



Financial Results

First Half of Fiscal Year Ending March 31, 2005

October 21, 2004

This is an English translation of Japanese presentation material prepared for IR conference held on the above date; it includes the information on non-consolidated financial summary under Japanese GAAP for the first half of FYE March 2005. If there is any discrepancy between a statement in English and a statement in Japanese, the Japanese statement is always controlling.

Forward-looking Statements

Statements made at this presentation and in this material include forward-looking statements that are based on our current expectations, assumptions, estimates and projections about our business and the industry. These forward-looking statements are subject to various risks and uncertainties. These statements discuss future expectations and plans, identify strategies, contain projections of results of operations and of our financial condition, and state other "forward-looking" information. Known and unknown risks, uncertainties and other factors could cause the actual results to differ materially from expected results contained in any forward-looking statements. Potential risks and uncertainties include, without limitation, our ability to continue to attract and retain customers and their assets; our ability to make our operations profitable; changes in the demand for brokerage services in Japan; our ability to continue to expand and maintain our computers and electronic systems and to avoid failures of these systems; and our ability to maintain our relationship with our founding shareholders. This does not correspond to US GAAP.

-  **1. Financial Results and Business Overview**
- 2. Business Model and Future Development**

Financial Summary : First Half of FYE Mar. 31, 2004 vs. First Half of FYE Mar. 31, 2005

(in million yen, %)	First Half of FYE Mar. 2004 (Apr. 2003-Sep. 2003)	First Half of FYE Mar. 2005 (Apr. 2004-Sep. 2004)	Change
Operating Revenues	6,130	10,295	67.9%
Net Operating Revenues	5,832	9,752	67.2%
Selling, general and administrative expenses	3,977	5,698	43.3%
Operating Income	1,854	4,054	118.6%
Ordinary Income	1,858	3,983	114.4%
Net Income	1,642	4,280	160.7%

(in million yen, %)	First Half of FYE Mar. 2004 (as of Sep. 30, 2003)	First Half of FYE Mar. 2005 (as of Sep. 30, 2004)	Change
Total Assets	110,719	197,755	78.6%
Net Assets	19,164	26,959	40.7%
Capital Adequacy Ratio	585.3%	531.2%	-
Cash and Deposits	15,176	38,566	154.1%

Please note that, unless otherwise stated, the figures in this material show the consolidated figures of MBH and its group companies (i.e. Monex and Nikko Beans) and those figures before the first half of FYE Mar. 31, 2005 are the simple sums of those of Monex and Nikko Beans. All statements in this presentation material are based on this premise.

Financial Summary : Second Half of FYE Mar. 31, 2004 vs. First Half of FYE Mar. 31, 2005

(in million yen, %)	Second Half of FYE Mar. 2004 (Oct. 2003-Mar. 2004)	First Half of FYE Mar. 2005 (Apr. 2004-Sep. 2004)	Change
Operating Revenues	8,945	10,295	15.1%
Net Operating Revenues	8,605	9,752	13.3%
Selling, general and administrative expenses	4,982	5,698	14.4%
Operating Income	3,622	4,054	11.9%
Ordinary Income	3,626	3,983	9.8%
Net Income	3,151	4,280	35.8%

(in million yen, %)	FYE Mar. 2004 (as of Mar. 31, 2004)	First Half of FYE Mar. 2005 (as of Sep. 30, 2004)	Change
Total Assets	156,491	197,755	26.4%
Net Assets	22,492	26,959	19.9%
Capital Adequacy Ratio	521.8%	531.2%	-
Cash and Deposits	15,984	38,566	141.3%

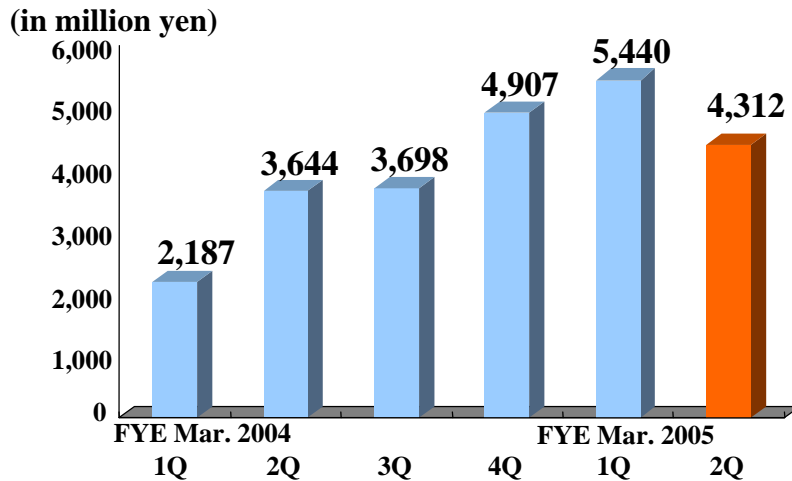
Financial Summary : 1Q of FYE Mar. 31, 2005 vs. 2Q of FYE Mar. 31, 2005

