

## **(Amendment) Financial Results of Fiscal Year Ended March 31, 2012**

---

TOKYO, May 15, 2012 - Monex Group, Inc. has amended today its “Consolidated Financial Summary under Japanese GAAP for the third quarter of the fiscal year ending March 31, 2012” which was originally disclosed on January 31, 2012 and “Consolidated Financial Summary under Japanese GAAP for the fiscal year ended March 31, 2012” which was originally disclosed on April 26, 2012. We accordingly amended and attached the related slides from the presentation material “Financial Results of Fiscal Year Ended March 31, 2012”. The amended numbers have been marked with underline.

(Major amendments)

- 1) JPY 189M of Prepaid corporate income tax (Current asset) which was accounted at the end of 4Q of FYE Mar. 31, 2012 was relocated to the end of 3Q of FYE Mar. 31, 2012 as JPY 179M of Goodwill (Fixed asset). (The numbers were affected by the difference of the exchange rate. ) Related Income tax was also relocated to 3Q of FYE Mar. 31, 2012.
- 2) In TradeStation’s Financial Results of 4Q of FYE Mar. 31, 2012, JPY 58M from Compensation and benefits was relocated to Other operating expenses.

Contact:  
Michiyo Kubota  
Corporate Communications  
Monex Group, Inc.  
+81-3-6212-3750

**Financial Summary : 3Q of FYE Mar. 31, 2012 vs. 4Q of FYE Mar. 31, 2012 (in 3 months)**

(in million yen, %)

	3Q of FYE Mar. 31, 2012 (Oct. 2011– Dec. 2011)	4Q of FYE Mar. 31, 2012 (Jan. 2012– Mar. 2012)	Change
Operating Revenues	8,690	8,905	2.5%
Net Operating Revenues	7,600	8,345	9.8%
SG&A	7,396	7,822	5.8%
Operating Income	204	522	155.6%
Ordinary Income	149	462	208.6%
Net Income	-31	490	-
EBITDA*	1,197	1,720	43.6%

\*EBITDA : Net Income + Interest (excluding financial expenses related to margin trading business) + Taxes + Depreciation and Amortization  
+ Devaluation loss of investment securities + Disposal loss of fixed assets

(in million yen, %)

	3Q of FYE Mar. 31, 2012 (as of Dec. 31, 2011)	FYE Mar. 31, 2012 (as of Mar. 31, 2012)	Change
Total Assets	520,691	535,663	2.9%
Shareholders' Equity	66,921	72,202	7.9%

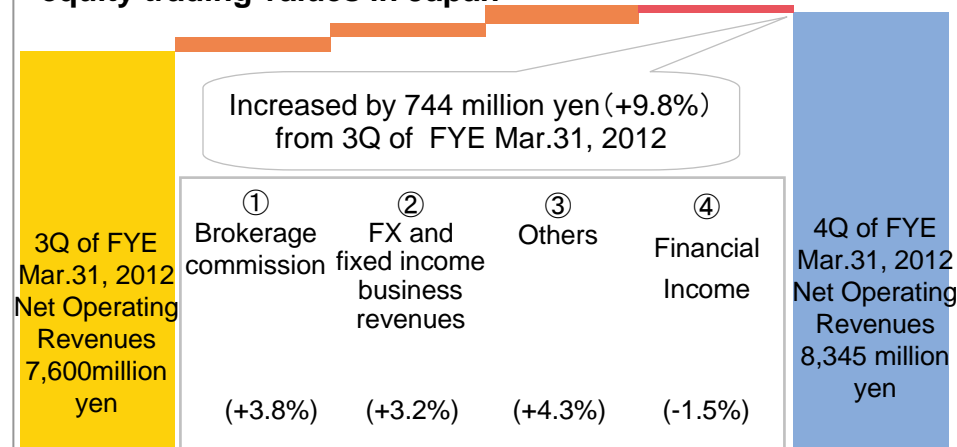
(For reference : Monex, Inc.)

