

March 7, 2024

Preliminary Monthly Report for February 2024

Money Partners Group released the following data for consolidated performance in February 2024 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	480	419	
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	98,970	84,544	
Customer accounts (Accounts)	360,441	361,481	362,428	363,570	364,294	364,914	365,857	366,704	367,482	368,432	369,293	
Foreign exchange margin deposits (Million yen)	52,386	52,333	49,506	48,976	48,796	49,372	48,928	48,519	46,681	46,442	45,991	
General customers	50,017	50,108	47,361	46,860	46,668	47,166	47,240	46,875	45,007	44,821	44,433	
Financial companies (B-to-B)	2,368	2,224	2,144	2,116	2,127	2,206	1,687	1,643	1,673	1,621	1,557	
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 February>

In February, the U.S. dollar (USD) began forex market trading in the upper 146-yen range. The weakness of **U.S. employment statistics** and lower U.S. long-term interest rates stemming from the decline in U.S. regional bank stock prices caused the USD to weaken and temporarily fall to a monthly low in the upper 145-yen range the same day, on February 1. The February Bureau of Labor (BLS) U.S. employment statistics subsequently announced on February 2 showed that Non-Farm Payroll statistics outperformed market forecasts. Dollar buying advanced due to this, combined with increasingly widespread observations that monetary easing by the Bank of Japan (BOJ) will persist longer on February 8. Dollar buying then accelerated on February 13 when market expectations that the Federal Reserve Board (FRB) would lower the federal funds rate soon receded, and the USD temporarily reached a monthly high in the upper 150-yen range on February 14. The intraday high for the USD subsequently continued to trend at the 150-yen level, then temporarily fell to the lower 149-yen range and ended the month in upper 149-yen range as U.S. long-term interest rates fell when the January U.S. core PCE (Personal Consumption Expenditures Price Index, Excluding Food and Energy), announced on February 29, showed a gradual reduction in inflation.

The currencies for Europe and Oceania, which are the main currencies traded other than the USD/JPY, all trended upward against the yen.

The daily average price range for the USD/JPY decreased to 0.884 yen (compared to 1.336 yen in January). The average price range also decreased from January for the EUR/JPY and many other currency pairs, resulting in an overall decrease in forex market volatility from January.

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. on the next day. 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 the 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. on the next day).

We are continuing services providing 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 expanded the timespan during which we offer a spread of 0.002 yen on the USD/JPY currency pair to 20 hours (from 8:00 a.m. to 4:00 a.m. on the next day) from February 12, the longest timespan in the industry. Our proactive narrowing of spreads as indicated above earned the No. 1 ranking for the third consecutive year in the Spread category of the FX Company Annual Rankings announced by MINKABU, a major media information outlet. We will continue to lead the industry in spreads and serve a growing number of customers.

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 3 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. on the next day).

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. We also improved the Gold/USD swap points on purchases to the highest level in the industry, beginning in December.

The above factors resulted in a 15% decrease in foreign exchange trading volume from January to 84.5 billion currency units. Operating revenues were 419 million yen, a 13% decrease from January. This decrease came from a decline in profitability on trading volume and in system-related sales. Foreign exchange margin deposits fell for both general customers and financial companies, decreasing by 450 million yen from January to 45,991 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 payout ratio 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.