

September 7, 2020

### Preliminary Monthly Report for August 2020

Money Partners Group today released the following data for consolidated performance in August 2020. Operating revenues and foreign exchange margin deposits are preliminary figures that may change when financial statements are released.

Period	FY3/19											
	2018									2019		
	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Operating revenues (Million yen)	436	430	438	446	552	397	411	293	432	506	450	1,077
Foreign exchange trading volume (Currency in millions)	64,962	85,708	73,679	70,709	121,698	72,241	69,676	43,497	45,475	60,432	87,717	163,604
Customer accounts (Accounts)	331,528	332,653	333,795	334,878	335,861	336,996	337,918	338,691	339,443	339,790	340,014	340,483
Foreign exchange margin deposits (Million yen)	64,226	63,060	64,426	64,422	63,282	63,293	64,021	63,383	63,183	69,788	66,290	65,510
General customers	57,695	58,098	58,594	58,474	59,231	58,929	59,250	58,536	58,072	64,763	61,596	62,895
Financial companies (B-to-B)	6,531	4,961	5,831	5,948	4,050	4,363	4,770	4,847	5,111	5,025	4,693	2,614
Manepa Card accounts (Accounts)	152,808	153,899	155,079	156,330	157,321	158,101	158,861	159,676	160,307	161,324	162,167	162,655

Period	FY3/20											
	2019									2020		
	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Operating revenues (Million yen)	407	303	318	282	309							
Foreign exchange trading volume (Currency in millions)	82,072	92,851	106,893	75,910	85,460							
Customer accounts (Accounts)	340,605	340,735	340,825	340,830	340,840							
Foreign exchange margin deposits (Million yen)	62,460	62,004	61,807	62,331	62,751							
General customers	60,227	59,654	59,267	60,022	60,364							
Financial companies (B-to-B)	2,232	2,350	2,539	2,309	2,386							
Manepa Card accounts (Accounts)	162,828	163,034	163,058	163,086	163,138							

- (Notes) 1. Foreign exchange trading volume is the sum of customer transactions in each currency in units using the base currency. Trading volume has not been converted into yen.
2. The number of customer accounts and balance of foreign exchange margin deposits are as of the end of the month.
3. Money Partners started contract-for-difference (CFD) trading in August 2011. Margin deposits, trading volume and trading revenues in CFD are included in foreign exchange margin deposits, foreign exchange trading volume and operating revenues, respectively.
4. The foreign exchange margin deposits are presented separately by transactions from general customers and transactions from financial institutions that are B-to-B customers.
5. Effective July 27, 2020, our consolidated subsidiary COINAGE, Inc. started a physical bitcoin sales office as a crypto-asset exchange, and "Operating revenue" includes the company's figures from July 2020.

### <Overview of August>

In July, the U.S. dollar/yen began trading in the range of higher 105 yen. However, negotiations on additional fiscal policies in the U.S. were tangled. The exchange rate declined temporarily to the lower 105 yen range on August 6.

Subsequently, the U.S. employment statistics released on July 7 were generally strong, and the U.S. July Consumer Price Index (CPI) exceeded expectations. As a result, dollar purchases accelerated, hitting a high in the lower 107 yen range on the 13th.

However, the outlook for the U.S. economy deteriorated due to the lower-than-expected retail sales in the U.S. in July, and anticipated scaling down of the additional financial measures in the U.S. The U.S. dollar accelerated, hitting a low in the lower 105 yen range on the 19th.

After that, prices continued to fluctuate lacking a sense of direction, but after FRB Chair Jerome Powell announced in his speech on January 27th that "we are aiming for 2% inflation on average over the term," the US dollar sold off on the expectation that zero interest rates will be maintained for a long time, but when the yield on the US 10-year Treasury note turned to rise, the trend of buying the US dollar and selling the yen strengthened, and the price temporarily rose to just before 107 yen on the 28th.

Subsequently, the price fell due to Prime Minister Abe's resignation, reaching the end of the month in higher 105 yen range.

Meanwhile, the European and Oceanian currencies, which are major currencies other than the U.S. dollar/yen, remained in a weak trend from the previous month.

The average foreign exchange rate for the major currency pairs increased by approximately 7%, reflecting an increase of approximately 15% in the U.S. dollar/yen compared to the previous month and an overall upward trend in the European and Oceanian currencies.

Under these circumstances, foreign exchange turnover rose 13% to 85.4 billion currencies.

On the other hand, operating revenue increased 9% to 309 million yen as a result of a decrease in profitability per transaction due to factors such as an increase in the proportion of the U.S. dollar/yen, which is relatively unprofitable, and the impact of lower interest rates caused by the turmoil in the market caused by COVID-19, which continued from the previous month.

In addition, margin deposits received for foreign exchange transactions increased 419 million yen to 62,751 million yen due to increases in both general customers' deposits and financial institutions' deposits.