

October 7, 2022

Preliminary Monthly Report for September 2022

Money Partners Group released the following data for consolidated performance in September 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	493	468						
Foreign exchange trading volume (Currency in millions)	130,806	139,280	141,401	113,223	119,648	128,574						
Customer accounts (Accounts)	348,893	349,810	350,630	351,580	352,358	353,153						
Foreign exchange margin deposits (Million yen)	56,841	56,680	57,597	57,397	58,239	58,842						
General customers	55,261	55,126	55,939	55,862	56,679	57,382						
Financial companies (B-to-B)	1,579	1,553	1,658	1,534	1,559	1,459						
Manepa Card accounts (Accounts)	158,807	158,600	158,387	158,213	158,026	157,844						

- (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 September>

In September, the U.S. dollar (USD) began forex market trading in the upper 138-yen range (monthly low). While fluctuating, the USD continued to strengthen against the yen as it did last month when the USD strengthened due to anticipated higher interest rates in the U.S. and a zero-interest monetary policy in Japan. The decision by the Bank of Japan on September 22 to maintain monetary easing accelerated yen selling and USD buying, and the USD temporarily rose to the upper 145-yen range (monthly high) for the first time since August 1998, 24 years ago.

Immediately thereafter, the Japanese government and Bank of Japan intervened for the first time in 24 years by buying yen and selling USD, and the USD temporarily weakened rapidly to the lower 140-yen range. This expanded the price range on September 22 (the difference between the high and low) to 5.5 yen.

The USD subsequently fluctuated at a high level from the upper 141-yen range to the upper 144-yen range, ending the month in the upper 144-yen range.

The currencies for Europe and Oceania, which are the main currencies traded other than the USD/JPY, each saw large price fluctuations, strengthening against the yen and reaching a monthly high in mid-month. These currencies subsequently reversed the trend and began weakening, reaching the monthly low late in September. Of these currencies, the British pound (GBP) was buffeted by the announcement of the largest tax cut by the British government in 50 years on September 23. This caused British bonds to fall rapidly across the board, out of concerns over deterioration in fiscal status. Japan's intervention in the currency markets on September 22 and the announcement of the large tax cut by the British government also caused the GBP/JPY exchange rate to weaken by 14 yen over a three-day period, from a high in the mid-164-yen range on September 22 to a low in the lower 150-yen range on September 26. GBP buying subsequently picked up to a robust pace on the announcement of unlimited British bond purchasing by the Bank of England on September 28, and the GBP temporarily rebounded to the lower 162-yen range at the end of the month.

The daily average price range for the USD/JPY increased to 1.615 yen (compared to 1.549 yen in August), while the GBP/JPY, which depreciated rapidly in late September, and nearly all other currency pairs saw the daily average price range increase from August. Forex market volatility rose overall compared to August, and September reached the highest level yet compared to the extremely high level that has persisted since late February after Russia invaded Ukraine.

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, GBP/JPY, and Mexican peso (MXN)/JPY.

We are also 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 18 currency pairs, including the USD/JPY and AUD/JPY.

On Partners FX, which features 100% contract execution, we substantially expanded the designated time period during which we are offering narrow spreads of 0.002 yen for the USD/JPY and 0.001 yen for the MXN/JPY from September 14 (from September 12 for the MXN/JPY). Customers can take

advantage of the narrowest spreads in the industry for a total of 16 hours for the USD/JPY, from 10:00 a.m. to 2:00 a.m., and for a total of 12 hours for the MXN/JPY, from 2:00 p.m. to 2:00 a.m.

We are also continuing our Golden Manepa Time campaign from last month, offering the narrowest spreads in the industry next to Partners FX nano on the AUD/JPY, the GBP/JPY, and 15 other currency pairs, for a total of 17 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 continuing to offer our cash back campaign on Partners FX for the five currency pairs of USD/JPY, Turkish lira (TRY)/JPY, MXN/JPY, South African rand (ZAR)/JPY, and USD/TRY. These campaigns offer up to a maximum of 25% cash back according to the number of transaction days during the period (7:00 a.m. on October 3 to 5:55 a.m. on November 1) in addition to the cash back offered to customers according to trading volume during the period. We are also offering additional cash back beginning at 3% to customers who have executed foreign exchange transactions with Money Partners on at least one day during the campaign period during our designated time frame (from 6:10 a.m. on September 1 to 5:50 a.m. on October 1), 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.

From late October, Money Partners plans to begin handling trading for the first time in the four currency pairs of the Chinese Yuan (CNY)/JPY, USD/CNY (handled on Partners FX only), Norwegian krone (NOK)/JPY, and New Israeli shekel (NIS)/JPY.

Of these currency pairs, Money Partners will be the only company in Japan* capable of handling trading in the NIS/JPY. * As of June 30, 2022, according to a survey of 137 corporate members of and 4 special participants in the Financial Futures Association of Japan conducted by Money Partners.

The above factors resulted in a 7% increase in foreign exchange trading volume from August to 128.5 billion currency units. Operating revenues were 468 million yen, a 5% decrease from August. This decline resulted from a decrease in system-related sales in addition to a decrease in profitability due to few trading days caused by postponement of the delivery data when rolling over positions, despite growth in trading volume. Foreign exchange margin deposits increased for general customers and decreased for financial companies, increasing by 602 million yen to 58,842 million yen overall.

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