Capital Adequacy Ratio	409.2%	444.4%	-
------------------------	--------	--------	---

## Major Factors of Revenue and SG&A (Comparison with Previous Quarter)

### ■ Revenue: Comparison with 3Q of FYE Mar. 31, 2012

◆ Brokerage commission increased due to the increase of equity trading values in Japan



#### ◆ Major increasing factors

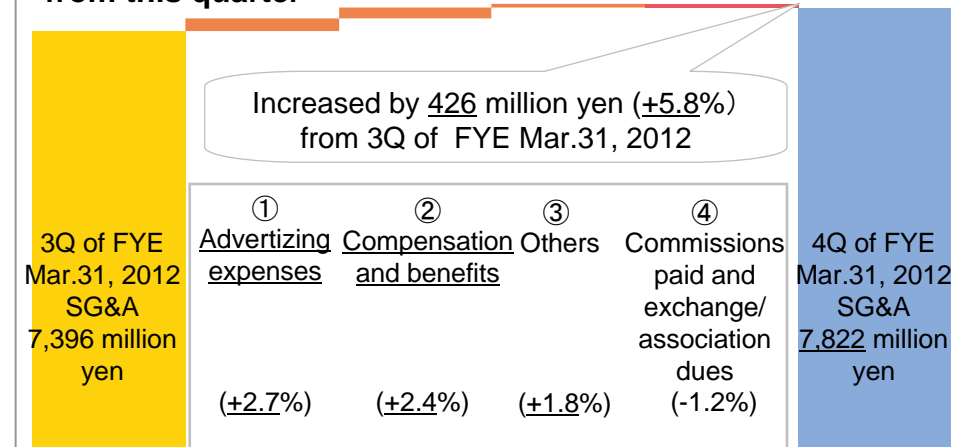
- ① Brokerage commission (exc. OSE-FX) +288 million yen
  - The average trading value per day of Monex, Inc.'s clients increased by 13% compared with previous quarter
- ② FX and fixed income business revenues +241 million yen
  - IBFX contributed entirely from this quarter
- ③ Others +328 million yen
  - Revenue on consulting service (M&A advisory) increased

#### ◆ Major decreasing factor

- ④ Financial Income -113 million yen
  - Due to the decrease in margin balance

### ■ SG&A: Comparison with 3Q of FYE Mar. 31, 2012

◆ Cost increased due to IBFX contributed by 3 months from this quarter



#### ◆ Major increasing factors

- ① Advertizing expenses +202 million yen
  - Due to aggressive advertising of FX by Monex, Inc.
- ② Compensation and benefits +176 million yen
  - IBFX contributed 3 months from this quarter
- ③ Others +133 million yen
  - Due to the increase of amortization of goodwill

#### ◆ Major decreasing factor

- ④ Commissions paid and exchange/association dues -85 million yen
  - Due to the sluggish market in U.S.

**Financial Summary : FYE Mar. 31, 2011 vs. FYE Mar. 31, 2012 (in 12 months)**

(in million yen, %)

	FYE Mar. 31, 2011 (Apr. 2010 – Mar. 2011)	FYE Mar. 31, 2012 (Apr. 2011 – Mar. 2012)	Change
Operating Revenues	25,227	32,292	28.0%
Net Operating Revenues	22,589	29,054	28.6%
SG&A	17,848	26,605	49.1%
Operating Income	4,741	2,448	-48.3%
Ordinary Income	4,990	2,373	-52.4%
Net Income	1,992	1,422	-28.6%
EBITDA*	5,336	6,179	15.8%

\*EBITDA : Net Income + Interest (excluding financial expenses related to margin trading business) + Taxes + Depreciation and Amortization  
+ Devaluation loss of investment securities + Disposal loss of fixed assets

(in million yen, %)

	FYE Mar. 31, 2011 (as of Mar. 31, 2011)	FYE Mar. 31, 2012 (as of Mar. 31, 2012)	Change
Total Assets	365,730	535,663	46.5%
Shareholders' Equity	70,823	72,202	1.9%

