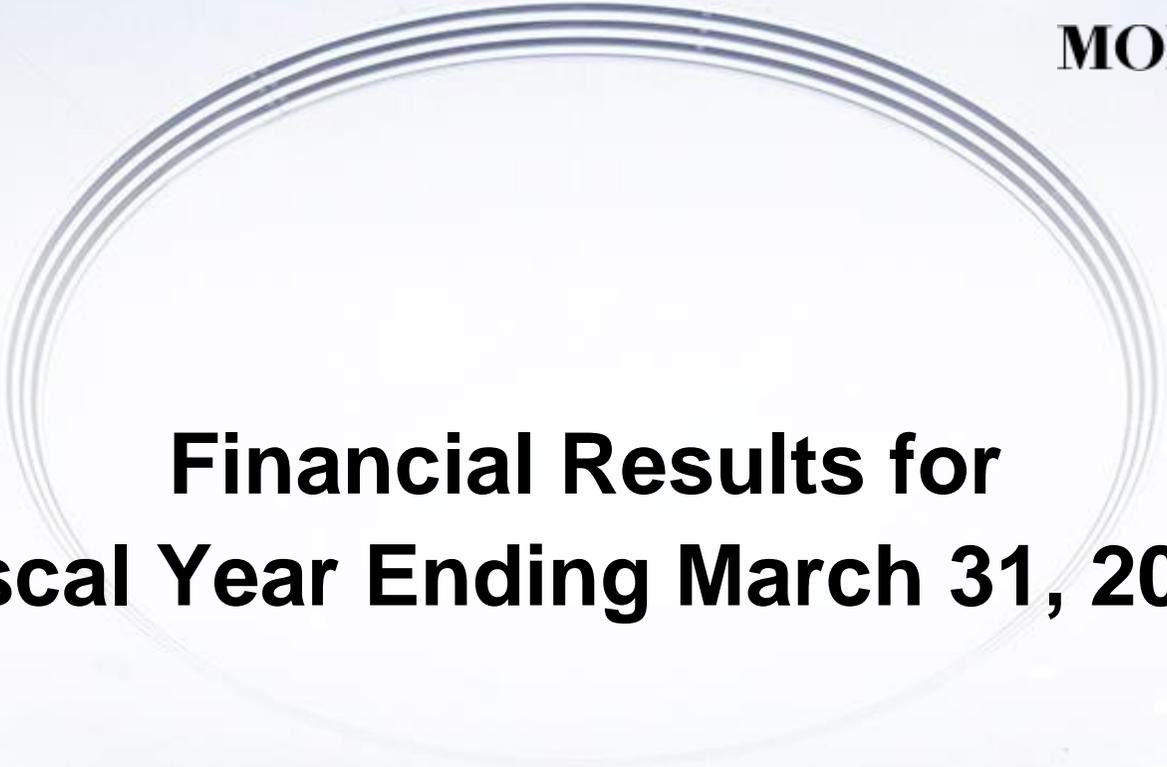
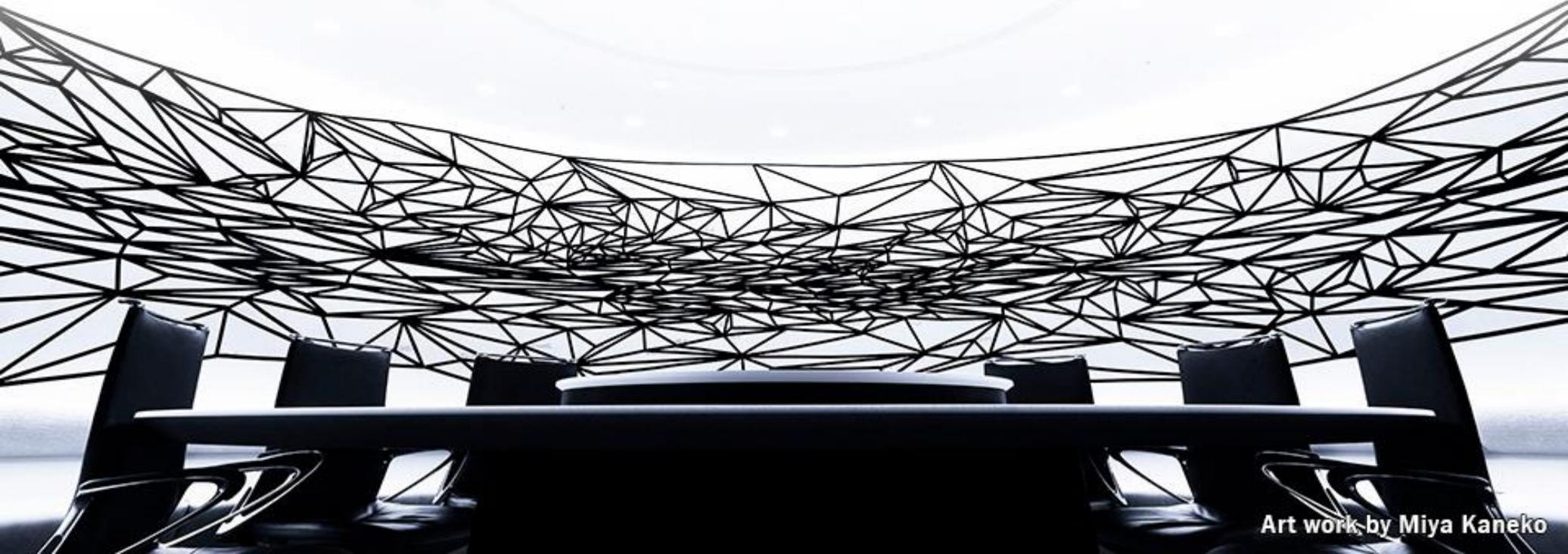


MONEX GROUP

May 7, 2020
TSE 1st Section: 8698



Financial Results for Fiscal Year Ending March 31, 2020



Art work by Miya Kaneko

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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.

I. Highlights

II. Consolidated Performance

III. Business Update

Appendix. Group Overview

The financial performance of Monex Group has been strong despite the global economic downturn, benefiting from extraordinary market activities and volumes.

Social trends in response to the spread of COVID-19

- More people are staying at home in worldwide lockdown
- A spike in market volatility in both Japan and the US brings higher trading volume
- COVID-19 stimulates strong demand for investment and trading opportunities among both experienced and novice investors and traders

Direct impact to the Company's financial status

Trading Volume

A spike in volatility combined with more time to trade at home drove higher market transactions of online brokers. In March, trading volumes reached their highest level since 2013 at Monex Securities and set a **new record** in DARTs at TradeStation

Active Accounts

Number of account openings and reactivation of dormant accounts increased due to higher investment opportunities triggered by recent social uncertainty and falling stock prices. Number of active accounts sets **new records** at all brokerage companies in the group

Monex Group maintains robust systems and operations in high market volumes. Cost-cutting initiatives done at TradeStation on April 28.

System

Systems remain stable across the segments despite the increase in transactions

Operation

Employees have shifted to working remotely where feasible in each of the segments without any negative impact to operations. At the end of April, **55%** of employees at Monex Securities, **75%** at Coincheck and **90%** at TradeStation are working from home

Margin & Leveraged Trading

Bad debts from margin, option and forex trading are minimal at Monex Securities, TradeStation and Monex Boom Securities

Cost-cutting

At TradeStation, adapting to zero commissions and low interest rates environments, Reduction In Force of approx. 50 employees (approx. 10% of the entire company) done to achieve approx. **¥ 750M p.a. reduction in cost.**

Market activity accelerates our new business-model transformation

Japan

Launch of the **Monex Activist Fund** to shift to an asset-management model. Mutual fund installment accounts, deposits and the total units of installment have increased with recent stock price correction as a background

US

Launch of **TradeStation Crypto** and **YouCanTrade** provides a framework to diversify US revenues. Both services have seen early positive signs of customer acceptance, while focus continues on accelerating user growth and expanding product set

Crypto Asset

Revenue growth from **higher volatility** in the cryptocurrency market. The world's first Lisk staking service (see P.42) and new cryptocurrency offering started.

EBITDA increased almost 20% YoY despite the challenging business environment.
Enhance corporate value by the mid-to-long term growth drivers



Japan	<p>2020/3 EBITDA* ¥ 7.7 B</p> <p>Lower market volume and margin balance led to lower EBITDA by ¥ 1.1B</p>	<p>Asset Management Business</p> <p>Unlock Values of Japanese Corps</p> <p>Monex Activist Fund to pursue financial returns for retail investors and corporates' growth</p>	<p>Consolidated</p> <p>FYE Mar. 2020 EBITDA* ¥ 13.3 B (+19% YoY)</p> <p>Market Cap (Mar. 31, 2020) ¥ 44.3 B</p>
US	<p>2020/3 EBITDA* ¥ 5.1 B</p> <p>EBITDA increased by ¥ 0.3B despite the zero-commission and lower interest rate</p>	<p>Investment In Technology</p> <p>Drive Innovation</p> <p>Startup investment in innovative technology including blockchain</p>	
Crypto Asset	<p>2020/3 EBITDA* ¥ 0.8 B</p> <p>Full-year profitability was achieved. EBITDA largely increased by ¥ 3.4B</p>	<p>Trading Community</p> <p>New Business Model & Community</p> <p>Develop social/educational trading community to improve customer retention and increase revenue per customer</p>	

Japan

Trading volume recovered during the 2nd half of the year. Segment profit* was ¥ 2.3B. (Adjusting ¥ 0.3B of unrealized loss on investment securities and ¥ 0.2B of impairment loss on fixed asset, segment profit was ¥ 2.8B)

US

Profit increased due to higher trading volume during market fluctuations even after the decline in interest rates and the introduction of commission free plans. Segment profit was ¥ 1.8B (Normalized segment profit after adjusting ¥ 0.2B of impairment loss on fixed asset was ¥ 2B)

Crypto Asset

Achieved full year profitability for the first time after the acquisition. Revenue increased due to higher trading volume and large cost reduction was executed with a focus on fixed cost to lower a break-even point. Segment profit was ¥ 0.3B

Asia Pacific

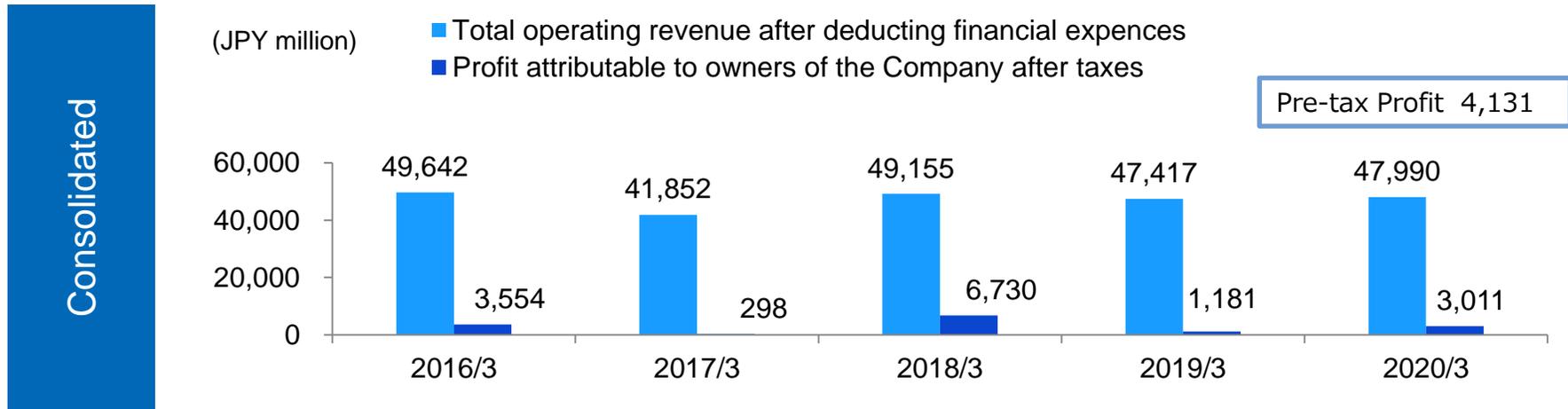
Segment loss* was ¥ 0.2B due to a reserve for bad debt margin loans, even though transaction volumes in HK market increased (Normalized segment loss after adjusting the bad loan reserve was ¥ 10M)

Investment

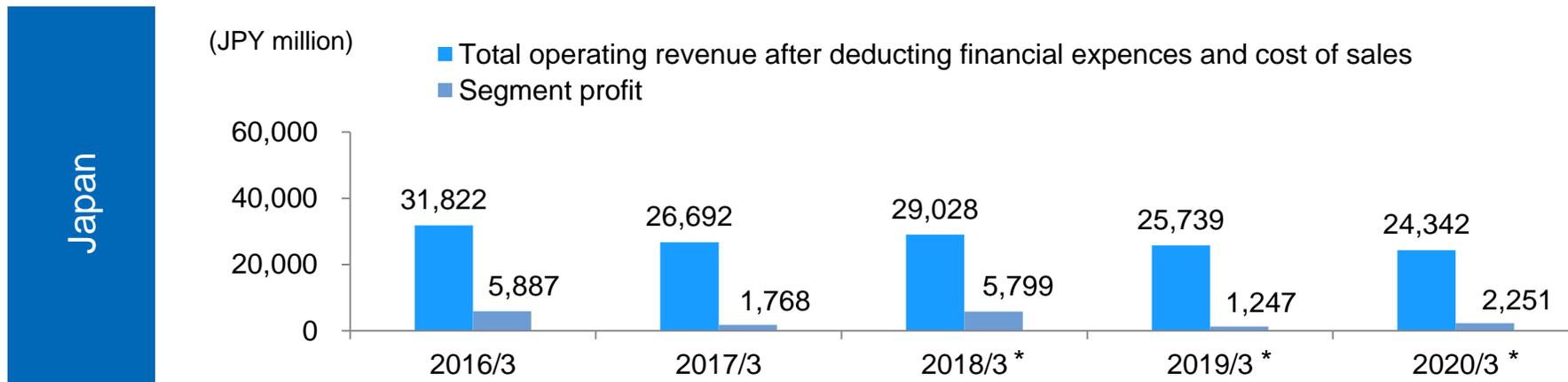
Recorded ¥ 0.15B in unrealized gain and realized gain on sale of investment securities. Expenses were small and segment profit was ¥ 0.1B

* 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



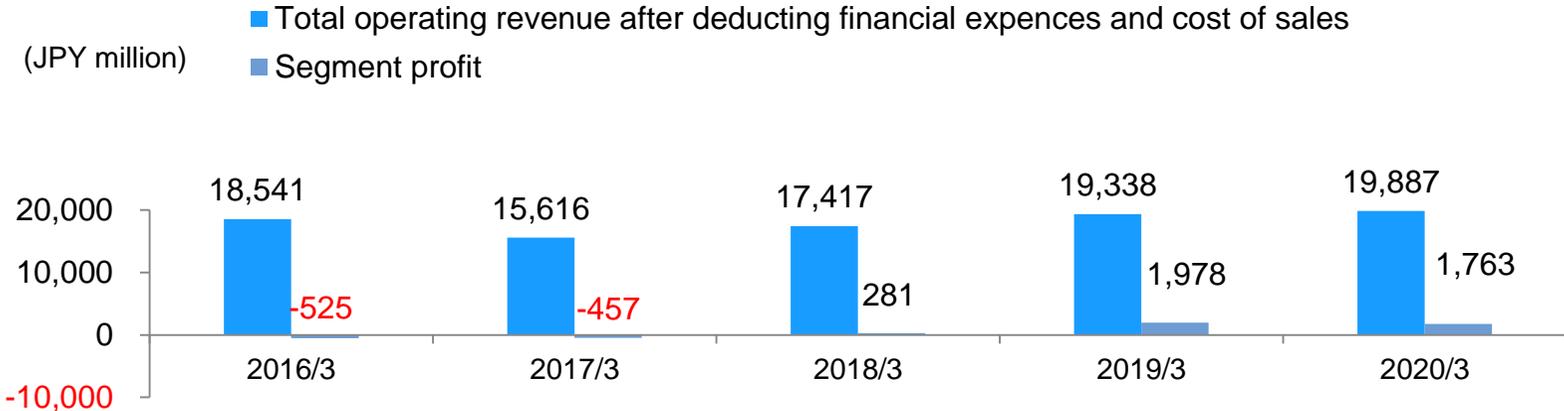
◆ Total operating revenue after deducting financial expenses and cost of sales and Segment profit



