



Monex Group, Inc.

Consolidated Financial Summary under IFRSs for the fiscal year ending March 31, 2020 (April 1, 2019 - March 31, 2020)

This is an English translation for the Japanese report of the consolidated financial summary under IFRSs for the fiscal year ending March 31, 2020. If there is any discrepancy between the statement in English and Japanese, the Japanese statement shall take precedence.

Basis of preparation of financial statements

The financial information included in this report is based on our un-audited consolidated financial statements for the fiscal year ending March 31, 2020. All of those financial statements have been prepared based on IFRSs. All financial information presented in million yen has been rounded to the nearest million.

Use of estimates and judgments

Management of Monex Group, Inc. and its subsidiaries is required to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses in preparation of financial statements in accordance with IFRSs. Actual results could differ from these estimates.

Accounting estimates and its underlying assumptions are continually reviewed. The impact of revisions to accounting estimates is prospectively recognized in the period when the revision is made and in subsequent periods.

Monex Group, Inc. / May 2020

Consolidated Financial Summary

For the fiscal year ending March 31, 2020

(Millions of Yen)	
Operating results (from Apr. 1, 2019 to Mar. 31, 2020):	
Total revenue.....	¥53,380
Total expenses.....	49,249
Profit before income taxes	4,131
Income tax expense.....	1,310
Profit	¥2,820
Profit attributable to :	
Owners of the Company.....	¥3,011
Non-controlling interests.....	(190)

(Millions of Yen)	
Financial Position (as of Mar. 31, 2020):	
Total assets.....	¥1,022,934
Equity attributable to owners of the Company.....	76,210

(Yen)	
Earnings per share attributable to owners of the Company (from Apr. 1, 2019 to Mar. 31, 2020):	
Basic earnings per share.....	¥11.59
Diluted earnings per share.....	11.55

Note:

Earnings per share attributable to owners of the Company are computed by dividing profit attributable to owners by the weighted average number of common shares outstanding for the period.

Consolidated Statements of Income

	(Millions of Yen)	
	For the fiscal year ending Mar. 31, 2019	For the fiscal year ending Mar. 31, 2020
Revenue:		
Operating revenue	52,175	53,226
Other financial income	1,152	49
Other income	59	57
Equity in profits of equity method investments	95	48
Total revenue	53,480	53,380
Expenses:		
Financial expenses	4,758	5,236
Selling, general and administrative expenses	44,690	42,835
Other financial expenses	174	448
Other expenses	2,069	731
Total expenses	51,690	49,249
Profit before income taxes	1,790	4,131
Income tax expense	761	1,310
Profit	¥1,029	¥2,820
Profit or loss attributable to :		
Owners of the Company	¥1,181	¥3,011
Non-controlling interests	(153)	(190)
Earnings per share attributable to owners of the Company:	(in yen)	(in yen)
Basic earnings per share	¥4.42	¥11.59
Diluted earnings per share	—	11.55

Consolidated Statements of Comprehensive Income

	(Millions of Yen)	
	For the fiscal year ending Mar. 31, 2019	For the fiscal year ending Mar. 31, 2020
Profit	¥1,029	¥2,820
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Changes in fair value of equity financial assets at fair value through other comprehensive income	135	162
Items that may be reclassified subsequently to profit or loss:		
Changes in fair value of debt financial assets at fair value through other comprehensive income	101	(221)
Changes in fair value of hedging instrument.....	584	—
Foreign currency translation adjustments in foreign operations	1,057	(826)
Share of other comprehensive income of equity method investments	(67)	(18)
Other comprehensive income after income taxes	1,810	(903)
Comprehensive income	¥2,839	¥1,917
Comprehensive income attributable to :		
Owners of the Company	¥2,992	¥2,107
Non-controlling interests	(153)	(190)