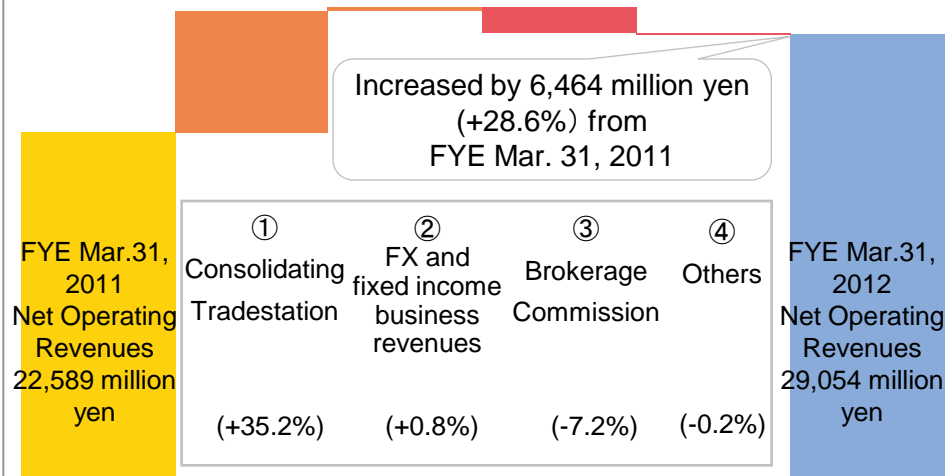
(For reference : Monex, Inc.)

Capital Adequacy Ratio	504.7%	444.4%	-
------------------------	--------	--------	---

# Major Factors of Revenue and SG&A (Comparison with Last Fiscal Year)

## ■ Revenue: Comparison with FYE Mar. 31, 2011

### ◆ Increased due to the consolidation of TradeStation



### ◆ Major increasing factors

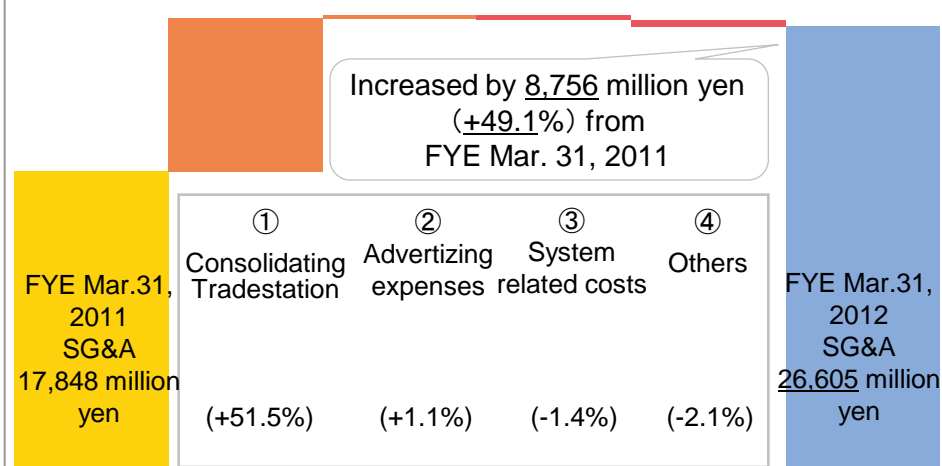
- ① Consolidation of TradeStation (including IBFX) +7,942 million yen
- ② FX and fixed income business revenues +189 million yen
  - Due to great amount of sales of newly bonds

### ◆ Major decreasing factors

- ③ Brokerage commission (exc. OSE-FX) -1,630 million yen
  - The average share trading value per day of Monex, Inc.'s clients decreased by 14% compared with the last fiscal year
- ④ Others -36 million yen

## ■ SG&A: Comparison with FYE Mar. 31, 2011

### ◆ Increased due to the consolidation of TradeStation



### ◆ Major increasing factors

- ① Consolidation of TradeStation (and IBFX) (Including amortization of goodwill) +9,193 million yen
- ② Advertizing expenses +191 million yen
  - Increased strategically to reinforce sales promotion

### ◆ Major decreasing factors

- ③ Systems related costs (\*) -258 million yen
  - Decreased as a result of the cost reduction after the merger of Monex, Inc. and ORIX Securities in May 2010
- ④ Others -370 million yen
  - Communication, freight and information expenses decreased

