usage

Mutual Fund

- Widened the list of mutual funds qualified for Monex Points. Monex Securities will strengthen fund reserve as well as improve UI/UX

Monex SP Trust, Inc.

- In response to the wealth management needs for super-aged society, Monex SP prepares for property management/inheritance services

IFA Services (Independent Financial Advisor)

- Established Wealth Management Promotion Office to prepare for IFA service launch, planning to increase asset in custody as well as to provide a better asset management to high-net-worth clients

Intermediary Service

API Cooperation

- Utilizing APIs, generated from in-house system, with Money Forward, Inc. and Zaim, Inc. promote the wealth creation of individual traders



Monex-Saison-Vanguard Investment Partners, Inc.

- “MSV LIFE” is in the process of fully improving its UI/UX
- Several financial institutions introduced a face-to-face support service “MSV COMPASS+” including Okachi Securities Co., Ltd who started in Oct 2019

Financial Instruments Intermediary Service

- Shizuoka Bank, FIDEA Holdings Co., Ltd. and TOMONY Holdings, Inc. offer financial instruments intermediary service in partnership with Monex Securities
- Also provide intermediary service of US equities to several securities firms

Favorable growth in US equity trading and FX market share

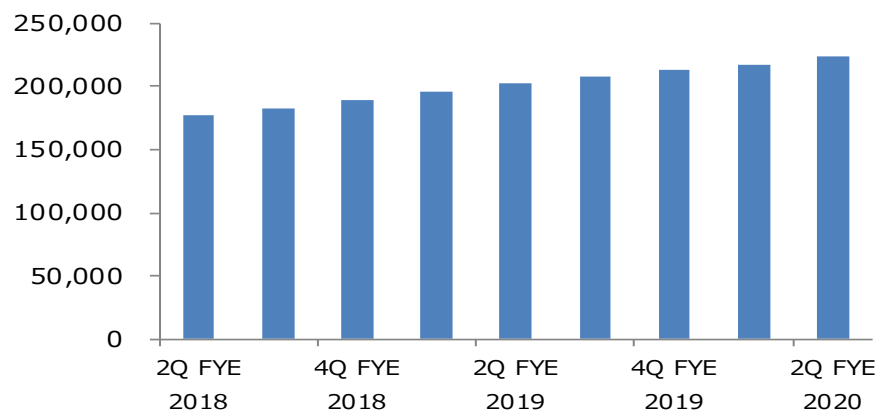
US Equity Trading



- The minimum transaction fee for US equities was abolished from the beginning of July
- Number of transactions and number of active accounts increased by 46% and 34% QoQ
- The ratio of US equity transactions through mobile phone application reached 35%. The app specialized for US equity trading and is the only offering among the major online brokers*

* SBI SECURITIES CO., Ltd., kabu.com Securities CO., Ltd., Matsui Securities Co.Ltd., Rakuten Securities, Inc, Monex, Inc.

◆ Number of Foreign equities trading accounts

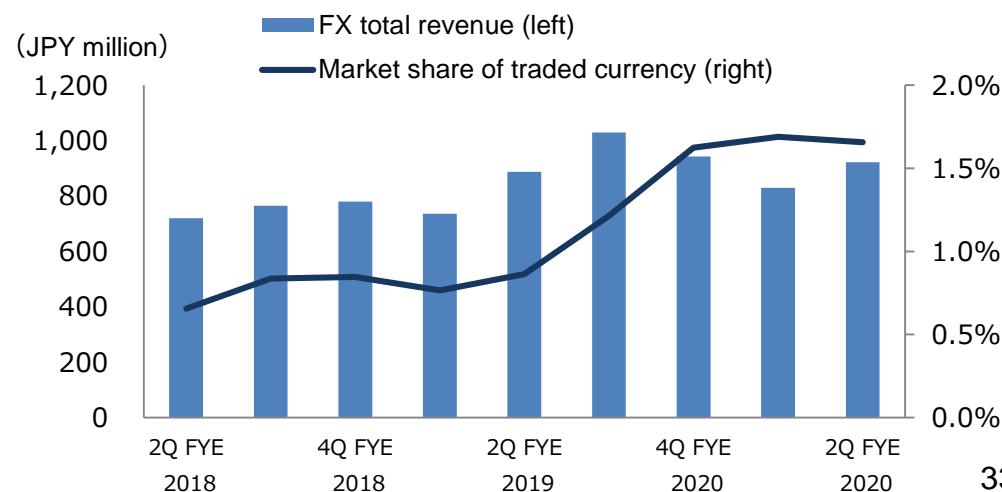


FX Trading



- Market share of traded currency in FX trading reached to 1.7%, twice as large as 2Q FYE 2018
- The spread of the Monex Securities' FX service "FX PLUS" was tightened in Nov 2018. Additionally, the spread of USD/JPY transaction was tightened further in Oct 2019

◆ Total FX revenue and market share



Promote initiatives for activation of Japanese stock market

Acquisition of Active Traders

Margin Trading Services

- Expanded the list of stocks for short trading service of general margin trading, especially those coming with some shareholders benefits
- Reduced margin transaction lending fees for general margin trading to the lowest level among the major online brokers
- Preparing for margin trading service at PTS

Activism Initiatives

Monex Activist Forum (since Jan 2019)

- Aims to facilitate communication between individual investors and companies, and enhance the value of Japanese equities. It also deepens individual investors' understanding of shareholders' rights and encourage them to exercise their rights properly as activist investors
- Founded a company, Monex Activism Japan Initiative, Inc.(MAJI), to strengthen and sustain the activity of Monex Activist Forum. Monex will keep enhancing engagement and activism to lead to the activation and prosperity of the Japanese capital market

Successfully reduced fixed cost and lowered its break-even point. Promote new initiatives including customer expansion and adding new cryptocurrencies

