

## **Announcement of Absorption-Type Demerger between Subsidiaries**

TOKYO, January 29, 2013 - Monex Group, Inc. (TSE:8698, Oki Matsumoto, Representative Director, Chairman and CEO, “the Company”) today announced that, in order to implement the reorganization of domestic FX business of our group in Japan and to increase business efficiency, an absorption-type demerger will take place between Monex, Inc. (“Monex”) and Monex FX, Inc. (“Monex FX”), both of which are the Company’s wholly owned subsidiaries, and that Monex will assume Monex FX’s customer accounts and related FX business.

### 1. Purpose of Demerger

Our group has provided following services in domestic FX business: (i) FX services as one of the comprehensive investment management services provided by Monex and (ii) the services specialized for FX transaction provided by Monex FX.

Also, our group has established a business model so that Monex FX conducts covering transactions for the FX transactions conducted by the Monex FX’s customers and for those by Monex’s customers through entrustment, as which enables coverage revenue to remain within our group.

The Company has decided to have such business streamlined, in order to increase business efficiency. In particular, an absorption-type demerger will take place between Monex and Monex FX, and then Monex will assume Monex FX’s customer accounts and related FX business. Monex FX will survive as the company specialized for the covering transactions business after the demerger.

### 2. Summary of Demerger

#### (1) Schedule of Demerger

January 28, 2013	Execution of absorption-type demerger contract by Monex and Monex FX
January 29, 2013	General meeting of shareholders of Monex FX to approve the absorption-type demerger
April 1, 2013 (scheduled)	Absorption-type demerger between Monex and Monex FX becomes effective

#### (2) Method of Demerger

An absorption-type demerger to target Monex FX, in which Monex will be the successor company.

#### (3) Content of Allocation of Demerger

Because both Monex FX and Monex are wholly owned subsidiaries of the Company, there will be no allocation or conveyance of shares or money as a result of the demerger.

#### (4) Changes in Capitals as Result of Demerger

There will be no changes to the capital of either Monex FX or Monex.

#### (5) Rights and Obligations to be assumed by Successor Company

Monex will assume the assets, liabilities and other rights and obligations associated with customer

accounts and related FX business from Monex FX.

### 3. Outline of Companies subject to Demerger

(1)	Company name	Monex FX, Inc. (Target Company)	Monex, Inc. (Successor Company)
(2)	Headquarters	36-2 Hakozaki-cho, Nihonbashi, Chuo-ku, Tokyo, Japan	4-1 Kojimachi 2-chome, Chiyoda-ku, Tokyo, Japan
(3)	Representative	Toshihiko Katsuya, Representative Director and President	Oki Matsumoto, Representative Director, President and CEO
(4)	Business	Financial instruments business and related businesses	Financial instruments business and related businesses
(5)	Capital	1,800 million yen	7,425 million yen
(6)	Establishment	July 2004	May 1999
(7)	Share Ownership	100% held by Monex Group, Inc.	100% held by Monex Group, Inc.
(8) Financial performances of the latest fiscal year (as of March 31, 2012: in million yen)			
	Net assets	3,986	34,563
	Total assets	24,082	313,542
	Operating revenues	3,054	20,119
	Operating income	1,450	2,021
	Ordinary income	1,469	2,128
	Net income	870	1,313

### 4. Outlook

As a consequence of the demerger, our domestic FX business will be reorganized, and it is anticipated that the Company will improve management efficiency including reduction of fixed costs. It is uncertain at this time what impacts the implementation of the demerger will have on the Company's consolidated financial performance in the current fiscal year and thereafter.

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