(\*) System related costs = Rental and maintenance + Data processing and office supplies + Amortization and depreciation

## Balance Sheet (1)

### ■ Keeping sufficient equity, liquidity and financing capability

#### ◆ Balance Sheet as of end of Mar. 2012

<p><b>Current Asset</b></p> <p><b>JPY487.7bn</b></p> <p>Major assets:                  -Balance of segregated cash trust for clients                  JPY 291.8bn                  (inc. TradeStation Sec. JPY 117.7bn)                  -Margin loan, etc.                  JPY 97.4bn</p>	<p><b>Current Liabilities</b></p> <p><b>JPY438.0bn</b></p> <p>Major liabilities:                  -Balance of clients' cash margin                  JPY 288.9bn                  -Finance related to clients' margin transaction                  JPY 138.0bn</p>
	<p><b>Noncurrent Liabilities</b>                  JPY25.2bn                  (*2)(inc. Differed tax liabilities JPY6.5bn)</p>
<p>(*1)Other Fixed Assets</p> <p>JPY 47.9bn                  (inc. Goodwill JPY18.3bn)</p>	<p><b>Net Capital</b></p> <p>JPY72.4bn</p>

#### (\*1) Non-current assets (investment value of risk assets)

Property/equipment	1.3	(Facilities, equipment, etc)
Software	3.3	(Assets to provide service)
Goodwill	<u>18.3</u>	(see next page)
Intangible asset	13.8	(see next page)
Guarantee deposits, etc	0.8	(Real estate deposit, etc)
<u>Investment securities</u>	<u>10.2</u>	(see next page)
<b>Total</b>	<b>47.9</b>	<b>billion yen</b>

#### (\*2) Differed tax liabilities

Related to intangible asset of TradeStation	4.6bn
Related to intangible asset of Monex BOOM	0.1bn
<u>Related to shareholding of LIFENET INSURANCE</u>	<u>1.8bn</u>
<b>Total</b>	<b>JPY 6.5bn</b>

These liabilities were linked to associated fixed assets. If associated fixed assets be amortized, sold or get impairment loss, these liabilities would also be decreased accordingly.

**Excess Capital**  
 JPY24.5bn



Bank loan facility (Group in total): JPY137.3bn  
 (JPY86.3bn not used)  
 Corporate bond(MTN) issuing facility(MG):JPY40bn  
 Lending related to standardized margin trading:JPY28.3bn

⇒ **Maintaining adequate capital availability**

## Balance Sheet (2)

### ■ Goodwill/Intangible Asset

#### ◆ Breakdown of goodwill and identifiable intangible asset for amortization

As of March 2012	Goodwill (JPY bn)	Identifiable intangible asset (JPY bn)	Software (JPY bn)	Remaining years
Monex FX	0.1	-	-	1
ORIX Securities	6.6	-	-	15
Monex BOOM Securities	0.5	0.6	0	5-16
TradeStation Group	10.7	12.4	0	2-17
IBFX	0.1	0.8	-	1-9
Others	0	-	-	3
<b>Total</b>	<b>18.3</b>	<b>13.8</b>	<b>0.1</b>	

Note) Goodwill and Identifiable intangible asset of Monex BOOM Securities, TradeStation Group and IBFX are originally HK and US dollar based and the amount of amortization in JPY will be changed according to the currency rate.

#### ◆ About Goodwill after adopting IFRS

Under IFRS, goodwill will not be amortized but impairment test has to be periodically conducted. Monex Group schedules to adopt IFRS as of the end of FYE March 31, 2013 and the amortization of goodwill for the fiscal year under JGAAP is about JPY1.30bn (\$1=JPY80)

### ■ Investment securities

(in billion yen)				
Name of securities (Purpose for acquisition)	Acquisition cost	Book value	Estimated Value(*3)	Appraisal profit
<b>◆ Market value</b>				
LIFENET INSURANCE(*1) (Incubation)	1.8	7.1	-	5.2
Asia Focus (Maintenance of products)	0.6	0.5	-	0
<b>◆ Securities without market value</b>				
Tokyo Stock Exchange G(*2)		1.3	2.1	0.8
Akatsuki Financial Group convertible bond		0.5	0.6	0.1
Others(*4)		0.7	-	-
<b>Total</b>		<b>10.2</b>		

(\*1) Stock price of LIFENET as of Mar. 31, 2012 was JPY1,252. Unrealized gain (5.2bn) was reported as a component of shareholders' equity.