Revenue Stream and Competitiveness

- Operates BTC exchange/market place and the market place of 9 altcoins in Japan
- Easy-to-use UI/UX for beginners, reaching young people with little investment experience
- In adding new cryptocurrencies, an organizational structure to comprehensively research and select the cryptocurrencies reliable to offer to customers and an in-house blockchain engineer system that allows immediate and flexible development are managed
- Conduct thorough cold wallet management for all cryptocurrencies to minimize risks

New Initiatives

- Started to study IEO (Initial Exchange Offering) fundraising model with several companies
- “Blockchain Lab” sought collaboration with several companies with an aim to develop services other than cryptocurrency exchange

Number of registered users increased by alliances with group companies

Registered and ID-confirmed Users

Number of app downloads

2.62M

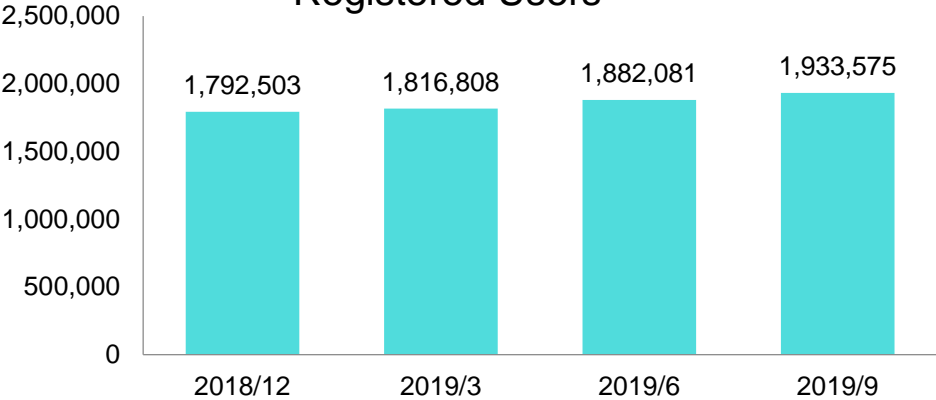
Registered users

1.93M

Users with
ID confirmed

0.92M

■ Accumulated Number of
Registered Users



User Acquisitions

Monex Group Shareholders' Benefits

Grant ¥500 worth of Bitcoin to Monex Group shareholders who opened a Coincheck account during the period

Monex Securities Offline Seminar

Coincheck exhibits at the Monex Securities's offline events and provide guidances to open Coincheck account, expanding its reach to stock traders

Monex Points Exchangable with Cryptocurrencies

Monex Points can be exchanged with cryptocurrencies and users can receive them in Coincheck account

Monex Crypto Bank launched a new database service “LOOKBLOCK”



Offers holistic database services, delivering information on companies and products involved in cryptoassets and blockchain, aiming to expand its institutional users and planning to shift from free-use to subscription model



Users can earn Bitcoin by answering simple questionnaires or read cryptocurrency related articles through “Cheese” app



A web-based media “Block Insight” is delivering news and information regarding cryptoassets under a brand of “Monex Cryptocurrency Lab”

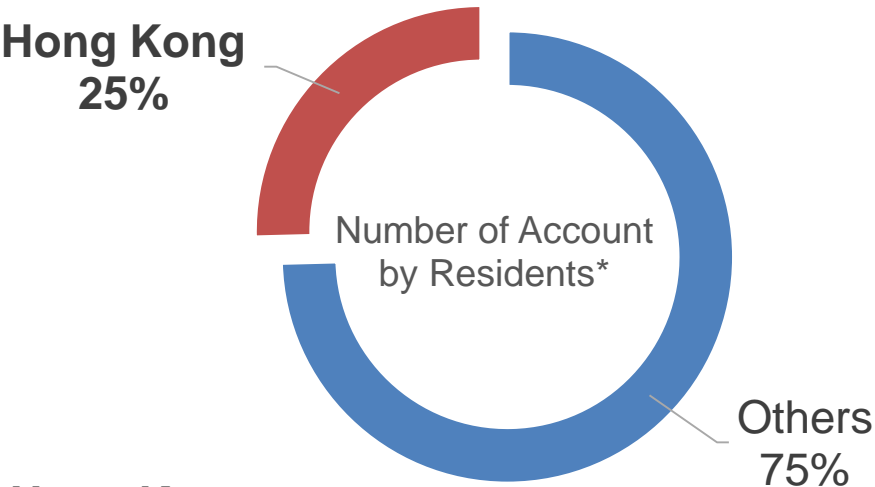
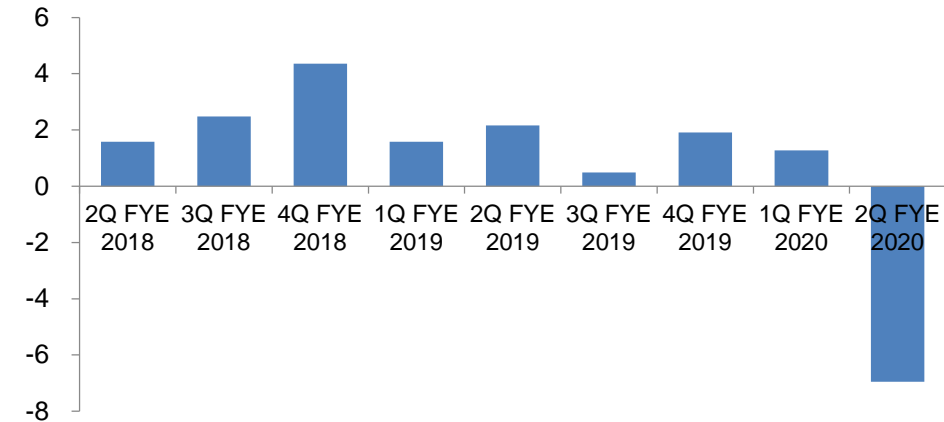
Hong Kong residents account for only 25% of Monex Boom Securities customers.
The revenue impact from the political instability is limited