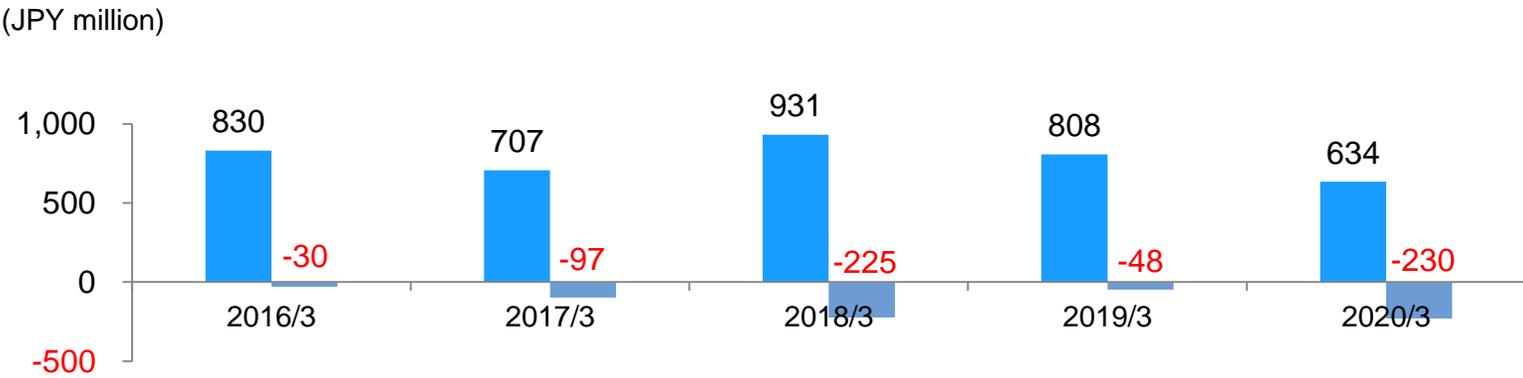
* Investment segment was curved out from Japan segment from FYE Mar. 2018

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

US

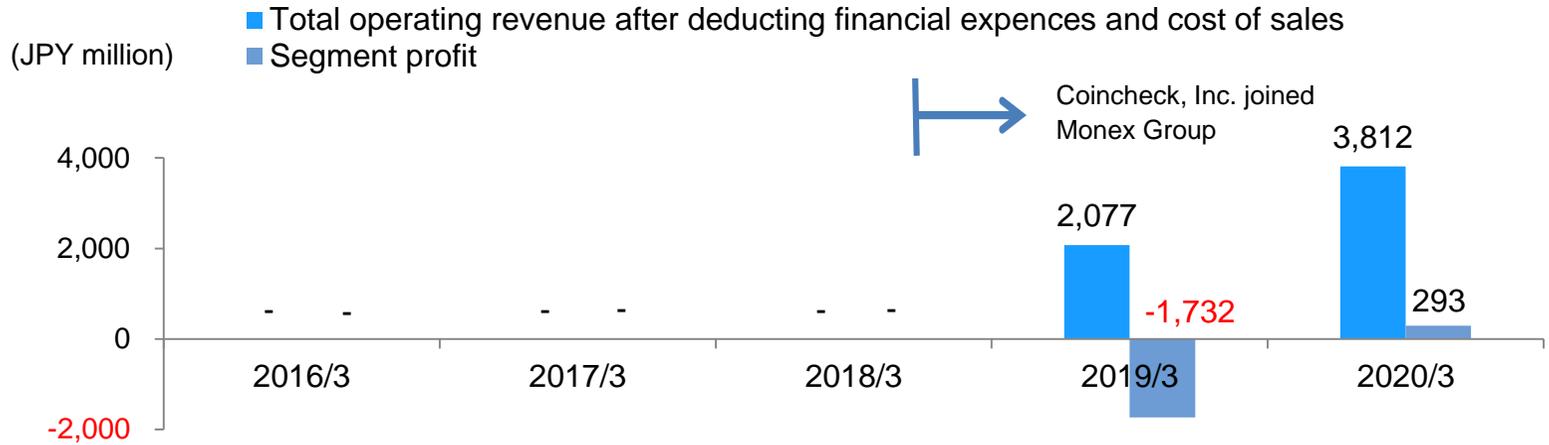


Asia Pacific

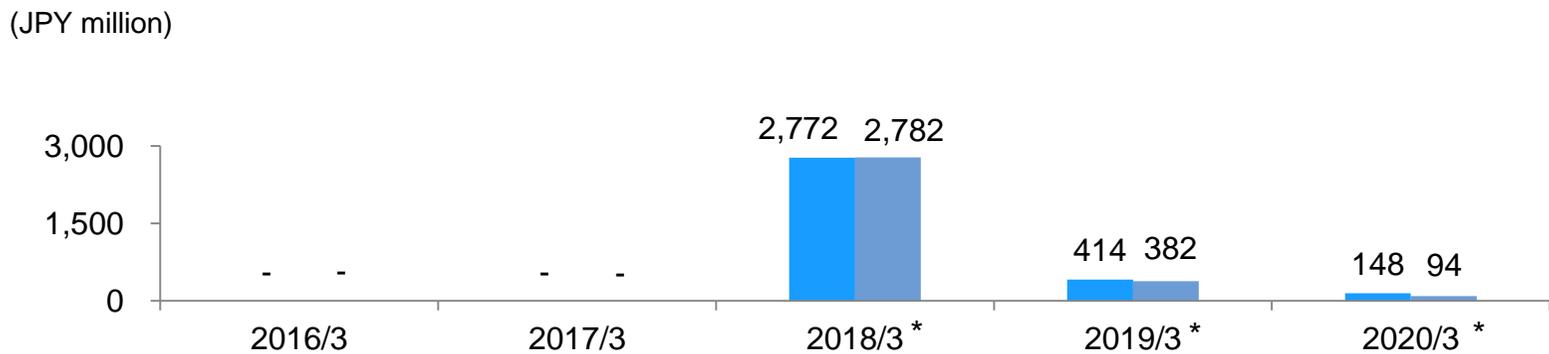


◆ Total operating revenue after deducting financial expenses and cost of sales and Segment profit

Crypto Asset



Investment



* Investment segment was carved out from Japan segment from FYE Mar. 2018

Achieved quarterly segment profit in all five segments for the first time

Japan

Segment profit was ¥ 0.5B driven by an increase in transactions. (Adjusting ¥ 0.3B of unrealized loss on investment securities and ¥ 0.2B of impairment loss on fixed asset, segment profit was ¥ 1B)

US

Revenue increase due to active market outweighed revenue decrease due to lower interest rates. Segment profit was ¥ 0.3 B. (Normalized segment profit after adjusting ¥ 0.2B of impairment loss on fixed asset was ¥ 0.5B)

Crypto Asset

Segment profit was ¥ 0.3B driven by higher trading volume in booming market

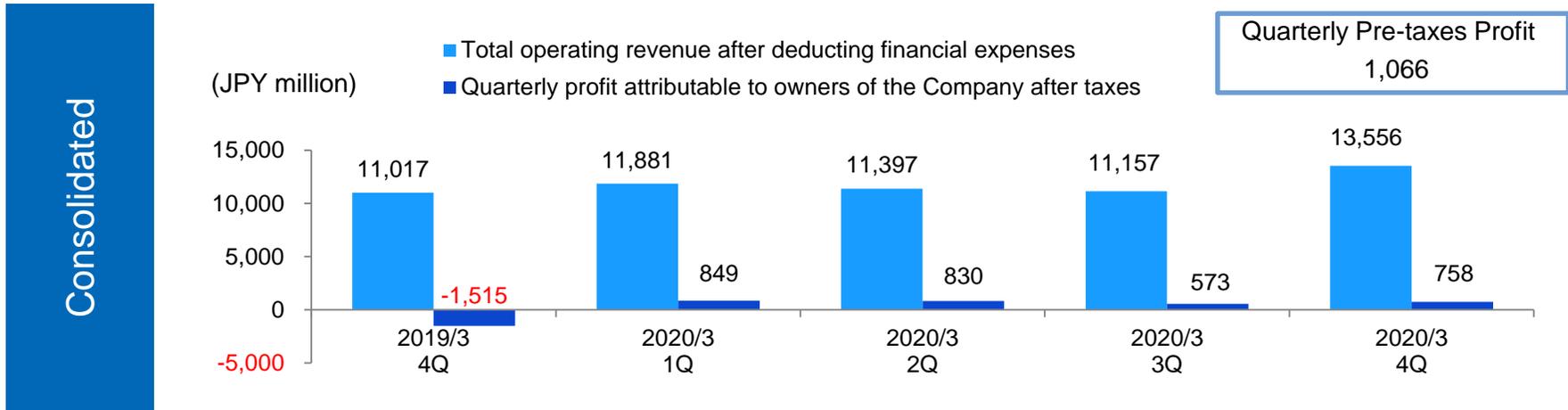
Asia Pacific

Segment profit was ¥ 40M due to account growth and significant increase in trading volume due to the volatile market activity

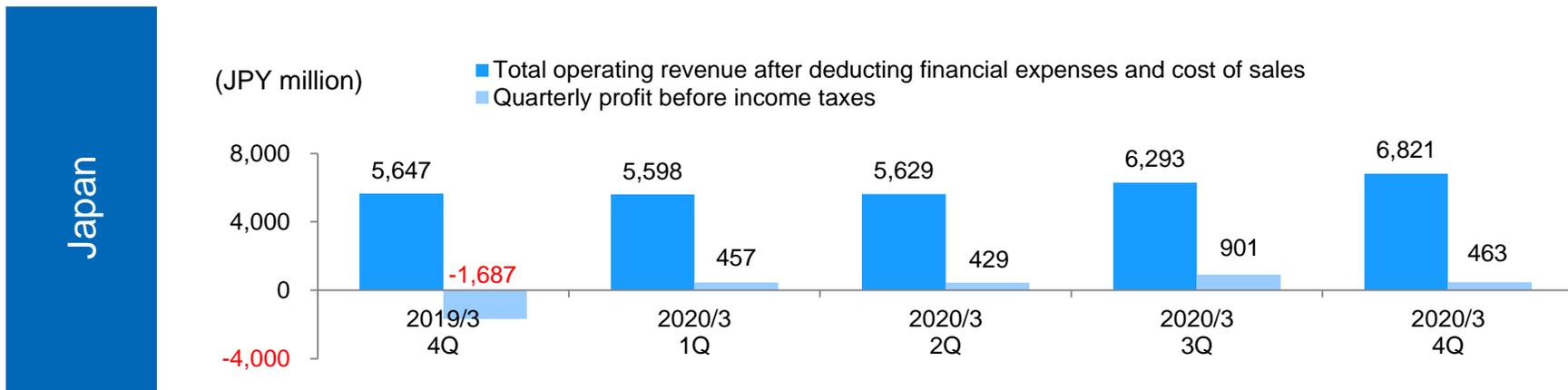
Investment

MV I Investment Limited Partnership expanded its portfolio to 34 companies as of Mar 2020. Segment profit was ¥ 10M due to unrealized gain on investment

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

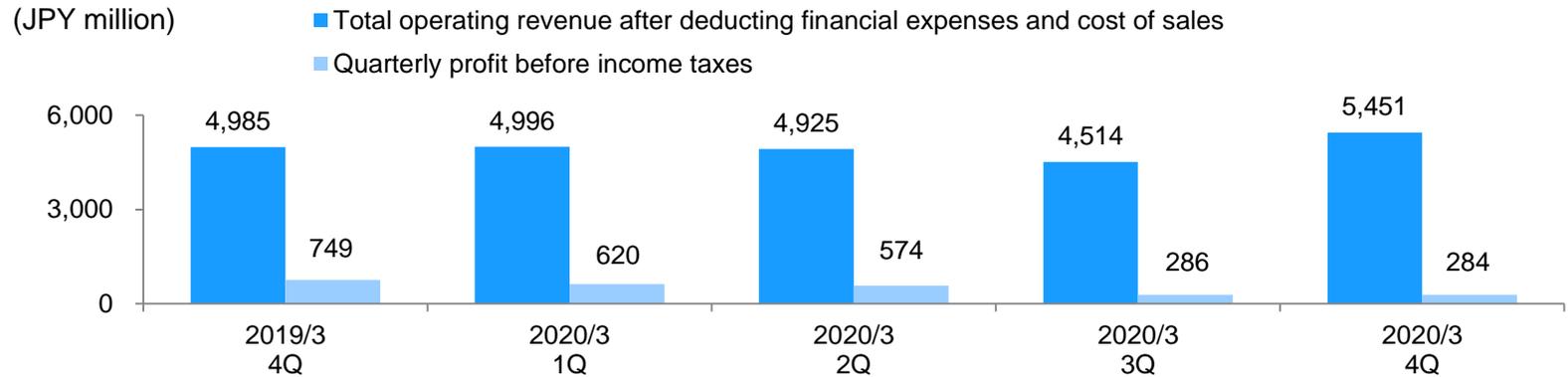


◆ Total operating revenue after deducting financial expenses and cost of sales and Segment profit

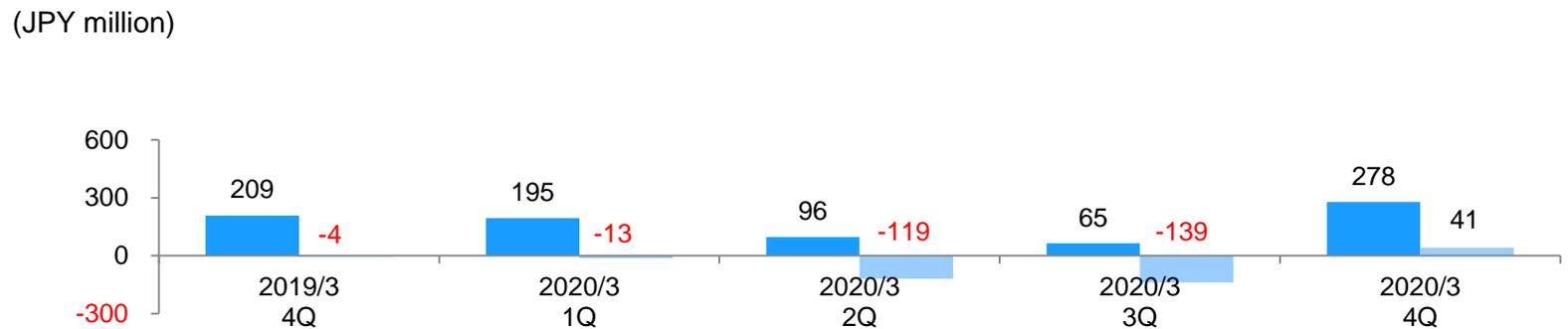


◆ Total operating revenue after deducting financial expenses and cost of sales and Segment profit