(\*2) The number of Tokyo Stock Exchange G shares we hold is 40,000 shares

(\*3) Estimated value is calculated using the latest net asset value

(\*4) Investment per security: maximum 0.2bn

#### ◆ About shareholding of LIFENET INSURANCE (7157)

- Oct. 2006: Monex Group, Inc, and Asuka DBJ jointly invested on incubation
- May 2008: Business initiation
- Mar. 2012 : Listed on TSE Mothers

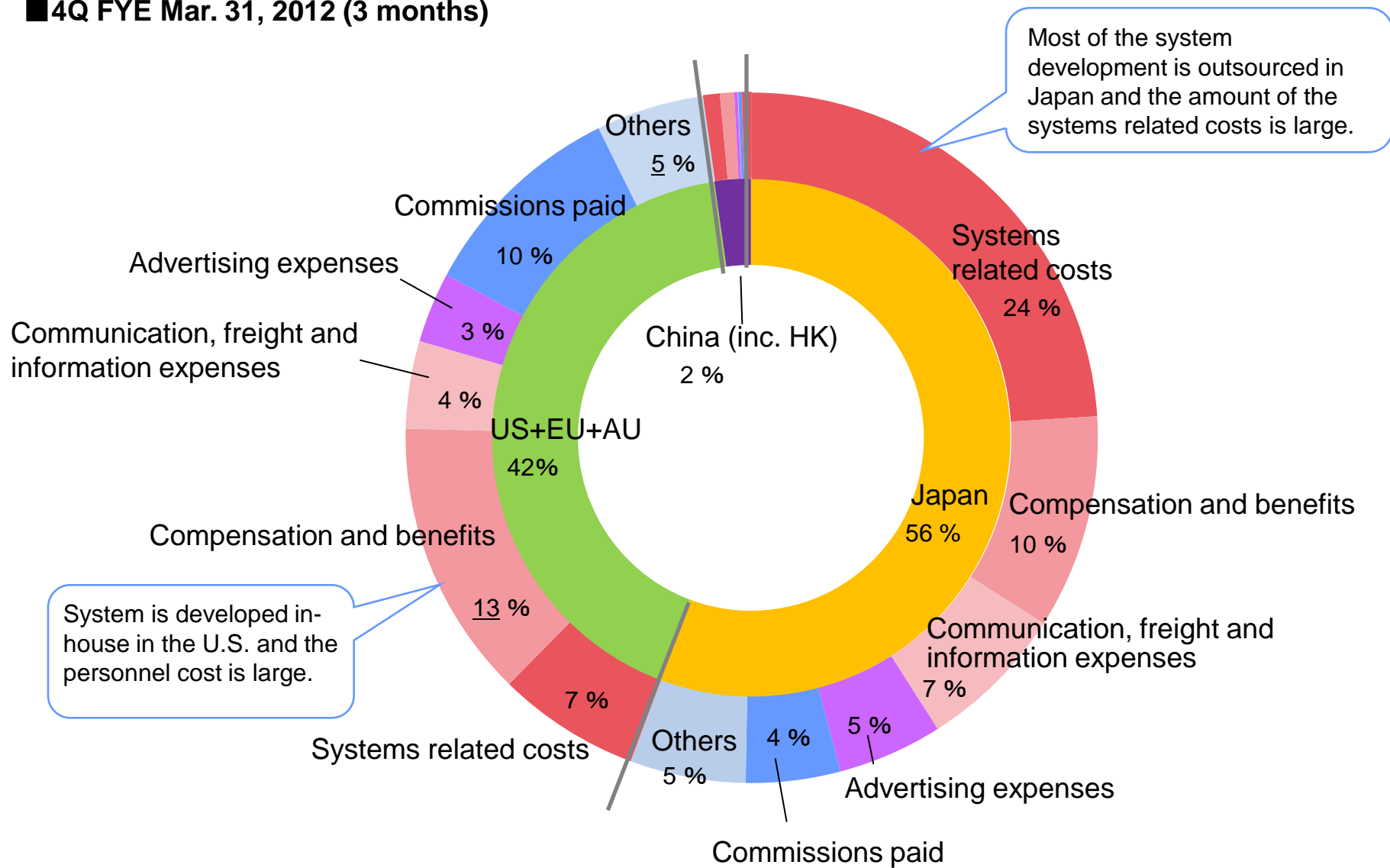
Shareholding as of Mar. 15, 2012: 6,250,000 shares  
(Average purchase price: JPY320/share)