Monex Boom Securities (HK)

- Temporary loss from a bad debt for margin loan lending ¥0.11B caused the first deficit after the fiscal year 2017
- Limited impact is expected from the political instability in Hong Kong

◆ Amount equivalent to total operating revenue

(HKD million)



* Average of monthly ratio in Q2 FYE 2020


MV1 attracts promising investment opportunities by leveraging its unique network

Details of MV1 Fund


Features	Active support for startups in product development and growth stages
Investment Size	2.5 billion yen (Founded in Jan 2019)
Investment Record	Invested in 14 start-ups who has an advanced and innovative services (As of Sep 30)

Recent Investment Record of MV1


Asset Management




EC




Market Place



B2B SaaS



Ad Tech



R&D purpose investment*

IoT



Blockchain



Cryptocurrency



Blockchain



Cryptocurrency



Cryptocurrency



Blockchain



Cryptocurrency/OTC



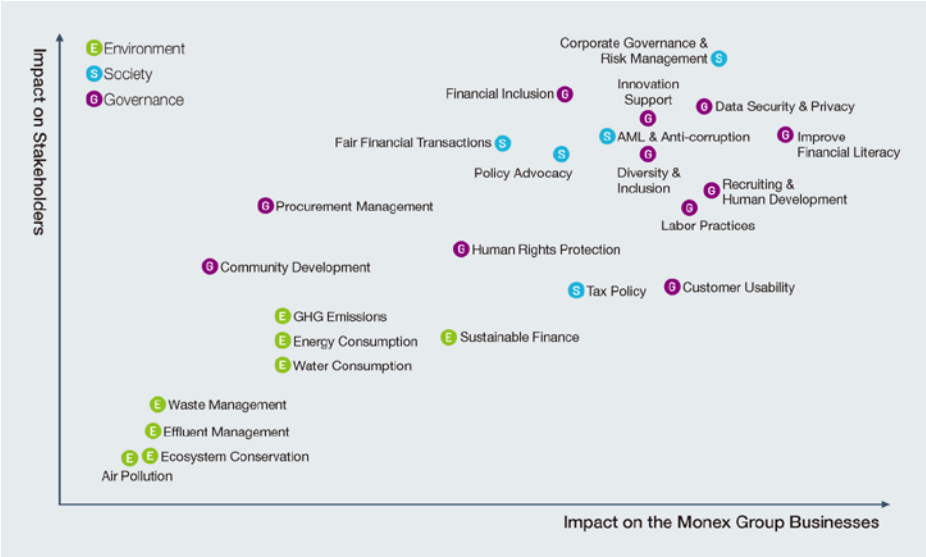
* Including the investments aside from Investment Segment

Contribute to the sound development of the capital market and promote initiatives that lead to sustainable growth of Monex Group

Materiality Matrix

Disclosing Materiality Matrix

- Prioritized ESG topics based on our group challenges and the social problems. The chart below is disclosed on our website*



ESG Initiatives

Awarded Gold Rating for PRIDE index

- Monex Group and Monex Securities each awarded the highest ranked PRIDE Index 2019 Gold Rating for their LGBT initiatives

Other ESG Initiatives

- Financial education program to “democratize” capital market in Japan, US, Hong Kong
- Disclosed “Code of Conduct” and “Human Rights Policy” *
- Return rate after the maternity leave in Japan segment is almost 100% (37 people). Monex also promotes male childcare leave

Risk Management System

- Monex Group, Inc. investigates the risks of each subsidiary and overseas

Corporate Governance

- Please refer to P47

-
- I. Highlights
 - II. Consolidated Performance
 - III. Business Update

Appendix. Group Overview

Enhance corporate value driven by the steady growth of online brokerage businesses and the mid-to-long term growth drivers