US

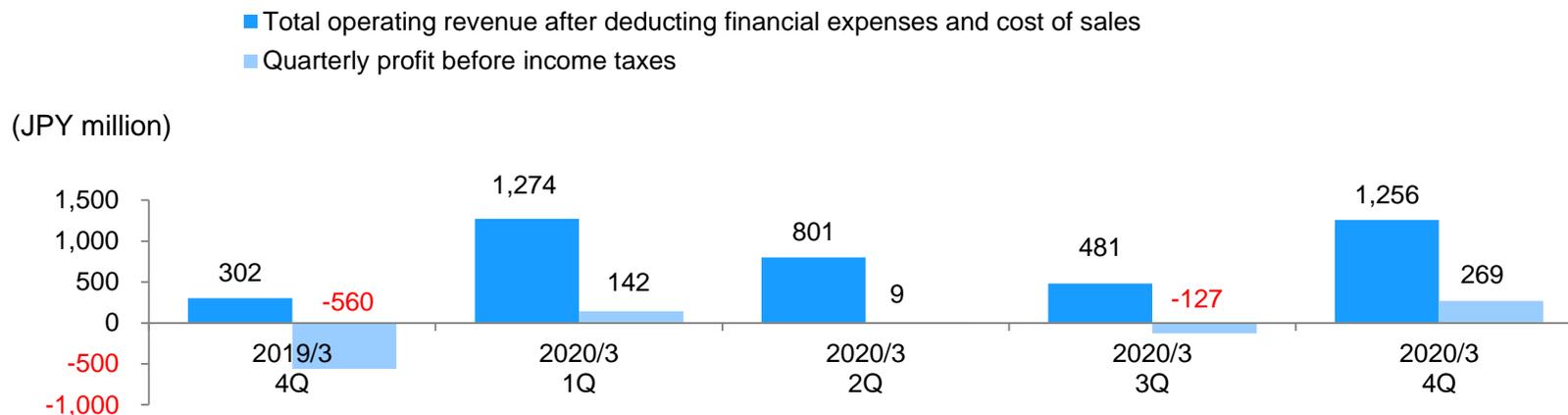


Asia Pacific

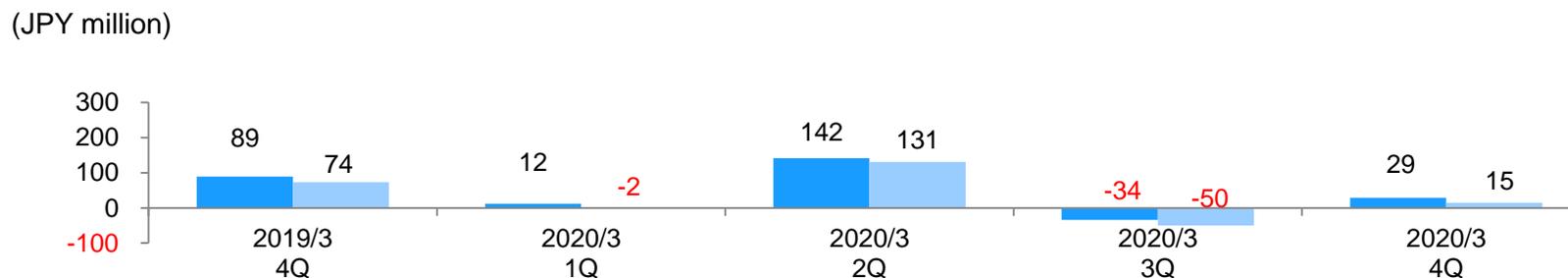


◆ Total operating revenue after deducting financial expenses and cost of sales and Segment profit

Crypto Asset



Investment



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

Appendix. Group Overview

YoY Comparison (12 months) Consolidated Performance

(JPY million)	FYE Mar. 2019 (Apr. 2018– Mar. 2019)	FYE Mar. 2020 (Apr. 2019– Mar. 2020)	Variance	Rate of change	Reference
Total operating revenue after deducting financial expenses	47,417	47,990	573	1%	P18: Analysis of Japan segment P20: Analysis of US segment (USD) P22: Analysis of Crypto Asset segment
SG&A	44,690	42,835	-1,855	-4%	P19: Analysis of Japan segment P21: Analysis of US segment (USD) P23: Analysis of Crypto Asset segment
The amount equivalent to operating income	2,727	5,155	2,428	89%	
Other income / expenses (net)	-937	-1,025	-87		Breakdown in DATA BOOK P20: - Consolidated financial results (Other income and other expenses)
Profit before income taxes	1,790	4,131	2,341	131%	
Profit attributable to owners of the Company	1,181	3,011	1,829	155%	
EBITDA	11,120	13,277	2,157	19%	

YoY Comparison (12 months) Segment Performance

(JPY million)	Japan		US		Asia Pacific		Crypto Asset		Investment	
	2019/3	2020/3	2019/3	2020/3	2019/3	2020/3	2019/3	2020/3	2019/3	2020/3
Total operating revenue after deducting financial expenses and cost of sales	25,739	24,342	19,338	19,887	808	634	2,077	3,812	414	148
SG&A	23,013	21,671	17,250	17,877	883	898	4,766	3,502	23	54
The amount equivalent to operating income	2,726	2,671	2,088	2,010	-75	-263	-2,689	310	391	94
Other income / expenses (net)	-1,479	-420	-111	-246	26	33	957	-17	-9	-0
Profit before income taxes	1,247	2,251	1,978	1,763	-48	-230	-1,732	293	382	94
Profit attributable to owners of the Company	1,284	1,569	1,439	1,418	-13	-208	-1,826	224	326	47
EBITDA	8,820	7,680	4,817	5,140	-3	-144	-2,557	800	391	94

Note

See P18 "total operating revenue after deducting financial expenses and cost of sales" for more details
 See P19 "SG&A" for more details

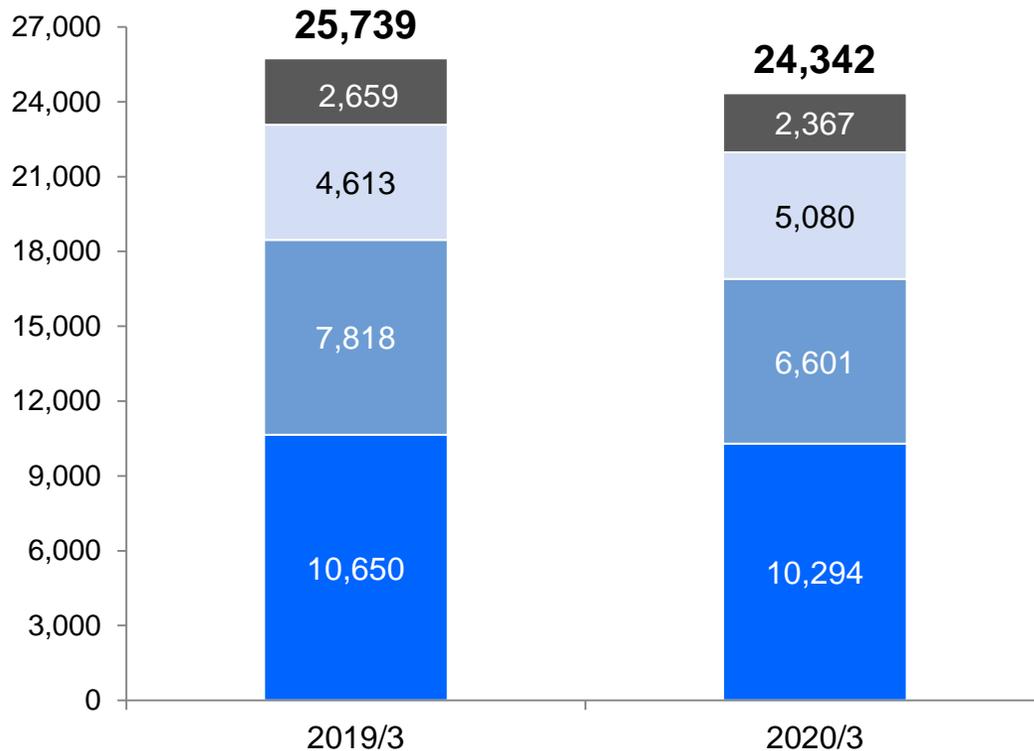
See P20 "total operating revenue after deducting financial expenses and cost of sales" for more details
 See P21 "SG&A" for more details

See P22 "total operating revenue after deducting financial expenses and cost of sales" for more details
 See P23 "SG&A" for more details

Japan : US equities and FX income significantly increased, while brokerage commissions from Japanese equities and net financial income decreased

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

(JPY million)



Total operating revenue after deducting financial expenses and cost of sales
-5.4% (-1,397)

- Others (-292) *1 (incl. mutual fund revenue)
- FX & fixed income (+467)
- Net financial income (-1,217) *2
- Brokerage commissions (-356) *1, 3

*1 Total trading volume of individual investors in two Japanese major equity markets, including ETFs etc. -7%
After introducing the no-load mutual funds in Dec. 2019, the balance of those funds at Mar. 31 2020 increased by ¥ 10 B QoQ (the negative revenue impact from making sales commission free for these funds was ¥ 160 M). After commission-free program for margin trading of ETFs/REITs, the trading volume of the product has almost tripled (the negative revenue impact was ¥ 100 M)

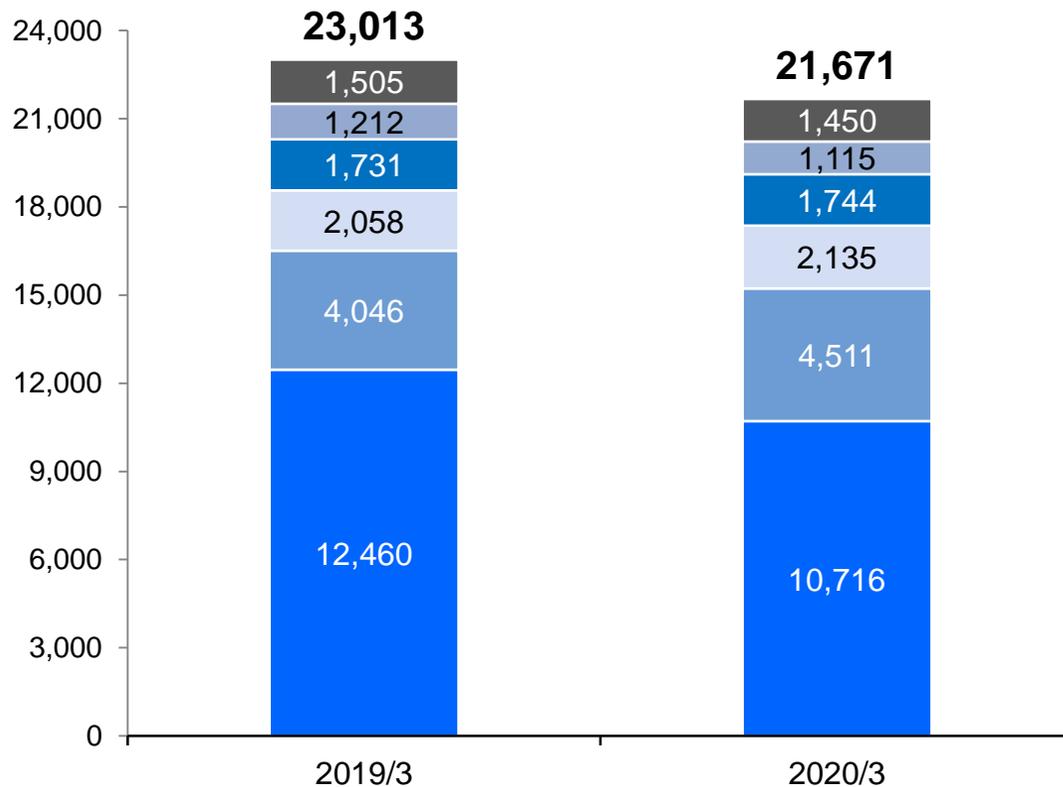
*2 Net financial income of margin trading -968 (-19%)
Monex Securites margin balance -15% (ave.)

*3 Brokerage commissions from US equities
FY2018 562 → FY2019 794 (+41%)

Japan : Total expenses have been well controlled with a focus on system related expenses and advertising expenses

■ SG&A

(JPY million)



SG&A Total -5.8% (-1,342)

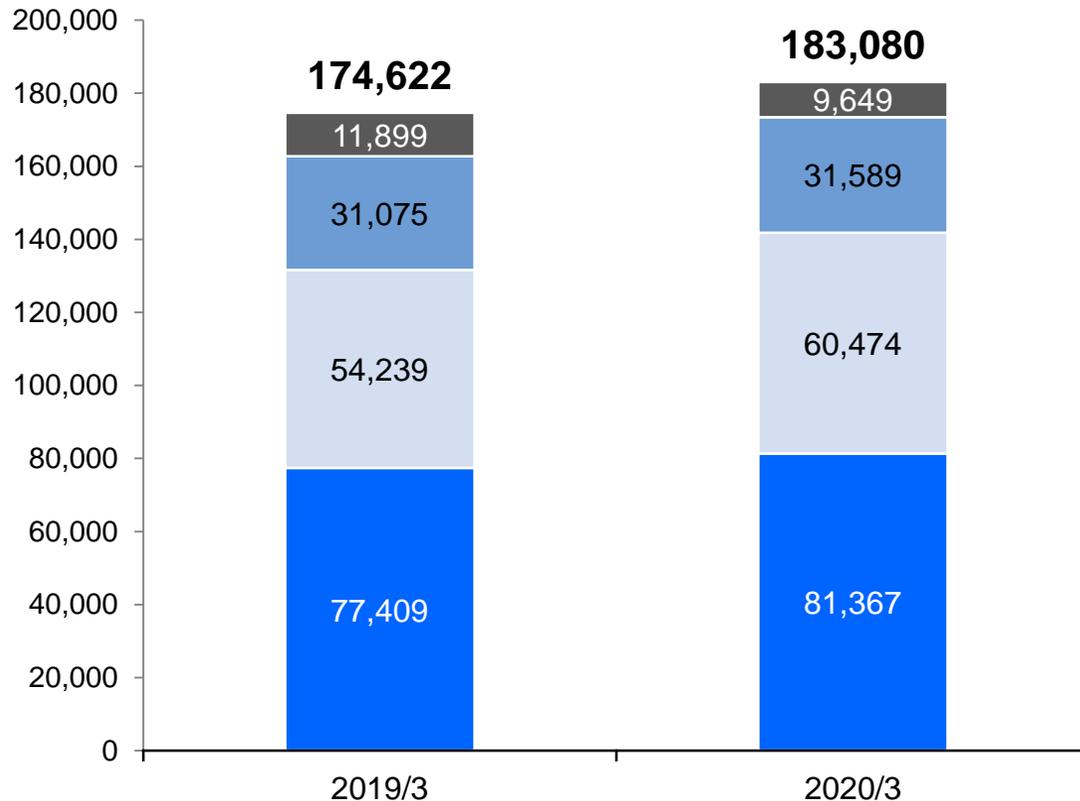
- Others (-56)
- Advertising expenses (-97)
- Communication, freight and information expenses (+13)
- Commissions paid, exchange and association dues (+77)
- Compensation and benefits (+465)
- System related expenses (-1,744) *

* Rental expenses	-347
Maintenance expenses and data processing	-312
Depreciation cost	-1,085