Consolidated Statements of Financial Position

	(Millions of Yen)	
	As of Mar. 31, 2019	As of Mar. 31, 2020
Assets:		
Cash and cash equivalents.....	¥154,146	¥132,561
Cash segregated as deposits	566,220	620,222
Trading securities and other	2,543	4,516
Derivative assets.....	10,895	14,380
Inventories.....	3,056	2,932
Investments in securities	3,914	5,447
Margin transaction assets	138,836	107,207
Loans secured by securities.....	42,064	32,748
Other financial assets	54,202	47,943
Property and equipment	2,456	4,921
Intangible assets	47,698	46,006
Equity method investments	306	276
Deferred tax assets	289	370
Other assets	1,226	3,404
Total assets	¥1,027,849	¥1,022,934
Liabilities and Equity:		
Liabilities:		
Trading securities and other	—	¥16
Derivative liabilities	¥4,311	3,256
Margin transaction liabilities.....	32,793	30,044
Loans payable secured by securities	101,028	72,349
Deposits received	358,176	393,344
Guarantee deposits received.....	249,544	282,006
Bonds and loans payable	190,641	147,941
Other financial liabilities	4,284	8,068
Provisions	262	208
Income taxes payable	266	556
Deferred tax liabilities	1,862	2,188
Other liabilities	4,540	5,933
Total liabilities	947,707	945,909
Equity:		
Common stock	10,394	10,394
Additional paid-in capital.....	40,510	40,291
Treasury stock	(313)	(1,032)
Retained earnings	18,980	18,011
Other components of equity	9,424	8,547
Equity attributable to owners of the Company	78,994	76,210
Non-controlling interests.....	1,148	815
Total equity	80,142	77,024
Total liabilities and equity	¥1,027,849	¥1,022,934

Consolidated Statements of Cash Flows

	(Millions of Yen)	
	For the fiscal year ending Mar. 31, 2019	For the fiscal year ending Mar. 31, 2020
Cash flows from operating activities:		
Profit before income taxes	¥1,790	¥4,131
Depreciation and amortization.....	8,392	8,122
Impairment loss on non-financial assets	1,788	423
Financial income and financial expenses.....	(15,462)	(12,944)
Decrease/increase in derivative assets and liabilities.....	4,274	(4,541)
Decrease/increase in assets/liabilities for margin transaction.....	56,498	28,880
Decrease/increase in loans/loans payable secured by securities	2,334	(19,477)
Decrease/increase in cash segregated as deposits	(13,459)	(60,603)
Decrease/increase in deposits received and guarantee deposits received.....	(8,699)	74,781
Decrease/increase in short-term loans receivable	467	2,806
Other, net	7,260	(1,566)
Sub total	45,183	20,011
Interest and dividends income received.....	18,686	19,154
Interest expenses paid.....	(4,683)	(4,711)
Income taxes refund/paid.....	(5,352)	0
Net cash provided by (used in) operating activities	53,834	34,454
Cash flows from investing activities:		
Purchase of investments in securities	(419)	(376)
Proceeds from sales and redemption of securities	237	48
Purchase of property and equipment.....	(1,230)	(841)
Purchase of intangible assets	(6,265)	(5,548)
Proceeds from purchase of investments in subsidiaries.....	30,695	—
Payments for acquisition of subsidiaries	—	(334)
Proceeds from sales of investments in subsidiaries	4	—
Proceeds from sale of investments in associates	—	20
Proceeds from purchase of investments in joint ventures	(1)	—
Other, net	(258)	(37)
Net cash provided by (used in) investing activities	22,763	(7,068)
Cash flows from financing activities:		
Net increase/decrease in short-term loans payable	(40,816)	(26,730)
Proceeds from issuance of bonds payable.....	28,016	15,495
Redemption of bonds payable.....	(26,557)	(11,205)
Proceeds from long-term loans payable.....	58,924	14,105
Repayment of long-term loans payable	(22,005)	(33,705)
Purchase of treasury shares	(2,000)	(3,389)
Repayments of lease liabilities.....	(2,408)	(1,406)
Cash dividends paid.....	747	1
Capital contribution from non-controlling interests	—	(405)
Repayments of lease obligations	—	(1,160)
Other, net	190	—
Net cash provided by (used in) financing activities	(5,909)	(48,399)
Net increase/decrease in cash and cash equivalents	70,688	(21,013)
Cash and cash equivalents at the beginning of period	81,456	150,926
Effect of exchange rate change on cash and cash equivalents	(1,218)	(2,080)
Cash and cash equivalents at the end of period	¥150,926	¥127,832