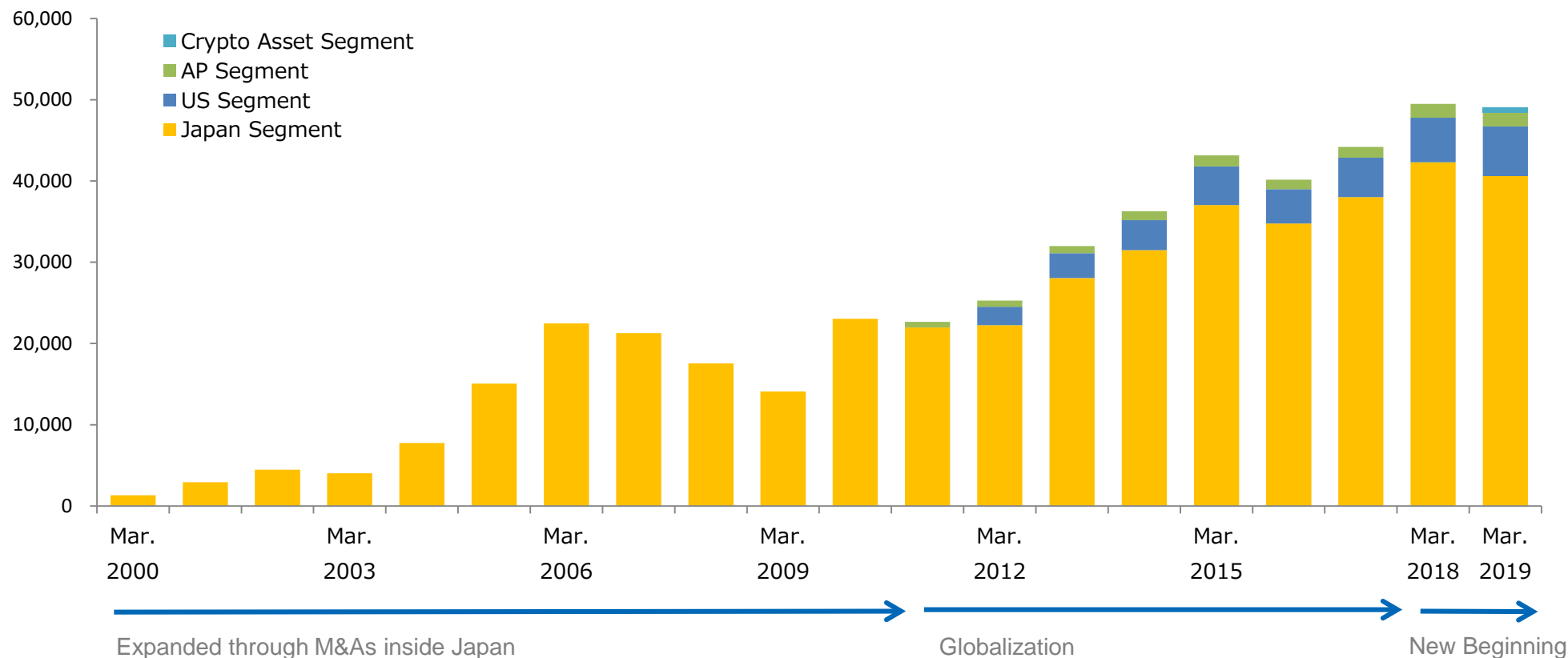


Japan	2019/9 EBITDA* ¥ 3.2 B Collaborate with Coincheck	Crypto Asset	Finance in a New Age Explore new businesses with Blockchain technology on top of cryptocurrency exchange.	Consolidated	2Q of FYE Mar. 2019 EBITDA* ¥ 6.2 B Market Cap (Sep. 30, 2019) ¥ 82.8 B
US	2019/9 EBITDA* ¥ 2.8 B Number of active account is steadily growing	Investment	Drive Innovation Established a flagship fund. Startup investment in the financial infrastructure business sector		
HK	2019/9 EBITDA* ¥ -0.1 B One of the oldest online brokers in Asia-Pacific region	Asia Pacific	Global Business Expansion Regional expansion, JV in mainland China and Monex Securities Australia		

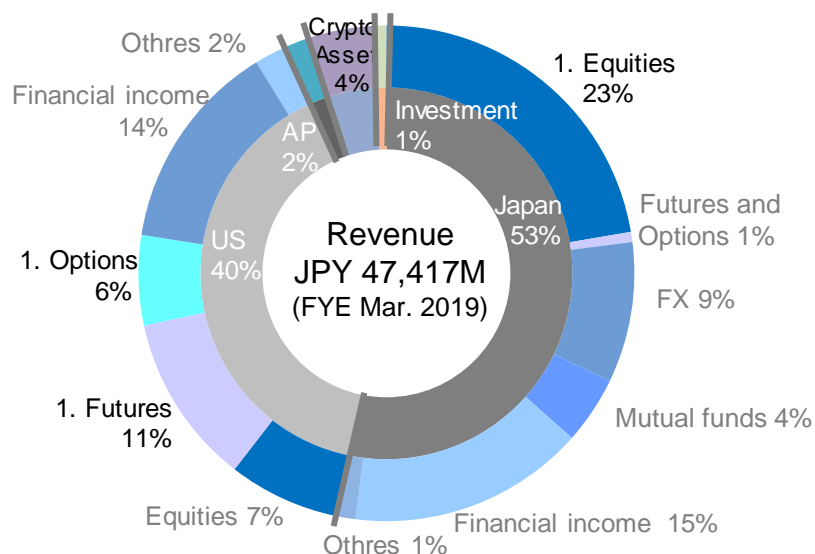
*Cumulative total from April to September 2019

- ✓ Japan: 1.83M accounts, Crypto Asset: 1.93M users, US: 117K accounts, AP: 13K accounts.
Established global customer base as a group
- ✓ Aim for continuous growth in the online brokerage business and enhancement of crypto asset business for retail investors as our core business

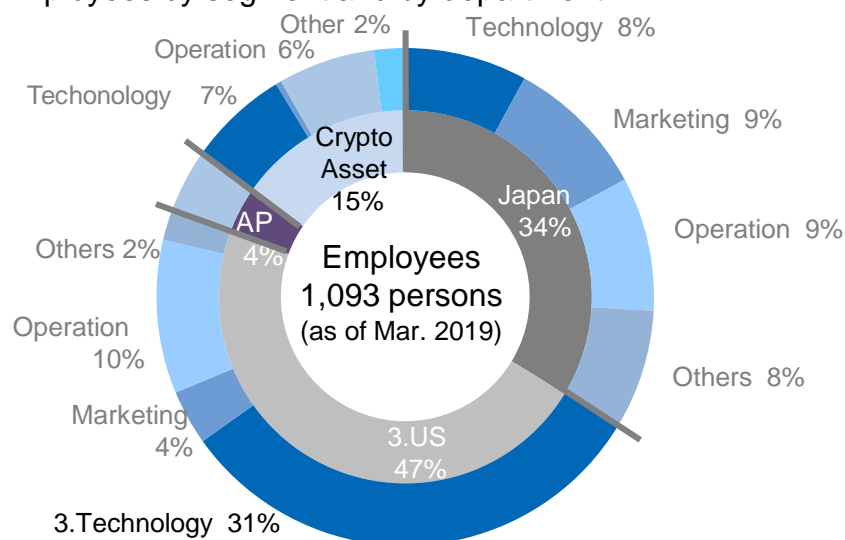
(JPY 100 million) ◆ Consolidated Assets in Custody