US : Net financial income increased due to higher interest rates, growing customers' assets in custody, and the expiration of the interest rate swap. Brokerage commissions increased due to higher volatility

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

(USD thousand)



Total operating revenue after deducting financial expenses and cost of sales
+4.8% (+8,458)

- Others (-2,250)
- Other commissions (+514)
- Net financial income (+6,236)
- Brokerage commissions (+3,958) *1,2

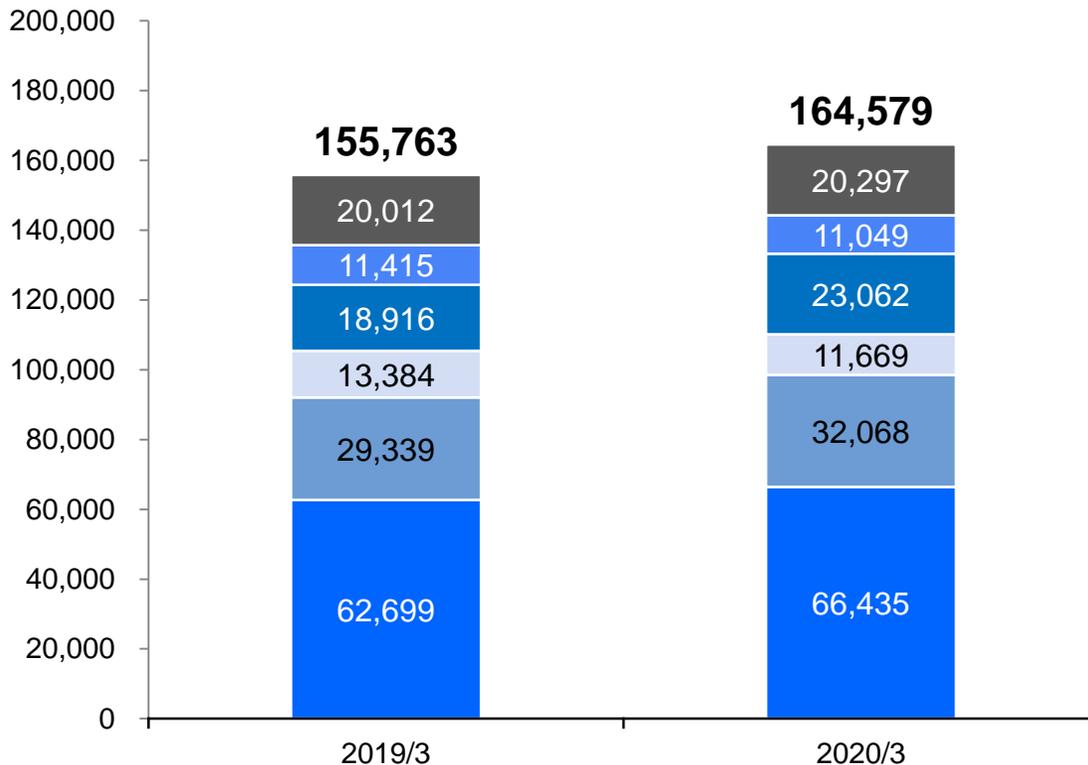
*1 The negative revenue impact of TS Go/Select was approximately \$4.2M in FYE March 2020

*2 VIX Daily Average: 16.4→19.0

US : Investment in new TradeStation Crypto and YouCanTrade businesses resulted in increases in Compensation and Benefits and Amortization and Depreciation

■ SG&A

(USD thousand)



SG&A Total +5.7% (+8,816)

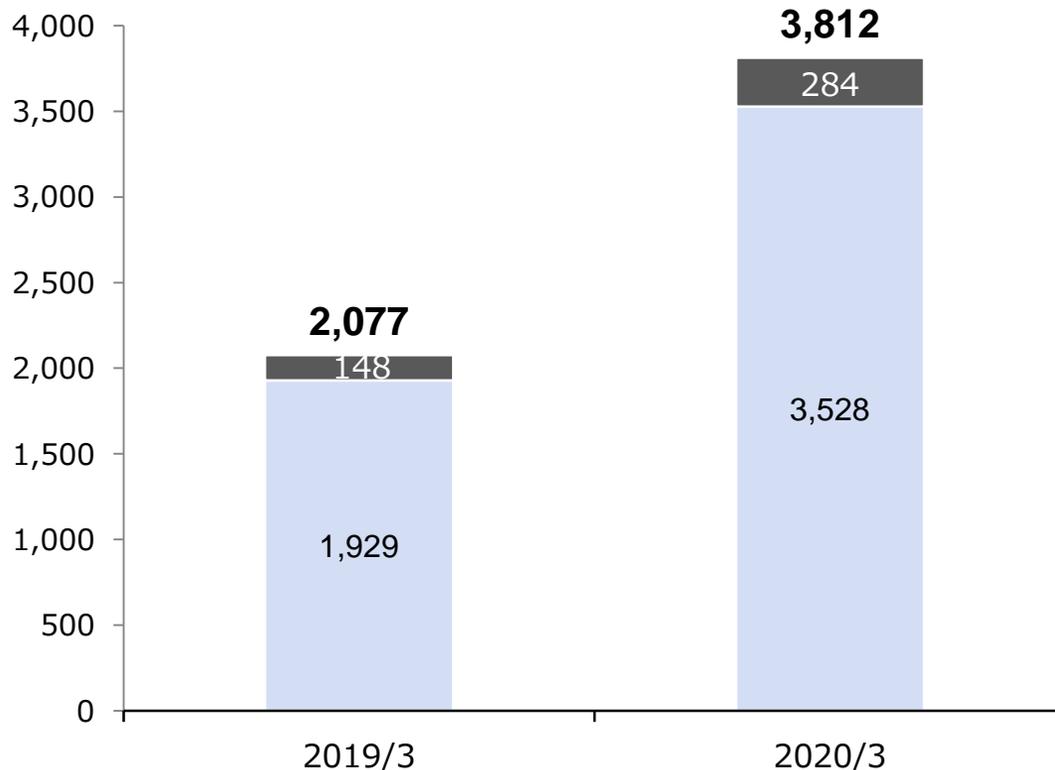
- Others (+286) *
- Advertising expenses (-365)
- Amortization and depreciation (+4,146) *
- Communication, freight and information expenses (-1,715)
- Commissions paid and association dues (+2,729)
- Compensation and benefits (+3,736)

* Reclassification by applying IFRS16 from Others to Amortization and depreciation +2,838

Crypto : Net trading income drastically increased because the services that resumed later in the previous year fully contributed to the revenue in FY 2019, as well as new currency releases and increased trading volume in the active market

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

(JPY million)



Total operating revenue after deducting financial expenses and cost of sales
+83.5% (+1,735)

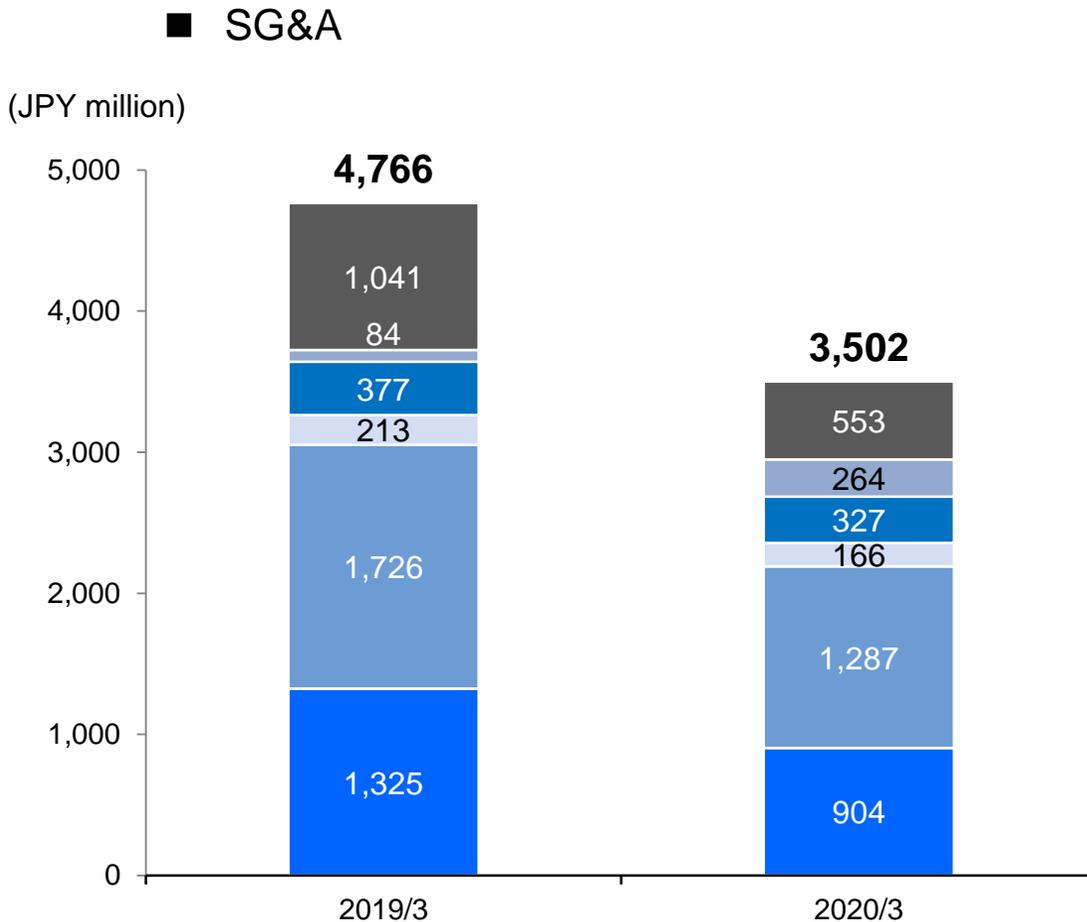
- Others (+137)
- Net trading income (+1,599) *

* Service comparison

In 1Q - 2Q FY2018, new account openings, purchasing and depositing services of all the altcoins were under suspension. New account opening and purchase/deposit services of cryptocurrency has resumed since 3Q FY2018

In 1Q - 4Q FY2019, all the services were available and Coincheck started offering a new cryptocurrency, Monacoin, from June 2019, Stellar Lumens from November 2019 and Qtum from March 2020

Crypto : Coincheck largely reduced fixed cost after registration as a cryptocurrency exchange in January 2019



SG&A Total -26.5% (-1,264)

- Others (-488) *
- Advertising expenses (+180)
- Communication, freight and information expenses (-50)
- Commissions paid, exchange and association dues (-47)
- Compensation and benefits (-439)
- System related expenses (-421)*

* Professional fees, business consignment expenses and data processing fees decreased after the registration of Coincheck as a cryptocurrency exchange agency

QoQ Comparison (3 months) Consolidated Performance

(JPY million)

	3Q FYE Mar. 2020 (Oct. 2019- Dec. 2019)	4Q FYE Mar. 2020 (Jan. 2020- Mar. 2020)	Variance	Rate of change	Reference
Total operating revenue after deducting financial expenses	11,157	13,556	2,400	22%	P26: Analysis of Japan segment P28: Analysis of US segment (USD) P30: Analysis of Crypto Asset segment
SG&A	10,270	11,452	1,182	12%	P27: Analysis of Japan segment P29: Analysis of US segment (USD) P31: Analysis of Crypto Asset segment
The amount equivalent to operating income	886	2,104	1,218	137%	
Other income / expenses (net)	-17	-1,037	-1,020		Breakdown in DATA BOOK P20: - Quarterly consolidated financial results (Other income and other expenses)
Quarterly profit before income taxes	869	1,066	198	23%	
Quarterly profit attributable to owners of the Company	573	758	185	32%	
EBITDA	2,886	4,179	1,293	45%	

QoQ Comparison (3 months) Segment Performance

(JPY million)	Japan		US		Asia Pacific		Crypto Asset		Investment	
	2020/3 3Q	2020/3 4Q								
Total operating revenue after deducting financial expenses and cost of sales	6,293	6,821	4,514	5,451	65	278	481	1,256	-34	29
SG&A	5,366	5,863	4,227	4,951	208	253	583	987	15	14
The amount equivalent to operating income	927	958	287	501	-143	25	-102	269	-50	15
Other income / expenses (net)	-26	-495	-2	-217	4	16	-25	-0	-0	0
Quarterly profit before income taxes	901	463	286	284	-139	41	-127	269	-50	15
Quarterly profit attributable to owners of the Company	623	322	243	167	-121	32	-138	242	-32	-0
EBITDA	2,168	2,276	1,077	1,270	-113	54	-10	362	-50	15

Note

See P26 "total operating revenue after deducting financial expenses and cost of sales" for more details
See P27 "SG&A" for more details

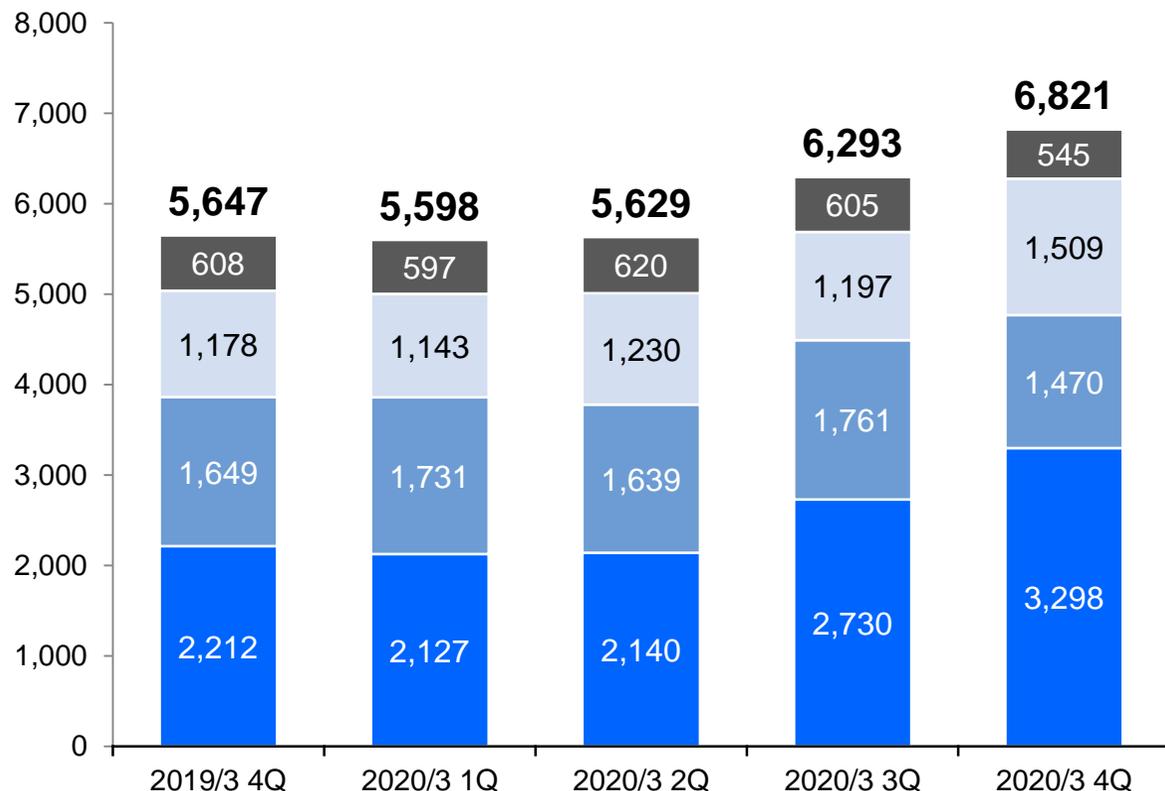
See P28 "total operating revenue after deducting financial expenses and cost of sales" for more details. See P29 "SG&A" for more details.

