

January 11, 2024

Preliminary Monthly Report for December 2023

Money Partners Group released the following data for consolidated performance in December 2023 today. Operating revenues and foreign exchange margin deposits are preliminary figures that may change when financial statements are released.

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	493	468	499	464	575	469	467	571
Foreign exchange trading volume (Currency in millions)	130,806	139,280	141,401	113,223	119,648	128,574	113,350	127,232	107,703	105,841	85,507	111,183
Customer accounts (Accounts)	348,893	349,810	350,630	351,580	352,358	353,153	354,034	354,921	355,911	357,388	358,445	359,637
Foreign exchange margin deposits (Million yen)	56,841	56,680	57,597	57,397	58,239	58,842	59,781	58,087	53,578	54,003	54,041	51,650
General customers	55,261	55,126	55,939	55,862	56,679	57,382	58,476	56,055	52,006	52,417	52,319	49,931
Financial companies (B-to-B)	1,579	1,553	1,658	1,534	1,559	1,459	1,305	2,031	1,572	1,586	1,721	1,718
Manepa Card accounts (Accounts)	158,807	158,600	158,387	158,213	158,026	157,844	157,701	157,517	157,440	155,557	155,331	154,837

Period	FYE March 2024											
	2023									2024		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Operating revenues (Million yen)	503	502	431	395	460	449	519	440	525			
Foreign exchange trading volume (Currency in millions)	72,285	85,026	102,447	105,809	95,174	78,390	80,247	89,832	99,180			
Customer accounts (Accounts)	360,441	361,481	362,428	363,570	364,294	364,914	365,857	366,704	367,482			
Foreign exchange margin deposits (Million yen)	52,386	52,333	49,506	48,976	48,796	49,372	48,928	48,519	46,681			
General customers	50,017	50,108	47,361	46,860	46,668	47,166	47,240	46,875	45,007			
Financial companies (B-to-B)	2,368	2,224	2,144	2,116	2,127	2,206	1,687	1,643	1,673			
Manepa Card accounts (Accounts)	154,562	154,386	154,304	154,276	154,275	154,273						

- (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.
6. The Manepa Card business (funds transfer business) terminated services on September 29, 2023.

<Overview of December>

In December, a substantially weaker dollar (USD) and stronger yen resulted in a price range (difference between the high and the low price) exceeding 8 yen for December, the largest range since March 2023. The USD began forex market trading in the lower 148-yen range. After temporarily strengthening to the monthly high in the mid 148-yen range on December 1, the USD subsequently trended around the 147 yen-range over the next few days. On December 7, the market view that the Bank of Japan (BOJ) would rescind the negative interest rate policy soon caused the USD to weaken rapidly from the lower 147-yen range to temporarily reach the upper 141-yen range, expanding the price range for that day to 5.7 yen. The November U.S. employment statistics announced on December 8 showed that Non-Farm Payroll statistics outperformed market forecasts. An subsequent increase in U.S. long-term interest rates combined with this caused dollar buying to advance, temporarily boosting the USD back to the mid 146-yen range on December 11. However, the market switched to dollar selling on December 13 when the Federal Reserve Board (FRB) announced the federal funds rate projections by Federal Open Market Committee (FOMC) participants and FRB Chairman Jerome Powell held a press conference, strengthening expectations that interest rates will fall in 2024. The USD temporarily weakened to the mid 142-yen range, then weakened further the next day, on December 14, temporarily reaching the upper 140-yen range for the first time since July 2023. This expanded the price range over these two days to 5.1 yen. The USD subsequently temporarily strengthened to the upper 144-yen range on December 19 as market expectations for an early policy revision receded, after the BOJ decided to maintain the current easy monetary policy at its Monetary Policy Meeting. However, the announcement of a series of U.S. economic statistics showing a deceleration in inflation and stronger expectations that U.S. interest rates will be lowered soon, among other factors caused the USD to temporarily weaken to the monthly low in the lower 140-yen range on December 28, ending the month in the lower 141-yen range.

Like the USD, the yen also strengthened against the currencies for Europe and Oceania, which are the main currencies traded other than the USD, and the yen trended stronger than in November.

The daily average price range for the USD/JPY increased to 1.632 (compared to 1.137 yen in November). The average price range also increased from November for the GBP/JPY and many other currency pairs, resulting in an overall increase in forex market volatility from November.

Amid these conditions, the Money Partners Group began a campaign on October 2 on the Partners FX nano platform, offering a 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, GBP/JPY, and Mexican peso (MXN)/JPY from 9:00 a.m. to 3:00 a.m. We are continuing the campaign on the Partners FX nano platform substantially expanding the order volume from 10,000 to 50,000 currency units for each transaction in USD/JPY offering a zero spread (0.0 yen, same bid and ask price).

We are also continuing our efforts to narrow the spread during Golden Manepa time (from 5:00 p.m. to 3:00 a.m.). We are continuing to offer the narrowest spreads in the industry on over 15 currency pairs, including the USD/JPY and AUD/JPY, on both the Partners FX and Partners FX nano platforms.

In addition to the above campaigns, we launched a campaign offering a digital gift according to trading volume, once a week, and are conducting various campaigns, including a campaign offering a

maximum of 2 million yen in cash back according to new transaction volume in the target currency pairs for the EUR, GBP, and AUD, which are the main currencies handled.

We are conducting a campaign offering a spread of 0.2 pips on Gold/USD and on Silver/USD in CFD-Metals trading, during the same hours as Golden Manepa Time for our FX trading platforms (from 5:00 p.m. to 3:00 a.m.).

Money Partners updated its FX trading app for smartphones on November 13 to also enable transactions on the CFD-Metals trading platform. It is now possible to execute transactions on the three platforms—Partners FX, Partners FX nano, and CFD-Metals trading—on one app.

The above factors resulted in a 10% increase in foreign exchange trading volume from November to 99.1 billion currency units. Operating revenues were 525 million yen, a 19% increase from November. This increase came from increases in both profitability on trading volume and system-related sales. Foreign exchange margin deposits decreased for general customers and increased for financial companies, decreasing by 1,838 million yen to 46,681 million yen overall.

The interim dividend for fiscal year ending March 31, 2024 was set at 6.00 yen per share at the Board of Directors meeting held on October 31, 2023. We decided to raise the target for dividends from the previous 30% to 50% of net profit attributable to owners of parent at the Board of Directors meeting held on March 15, 2023. The approval of this interim dividend is based on the dividend policy target after it was increased.

Money Partners submitted an application selecting the TSE Standard Market on September 15, 2023 and switched from the Prime Market to the Standard Market on October 20. Despite the selection request, the numerical targets set in the plan to meet criteria for maintaining listing on the Prime Market were deferred. We will continue to implement various measures aimed at achieving the plan, revise our targets and measures as appropriate, and strive to further enhance corporate value to grow Money Partners into a company that meets the new listing standards for the Prime Market.

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.