(in million yen, %)	1Q of FYE Mar. 2005 (Apr. 2004-Jun. 2004)	2Q of FYE Mar. 2005 (Jul. 2004-Sep. 2004)	Change
Operating Revenues	5,764	4,530	-21.4%
Net Operating Revenues	5,440	4,312	-20.7%
Selling, general and administrative expenses	2,806	2,892	3.1%
Operating Income	2,633	1,420	-46.1%
Ordinary Income	2,645	1,338	-49.4%
Net Income	2,531	1,749	-30.9%

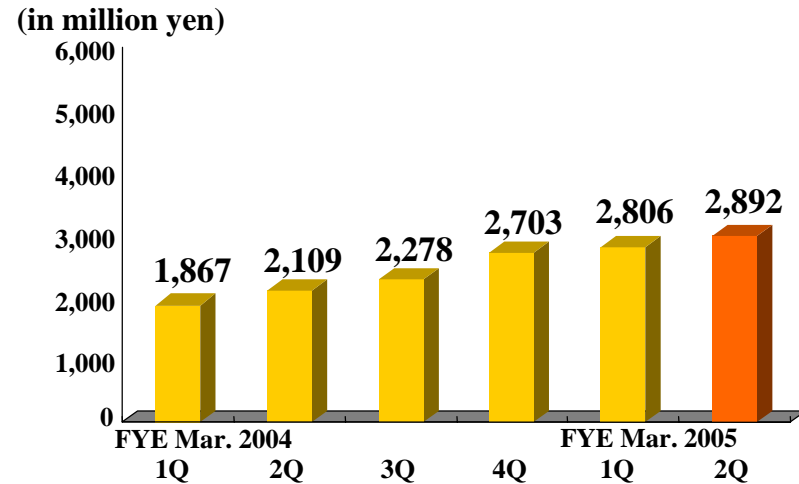
(in million yen, %)	1Q of FYE Mar. 2005 (as of Jun. 30, 2004)	2Q of FYE Mar. 2005 (as of Sep. 30, 2004)	Change
Total Assets	192,502	197,755	2.7%
Net Assets	25,209	26,959	6.9%
Capital Adequacy Ratio	511.3%	531.2%	-
Cash and Deposits	26,756	38,566	44.1%

Financial Summary : Financial Highlights (Quarterly Basis)