See P30 "total operating revenue after deducting financial expenses and cost of sales" for more details. See P31 "SG&A" for more details.

Japan : Trading volume of Japanese equities at Monex Securities increased more than the market. Brokerage commissions from US equities continue to increase and the total brokerage commissions increased

■ 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 +8.4% (+528)

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

- Others (-60)
- FX & fixed income (+312)
- Net financial income (-291)
- Brokerage commissions (+568) *

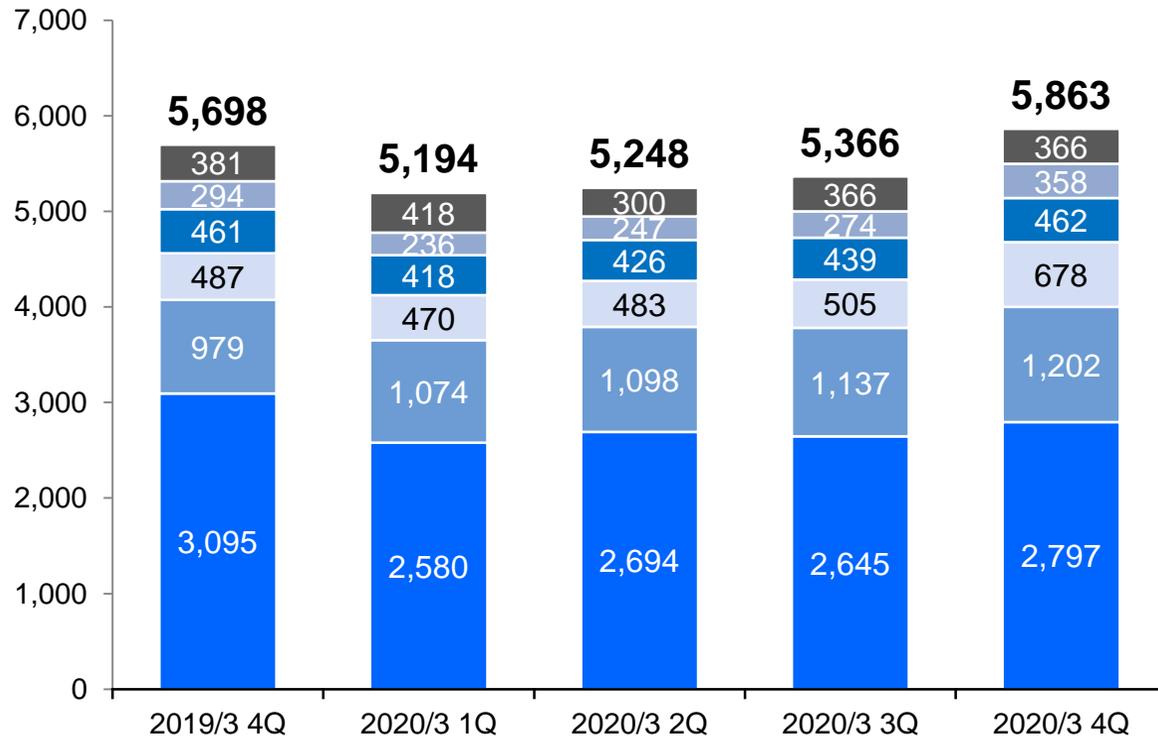
* Total trading volume of individual investors in two Japanese major equity markets, including ETFs etc. +29%
 Transaction volume of Monex Securities +39%
 Brokerage commissions from US equities
 FY2019 Q3 144 → FY2019 Q4 343 (+138%)

* Deducting the following one-time income in Q3, actual increase in commissions QoQ was + 33%
 Reversal of allowance for Monex point (3Q) 252 JPY million

Japan : Commissions paid increased in the market with increased volume, and advertising expenses increased due to account growth

■ Quarterly SG&A

(JPY million)



Quarterly SG&A +9.3% (+497)

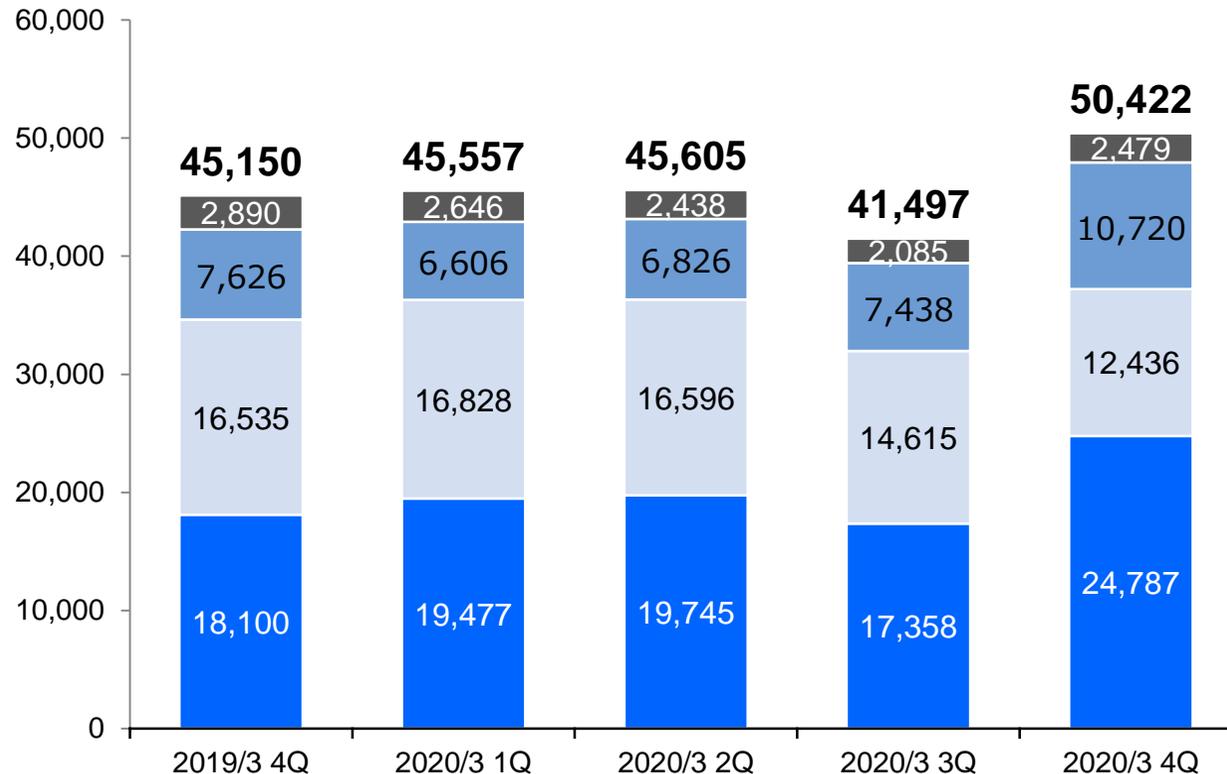
*Figures in parenthesis is the variance from previous quarter (JPY million)

- Others (-0)
- Advertising expenses (+84)
- Communication, freight and information expenses (+23)
- Commissions paid, exchange and association dues (+173)
- Compensation and benefits (+65)
- System related expenses (+152)

US : Brokerage commissions and other commission increased by over 40% QoQ due to higher VIX. This drove an increase in total revenues of 21.5% despite a decline in net financial income due to lower interest rates

■ 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 +21.5% (+8,926)

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

- Others (+394)
- Other commission (+3,282)
- Net financial income (-2,179)
- Brokerage commissions (+7,429)*

* VIX Daily Average: 14.0→31.2
 DARTS QoQ: Equities +98%
 Options +33%
 Futures +73%

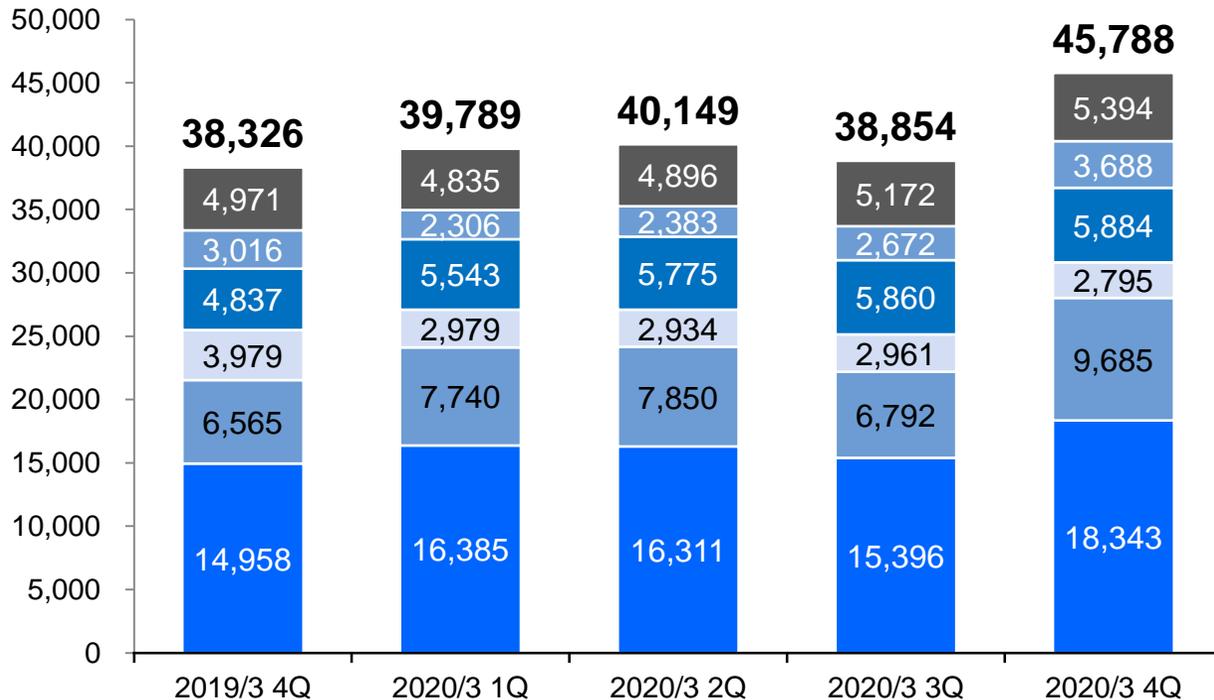
US : Variable costs increased due to higher commissions paid and an increase in incentive compensation earned from the favorable company performance.
Advertising expenses increased due to official launch of new business

■ Quarterly SG&A

Quarterly SG&A +17.8% (+6,935)

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

(USD thousand)

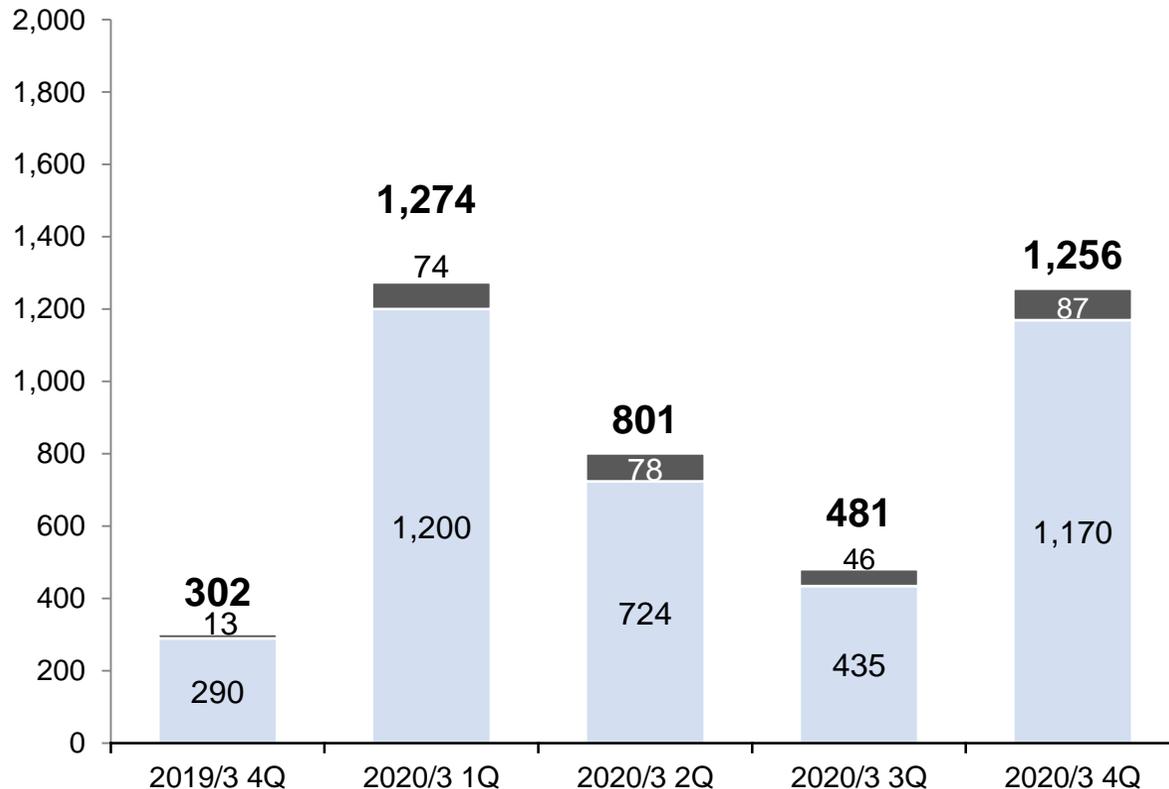


- Others (+222)
- Advertising expenses (+1,015)
- Amortization and depreciation (+24)
- Communication, freight and information expenses (-166)
- Commissions paid and association dues (+2,893)
- Compensation and benefits (+2,947)

Crypto : Net trading income drastically increased due to larger market volume driven by higher volatility

■ 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 +161.2% (+775)

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

- Others (+40)
- Net trading income (+735)*

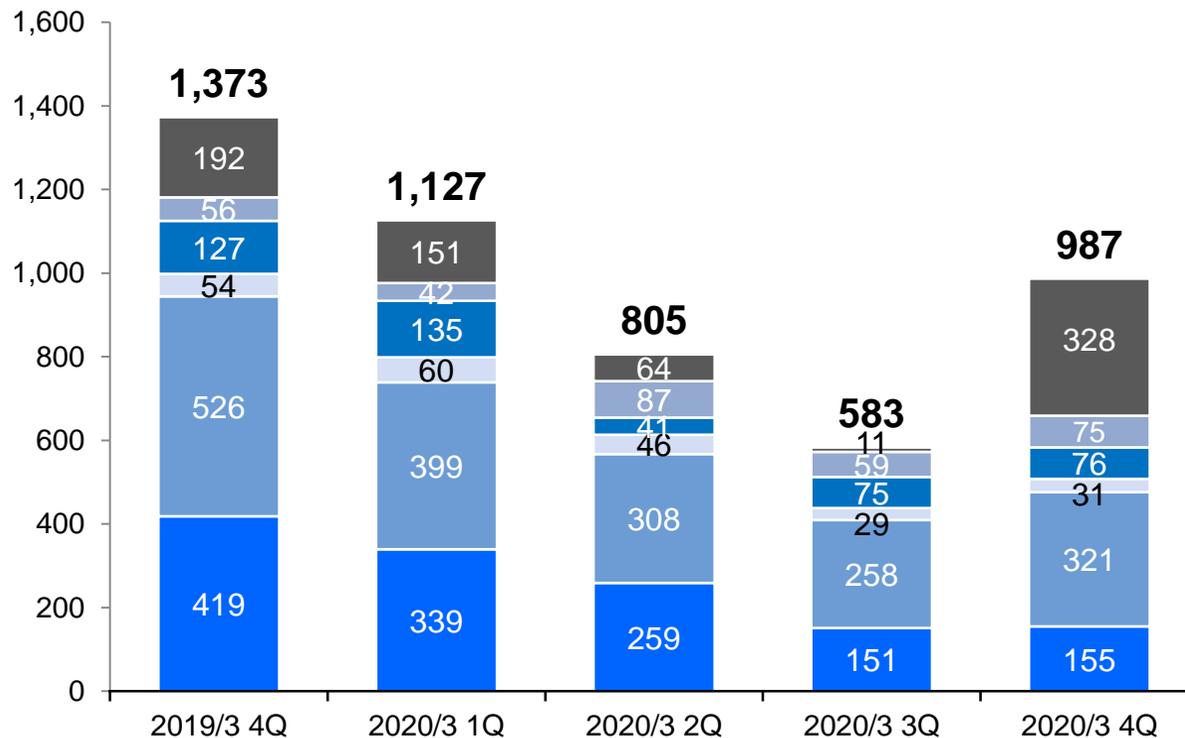
* Trading volume in cash trading of Bitcoin in Japan (excluding DMM Bitcoin)
 Total transaction October-December ¥1,849.2B
 Total transaction January-March ¥2,651.6B (+43%)

