



## **Monex Group, Inc.**

### **Consolidated Financial Summary under IFRSs for the 2Q of the fiscal year ending March 31, 2022 (April 1, 2021 - September 30, 2021)**

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, 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 2Q 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. / October 2021

## Consolidated Financial Summary

### For the 2Q of the fiscal year ending March 31, 2022

(Millions of Yen)	
<b>Operating results (from Apr. 1, 2021 to Sep. 30, 2021):</b>	
Total revenue.....	52,131
Total expenses.....	33,862
Quarterly profit before income taxes	18,269
Income tax expense.....	6,206
Quarterly profit	12,063
Quarterly profit attributable to :	
Owners of the Company.....	12,027
Non-controlling interests.....	36
(Millions of Yen)	
<b>Financial Position (as of Sep. 30, 2021):</b>	
Total assets.....	1,466,176
Equity attributable to owners of the Company.....	99,818
(Yen)	
<b>Earnings per share attributable to owners of the Company (from Apr. 1, 2021 to Sep. 30, 2021):</b>	
Basic earnings per share.....	46.67
Diluted earnings per share.....	41.87

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)	
	Six months ending Sep. 30, 2020	Six months ending Sep. 30, 2021
<b>Revenue:</b>		
Operating revenue .....	29,317	49,094
Other financial income.....	114	1,234
Other income.....	58	1,766
Equity in profits of equity method investments	40	38
<b>Total revenue</b>	<b>29,529</b>	<b>52,131</b>
<b>Expenses:</b>		
Financial expenses .....	2,211	2,280
Cost of sales.....	—	14
Selling, general and administrative expenses	22,851	30,670
Other financial expenses .....	83	42
Other expenses .....	232	856
<b>Total expenses</b>	<b>25,376</b>	<b>33,862</b>
Quarterly profit before income taxes	4,152	18,269
Income tax expense.....	1,238	6,206
<b>Quarterly profit</b>	<b>2,914</b>	<b>12,063</b>
<b>Quarterly profit or loss attributable to :</b>		
Owners of the Company.....	2,919	12,027
Non-controlling interests.....	(5)	36
<b>Earnings per share attributable to owners of the Company:</b>		
	<b>(in yen)</b>	<b>(in yen)</b>
Basic earnings per share.....	11.37	46.67
Diluted earnings per share.....	11.23	41.87

## Quarterly Consolidated Statements of Comprehensive Income

	(Millions of Yen)	
	Six months ending Sep. 30, 2020	Six months ending Sep. 30, 2021
Quarterly profit	2,914	12,063
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 .....	169	158
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 .....	(115)	12
Foreign currency translation adjustments in foreign operations .....	(538)	137
Share of other comprehensive income of equity method investments .....	7	(36)
Other comprehensive income after income taxes	(477)	272
Quarterly comprehensive income	2,437	12,335
Quarterly comprehensive income attributable to :		
Owners of the Company .....	2,441	12,299
Non-controlling interests .....	(5)	36