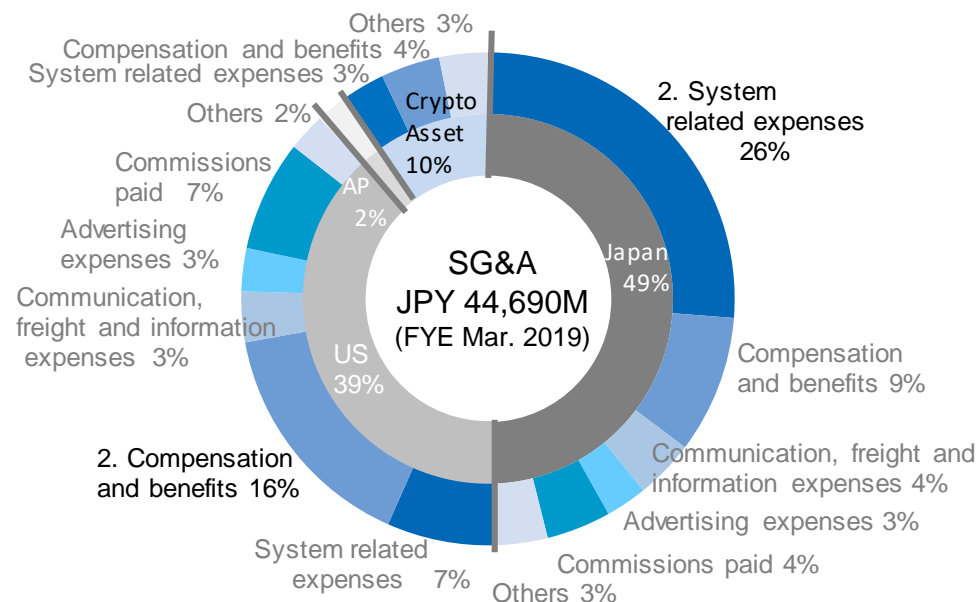
◆ Total operating revenue after deducting financial expenses by region and by business



