



Monex Group, Inc.

Consolidated Financial Summary under IFRSs for the 3Q of the fiscal year ending March 31, 2022 (April 1, 2021 - December 31, 2021)

This is an English translation for the Japanese report of the consolidated financial summary under IFRSs for the 3Q of the fiscal year ending March 31, 2022. 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 3Q of the fiscal year ending March 31, 2022. 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. / January 2022

Consolidated Financial Summary

For the 3Q of the fiscal year ending March 31, 2022

(Millions of Yen)	
Operating results (from Apr. 1, 2021 to Dec. 31, 2021):	
Total revenue.....	73,392
Total expenses.....	54,113
Quarterly profit before income taxes	19,279
Income tax expense.....	6,761
Quarterly profit	12,518
Quarterly profit attributable to :	
Owners of the Company.....	12,462
Non-controlling interests.....	56

(Millions of Yen)	
Financial Position (as of Dec. 31, 2021):	
Total assets.....	1,532,095
Equity attributable to owners of the Company	104,094

(Yen)	
Earnings per share attributable to owners of the Company (from Apr. 1, 2021 to Dec. 31, 2021):	
Basic earnings per share.....	48.19
Diluted earnings per share	43.76

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.

Quarterly Consolidated Statements of Income

	(Millions of Yen)	
	Nine months ending Dec. 31, 2020	Nine months ending Dec. 31, 2021
Revenue:		
Operating revenue	47,265	69,691
Other financial income.....	235	1,686
Other income.....	76	2,002
Equity in profits of equity method investments	48	14
Total revenue	47,624	73,392
Expenses:		
Financial expenses	3,332	3,716
Cost of sales.....	—	37
Selling, general and administrative expenses	34,676	49,307
Other financial expenses	397	73
Other expenses	275	979
Total expenses	38,680	54,113
Quarterly profit before income taxes	8,944	19,279
Income tax expense.....	2,394	6,761
Quarterly profit	6,550	12,518
Quarterly profit or loss attributable to:		
Owners of the Company.....	6,548	12,462
Non-controlling interests.....	2	56
Earnings per share attributable to owners of the Company:		
	(in yen)	(in yen)
Basic earnings per share.....	25.48	48.19
Diluted earnings per share.....	24.63	43.76

Quarterly Consolidated Statements of Comprehensive Income

	(Millions of Yen)	
	Nine months ending Dec. 31, 2020	Nine months ending Dec. 31, 2021
Quarterly profit	6,550	12,518
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Changes in fair value of equity instruments measured at fair value through other comprehensive income	212	195
Items that may be reclassified subsequently to profit or loss:		
Changes in fair value of debt instruments measured at fair value through other comprehensive income	(146)	△130
Foreign currency translation adjustments in foreign operations	(1,147)	1,062
Share of other comprehensive income of equity method investments	(13)	△34
Other comprehensive income after income taxes	(1,094)	1,094
Quarterly comprehensive income	5,456	13,612
Quarterly comprehensive income attributable to:		
Owners of the Company	5,454	13,556
Non-controlling interests	2	56

Quarterly Consolidated Statements of Financial Position

	(Millions of Yen)	
	As of Mar. 31, 2021	As of Dec. 31, 2021
Assets:		
Cash and cash equivalents.....	163,989	224,458
Cash segregated as deposits	774,582	800,808
Trading securities and other	4,457	4,740
Derivative assets.....	12,067	11,815
Inventories.....	45,462	50,197
Investments in securities	8,515	10,748
Margin transaction assets	182,017	189,019
Loans secured by securities.....	42,774	73,857
Other financial assets	112,904	108,094
Property and equipment	4,961	4,180
Intangible assets	44,861	44,294
Equity method investments	345	312
Deferred tax assets	1,456	2,158
Other assets	2,738	7,414
Total assets	1,401,130	1,532,095
Liabilities and Equity:		
Liabilities:		
Trading securities and other	—	13
Derivative liabilities	5,621	5,926
Margin transaction liabilities.....	37,637	26,330
Loans payable secured by securities	117,259	150,896
Deposits received	492,466	546,033
Guarantee deposits received.....	334,357	340,441
Bonds and loans payable	246,220	270,283
Other financial liabilities	17,496	21,134
Provisions	208	208
Income taxes payable	6,571	4,244
Deferred tax liabilities	3,074	2,404
Other liabilities	49,695	58,629
Total liabilities	1,310,605	1,426,541
Equity:		
Common stock	10,394	13,144
Additional paid-in capital.....	40,253	42,275
Treasury stock	(446)	(383)
Retained earnings	30,148	38,712
Other components of equity	9,225	10,346
Equity attributable to owners of the Company.....	89,573	104,094
Non-controlling interests.....	952	1,459
Total equity	90,524	105,554
Total liabilities and equity	1,401,130	1,532,095

Quarterly Consolidated Statements of Cash Flows

	(Millions of Yen)	
	Nine months ending Dec. 31, 2020	Nine months ending Dec. 31, 2021
Cash flows from operating activities:		
Quarterly profit before income taxes	8,944	19,279
Depreciation and amortization.....	6,099	6,182
Impairment losses on non-financial assets.....	—	663
Financial income and financial expenses.....	(7,992)	(11,623)
Decrease/increase in derivative assets and liabilities.....	3,115	557
Decrease/increase in assets/liabilities for margin transaction	(35,457)	(18,310)
Decrease/increase in loans/loans payable secured by securities	42,936	2,327
Decrease/increase in cash segregated as deposits	(82,889)	(13,898)
Decrease/increase in deposits received and guarantee deposits received.....	115,617	46,340
Decrease/increase in short-term loans receivable	(12,825)	4,221
Other, net	(24,814)	5,097
Sub total	12,734	40,834
Interest and dividends income received	9,425	12,011
Interest expenses paid.....	(3,219)	(3,597)
Income taxes refunded/paid.....	(889)	(10,822)
Net cash provided by (used in) operating activities	18,050	38,426
Cash flows from investing activities:		
Purchase of investments in securities	(1,680)	(509)
Proceeds from sales and redemption of securities	83	1,708
Purchase of property and equipment.....	(455)	(209)
Purchase of intangible assets	(3,888)	(4,232)
Payments for acquisition of subsidiaries.....	—	(361)
Proceeds from sale of investments in associates.....	0	—
Other, net	(42)	(53)
Net cash provided by (used in) investing activities	(5,981)	(3,656)
Cash flows from financing activities:		
Proceeds from issuance of shares	—	5,475
Net increase/decrease in short-term loans payable	28,080	45,121
Proceeds from issuance of bonds payable.....	10,310	10,068
Redemption of bonds payable.....	(4,000)	(17,300)
Proceeds from long-term loans payable.....	—	14,656
Repayment of long-term loans payable	(10,003)	(30,004)
Repayments of lease liabilities.....	(821)	(697)
Cash dividends paid.....	(1,968)	(3,876)
Capital contribution from non-controlling interests.....	0	23
Payments for acquisition of non-controlling interests	(46)	(375)
Dividends paid to non-controlling interests	—	(32)
Other, net	—	370
Net cash provided by (used in) financing activities	21,552	23,428
Net increase/decrease in cash and cash equivalents	33,620	58,198
Cash and cash equivalents at the beginning of period	127,832	161,331
Effect of exchange rate change on cash and cash equivalents	580	1,413
Cash and cash equivalents at the end of period	162,033	220,942