Source: Bitcoin Website in Japanese
 "Monthly market volume in Japan"
 (URL <https://jpbitcoin.com/market/volume>)

Crypto : SG&A increased due to an increase in incentive compensation linked to the favorable company performance and consulting fee (including full year catch-up) to the Company

■ Quarterly SG&A

(JPY million)



Quarterly SG&A +69.3% (+404)

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

- Others (+318)*
- Advertising expenses (+16)
- Communication, freight and information expenses (+1)
- Commissions paid, exchange and association dues (+2)
- Compensation and benefits (+63)
- System related expenses (+4)

* Annual settlement of consulting fees to Monex Group, Inc. ¥301M

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 March 31, 2020

<u>Assets</u> JPY 1,022.9B	<u>Liabilities</u> JPY 945.9B
Major assets: Assets related to financial instruments trading business JPY 782.4B	Major liabilities: Liabilities related to financial instruments trading business JPY 929.0B
Others JPY 51.7B	Others JPY 17.0B
Cash and cash equivalents JPY 132.5B	
Non-current assets (*1) JPY 56.2B	Net capital JPY 77.0B

(*1) Non-current assets

Property and equipment	JPY	4.9B
Intangible assets (Goodwill)	JPY	17.0B (*2)
Intangible assets (Identifiable intangible assets)	JPY	9.3B (*3)
Intangible assets (Software and others)	JPY	19.8B
Equity method investments	JPY	0.3B
Available-for-sale investments in securities (Lv.3)	JPY	5.0B

(*2) Goodwill: JPY 17.0B

Japan JPY 7.8B, US JPY 8.7B, Asia Pacific JPY 0.4B

(*3) Identifiable intangible assets: JPY 9.3B

US JPY 8.8B, AP JPY 0.5B

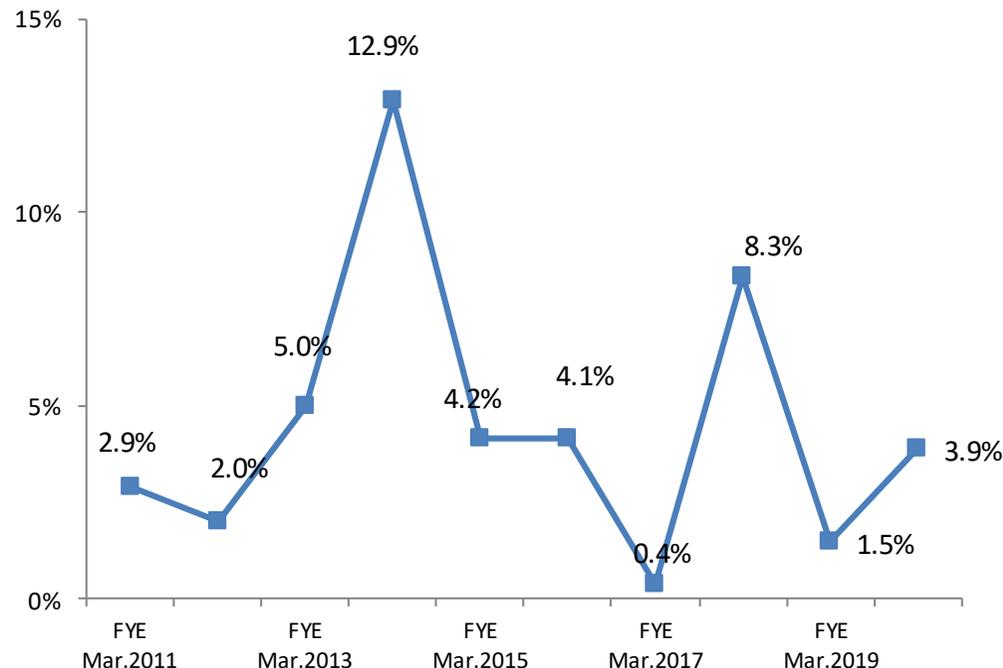
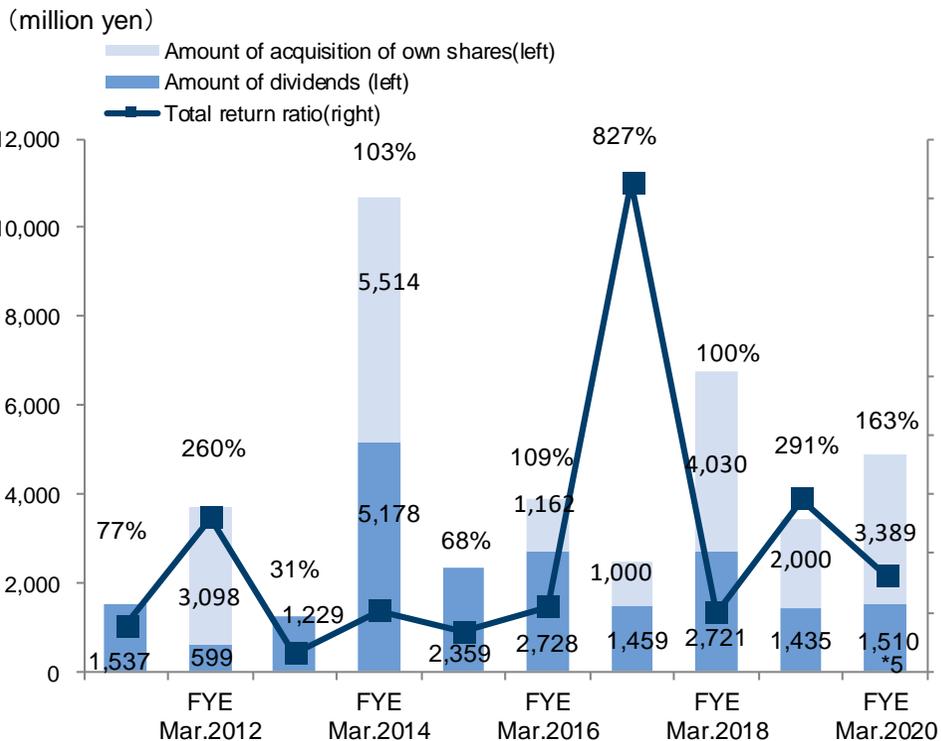
◆ The JPY 20.8B difference between Net capital (JPY 77.0B) and Non-current assets (JPY 56.2B) is the source of funds for the following:

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



(*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 P56 "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

(*5) The forecast of dividend payment of FYE March 2020 is JPY 1,510 M.

- I. Highlights
 - II. Consolidated Performance
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- Appendix. Group Overview

Monex Activist Fund has started investments in April and will offer publicly offered investment trusts to individual investors in June

Restore sovereignty to individual investors, the anchor of capital markets

- Best time to invest considering the recent correction of the market. Under the corporate governance reforms, the fund will play an important role in the society when Japanese companies have more chances to change
- Japan Catalyst, Inc. consists of professional and diverse members from inside and outside of our group

Career Background

**AllianceBernstein,
Goldman Sachs AM,
SPARX AM,
Hedge Fund (H Co., M Co.),
“Murakami Fund”,
Nomura, McKinsey, etc.**



Professional Fields

**Bottom-up research-based funds,
Hedge funds,
Activist funds
Fund engagement,
Management consulting,
M&A banking**

Monex Asset Management starts managing **Monex Activist Fund**, being advised by Japan Catalyst

- Monex-Saison-Vanguard was renamed as Monex Asset Management which will become a wholly-owned subsidiary of Monex Group as its core company for transforming itself to an asset-management model
- Start investments for the fund to seek for corporates' growth in Japan
- The formation of the fund is completed in Monex Group as below. The fund will both enlighten individual investors on the activism as well as execute the engagement to the companies invested

Monex Activist Fund

Sales Company



Monex, Inc.

Asset Management



Monex Asset Management, Inc.

Advisory

Japan Catalyst, Inc.

Japan Catalyst, Inc.

Steady growth in mutual fund services. Launch of new services for asset management transformation

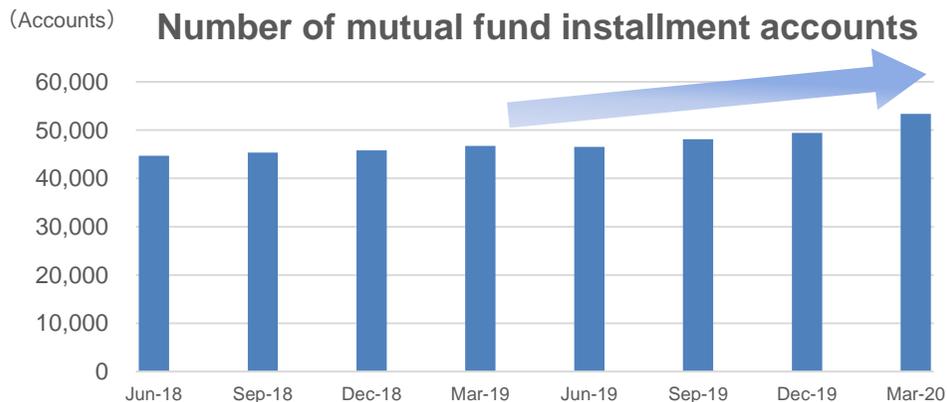
Mutual Fund

“ON COMPASS“ (discretionary investment)

- Rebranded from MSV LIFE to “ON COMPASS” and improved UI/UX for further user-friendliness
- More financial institutions are expected to introduce a face-to-face service “ON COMPASS+”

Mutual Fund

- Daily installment service was launched in January, which drove growth in the number of installment account by 8% QoQ (about 50k)



New service for asset management transformation

Monex SP Trust, Inc.

- The online inheritance procedures service was launched on April 27. Monex SP and Monex Securities also prepares for a testamentary trust service

IFA Services

- Launched IFA service, which gives tailor-made portfolio advices to increase customers’ assets and contributes to customer acquisition from beginner investors to the wealthy class

ferci (Trading community app for beginner traders)

- “ferci” is designed to provide a new choice for asset creation to those unfamiliar to the existing financial services
- Enable users to trade Japanese equities via Monex Securities API while checking other users’ review of each individual stock

Favorable growth YoY in US equity. Higher market share in margin trading

US Equity Trading



- Number of transactions and active accounts increased by 350% and 250% respectively YoY
- Launched simultaneous account opening for basic brokerage accounts and US equity account. Account openings are increasing
- 25k users are using mobile-phone app, Monex Stock Scouter for US Equity every day
- Manage customers' deposit in US dollars

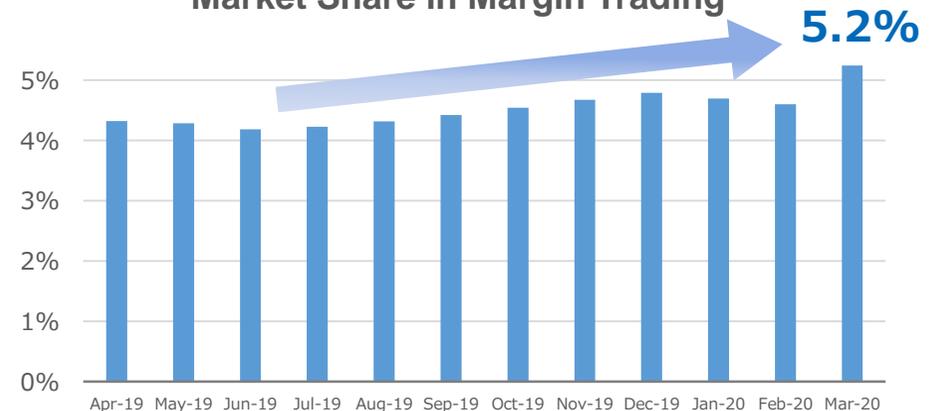
Number of transaction (daily avg.)



Margin Trading

- In addition to the service expansion of general margin trading service, smart-order routing and PTS margin trading will be introduced in Q1 FY2020
- Service expansion drove higher market transaction volume share in margin trading

Market Share in Margin Trading



Trading volume significantly increased due to high volatility and commission-free plans. Number of active accounts continues to grow

Trading volume

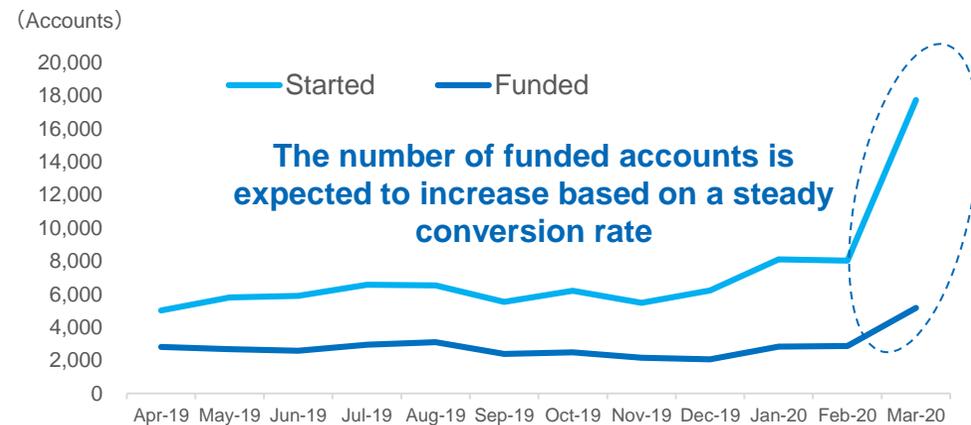
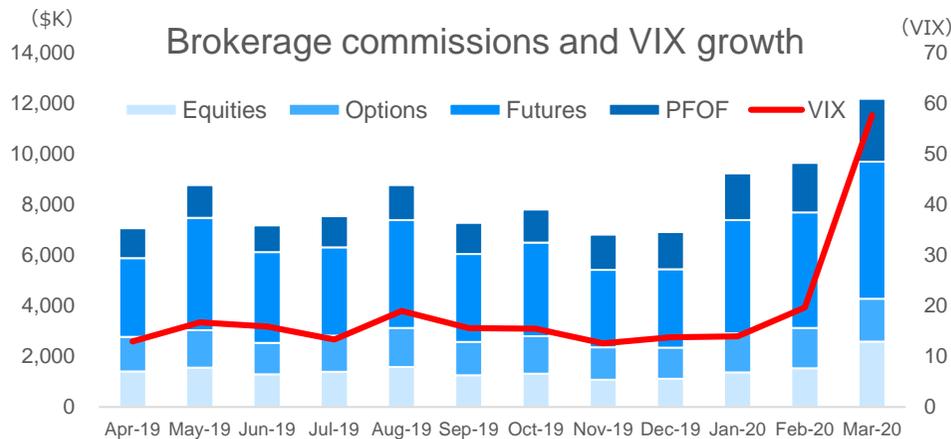
- Trading volume (DARTs) increased approx. 1.8 times QoQ
- Market volatility spikes drive higher transaction volume, particularly in our futures and more active equity accounts
- Commission-free plans, which lower the barrier to trade, also contribute to higher transaction volume which in turn, drives higher PFOF and other commission related fees

Account acquisitions

- Number of account openings significantly increased due to marketing, API growth and higher market volatility.
- Rated Best “Professional Platform” by TASC* Readers’ Choice Awards.