◆ Employees by segment and by department

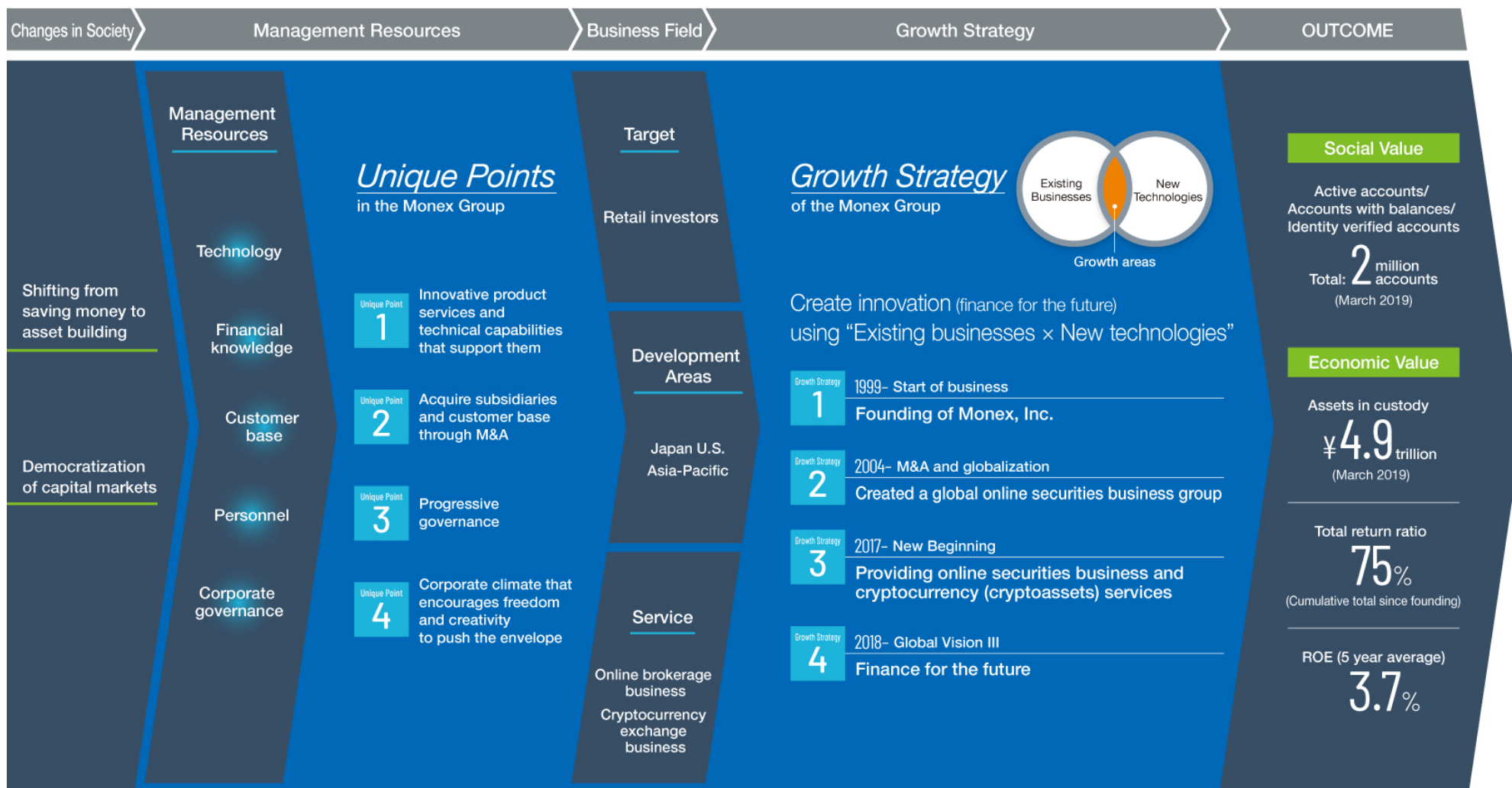


◆ SG&A by segment and by cost items

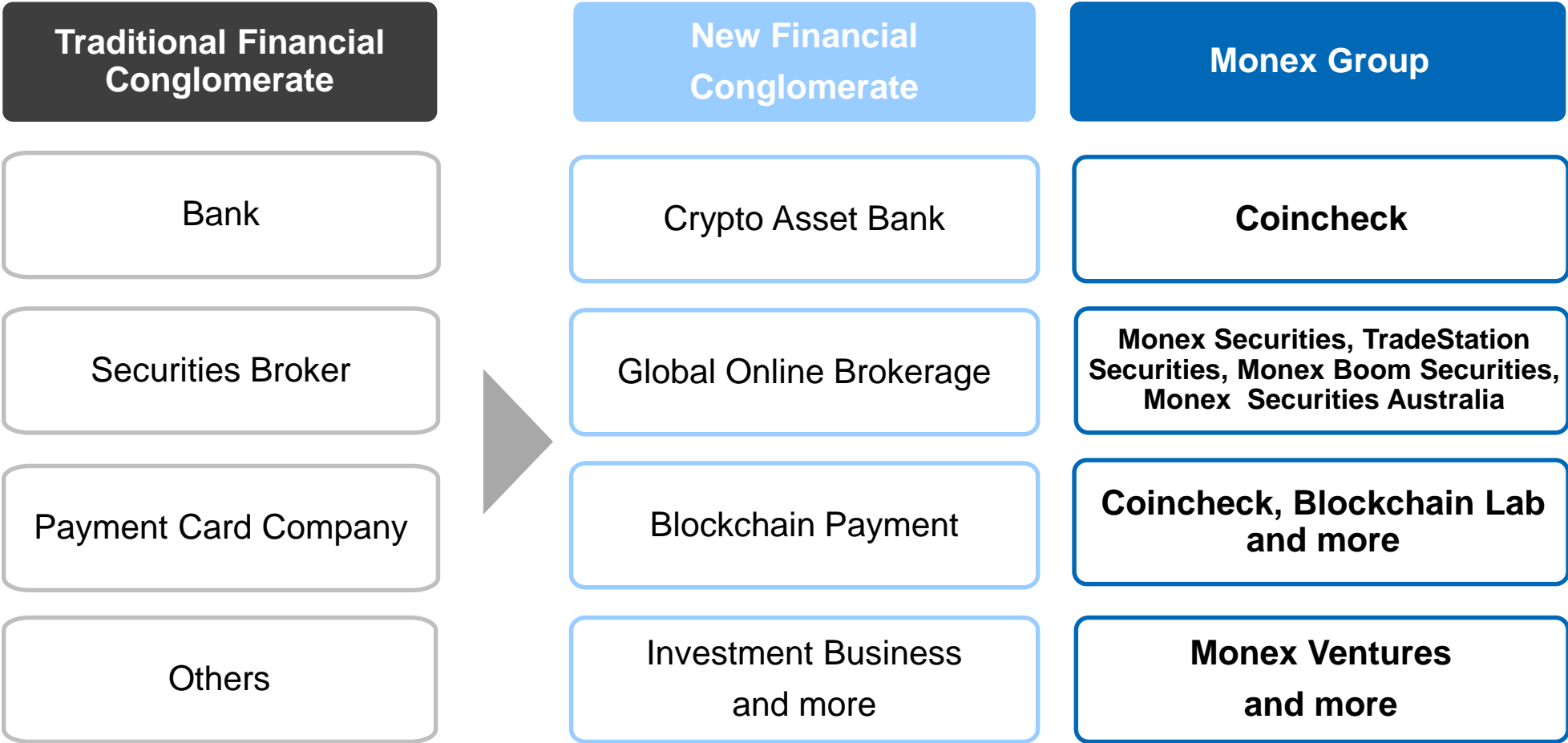


- *1. Total operating revenue after deducting financial expenses : Japan accounts for 1/2. Revenue in Japan primarily from equities while revenue in the US primarily from futures and options
- *2. Total SG&A : Japan accounts for 50% and US accounts for 40%. However, half of the Japanese portion is made up of system related costs, whereas the largest percentage of the US total is from compensation and benefits costs
- *3. Employees: US accounts for 50%. US has a larger number of technology-related employees as it internally develops its system

Democratization of capital markets is our core value and the key driver for the Company's sustainable growth



New financial conglomerate in a new age



Established global-standard corporate governance practices and emphasis on dialogue with retail/institutional investors

Adoption of “company with three committees” structure - highly effective executive management monitoring system

- Adopted “company with committees” structure in June 2013
- Each of the three committees is chaired by an independent & outside director

Directors with various backgrounds

- Six out of nine directors qualify as “independent & outside” directors and four out of six independent & outside directors have managed companies
- Appointed a lead outside director. Actively exchanges opinions at meetings led by the lead outside director and composed mainly by independent & outside directors
- Various backgrounds: Management experience (current/former CEOs of listed companies or global companies), expertise (lawyer, CPA), business experience (finance, IT, global business), culture & society (gender, country of residence, nationality)

Fair disclosure and dialogue for retail/institutional investors

- Timely and fair information disclosure both in Japanese and English
- Active dialogue with shareholders: CEO holds quarterly presentation sessions for retail shareholders
- Annual general meeting of shareholders is held on weekend so that retail shareholders can attend the meeting, also we stopped to ask the questioner to make a statement of his/her name or the shareholder number at its Q&A session

(Reference)

15th ordinary general meeting of shareholders (June 22, 2019); Attendance of shareholders: 529



MONEX GROUP

Monex Group, Inc.

