



Monex Group, Inc.

Consolidated Financial Summary under IFRSs for the 2Q of the fiscal year ending March 31, 2025 (April 1, 2024 - September 30, 2024)

This is an English translation for the Japanese report of the consolidated financial summary under IFRSs for the 2Q of the fiscal year ending March 31, 2025. 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 2Q of the fiscal year ending March 31, 2025. 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. / October 2024

Consolidated Financial Summary

For the 2Q of the fiscal year ending March 31, 2025

1. On October 4, 2023, Monex Group, Inc. (the “Company”) entered into a capital and business alliance agreement (the “Capital Business Alliance Agreement”) among the Company, our subsidiary, Monex, Inc. (“Monex”), and NTT DOCOMO, INC. (“NTT DOCOMO”). Based on the Capital Business Alliance Agreement, On January 4, 2024, the Company transferred a portion of its shares in the intermediate holding company established through a sole share-transfer of Monex to NTT DOCOMO, and the Intermediate Holding Company completed the issuance of additional shares of common stock by way of a third-party allotment to NTT DOCOMO. Although the voting rights ratio of the Intermediate Holding Company is approximately fifty-one percent (51%) for the Company and approximately forty-nine percent (49%) for NTT DOCOMO, the Intermediate Holding Company and Monex became consolidated subsidiaries of NTT DOCOMO based on the effective control standard. As a result, the Intermediate Holding Company and Monex are no longer the Company’s consolidated subsidiaries and instead became equity-method affiliates of the Company. Accordingly, for the previous fiscal year, the Company classified the results of operations of Monex as discontinued operations and restated the results of operations for the previous fiscal year in the same manner.

2. At a meeting of the Board of Directors held on June 21, 2024, the Company resolved to transfer all shares of Monex Boom Securities (H.K.) Limited, Monex Solutions Limited, and Baby Boom Limited (“the three companies”) to Ignition Holdings Limited. On the same day, a share transfer agreement was concluded between Monex International Limited and Ignition Holdings Limited, two subsidiaries of the Company that hold shares in the three companies. The share transfer was completed on October 4, 2024. As a result, the profits and losses related to the businesses of these three companies have been classified as discontinued operations for the current interim consolidated accounting period, and the same reclassification has been made for the previous interim consolidated accounting period. In addition, the Group previously classified “Asia-Pacific” as a reportable segment, but following the classification of Monex Boom Securities (H.K.) Limited and two other companies, which were major subsidiaries in “Asia-Pacific”, as discontinued operations, “Asia-Pacific” has been excluded from reportable segments. The previous interim consolidated accounting period has also been restated to reflect this change.

| | (Millions of Yen) | | |
|-----------------------------------------------------------------|------------------------------------|------------------------------------|---------|
| | Six months ending Sep. 30, 2023 | Six months ending Sep. 30, 2024 | %change |
| Operating results (from Apr. 1, 2024 to Sep. 30, 2024): | | | |
| Operating income..... | 31,012 | 35,813 | —% |
| Quarterly profit before income taxes | 2,820 | 5,012 | —% |
| Quarterly profit | 4,208 | 4,127 | —% |
| Quarterly profit attributable to : | | | |
| Owners of the Company | 4,257 | 4,051 | —% |
| Quarterly comprehensive income | 5,731 | 4,936 | —% |
| Earnings per share attributable to owners of the Company | | | |
| Basic earnings per share(yen) | 16.57 | 15.74 | |
| Diluted earnings per share(yen) | — | 15.72 | |

Note: The business of Monex, Inc. was classified as a discontinued operation in the previous fiscal year, and the business of Monex Boom Securities (H.K.) Limited and two other companies was classified as a discontinued operation in the current interim consolidated accounting period. Due to this, operating income and profit before income taxes are the amounts from continuing operations from which the discontinued operation has been excluded. The amounts presented for profit and profit attributable to owners of the company are aggregates of continuing operations and discontinued operation. The businesses have been similarly reclassified in the previous interim consolidated accounting period.

| | (Millions of Yen) | |
|----------------------------------------------------------|----------------------|--------------------|
| | As of March 31, 2024 | As of Sep 30, 2024 |
| Financial Position | | |
| Total assets | 761,642 | 700,697 |
| Total equity | 133,123 | 133,880 |
| Equity attributable to owners of the Company | 131,712 | 132,023 |
| Ratio of equity attributable to owners of the parent (%) | 17.3% | 18.8% |

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.

