

November 8, 2023

Preliminary Monthly Report for October 2023

Money Partners Group released the following data for consolidated performance in October 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					
Foreign exchange trading volume (Currency in millions)	72,285	85,026	102,447	105,809	95,174	78,390	80,247					
Customer accounts (Accounts)	360,441	361,481	362,428	363,570	364,294	364,914	365,857					
Foreign exchange margin deposits (Million yen)	52,386	52,333	49,506	48,976	48,796	49,372	48,928					
General customers	50,017	50,108	47,361	46,860	46,668	47,166	47,240					
Financial companies (B-to-B)	2,368	2,224	2,144	2,116	2,127	2,206	1,687					
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 October >

In October, the dollar (USD) began forex market trading in the mid 149-yen range. On October 3, the August U.S. Job Openings and Labor Turnover Survey (JOLTS) revealed strong results for the number of job openings and this pushed the USD up to the lower 150-yen range, the highest level since October of last year. Wariness over foreign exchange intervention by the Bank of Japan immediately afterwards caused the USD to rapidly weaken to the mid 147-yen range (monthly low) temporarily, but the USD quickly rebounded to the lower 149-yen range, resulting in a rough start to the month. The USD subsequently targeted the critical juncture of 150 yen, but traded in the lower 148-yen to upper 149-yen range, due in part to warnings of intervention by the Japanese government. On October 25, the focus on the increase in U.S. long-term interest rates and expansion of the interest rate differential between Japan and the U.S. caused dollar buying to progress, and the USD consequently strengthened to the lower 150-yen level. On October 26, the announcement of preliminary real GDP for the July through September quarter in the U.S. revealed growth exceeding market forecasts and this caused the USD to strengthen to the upper 150-yen range.

However, the lack of sustained dollar buying caused the USD to continue to weaken on October 27 and at the beginning of the next week on October 30, and it reached the upper 148-yen range temporarily. Although the Bank of Japan (BOJ) made additional revisions to yield curve control at its Monetary Policy Meeting on October 31, BOJ maintained its policy of easing and the USD strengthened, ending October in the upper 151-yen range (monthly high).

The currencies for Europe and Oceania, which are the main currencies traded other than the USD/JPY, demonstrated high volatility in exchange rates on October 3 and again at the end of the month, along with the USD. The EUR and GBP reached monthly highs against the yen at month-end, while the AUD reached a monthly high against the yen on October 1.

The daily average price range for the USD/JPY increased slightly to 0.883 (compared to 0.850 yen in September). The average price range also increased from September for the GBP/JPY and many other currency pairs, resulting in an overall increase in forex market volatility from September.

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 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.). 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.

The above factors resulted in a 2% increase in foreign exchange trading volume from September to

80.2 billion currency units. Operating revenues were 519 million yen, a 15% increase from September. This increase came from an increase in profitability on the increase in trading volume, despite a decrease in system-related sales. Foreign exchange margin deposits increased for general customers and decreased for financial companies, decreasing by 444 million yen to 48,928 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.