(As of Sep. 30, 2019)

Listed Holding Company

[Japan]

Online Securities Company



MONEX

Monex, Inc.
Comprehensive investment
service provider

Cryptocurrency exchange
service provider



Coincheck

Coincheck, Inc.
Cryptocurrency exchange platform
"Coincheck"

Corporate Venture Capital



Monex Ventures, Inc.
Venture capital business

Monex Finance Corporation

Finance company for the group companies
of Monex Group

Asset Management



Monex-Saison-Vanguard Investment Partners, Inc.

Small-lot and low-cost discretionary investment management
wrap service
(Investment Ratio) Monex G: 51%

Cryptocurrency

Monex Crypto Bank, Inc.

Management of a web media, Monex Cryptocurrency Lab.
Research, study, plan, development and consulting of
cryptocurrency related services

[US/Europe]



TradeStation Group, Inc.
Holding Company in the U.S.

Online Securities Company

TradeStation Securities, Inc.
Service appealing to active traders (US)

Cryptocurrency

TradeStation Crypto, Inc.
(US)

Technology

TradeStation Technologies, Inc.
(US)

TradeStation Global Services, S.A.
(Costa Rica)

EU Base

TradeStation International Limited
Introducing international customers

[Asia Pacific]

Monex International Limited
Holding Company in Hong Kong

Online Securities Company



Monex Boom Securities (H.K.) Limited
Online securities group in Hong Kong

Beijing Representative Office
(Monex, Inc.)

Online Securities Company



Monex Securities Australia Pty Ltd
(Australia)

Technology support

Cherry Technology Co., Ltd
[Equity method affiliates]
(Investment Ratio) Monex G: 49%

* Companies with no reference to investment ratio are wholly-owned subsidiaries of Monex Group, Inc.

■ Monex, Inc. (Tokyo, Japan)

One of the major online brokerage firms in Japan

- President : Yuko Seimei
- Founded in 1999
- Aims to provide retail investors the level of creative products & services offered to institutional investors
- First in the Japanese industry to offer unique services & products for retail investors (Examples): PTS/ECN, stock lending, lead manager in an IPO as an online broker, RMB bonds, No.1 U.S. equity service in Japan (the largest number of stock names available, the longest trading hours & the lowest commissions), offering the largest-class private equity fund in the world, First smartphone app for US equity as major online broker
- Products & services: Equities (Japan, U.S., Hong Kong), futures & options, FX, mutual funds, bonds, investment education, etc.
- # of total accounts: 1.83 million
- # of active accounts: 1.06million
- ("Active accounts": accounts with balance or with at least one trade or transaction a year.)
- Customer assets held in custody: JPY 4.1 trillion

■ Coincheck, Inc. (Tokyo, Japan)

- President : Toshihiko Katsuya
- Founded in 2012, joined Monex Group in April. 2018
- Offers cryptocurrency exchange service for 1.93 million users
- Number of accounts which identity is confirmed: 0.92 million
- Customer assets held in custody: JPY 78.5 billion

■ TradeStation Group, Inc. (Florida, U.S.)

Online securities group with award-winning trading technology development capabilities

- President: John Bartleman
- Founded in 1982, joined Monex Group in Jun. 2011
- An award-winning TradeStation platform recognized and highly regarded by active traders; a multi-asset platform with a robust algorithm trading language (EasyLanguage®) that enables sophisticated analysis capabilities and back-testing ability
- Licenses "TradeStation" platform as a technology provider to brokers in Japan, China and Korea
- Products & services: Equities (U.S.), options and futures
- # of active accounts: 95,685
- Customer assets held in custody: JPY 608.2 billion

■ Monex Boom Securities (H.K.) Limited

- Offers access to over 12 markets
- COO: Ivan Law
- Founded in 1997, joined Monex Group in Dec. 2010
- First online stockbroker for retail investors in Asia Pacific
- Products & services: Equities (12 markets such as Hong Kong, US, Japan, etc.) Trades available in 6 currencies in a single trading account
- # of accounts with balance: 13,455
- Customer assets held in custody: JPY 143,130 million

■ Monex Securities Australia Pty Ltd (Australia)

- Utilized the system and operating structure of Monex Boom Securities Group
- Managing Director: Alex Douglas
- Established in 2010, joined Monex Group in Jun. 2011