(1) Quarterly Consolidated Statements of Income

(Millions of Yen)

| | Six months ending Sep. 30, 2023 | Six months ending Sep. 30, 2024 |
|-----------------------------------------------------------|------------------------------------|------------------------------------|
| Continuing operations | | |
| Revenue: | | |
| Operating income | 31,012 | 35,813 |
| Other financial income | 477 | 52 |
| Other income | 255 | 2,038 |
| Equity in income of equity method investments | — | 1,258 |
| Total revenue | 31,744 | 39,160 |
| Expenses: | | |
| Financial expenses | 4,750 | 4,016 |
| Cost of sales | 60 | 13 |
| Selling, general and administrative expenses..... | 23,362 | 27,962 |
| Other financial expenses..... | 2 | 457 |
| Other expenses | 741 | 1,700 |
| Equity in losses of equity method investments | 9 | — |
| Total expenses | 28,924 | 34,149 |
| Quarterly profit before income taxes | 2,820 | 5,012 |
| Income tax expense | 518 | 880 |
| Profit from continuing operations | 2,303 | 4,131 |
| Discontinued operations | | |
| Profit from discontinued operations..... | 1,906 | (4) |
| Quarterly profit | 4,208 | 4,127 |
| Quarterly profit or loss attributable to: | | |
| Owners of the Company..... | 4,257 | 4,051 |
| Non-controlling interests | (49) | 76 |
| Earnings per share attributable to owners of the Company: | | |
| Basic earnings per share | | |
| Continuing operations | 9.15 | 15.75 |
| Discontinued operations | 7.42 | (0.02) |
| Diluted earnings per share | | |
| Continuing operations | — | 15.72 |
| Discontinued operations | — | — |

(2) Quarterly Consolidated Statements of Comprehensive Income

(Millions of Yen)

| | Six months ending Sep. 30, 2023 | Six months ending Sep. 30, 2024 |
|---------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| Quarterly profit | 4,208 | 4,127 |
| 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..... | (69) | 30 |
| 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..... | (810) | 573 |
| Cash flow hedges – effective portion of changes in fair value | (1,409) | 2,549 |
| Foreign currency translation adjustments in foreign operations | 3,792 | (2,489) |
| Share of other comprehensive income of equity method investments | 18 | 146 |
| Other comprehensive income, net of tax | 1,523 | 808 |
| Quarterly comprehensive income | 5,731 | 4,936 |
| Quarterly comprehensive income attributable to: | | |
| Owners of the Company | 5,780 | 4,860 |
| Non-controlling interests | (49) | 75 |

(3) Quarterly Consolidated Statements of Financial Position

(Millions of Yen)

| | As of Mar. 31, 2024 | As of Sep. 30, 2024 |
|--------------------------------------------------------------|------------------------|------------------------|
| Assets: | | |
| Cash and cash equivalents | 97,935 | 53,441 |
| Money held in trust..... | 404,602 | 382,450 |
| Derivative assets | 443 | 2,505 |
| Inventories | 44,207 | 35,633 |
| Investments in securities | 14,066 | 17,757 |
| Loans secured by securities..... | 47,870 | 40,358 |
| Other financial assets | 65,534 | 53,869 |
| Property and equipment | 6,579 | 5,907 |
| Intangible assets | 30,240 | 32,723 |
| Equity method investments..... | 47,312 | 48,851 |
| Deferred tax assets | 393 | 294 |
| Other assets | 2,461 | 2,149 |
| Assets held for sale | — | 24,760 |
| Total assets | 761,642 | 700,697 |
| Liabilities and Equity: | | |
| Liabilities: | | |
| Derivative liabilities | 1,264 | 24 |
| Loans payable secured by securities | 44,217 | 36,399 |
| Deposits received..... | 328,974 | 285,083 |
| Guarantee deposits received | 121,476 | 122,441 |
| Bonds and loans payable..... | 55,944 | 42,238 |
| Other financial liabilities..... | 12,936 | 11,579 |
| Provisions | 545 | 884 |
| Income taxes payable | 7,815 | 1,044 |
| Deferred tax liabilities..... | 7,448 | 7,321 |
| Other liabilities | 47,901 | 38,105 |
| Liabilities directly associated with assets held for sale... | — | 21,699 |
| Total liabilities | 628,519 | 566,817 |
| Equity: | | |
| Common stock..... | 13,144 | 13,144 |
| Additional paid-in capital | 41,193 | 41,277 |
| Treasury stock..... | (173) | (863) |
| Retained earnings | 62,131 | 62,319 |
| Other components of equity | 15,417 | 16,146 |
| Equity attributable to owners of the Company | 131,712 | 132,023 |
| Non-controlling interests..... | 1,411 | 1,857 |
| Total equity | 133,123 | 133,880 |
| Total liabilities and equity | 761,642 | 700,697 |