Rated “Best for Active Trading” and “#1 Platform Technology” in the StockBrokers.com 2020 Online Broker Review

*Technical Analysis of Stocks and Commodities



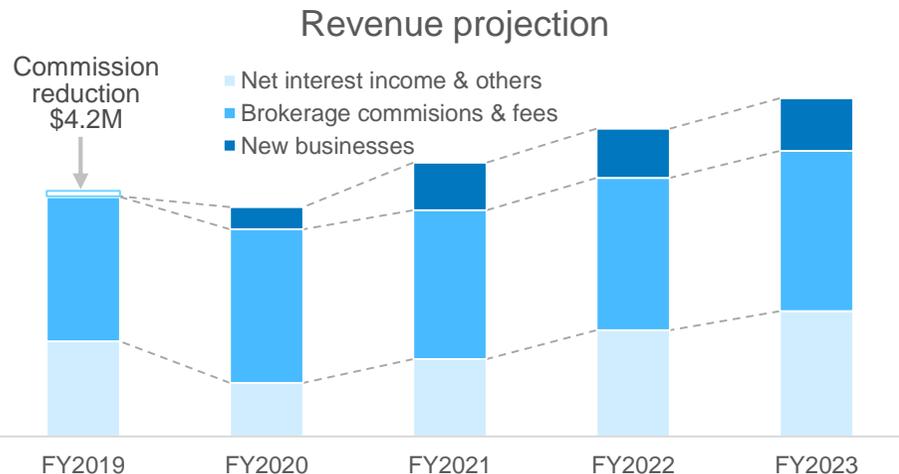
New business initiatives to offset revenue decline

Revenue Dynamics

- Net interest income in 4Q was \$10M. Net interest income in FY2019 was \$50M
- Commission decline resulting from the commission-free plans, TS Go/Select, was \$4.2M in FY2019
- Market volatility and various price increases on legacy products have mitigated impact of free commissions and lower interest rates

New business

- Revenues from TradeStation Crypto, Inc. (TCI) increased due to active market. TCI grew approved accounts over 5x during quarter to 3,782, of which 1,044 have fund
- YouCanTrade grew community members to 4,500+, while also starting to focus on conversion to premium subscribers.



What's YouCanTrade? 

An online investment education media service and community designed to help traders. YouCanTrade brings the power of a social community to traders by offering channels and courses(see below) where they can share trading approaches and techniques

Contents	Overview	Price
Channels	View trading demonstrations. Ask questions and chat with other members. Receive real-time trade alerts from the coaches	\$59~149/month
Courses	Learn trading skills from professional coaches	\$199~1,997

Full-year profit of ¥0.3B (*) with larger revenue streams driven by higher trading volume and the cost-reduction with creating efficient operations

Crypto-assets

- Monthly average trading amount per user

+33% QoQ

- Monthly active users

+75% QoQ

→ On the back of recent market trends, favorable performances of the two indicators above will result in our revenue stability (P.42)

* Revenue and cost for FY2019
Total operating revenue after deducting financial expenses ¥3.8B
SG&A ¥3.5B

New initiatives

- Started new currency offering of Qtum to expand more investment options. Coincheck offers 12 cryptocurrencies in total (#1 in Japanese crypto-exchanges as of May 2020)
- The world's first "Lisk staking service" provider. Adding the "Periodic Purchases", it expands stock-revenue services
- Launched the "One-day Identity Verification" to improve account opening process for customer acquisition
- OTC trading expanded to 5 currencies for 24-hours, 7 days a week

No.1 app downloads in the cryptocurrency exchanges in Japan (*)
 No.1 in the number of cryptocurrencies available in Japanese exchanges

Registered and ID-confirmed Users

Number of app downloads

2.87M

Registered Users

2.03M

Users with ID confirmed()**

0.94M

* Bitcoin App downloads No.1
 Term: January 2019 to December 2019 . Source: App Annie

** Definition has changed. 0.92 M users at the end of Q3 based on the new formula

Create Stable Revenue Streams

Asset creation with Lisk staking service

- Certified Lisk holders get rewards when delegates are ranked within top 101

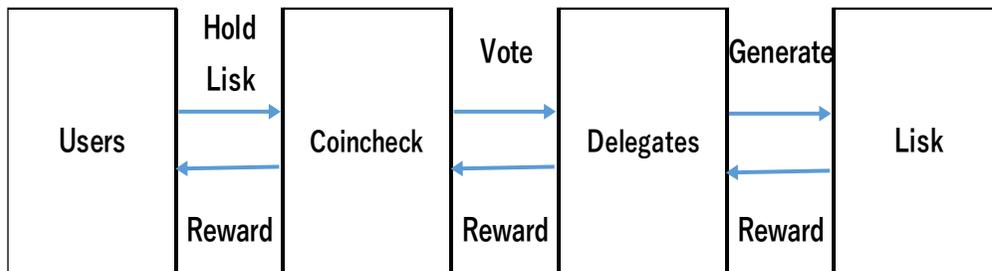
Long-term asset creation without large impacts of the market volatility

- Added new “Daily Purchases” plan to Periodic Purchases and expanded to other cryptocurrencies than BTC

User acquisitions from group synergies

- Monex Points is exchangeable to cryptocurrency at Coincheck
- Monex Group’s shareholders can receive BTC as its shareholders’ benefit at Coincheck.

Overview of Lisk staking service



Provide market insight of crypto-assets and blockchain to investors as well as offer related services to society

Crypto-assets



A web-based media delivering latest trends and news regarding blockchain and crypto-assets. In-house professional writers provide higher-quality and competitive information. Report “Blockchain trends in China 2020” was publicly released with charges



A smartphone app “Cheeese” gives users Bitcoin just by reading news feed or answering a survey on the app. Users can receive Bitcoin for their online shopping as well

Crypto-assets and blockchain



Offers holistic database services, delivering information on companies and products involved in crypto-assets and blockchain, aiming to expand paid subscribers



Preparing a platform to manage genomic information, healthcare information such as EHR (Electronic Health Record) and PHR (Personal Health Record) using blockchain, IoT and AI

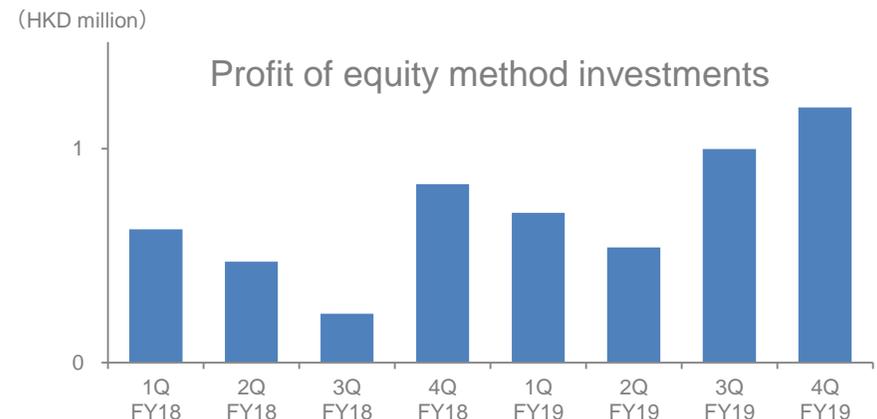
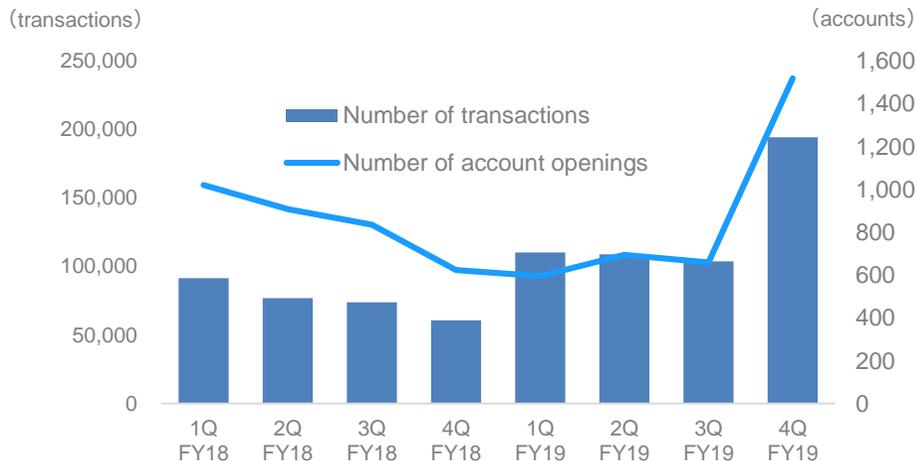
Revenue increased by higher trading volume. Number of active accounts significantly increased

Monex Boom Securities (HK)

- Number of transactions +87% QoQ
 - Number of account openings +130% QoQ
- Monex Boom Securities promotes trading activation measures such as promotion of preferential trading fees for Hong Kong and US equities for new customers for a limited time

Cherry Technology Co., Ltd (China)

- Providing technology and knowledge of online brokerage business through a joint venture in PRC. Recorded profit of equity method investments for the last twelve consecutive quarters



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	2.65 billion yen (Founded in Jan 2019)
Investment Record	Invested in 34 start-ups who have advanced and innovative services (As of Mar 31, 2020)

Recent Investment Record of MV1

<p>B2B SaaS</p>	<p>Agri-Tech</p> <p>農業技術の集会所</p>	<p>B2B SaaS</p>
<p>Insure Tech</p>	<p>KYC / Big Data</p>	<p>B2B SaaS</p>

R&D purpose investment*

<p>IoT</p>	<p>Blockchain</p>	<p>Cryptocurrency</p>
<p>Blockchain</p>	<p>Cryptocurrency</p>	<p>Cryptocurrency</p>
<p>Blockchain</p>	<p>Cryptocurrency</p>	<p>Cryptocurrency</p>
<p>STO Platform</p>		

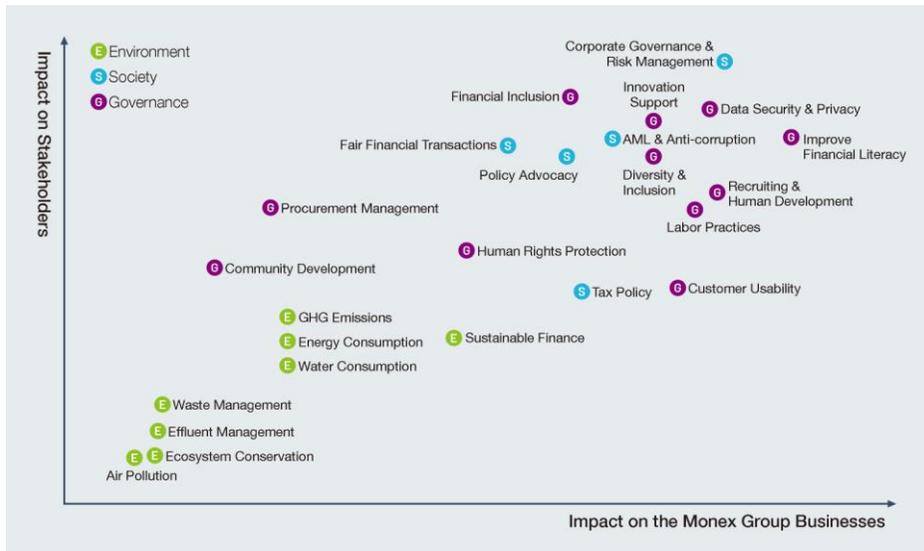
* Including the investments aside from Investment Segment

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*



*<https://www.monexgroup.jp/en/esg.html>

ESG Initiatives

Corporate Governance

- Established a corporate governance system by global standards (P52)

Risk Management

- Monex Group organizes a monitoring system to covers each subsidiary's risks comprehensively

Cyber Security

- Risk-based approach helps with planning a countermeasures for identified risks and implement continuous improvement activities

Other ESG Initiatives

- Financial education program to “democratize” capital market in Japan, US, Hong Kong
- Created group policies on “Code of Conduct” & “Human Rights Policy” *
- Famiee's "Partnership Certificate" for same-sex partners decided to be adopted in employee benefit application procedures

- I. Highlights
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Appendix. Group Overview

Our Business Principles

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

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

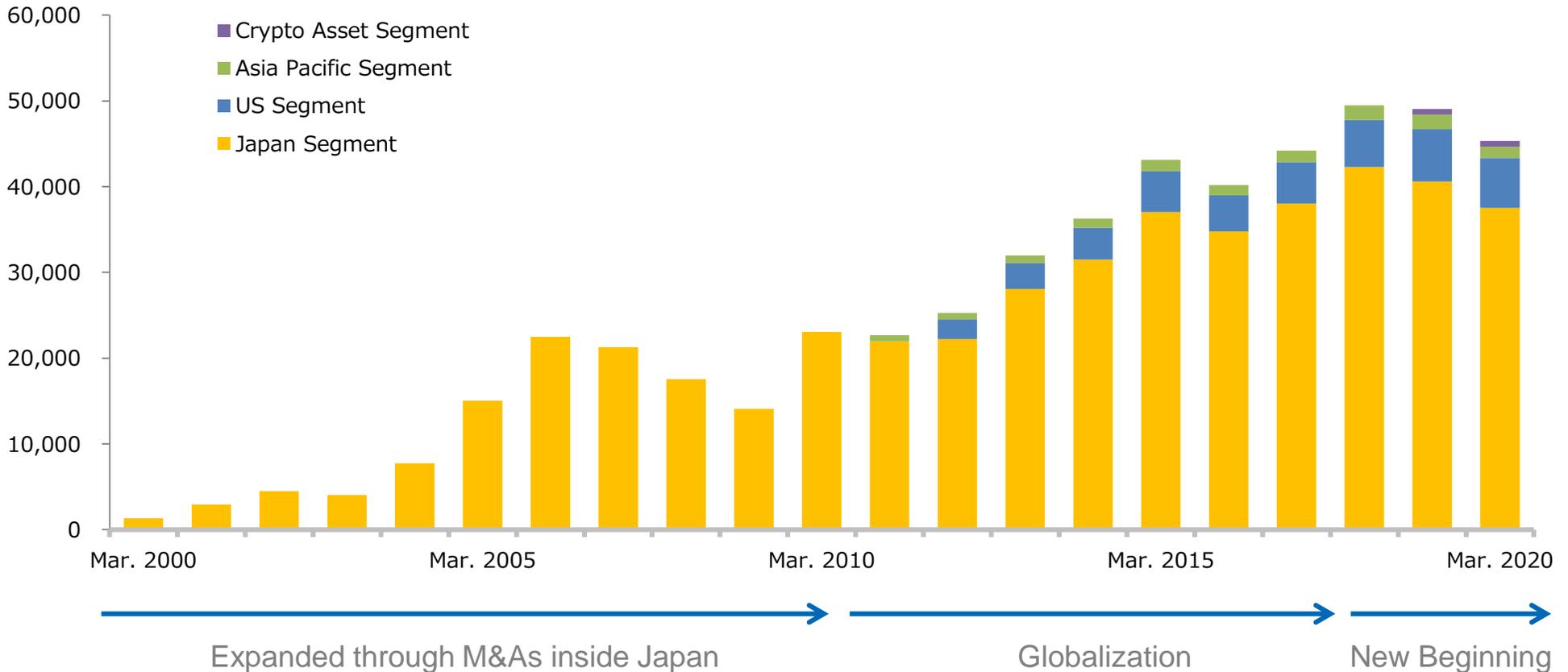
In the face of an ever-changing future, the Monex Group utilizes state-of-the-art IT technologies and world-class financial expertise to design innovative ways of managing money and to redefine finance for a new era. We will strive to support everyone’s investment and economic needs.