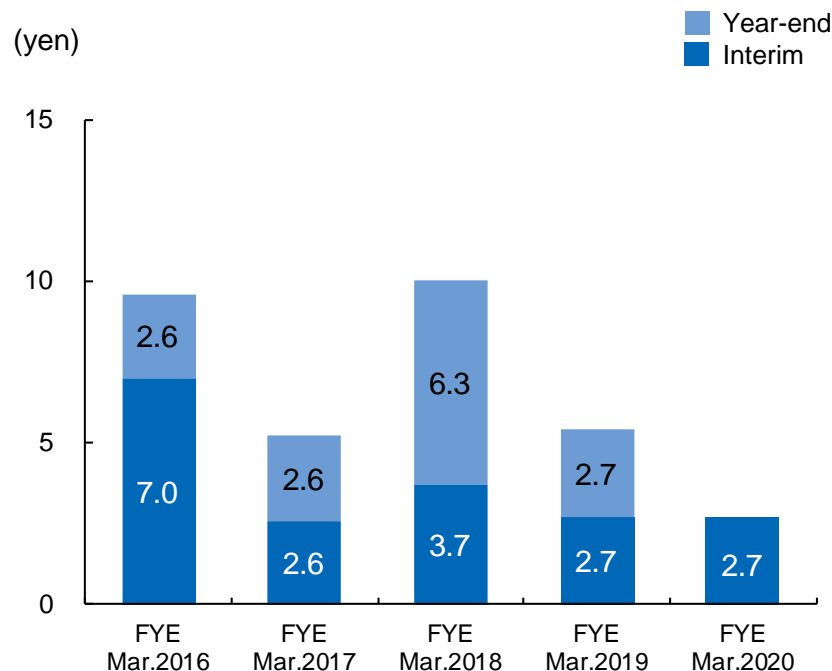
	Japan	U.S.	Asia Pacific
1982		- TradeStation Technologies, Inc. is formed as Omega Research, Inc.	
1997		- TradeStation stock lists on NASDAQ	- Boom Securities (H.K.) Limited is founded (now Monex Boom Securities (H.K.) Limited), becoming the first in Asia Pacific to launch Internet stock trading for retail investors
1999	- Monex, Inc. is co-founded by Oki Matsumoto and Sony Corporation - Begins offering online brokerage service upon complete liberalization of stock brokerage commissions in Japan		
2000	- Monex, Inc. stock is listed on the Tokyo Stock Exchange "Mothers" Market	- TradeStation acquires Online Trading.com, a direct-access securities brokerage firm	
2004	- Monex Beans Holdings, Inc. (now Monex Group, Inc.) is established through a business integration of Monex, Inc. and Nikko Beans, Inc. - Monex Group, Inc. stock is listed on the Tokyo Stock Exchange "Mothers" Market in exchange for the delisting of Monex, Inc. stock		
2005	- Monex, Inc. and Nikko Beans, Inc. merge to become Monex, Inc. (former name: Monex Beans, Inc.) - Monex Group, Inc. stock changes its listing from the "Mothers" Market to the First Section of the Tokyo Stock Exchange - Monex Business Incubation, Inc. (now Monex Group, Inc.) is established		
2006		- TradeStation Europe Limited receives approval from the FSA (UK) as an introducing broker	
2008	- Acquisition of 90% shares of Tokyo Forex (absorbed in absorption-type merger by Monex, Inc. in 2015)		- Monex Group, Inc. opens a Beijing Representative Office (closed in 2012 after opening Monex, Inc.'s Beijing Representative Office)
2010	- Monex Group, Inc. completes a share exchange to acquire Orix Securities Corporation - Monex, Inc. merges with Orix Securities Corporation		- Monex, Inc. opens a Beijing Representative Office - Boom group companies (now Monex Boom group companies) become wholly-owned subsidiaries of Monex Group, Inc.
2011		- TradeStation becomes a wholly-owned subsidiary of Monex Group, Inc. and its stock delisted from NASDAQ - TradeStation Group, Inc. acquires IBFX Holdings, LLC	
2012	- Monex Group, Inc. acquires Sony Bank Securities Inc.	- TradeStation Global Services, S.A. (Costa Rica) is established	
2013	- Monex, Inc. merges with Sony Bank Securities Inc. - Monex Group, Inc. becomes a Company with Committees - Monex Group, Inc. implements a stock split (1:100)		
2015	- Monex, Inc. merges with Monex FX, Inc. - Monex-Saison-Vanguard Investment Partners, Inc. is established		- Cherry Technology Co., Ltd, which provides technical support in PRC, is established
2017	- Monex Finance, Inc. is established - Monex Crypto Bank, Inc. is established		
2018	- Monex Cryptocurrency Lab is set up - Coincheck, Inc. joined Monex Group	- TradeStation Crypto, Inc. is established	- Monex Securities Australia Pty Ltd launched new online brokerage firm for individual investors in Australia
2019	- Acquired Shiawase Partners Trust Co., Ltd and renamed its brand as Monex SP Trust, Inc. - Monex Activism Japan Initiative, Inc. is established		

■ Shareholders distribution

◆ Our basic policy for shareholders distribution

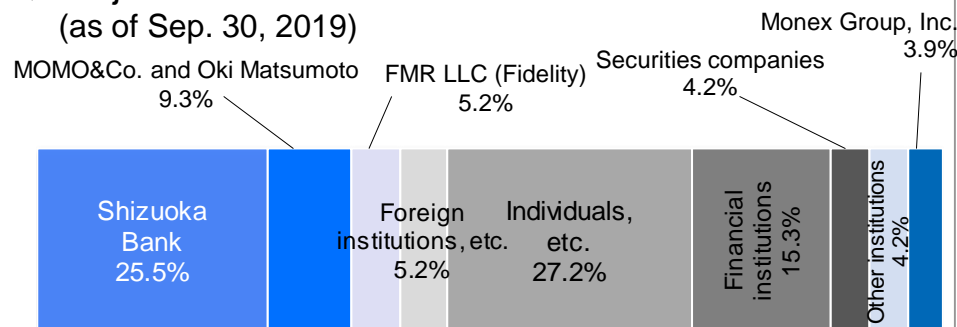
Monex Group aims to provide returns to its shareholders based on the business performance, while securing investment capacity for growth, and targets at a 75% total return ratio on a multi-year basis.

◆ Dividend history



■ Shareholders & indicators per share

◆ Major shareholders and shareholder breakdown (as of Sep. 30, 2019)



The graph made by Monex based on shareholders' list as of Sep. 30, 2019 and the Large shareholding report.

◆ Indicators per share

	FYE Mar. 2016	FYE Mar. 2017	FYE Mar. 2018	FYE Mar. 2019	2Q of FYE Mar. 2020
Equity attributable to owners of the Company per share (BPS)	302.03 Yen	290.00 Yen	298.50 Yen	297.28 Yen	297.22 Yen
Earnings per share attributable to owners of the Company (EPS)	12.46yen	1.06yen	24.33yen	4.42yen	12.77yen *
Rate of Return on Equity(ROE)	4.1%	0.4%	8.3%	1.5%	4.3% *
Dividends per share	9.6yen	5.2yen	10.0yen	5.4 yen	2.7yen (Interim)

* EPS and ROE for 2Q FYE Mar. 2020 show annualized figures obtained by multiplying 2 to actual figures for the quarter