(4) Quarterly Consolidated Statement of Changes in Equity

(Millions of Yen)

| | Equity attributable to owners of the Company | | | | | | | | |
|-------------------------------------------------------------|----------------------------------------------|----------------------------|----------------|-------------------|-------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------|----------------------------------------------------------------|----------------------|
| | Common stock | Additional paid—in capital | Treasury stock | Retained earnings | Other components of equity | | | | |
| | | | | | Changes in fair value of equity instruments measured at fair value through other comprehensive Income | Changes in fair value of debt instruments measured at fair value through other comprehensive income | Hedging reserve | Foreign currency translation adjustments in foreign operations | Share—based payments |
| Balance as of April 1, 2023 | 13,144 | 41,027 | (714) | 34,509 | 640 | (1,493) | — | 13,113 | (614) |
| Profit | — | — | — | 4,257 | — | — | — | — | — |
| Other comprehensive income | — | — | — | — | (69) | (810) | (1,409) | 3,792 | — |
| Total comprehensive income | — | — | — | 4,257 | (69) | (810) | (1,409) | 3,792 | — |
| Transactions with owners: | | | | | | | | | |
| Dividends paid | — | — | — | (2,025) | — | — | — | — | — |
| Disposition of treasury stock | — | 126 | 541 | — | — | — | — | — | (667) |
| Recognition of share—based payments | — | — | — | (2) | — | — | — | — | 149 |
| Changes of interests in subsidiaries without losing control | — | (5) | — | — | — | — | — | — | — |
| Total of transactions with owners | — | 121 | 541 | (2,027) | — | — | — | — | (519) |
| Balance as of September 30, 2023 | 13,144 | 41,148 | (173) | 36,740 | 571 | (2,303) | (1,409) | 16,905 | (1,132) |

| | Equity attributable to owners of the Company | | | Non—controlling interests | Total equity |
|-------------------------------------------------------------|------------------------------------------------------------------|-----------|---------|---------------------------|--------------|
| | Other components of equity | | Total | | |
| | Share of other comprehensive income of equity method investments | Sub—total | | | |
| Balance as of April 1, 2023 | 28 | 11,675 | 99,641 | 1,113 | 100,754 |
| Profit | — | — | 4,257 | (49) | 4,208 |
| Other comprehensive income | 18 | 1,523 | 1,523 | — | 1,523 |
| Total comprehensive income | 18 | 1,523 | 5,780 | (49) | 5,731 |
| Transactions with owners: | | | | | |
| Dividends paid | — | — | (2,025) | — | (2,025) |
| Disposition of treasury stock | — | (667) | — | — | — |
| Recognition of share—based payments | — | 149 | 147 | — | 147 |
| Changes of interests in subsidiaries without losing control | — | — | (5) | 5 | — |
| Total of transactions with owners | — | (519) | (1,884) | 5 | (1,879) |
| Balance as of September 30, 2023 | 46 | 12,679 | 103,537 | 1,070 | 104,607 |

(Millions of Yen)

| | Equity attributable to owners of the Company | | | | | | | | |
|--------------------------------------|----------------------------------------------|----------------------------|----------------|-------------------|-------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------|----------------------------------------------------------------|----------------------|
| | Common stock | Additional paid—in capital | Treasury stock | Retained earnings | Other components of equity | | | | |
| | | | | | Changes in fair value of equity instruments measured at fair value through other comprehensive income | Changes in fair value of debt instruments measured at fair value through other comprehensive income | Hedging reserve | Foreign currency translation adjustments in foreign operations | Share—based payments |
| Balance as of April 1, 2024 | 13,144 | 41,193 | (173) | 62,131 | 139 | (412) | (814) | 17,436 | (904) |
| Profit | — | — | — | 4,051 | — | — | — | — | — |
| Other comprehensive income | — | — | — | — | 30 | 573 | 2,549 | (2,489) | — |
| Total comprehensive income | — | — | — | 4,051 | 30 | 573 | 2,549 | (2,489) | — |
| Transactions with owners: | | | | | | | | | |
| Dividends paid | — | — | — | (3,863) | — | — | — | — | — |
| Purchase of treasury shares | — | — | (835) | — | — | — | — | — | — |
| Disposition of treasury stock | — | 84 | 145 | — | — | — | — | — | (229) |
| Recognition of share—based payments | — | — | — | — | — | — | — | — | 148 |
| Obtaining of control of subsidiaries | — | — | — | — | — | — | — | — | — |
| Total of transactions with owners | — | 84 | (690) | (3,863) | — | — | — | — | (81) |
| Balance as of September 30, 2024 | 13,144 | 41,277 | (863) | 62,319 | 169 | 161 | 1,735 | 14,947 | (984) |