Exercised green shoe option in overallotment  
:566,100 shares(price sold: JPY930→JPY0.3bn extraordinary income)

Number of shareholdings as of the end of Mar. 2012  
:5,683,900 shares(13.5%)

# Distribution of Consolidated SG&A by Regions and Contents

■ 4Q FYE Mar. 31, 2012 (3 months)





## Financial Results : Quarterly Breakdown of Consolidated Income Statement

(in million yen)

	FYE Mar. 31, 2011				FYE Mar. 31, 2012			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Brokerage commissions( includes OSE-FX)	2,772	1,904	2,089	3,336	2,120	3,941	3,387	3,675
Stocks and ETFs	2,582	1,631	1,855	3,015	1,882	2,526	2,166	2,595
Monex Boom securities	-	-	-	96	85	80	57	64
OSE-FX	-	86	84	119	135	136	101	101
Options and Futures	184	185	149	201	102	1,277	1,119	978
Others	4	2	0	0	-	-	-	-
Underwriting and distribution commissions	1	1	10	1	0	0	5	52
Subscription and distribution commissions	209	114	152	169	126	142	78	107
Other commissions	723	602	522	546	511	1,089	786	1,079
Margin forex trades commissions (OTC)	201	107	66	32	0	124	(*)-123	0
Mutual funds agency commissions	311	307	321	324	326	304	281	300
Others	210	188	135	189	183	659	628	778
Net gain on trading account	1,526	1,103	936	1,158	1,231	1,360	(*)1,747	1,860
Net gain on operating investments	9	12	12	-8	-21	-4	-0	87
Financial income	2,130	1,504	2,059	1,461	2,015	1,949	2,530	1,886
Other operating revenues	33	34	33	61	71	161	153	154
Operating revenues	7,407	5,277	5,816	6,725	6,057	8,640	8,690	8,905
Financial expenses	974	431	867	364	977	611	1,089	559
Net operating revenues	6,432	4,846	4,949	6,361	5,080	8,028	7,600	8,345
Selling, general and administrative expenses	4,891	4,137	4,309	4,509	4,350	7,036	7,396	<u>7,822</u>
Operating income	1,540	708	639	1,851	730	991	204	<u>522</u>
Ordinary income	1,814	678	627	1,870	815	944	149	<u>462</u>
Quarterly net income	1,212	387	298	93	528	435	<u>-31</u>	<u>490</u>

(\*)"Margin forex trades commissions" of TradeStation in 2Q FYE2012 was re-allocated to "Net gain on trading account" in 3Q FYE2012

## Financial Results : Quarterly Breakdown of Consolidated SG&A

(in million yen)

	FYE Mar. 31, 2011				FYE Mar. 31, 2012			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Transaction-related expenses	1,267	1,118	1,260	1,360	1,224	2,439	2,521	2,679
Commissions paid	246	217	220	237	238	1,038	1,034	933
Exchange and association dues	205	138	162	212	163	209	184	199
Communication, freight and information expenses	608	572	579	608	567	777	837	874
Advertising expenses	181	168	276	279	232	398	440	642
Others	25	21	22	22	21	15	25	28
Compensation and benefits	936	803	795	850	913	1,604	1,679	<u>1,855</u>
Rental and maintenance	531	466	422	424	437	482	438	459
Data processing and office supplies	1,300	1,153	1,195	1,184	1,181	1,221	1,243	1,232
Data processing	1,279	1,116	1,177	1,166	1,166	1,209	1,233	1,216
Office supplies	20	36	18	17	14	11	10	16
Amortization and depreciation	430	281	286	321	288	474	844	769
Taxes other than income taxes	69	48	48	45	65	43	50	47
Provision for allowance for doubtful receivables	83	-19	-14	-2	10	-2	-5	-1
Amortization of goodwill	158	156	156	164	170	432	219	<u>308</u>
Other operating expenses	113	128	157	160	59	342	403	<u>470</u>
Selling, general and administrative expenses	4,891	4,137	4,309	4,509	4,350	7,036	7,396	<u>7,822</u>