## Quarterly Consolidated Statements of Financial Position

	(Millions of Yen)	
	As of Mar. 31, 2021	As of Sep. 30, 2021
<b>Assets:</b>		
Cash and cash equivalents.....	163,989	156,606
Cash segregated as deposits .....	774,582	826,785
Trading securities and other .....	4,457	6,244
Derivative assets.....	12,067	11,978
Inventories.....	45,462	43,723
Investments in securities .....	8,515	9,570
Margin transaction assets .....	182,017	187,856
Loans secured by securities.....	42,774	63,442
Other financial assets .....	112,904	102,781
Property and equipment .....	4,961	4,460
Intangible assets .....	44,861	43,930
Equity method investments .....	345	329
Deferred tax assets .....	1,456	1,258
Other assets .....	2,738	7,214
<b>Total assets</b>	<b>1,401,130</b>	<b>1,466,176</b>
<b>Liabilities and Equity:</b>		
<b>Liabilities:</b>		
Derivative liabilities.....	5,621	4,706
Margin transaction liabilities.....	37,637	33,604
Loans payable secured by securities .....	117,259	131,525
Deposits received .....	492,466	553,997
Guarantee deposits received.....	334,357	340,218
Bonds and loans payable .....	246,220	223,325
Other financial liabilities.....	17,496	17,531
Provisions.....	208	208
Income taxes payable .....	6,571	5,868
Deferred tax liabilities.....	3,074	3,237
Other liabilities.....	49,695	50,920
<b>Total liabilities</b>	<b>1,310,605</b>	<b>1,365,139</b>
<b>Equity:</b>		
Common stock .....	10,394	10,394
Additional paid-in capital.....	40,253	40,101
Treasury stock .....	(446)	(383)
Retained earnings .....	30,148	40,242
Other components of equity .....	9,225	9,465
<b>Equity attributable to owners of the Company.....</b>	<b>89,573</b>	<b>99,818</b>
Non-controlling interests.....	952	1,218
<b>Total equity</b>	<b>90,524</b>	<b>101,036</b>
<b>Total liabilities and equity</b>	<b>1,401,130</b>	<b>1,466,176</b>

## Quarterly Consolidated Statements of Cash Flows

	(Millions of Yen)	
	Six months ending Sep. 30, 2020	Six months ending Sep. 30, 2021
Cash flows from operating activities:		
Quarterly profit before income taxes .....	4,152	18,269
Depreciation and amortization.....	4,091	4,151
Impairment losses on non-financial assets.....	—	656
Financial income and financial expenses.....	(5,306)	(7,273)
Decrease/increase in derivative assets and liabilities.....	1,429	(826)
Decrease/increase in assets/liabilities for margin transaction .....	(33,255)	(9,872)
Decrease/increase in loans/loans payable secured by securities .....	11,540	(6,356)
Decrease/increase in cash segregated as deposits .....	(33,035)	(50,572)
Decrease/increase in deposits received and guarantee deposits received.....	46,531	65,638
Decrease/increase in short-term loans receivable .....	(14,273)	5,499
Other, net .....	(12,025)	3,479
Sub total	(30,150)	22,794
Interest and dividends income received.....	5,877	7,222
Interest expenses paid.....	(2,133)	(2,193)
Income taxes refunded/paid.....	(468)	(7,656)
Net cash provided by (used in) operating activities	(26,874)	20,166
Cash flows from investing activities:		
Purchase of investments in securities .....	(1,635)	(67)
Proceeds from sales and redemption of securities .....	47	1,519
Purchase of property and equipment.....	(248)	(147)
Purchase of intangible assets .....	(2,894)	(2,778)
Payments for acquisition of subsidiaries.....	—	(355)
Other, net.....	(15)	(48)
Net cash provided by (used in) investing activities	(4,744)	(1,877)
Cash flows from financing activities:		
Net increase/decrease in short-term loans payable .....	59,174	205
Proceeds from issuance of bonds payable.....	10,310	3,500
Redemption of bonds payable.....	(4,000)	(11,300)
Proceeds from long-term loans payable.....	—	14,656
Repayment of long-term loans payable .....	(10,002)	(30,002)
Repayments of lease liabilities .....	(566)	(461)
Cash dividends paid.....	(818)	(1,929)
Capital contribution from non-controlling interests.....	—	14
Payments for acquisition of non-controlling interests .....	(46)	—
Dividends paid to non-controlling interests .....	—	(32)
Other, net .....	—	270
Net cash provided by (used in) financing activities	54,052	(25,080)
Net increase/decrease in cash and cash equivalents	22,434	(6,791)
Cash and cash equivalents at the beginning of period	127,832	161,331
Effect of exchange rate change on cash and cash equivalents	326	(226)
Cash and cash equivalents at the end of period	150,593	154,315