| | Equity attributable to owners of the Company | | | Non—controlling interests | Total equity |
|--------------------------------------|------------------------------------------------------------------|-----------|---------|---------------------------|--------------|
| | Other components of equity | | Total | | |
| | Share of other comprehensive income of equity method investments | Sub—total | | | |
| Balance as of April 1, 2024 | (28) | 15,417 | 131,712 | 1,411 | 133,123 |
| Profit | — | — | 4,051 | 76 | 4,127 |
| Other comprehensive income | 146 | 809 | 809 | (1) | 808 |
| Total comprehensive income | 146 | 809 | 4,860 | 75 | 4,936 |
| Transactions with owners: | | | | | |
| Dividends paid | — | — | (3,863) | — | (3,863) |
| Purchase of treasury shares | — | — | (835) | — | (835) |
| Disposition of treasury stock | — | (229) | — | — | — |
| Recognition of share—based payments | — | 148 | 148 | — | 148 |
| Obtaining of control of subsidiaries | — | — | — | 370 | 370 |
| Total of transactions with owners | — | (81) | (4,550) | 370 | (4,179) |
| Balance as of September 30, 2024 | 117 | 16,146 | 132,023 | 1,857 | 133,880 |

(5) Quarterly Consolidated Statements of Cash Flows

(Millions of Yen)

| | Six months ending Sep. 30, 2023 | Six months ending Sep. 30, 2024 |
|---------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Cash flows from operating activities: | | |
| Quarterly profit before income taxes | 2,820 | 5,012 |
| Quarterly profit from discontinued operations | 2,690 | 9 |
| Depreciation and amortization | 4,545 | 2,531 |
| Gain on the remeasurement to fair value of shares of associates | — | (1,633) |
| Financial income and financial expenses | (16,319) | (9,343) |
| Decrease/increase in derivative assets and liabilities | (1,858) | 79 |
| Decrease/increase in assets/liabilities for margin transaction..... | (20,397) | — |
| Decrease/increase in loans/loans payable secured by securities... | (4,116) | (522) |
| Decrease/increase in money held in trust | 205 | 5,379 |
| Decrease/increase in deposits received and guarantee deposits received | 40,192 | (1,316) |
| Decrease/increase in short-term loans receivable | (3,769) | 4,275 |
| Decrease/increase in short-term guarantee deposits | (14,416) | (638) |
| Other, net..... | (11,406) | (19) |
| Sub total | (21,828) | 3,814 |
| Interest and dividends income received..... | 19,162 | 14,509 |
| Interest expenses paid..... | (3,769) | (4,170) |
| Income taxes refund/paid | 695 | (8,690) |
| Net cash provided by (used in) operating activities | (5,739) | 5,464 |
| Cash flows from investing activities: | | |
| Payments into time deposits | (6,960) | — |
| Proceeds from withdrawal of time deposits | 9,909 | 5,000 |
| Purchase of investments in securities | (388) | (6,195) |
| Proceeds from sales and redemption of securities | 43 | 1,790 |
| Purchase of property and equipment | (416) | (650) |
| Purchase of intangible assets | (3,068) | (1,722) |
| Payments for acquisition of subsidiaries..... | — | (7,114) |
| Proceeds from sale of subsidiaries | — | 1,695 |
| Payments for acquisition of associates | (200) | (152) |
| Payments for acquisition of joint ventures | (10) | — |
| Other, net..... | 524 | 63 |
| Net cash provided by (used in) investing activities | (566) | (7,283) |
| Cash flows from financing activities: | | |
| Net increase/decrease in short-term loans payable..... | (23,162) | (8,385) |
| Proceeds from issuance of bonds payable | 3,499 | 3,496 |
| Redemption of bonds payable..... | (3,500) | (7,981) |
| Proceeds from long-term loans payable | 10,289 | — |
| Repayment of long-term loans payable | (8,005) | (6) |
| Repayments of lease liabilities | (601) | (661) |
| Purchase of treasury shares..... | — | (835) |
| Cash dividends paid..... | (2,022) | (3,860) |
| Other, net..... | (60) | (29) |
| Net cash provided by (used in) financing activities | (23,562) | (18,262) |

