

August 5, 2022

Preliminary Monthly Report for July 2022

Money Partners Group released the following data for consolidated performance in July 2022 today. Operating revenues and foreign exchange margin deposits are preliminary figures that may change when financial statements are released.

Period	FYE March 2022											
	2021									2022		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Operating revenues (Million yen)	445	403	430	395	387	470	430	429	589	394	396	550
Foreign exchange trading volume (Currency in millions)	72,253	82,478	73,411	92,739	76,532	78,411	90,593	95,217	66,099	73,976	82,802	134,241
Customer accounts (Accounts)	342,801	343,397	343,817	344,134	344,314	344,522	344,755	345,482	346,625	347,287	347,437	347,991
Foreign exchange margin deposits (Million yen)	58,635	56,276	56,581	56,671	56,468	56,284	55,503	54,426	53,911	54,402	53,808	55,068
General customers	57,068	54,786	54,965	55,027	55,065	54,825	54,090	52,988	52,409	52,848	52,151	53,306
Financial companies (B-to-B)	1,567	1,489	1,616	1,644	1,403	1,459	1,412	1,438	1,501	1,554	1,657	1,761
Manepa Card accounts (Accounts)	161,712	161,526	161,301	161,091	160,964	160,800	160,701	160,574	160,390	159,994	159,566	159,097

Period	FYE March 2023											
	2022									2023		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Operating revenues (Million yen)	457	432	500	420								
Foreign exchange trading volume (Currency in millions)	130,806	139,280	141,401	113,223								
Customer accounts (Accounts)	348,893	349,810	350,630	351,580								
Foreign exchange margin deposits (Million yen)	56,841	56,680	57,597	57,397								
General customers	55,261	55,126	55,939	55,862								
Financial companies (B-to-B)	1,579	1,553	1,658	1,534								
Manepa Card accounts (Accounts)	158,807	158,600	158,387	158,213								

- (Notes) 1. Foreign exchange trading volume is the sum of customer transactions in each currency, using base currency units. Trading volume has not been converted into yen.
2. The number of customer accounts and foreign exchange margin deposits are end-of-month figures.
3. Money Partners started contract-for-difference (CFD-metals) trading in August 2011. Margin deposits, trading volume (currency units converted to USD) and trading revenues in CFD-metals are included in foreign exchange margin deposits, foreign exchange trading volume, and operating revenues, respectively.
4. Foreign exchange margin deposits are presented separately for transactions from general customers and from financial institutions that are B-to-B customers.
5. From March 2022, crypto asset contract-for-difference (CFD) trading (margin deposits and trading volume (trading value converted to USD) in CFD transactions) are included in foreign exchange margin deposits and foreign exchange trading volume, respectively.

<Overview of July>

In July, the forex market was calmer than in June, but still saw large price movements. This volatility resulted from monetary tightening in various countries to control global inflationary pressure accompanying the Russian invasion of Ukraine.

Trading began in the upper 135-yen range against the U.S. dollar (USD) and trended in an upper 134-yen to mid 136-yen range. Concerns over a deceleration of European and Chinese economies caused the USD to strengthen against the currencies of Europe and Oceania on July 11. The repercussions extended to USD buying against the yen, causing the USD to temporarily strengthen to the upper 137-yen range. On July 13, the U.S. CPI for June was announced and far exceeded May. The increase in U.S. long-term interest rates on July 14, the next day, temporarily pushed the USD to the mid 139-yen range (monthly high), the highest level in around 24 years. However, the USD subsequently weakened. U.S. economic indicators produced lackluster results and the decision to raise the interest rate by 0.75% was made at the U.S. Federal Open Market Committee (FOMC) on July 27. However, a cautionary statement by Federal Reserve Board (FRB) Chairman Jerome Powell concerning a substantial interest rate increase at the next meeting caused U.S. long-term interest rates to decline, and the USD temporarily weakened to the mid 132-yen range (monthly low) toward the end of July, ending the month in the lower 133-yen range.

The currencies for Europe and Oceania, which are the main currencies traded other than the USD, diverged in movement against the yen during early and mid-July, but showed a general trend of weakening toward the end of the month.

Forex market volatility was lower than the extremely high levels in June and May. The daily average price range for the USD/JPY fell to 1.244 yen (compared to 1.542 yen in June) and also decreased from June for many currency pairs.

Amid these conditions, the Money Partners Group is continuing our first-in-the-industry campaign on the Partners FX nano platform offering a 24-hour zero spread (0.0 yen, same bid and ask price) on orders up to our specified volume for the five currency pairs of USD/JPY, EUR/JPY, AUD/JPY, and GBP/JPY, and Mexican peso (MXN)/JPY. We are continuing the narrow spread campaign during Golden Manepa Time (5:00 p.m. to 2:00 a.m., the same below), offering the narrowest spreads in the industry on a total of 17 currency pairs, including the USD/JPY and AUD/JPY.

We are also continuing our Golden Manepa Time campaign from last month on Partners FX, which features 100% contract execution, offering the narrowest spreads in the industry next to Partners FX nano on the USD/JPY and AUD/JPY and 16 other currency pairs, for a total of 18 currency pairs.

During Golden Manepa Time, we are offering a spread of 0.2 pips on Gold/USD and on Silver/USD, the narrowest spread in the industry in CFD-Metals trading.

In addition to the above campaigns, we are enhancing the cash-back campaign offered in July on Partners FX. Beginning on August 1, we are adding the USD/Turkish lira (TRY) to the USD/JPY, TRY/JPY, MXN/JPY, and South African rand (ZAR)/JPY currency pairs. These campaigns offer up to a maximum of 25% cash back according to the number of transaction days during the period (6:10 a.m. on August 1 to 5:55 a.m. on September 1) in addition to the cash back offered to customers according to trading volume during the period. We have also begun offering an additional 3% cash back to

customers who execute foreign exchange transactions with Money Partners at least once during our designated time frame (from 6:10 a.m. on July 1 to 5:50 a.m. on July 30) if they execute transactions on at least one day during the campaign period, regardless of the currency pair. We are offering an additional cash-back campaign according to the number of transaction days, similar to our Partners FX campaign, in CFD-Metals trading.

In addition, we are launching Welcome Back campaigns on the Partners FX nano, Partners FX, and CFD-Metals trading platforms from August 1. Under these campaigns, customers who have traded on these platforms even once in the past (contract execution), but have not engaged in new and settlement transactions in June and July 2022, will receive cash back according to transaction volume during the campaign period.

The above factors resulted in a 20% decrease in foreign exchange trading volume from June to 113.2 billion currency units. Operating revenues were 420 million yen, a 16% decrease from June. This decrease came from a decline in system-related sales, in addition to a decline in profitability due to the decline in trading volume and other factors. Foreign exchange margin deposits fell for both general customers and financial companies, decreasing by 200 million yen from June to 57,397 million yen overall.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.