## Financial Results : Overseas Subsidiaries

(Income Statement)

	FYE Mar. 2012					
	2Q		3Q		4Q	
	U.S.	H.K.	U.S.	H.K.	U.S.	H.K.
Brokerage commissions	1,710	80	1,464	57	1,292	64
Stocks and ETFs	591	80	484	57	453	64
Options and Futures	1,119	-	980	-	839	-
Others	-	-	-	-	-	-
Underwriting and distribution commissions	-	-	-	-	-	0
Subscription and distribution commissions	-	-	-	-	-	-
Other commissions	556	0	308	0	476	0
Margin forex trades commissions (OTC)	124	-	-124	-	-	-
Mutual funds agency commissions	-	-	-	-	-	-
Others	432	0	432	0	476	0
Net gain on trading account	-	0	517	0	580	-3
Net gain on operating investments	-	-	-	-	-	-
Financial income	557	22	479	13	390	13
Other operating revenues	102	26	100	18	99	21
Operating revenues	2,926	129	2,869	89	2,839	96
Financial expenses	209	0	252	0	231	0
Net operating revenues	2,716	129	2,617	89	2,608	95
Selling, general and administrative expenses(*1)	2,712	98	3,192	98	<u>3,288</u>	176
Operating income	3	30	-574	-9	<u>-680</u>	-80
Ordinary income	-6	30	-608	-10	<u>-705</u>	-81
Quarterly net income(*2)	-125	26	<u>-356</u>	-9	<u>-487</u>	-80

(\*1)SG&A in U.S. and in H.K. each includes amortization of goodwill and intangible fixed assets generated from the acquisition of TradeStation and MonexBOOM Securities

(\*2) Amortization of goodwill includes the amortization based on the accounting standard in Japan, that is related to the acquisition of TradeStation and as such tax ratio is higher compared with income size

(SG&A)

(in million yen)

	FYE Mar. 2012					
	2Q		3Q		4Q	
	U.S.	H.K.	U.S.	H.K.	U.S.	H.K.
Transaction-related expenses	1,222	30	1,357	23	1,350	28
Commissions paid	792	15	824	10	740	13
Exchange and association dues	30	-	31	-	32	-
Communication, freight and information expenses	245	12	295	11	319	12
Advertising expenses	153	2	205	1	257	1
Others	0	0	0	0	0	1
Compensation and benefits	795	48	865	55	<u>1,020</u>	51
Rental and maintenance	57	6	52	6	62	6
Data processing and office supplies	0	1	0	1	0	2
Data processing	0	1	-	1	0	1
Office supplies	0	0	0	0	-0	0
Amortization and depreciation	(*3)153	3	(*3)548	3	460	(*4)52
Taxes other than income taxes	5	-	4	-	3	-
Provision for allowance for doubtful receivables	-	-	-	-	-	-
Amortization of goodwill	(*3)267	-	(*3)52	-	<u>139</u>	(*4)32
Other operating expenses	210	8	311	7	<u>252</u>	2
Selling, general and administrative expenses	2,712	98	3,192	98	<u>3,288</u>	176

(\*3)There was a transfer from goodwill to intangible fixed assets as a result of fixing the valuation of intangible fixed assets related to the acquisition of TradeStation. Hence, in U.S. the Amortization of goodwill has been partially transferred to Depreciation in 3Q.

(\*4)Expenses concerning depreciation of goodwill and intangible fixed assets about Monex BOOM Securities have been booked in Japan until 3Q but transferred to Hong Kong in 4Q.