| | Six months ending Sep. 30, 2023 | Six months ending Sep. 30, 2024 |
|-------------------------------------------------------------|------------------------------------------------|------------------------------------------------|
| Net increase/decrease in cash and cash equivalents | (29,868) | (20,082) |
| Cash and cash equivalents at the beginning of period | 175,159 | 97,935 |
| Effect of exchange rate change on cash and cash equivalents | 5,654 | (2,145) |
| Cash and cash equivalents at the end of period | 150,946 | 75,708 |

(6) Going Concern Assumption

Not applicable.

(7) Changes in accounting policies

The material accounting policies applied in the condensed quarterly consolidated financial statements are the same as those applied in the consolidated financial statements for the prior fiscal year, except for the following.

| Standards | | New/revised requirements |
|-----------------|------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| IAS 1 | Presentation of Financial Statements | Clarified requirements for classification of liabilities as current or non-current Revised to require disclosure of information on long-term debt with covenants |
| IAS 7 IFRS 7 | Statement of Cash Flows Financial instruments: Disclosures | Amendments to require disclosures to promote transparency in supplier finance agreements |
| IFRS 16 | Leases | Clarify accounting after the date of the transaction for a sale and leaseback |

There is no significant impact in the consolidated cumulative second quarter.

(8) Summary Quarterly Consolidated Financial Statements Note

1. Segment Information

The main businesses of the Group are the financial instruments business, cryptocurrency exchange service provider and investment business of securities. The disclosed segments are the 4 segments of “Japan,” “U.S.,” “Crypto Asset,” and “Investment.”

The Group previously classified “Asia-Pacific” as a reportable segment, but following the classification of Monex Boom Securities (H.K.) Limited and two other companies, which were major subsidiaries in “Asia-Pacific”, as discontinued operations, “Asia-Pacific” has been excluded from reportable segments. The previous interim consolidated accounting period has also been restated to reflect this change.

| Segment | Main business | Main company |
|--------------|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Japan | Financial instruments business in Japan | Monex, Inc. Monex Asset Management, Inc. 3iQ Digital Holdings Inc. Docomo Monex Holdings, Inc |
| U.S. | Financial instruments business in U.S. | TradeStation Securities, Inc. |
| Crypto Asset | Crypto currency exchange service | Coincheck, Inc. |
| Investment | Investment business of securities | Monex Ventures, Inc. MV I Investment Limited Partnership MV II Investment Limited Partnership TOKYO Wellness Impact Investment Limited Partnership |

Notes:(*1) Each entity is an independent management unit that establishes comprehensive strategies and conducts business activities

(*2) Monex, Inc. was previously included in the Japan segment, but was reclassified to discontinued operations in the previous fiscal year and is therefore no longer included in the Japan segment. As an equity-method affiliate of Monex Group, Inc. in the first quarter of the current fiscal year, it is presented in the Japan segment through equity in earnings of affiliates related to Docomo Monex Holdings, Inc.

The Group’s operating results by reportable segment

For the six months ended September 30, 2023

(Millions of Yen)

| | Reportable segment | | | | | Adjustment | Consolidated |
|-------------------------------------------------------------------|--------------------|----------|--------------|------------|----------|------------|--------------|
| | Japan | U.S. | Crypto Asset | Investment | Total | | |
| Operating revenue from external customers | 4,761 | 23,161 | 2,657 | 434 | 31,012 | — | 31,012 |
| Internal operating revenue or transferred amount between segments | 573 | 303 | 2 | — | 878 | (878) | — |
| Total | 5,333 | 23,464 | 2,658 | 434 | 31,890 | (878) | 31,012 |
| Financial expenses | (1,934) | (2,963) | (1) | (266) | (5,163) | 414 | (4,750) |
| Cost of sales | — | (264) | (60) | — | (324) | 264 | (60) |
| Depreciation and amortization | (351) | (1,655) | (317) | — | (2,322) | — | (2,322) |
| Other selling, general and administrative expenses | (2,874) | (15,496) | (2,780) | (50) | (21,201) | 161 | (21,040) |
| Other income and expenses (net amount) | 497 | (457) | (56) | 18 | 2 | (13) | (11) |
| Equity in profits or losses of equity method investments | (0) | — | — | (9) | (9) | — | (9) |
| Segment profit or loss (profit before income taxes) | 672 | 2,629 | (556) | 127 | 2,872 | (51) | 2,820 |

The following financial income and sales revenue are included in the operating revenue.