To achieve this we are committed to:

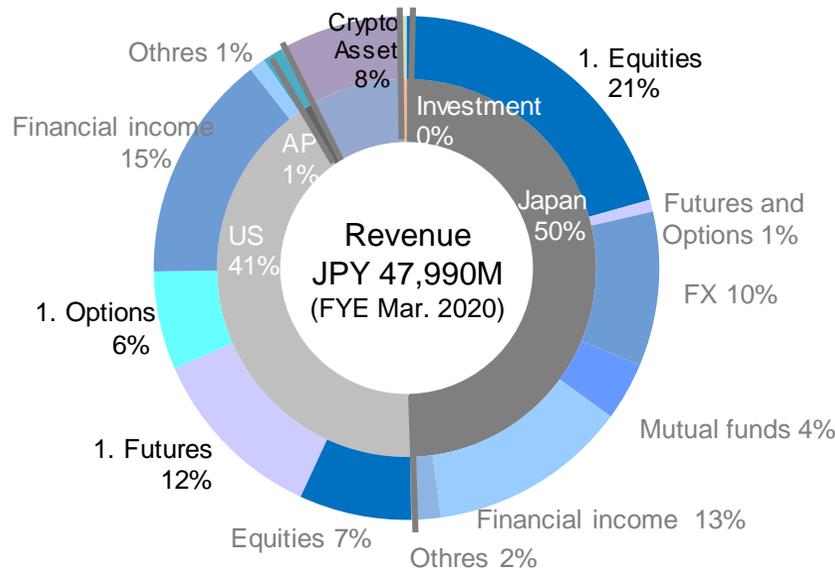
- Celebrating the diversity of each and every one of our customers and employees;
- Driving the future of technology and first class financial professionalism that empowers traders and investors; and
- Creating new value to contribute to all stakeholders

- ✓ Japan: 1.86M accounts, Crypto Asset: 2.03M users, US: 104K accounts, AP: 14K 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

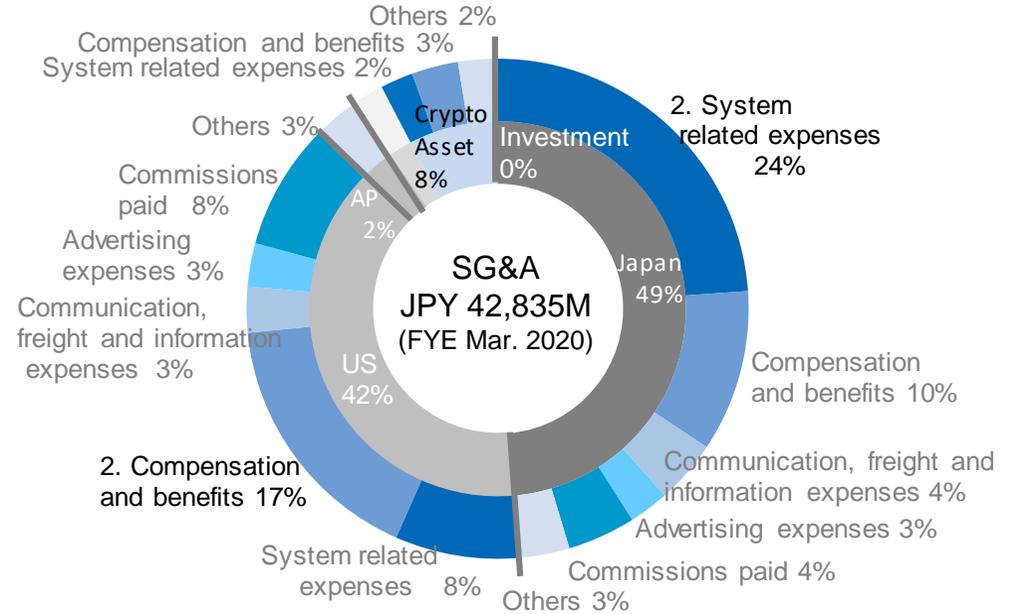
(JPY 100 million) ◆ Consolidated Assets in Custody



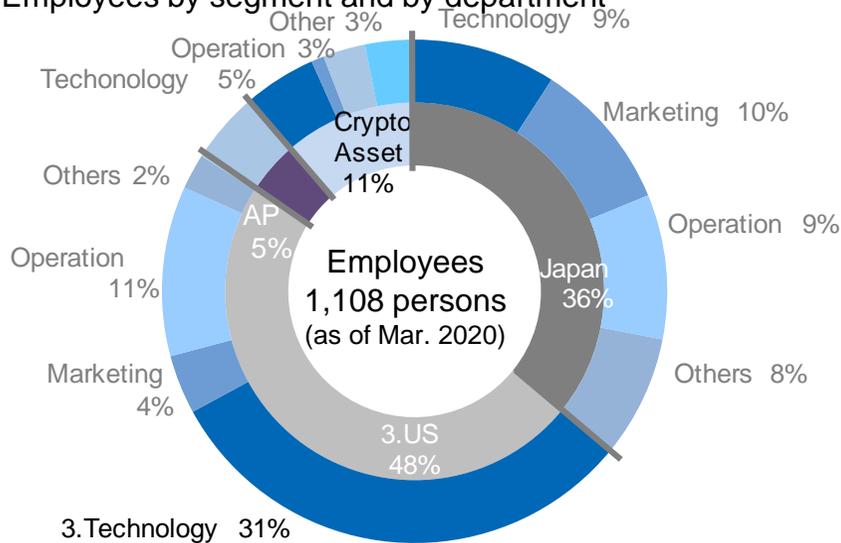
◆ Total operating revenue after deducting financial expenses by region and by business



◆ SG&A by segment and by cost items



◆ Employees by segment and by department



- *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



Shifting from saving money to asset building

Democratization of capital markets

Management Resources

Technology

Financial knowledge

Customer base

Personnel

Corporate governance

Unique Points in the Monex Group

- 1** Unique Point: Innovative product services and technical capabilities that support them
- 2** Unique Point: Acquire subsidiaries and customer base through M&A
- 3** Unique Point: Progressive governance
- 4** Unique Point: Corporate climate that encourages freedom and creativity to push the envelope

Target

Retail investors

Development Areas

Japan U.S. Asia-Pacific

Service

Online brokerage business

Cryptocurrency exchange business

Growth Strategy of the Monex Group

Create innovation (finance for the future) using “Existing businesses x New technologies”

- 1** Growth Strategy: 1999- Start of business
Founding of Monex, Inc.
- 2** Growth Strategy: 2004- M&A and globalization
Created a global online securities business group
- 3** Growth Strategy: 2017- New Beginning
Providing online securities business and cryptocurrency (cryptoassets) services
- 4** Growth Strategy: 2018- Global Vision III
Finance for the future

Social Value

Active accounts/
Accounts with balances/
Identity verified accounts

Total: **2** million accounts
(March 2019)

Economic Value

Assets in custody

¥**4.9** trillion
(March 2019)

Total return ratio

75%
(Cumulative total since founding)

ROE (5 year average)

3.7%

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

Listed Holding Company

MONEX GROUP

Monex Group, Inc.

(As of March 31, 2020)

[Japan]

Online Securities Company



Monex, Inc.
Comprehensive investment service provider

Cryptocurrency exchange service provider



Coincheck, Inc.
Cryptocurrency exchange "Coincheck"
Our investment ratio: 99.7%

Corporate Venture Capital



Monex Ventures, Inc.
Venture capital business

Cryptocurrency

Monex Crypto Bank, Inc.

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

Asset Management



Monex Asset Management

Small-lot and low-cost discretionary investment management wrap service
* Our investment ratio: 95.01%

Japan Catalyst, Inc.

Investment Advisory and Agency Business

[US/Europe]



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

Online Securities Company

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

Trading Community

YouCanTrade, Inc.
(US)

Cryptocurrency

TradeStation Crypto, Inc.
(US)

Technology

TradeStation Technologies, Inc.
(US)

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

[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]
Our Investment Ratio : 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: 1.86 million
- # of active accounts: 1.06 million
- (“Active accounts”: accounts with balance or with at least one trade or transaction a year.)
- Customer assets held in custody: JPY 3.8 trillion

■ Coincheck, Inc. (Tokyo, Japan)

- President : Satoshi Hasuo
- Founded in 2012, joined Monex Group in April. 2018
- Offers cryptocurrency exchange service for 2.03 million users
- Number of accounts which identity is confirmed: 0.94 million
- Customer assets held in custody: JPY 69.0 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 and financial software development companies in China and Korea
- Products & services: Equities (U.S.), options, futures and crypto currency
- # of active accounts: 102,012
- Customer assets held in custody: JPY 582.8 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.) , Futures, and Trades available in 6 currencies in a single trading account
- # of accounts with balance: 14,334
- Customer assets held in custody: JPY 131.8 billion

■ 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

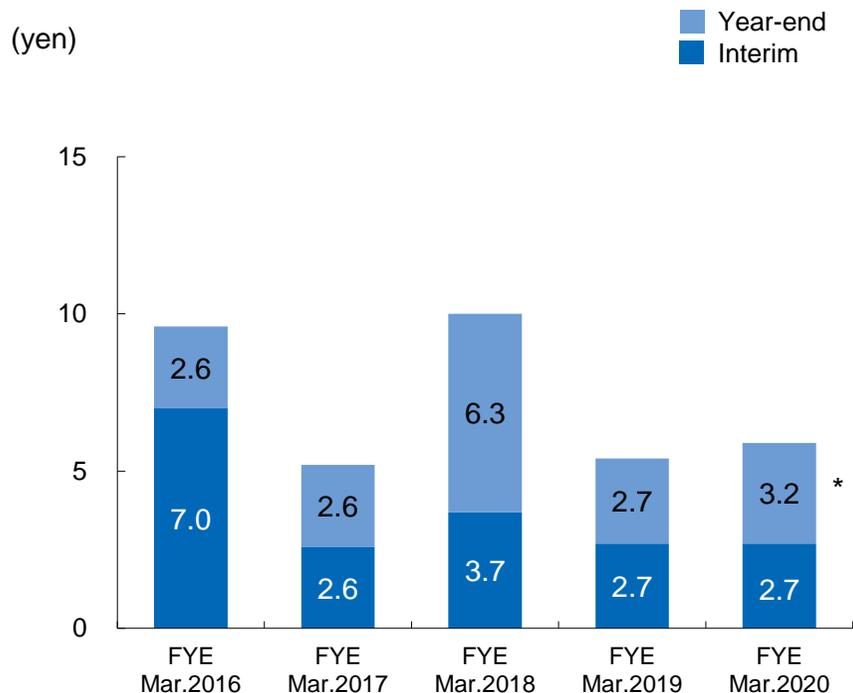
	Japan	U.S.	Asia Pacific
1982		- TradeStation Technologies, Inc. is formed as Omega Research, Inc.	
1997		- TradeStation stock lists on NASDAQ	- Boom Securities (H.K.) Limited is founded (now Monex Boom Securities (H.K.) Limited), becoming the first in Asia Pacific to launch Internet stock trading for 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.		
2020	- Japan Catalyst, Inc. is established - Monex-Saison-Vanguard Investment is renamed as Monex Asset Management, Inc.		

■ 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.

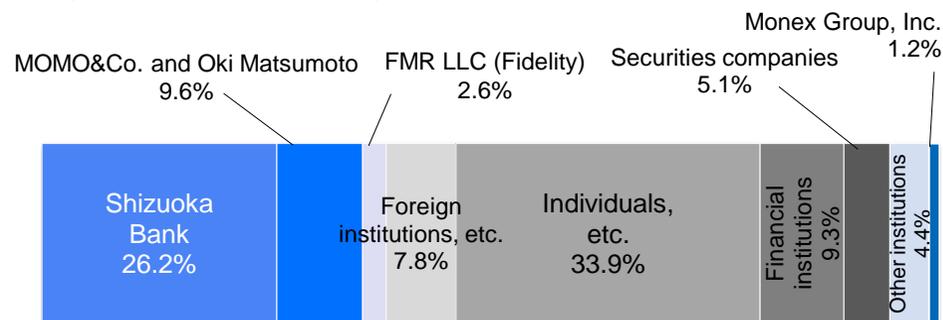
◆ Dividend history



* The forecast of year-end dividends for FYE March 2020 is 3.2 yen

■ Shareholders & indicators per share

◆ Major shareholders and shareholder breakdown (as of March 31, 2020)



The graph made by Monex based on shareholders' list as of March 31, 2020 and the Large shareholding report. The number of outstanding shares is 258,998,600 shares as of March 31, 2020.

◆ Indicators per share

	FYE Mar. 2016	FYE Mar. 2017	FYE Mar. 2018	FYE Mar. 2019	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	297.70 yen
Earnings per share attributable to owners of the Company (EPS)	12.46yen	1.06yen	24.33yen	4.42yen	11.59yen
Rate of Return on Equity(ROE)	4.1%	0.4%	8.3%	1.5%	3.9%
Dividends per share	9.6yen	5.2yen	10.0yen	5.4 yen	5.9yen

◆ Monex Ventures, Inc.

<p>P2P lending</p>  <p>(Registered as Type 2 Financial Instruments Business)</p>	<p>EC</p> 	<p>Settlement</p> 	<p>DLT*</p> 	<p>Prop Tech</p> 	<p>Online lending</p> 
<p>AI/Big Data</p> 	<p>Thematic Investment</p>  <p>(Registered as Type 1 Financial Instruments Business)</p>	<p>B2B Robo-advisor</p> 	<p>AI/Big Data</p> 	<p>Vacation Rental</p> 	<p>SNS</p> 
<p>B2B SaaS</p> 	<p>E-market place</p> 	<p>IoT</p> 	<p>Security</p> 	<p>EC</p> 	<p>Settlement</p> 
<p>Health Care</p> 	<p>Health Care</p> 	<p>Drone</p> 			

* DLT= Distributed Ledger Technology

◆ MONEX EDISON Investment Limited Partnership

Web media	EC	AI/Big Data	Insure Tech	EC	Ad Tech

◆ MV I Investment Limited Partnership

B2B SaaS	E-market place	B2B SaaS	Logistics	B2B SaaS	EC
Asset Management	EC	E-market place	Ad Tech	B2B SaaS	B2B SaaS
B2B SaaS	IoT/AI	B2B SaaS	Agri-Tech	B2B SaaS	Insure Tech
KYC / Big Data	B2B SaaS				