# Investors' Guide

## ■ Pursuing investment returns for our shareholders

### ◆ Basic policy for shareholder's return

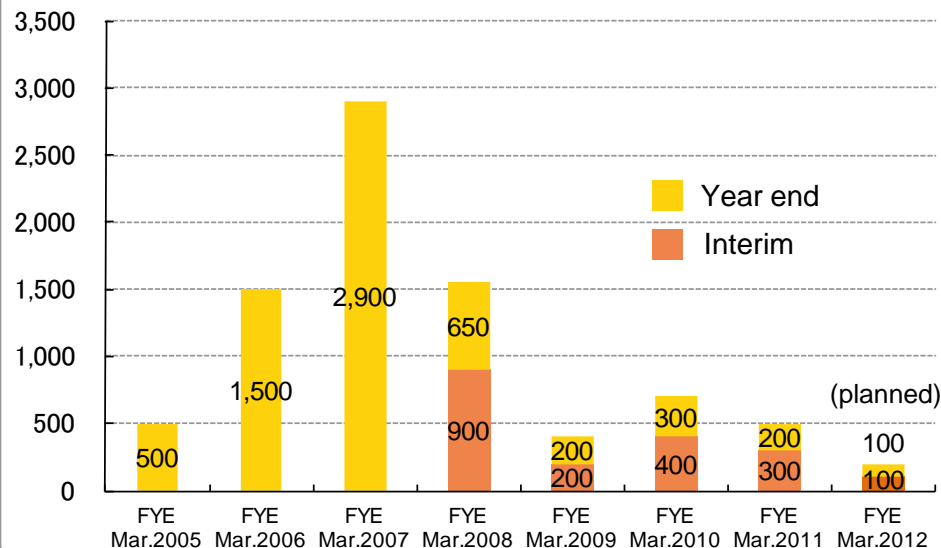
• Reserving necessary capital as a growing company, the company aim to provide return to its shareholders based upon its business performances.

• The company's policy for shareholder's return is to pay dividends and buy back shares. The total return ratio is generally targeted at 50% of consolidated net income of current fiscal year. (We will also keep a certain payout ratio for dividends.)

- In case the Company has a net loss, the management will consider to pay out a certain amount as dividend, comprehensively examining internal reserves, financial condition, business environment and business plan

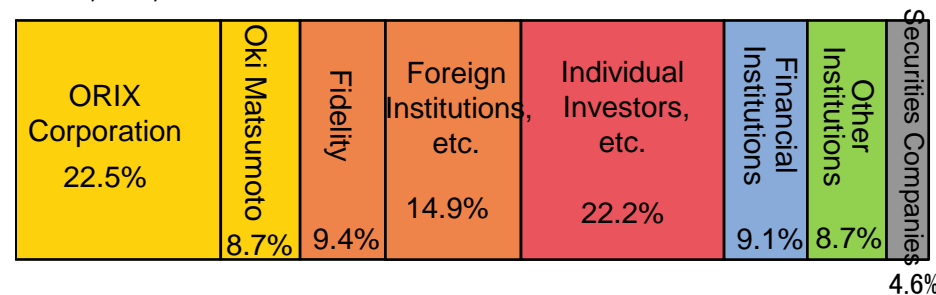
### ◆ Dividend record

(Yen)



### ◆ Major shareholders and share distribution

- Total number of issued shares as of the end of March 2012: 2,996,805 shares



\*Cancelled 200,000 own shares as of March end 2012 (6.26% of shares issued and outstanding before cancellation) acquired during May-June 2011

\*The Fund's Reports to the Ministry of Finance submitted by Fidelity dated April 5, 2012:

- FMR LLC: 280,212 shares (9.35%)

### ◆ Indicators per share

(Unit: JPY)	FYE March 2008	FYE March 2009	FYE March 2010	FYE March 2011	FYE March 2012
Book-value Per Share (BPS)	19,664	17,235	22,139	22,154	24,093
Earnings Per Share (EPS)	3,080	-928	1,527	647	467
Return on Equity (ROE)	15.5%	-5.0%	7.1 %	2.9%	2.0%
Dividend Per Share	1,550	400	700	500	200 (planned)