(Millions of Yen)

| | Reportable segment | | | | | Adjustment | Consolidated |
|------------------|--------------------|--------|--------------|------------|--------|------------|--------------|
| | Japan | U.S. | Crypto Asset | Investment | Total | | |
| Financial income | 1,900 | 11,817 | — | 434 | 14,151 | (414) | 13,738 |
| Sales revenue | — | 303 | 147 | — | 451 | (305) | 146 |

Notes: (*1) Adjustment refers to elimination between segments.

(*2) Transactions between segments are made by arm's length price.

(*3) Segment profit or loss is profit or loss before income taxes.

For the six months ended September 30, 2024

(Millions of Yen)

| | Reportable segment | | | | | Other | Adjustment | Consolidated |
|-------------------------------------------------------------------|--------------------|----------|--------------|------------|----------|-------|------------|--------------|
| | Japan | U.S. | Crypto Asset | Investment | Total | | | |
| Operating revenue from external customers | 4,909 | 25,918 | 5,139 | (153) | 35,813 | — | — | 35,813 |
| Internal operating revenue or transferred amount between segments | 694 | — | — | — | 694 | 756 | (1,450) | — |
| Total | 5,603 | 25,918 | 5,139 | (153) | 36,507 | 756 | (1,450) | 35,813 |
| Financial expenses | (1,020) | (3,426) | (6) | — | (4,452) | — | 436 | (4,016) |
| Cost of sales | — | (13) | — | — | (13) | — | — | (13) |
| Depreciation and amortization | (366) | (1,758) | (325) | — | (2,448) | — | — | (2,448) |
| Other selling, general and administrative expenses | (5,063) | (16,345) | (4,299) | (68) | (25,775) | — | 262 | (25,513) |
| Other income and expenses (net amount) | (186) | 118 | 4 | (0) | (64) | — | (4) | (67) |
| Equity in profits or losses of equity method investments | 1,279 | — | — | (21) | 1,258 | — | — | 1,258 |
| Segment profit or loss (profit before income taxes) | 246 | 4,494 | (513) | (242) | 5,012 | 756 | (756) | 5,012 |

The following financial income and sales revenue are included in the operating revenue.

(Millions of Yen)

| | Reportable segment | | | | | Other | Adjustment | Consolidated |
|------------------|--------------------|--------|--------------|------------|--------|-------|------------|--------------|
| | Japan | U.S. | Crypto Asset | Investment | Total | | | |
| Financial income | 1,011 | 13,101 | 15 | (178) | 13,949 | 756 | (1,161) | 13,544 |
| Sales revenue | — | 15 | — | — | 15 | — | — | 15 |

Notes: (*1) Other represents dividends paid by the reportable segments to the Company.

(*2) Adjustment refers to elimination between segments.

(*3) Transactions between segments are made by arm's length price.

(*4) Segment profit or loss is profit or loss before income taxes.

2. Earnings per Share

The basis for calculating basic earnings per share and diluted earnings per share for the current fiscal year is as follows

| | Six months ending Sep. 30, 2023 | Six months ending Sep. 30, 2024 |
|----------------------------------------------------------------------------|------------------------------------|------------------------------------|
| Earnings per share attributable to owners of the Company (Millions of Yen) | 4,257 | 4,051 |
| Continuing operations | | |
| Basic | 2,352 | 4,055 |
| Adjustment | — | (4) |
| Diluted | 2,352 | 4,051 |
| Discontinued operations | | |
| Basic | 1,906 | (4) |
| Adjustment | — | — |
| Diluted | 1,906 | (4) |
| Weighted average number of shares (Thousands of Share) | | |
| Basic | 256,878 | 257,432 |
| Adjustment | — | — |
| Diluted | 256,878 | 257,432 |
| Basic earnings per share (Yen) | 16.57 | 15.74 |
| Continuing operations | 9.15 | 15.75 |
| Discontinued operations | 7.42 | (0.02) |
| Diluted earnings per share (Yen) | — | 15.72 |
| Continuing operations | — | 15.74 |
| Discontinued operations | — | (0.02) |

Note: Financial instrument with a dilutive effect is for the purchase of stock options issued by a subsidiary in continuing operations.

3. Discontinued operations

(1) Operations of Monex, Inc.

(a) Outline of Discontinued Operations

On October 4, 2023, pursuant to a resolution of its Board of Directors, the Company entered into the Capital Business Alliance Agreement among the Company, our subsidiary, Monex, and NTT DOCOMO and the transfer of the Intermediate Holding Company shares was completed. Due to this, the business of Monex has been classified as a discontinued operation in the 2Q of the previous fiscal year.

(b) Results of Discontinued Operations

| | (Millions of Yen) | |
|---------------------------------------------------------|------------------------------------|------------------------------------|
| | Six months ending Sep. 30, 2023 | Six months ending Sep. 30, 2024 |
| Discontinued operations | | |
| Revenue: | 17,794 | — |
| Expenses | (15,067) | — |
| Profit before income taxes from discontinued operations | 2,726 | — |
| Income tax expense | (785) | — |
| Profit from discontinued operations | 1,942 | — |

Note: Although we offset all intragroup transactions in consolidation, we have selected not to offset transactions with discontinued operations made by the continuing operations prior to the stock transfer in continuing operations because we believe this will provide useful information to users of the financial statements and because we expect the transactions with the discontinued operations to continue after the stock transfer.

(c) Cash flows of discontinued operations

| | (Millions of Yen) | |
|---------------------------------------|------------------------------------|------------------------------------|
| | Six months ending Sep. 30, 2023 | Six months ending Sep. 30, 2024 |
| Cash flows of discontinued operations | | |
| Cash flows from operating activities | (5,744) | — |
| Cash flows from investing activities | 1,048 | — |
| Cash flows from financing activities | (21,728) | — |
| Total | (26,424) | — |

(2) Operations of Monex Boom Securities (H.K.) Limited and two other companies

(a) Outline of Discontinued Operations

At a meeting of the Board of Directors held on June 21, 2024, the Company resolved to transfer all shares of Monex Boom Securities (H.K.) Limited, Monex Solutions Limited, and Baby Boom Limited (“the three companies”) to Ignition Holdings Limited. On the same day, a share transfer agreement was concluded between Monex International Limited and Ignition Holdings Limited, two subsidiaries of the Company that hold shares in the three companies. As a result, the profits and losses related to the business of the three companies in question have been classified as discontinued operations for the current interim consolidated accounting period, and the same reclassification has been made for the previous interim consolidated accounting period.

(b) Results of Discontinued Operations

| | (Millions of Yen) | |
|---------------------------------------------------------|------------------------------------|------------------------------------|
| | Six months ending Sep. 30, 2023 | Six months ending Sep. 30, 2024 |
| Discontinued operations | | |
| Revenue: | 581 | 707 |
| Expenses | (618) | (698) |
| Profit before income taxes from discontinued operations | (37) | 9 |
| Income tax expense | 1 | (13) |
| Profit from discontinued operations | (36) | (4) |

Note: Although we offset all intragroup transactions in consolidation, we have selected not to offset transactions with discontinued operations made by the continuing operations prior to the stock transfer in continuing operations because we believe this will provide useful information to users of the financial statements and because we expect the transactions with the discontinued operations to continue after the stock transfer.

(c) Cash flows of discontinued operations

| | (Millions of Yen) | |
|---------------------------------------|------------------------------------|------------------------------------|
| | Six months ending Sep. 30, 2023 | Six months ending Sep. 30, 2024 |
| Cash flows of discontinued operations | | |
| Cash flows from operating activities | (2,736) | 1,313 |
| Cash flows from investing activities | 1 | (55) |
| Cash flows from financing activities | 23 | 27 |
| Total | (2,712) | 1,285 |

(9) Events after the Reporting Period

(Notice of Completion of Share Transfer of Consolidated Subsidiaries)

At a meeting of the Board of Directors held on June 21, 2024, the Company resolved to transfer all shares of Monex Boom Securities (H.K.) Limited, a consolidated subsidiary of the Company, and two other companies. The transfer of shares was completed on October 4, 2024, and Monex Boom Securities (H.K.) Limited is no longer a specified subsidiary of the Company.