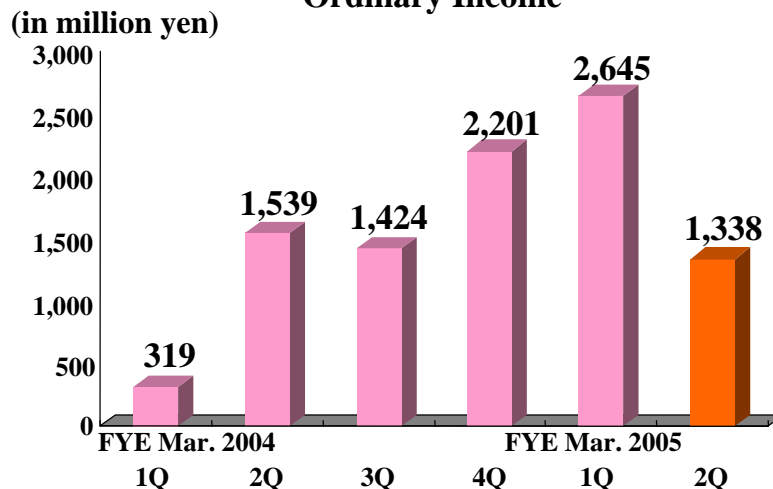
Net Operating Revenues



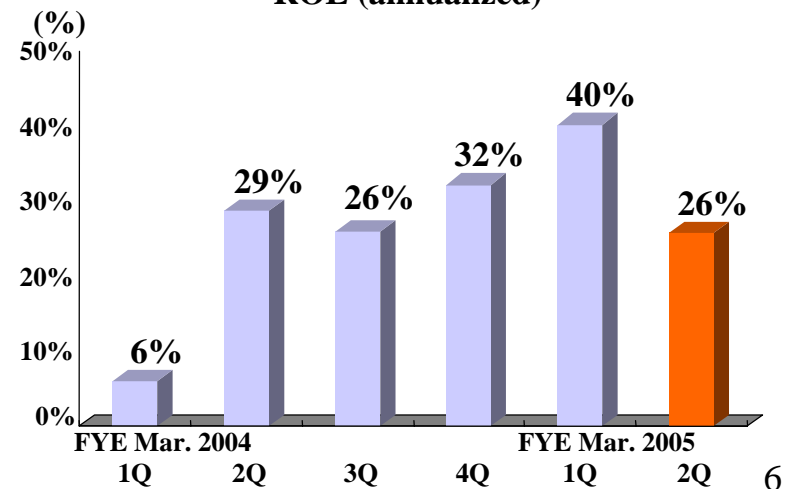
Selling, General and Administrative Expenses



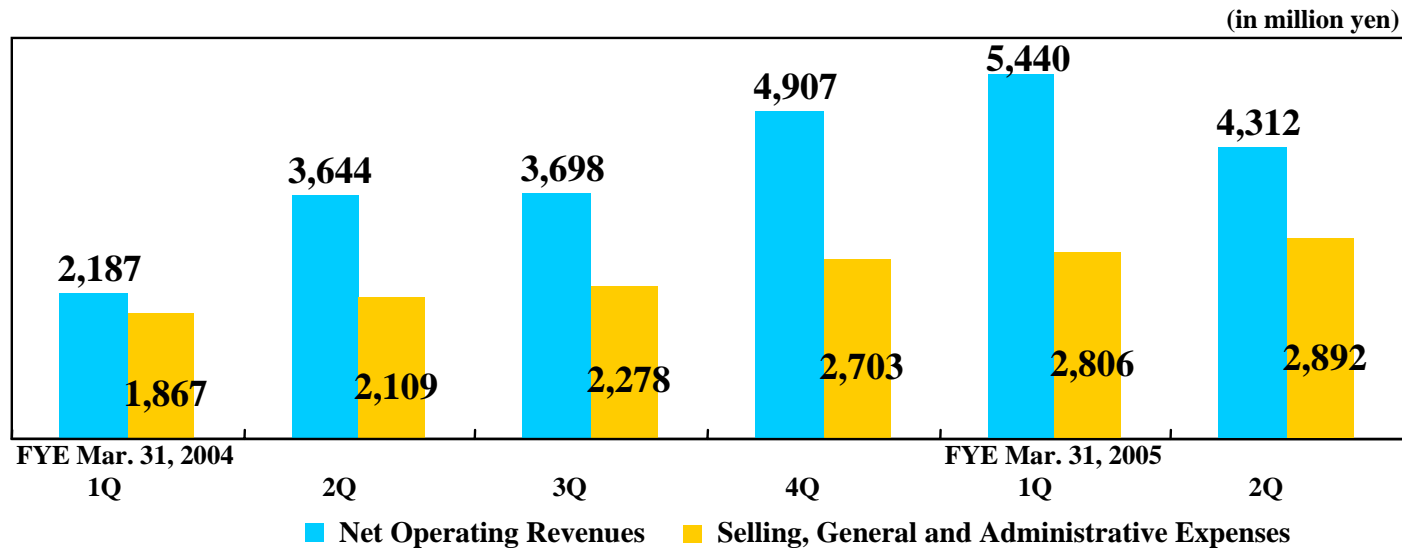
Ordinary Income



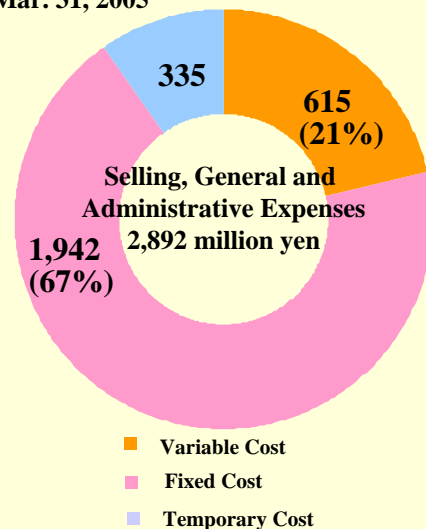
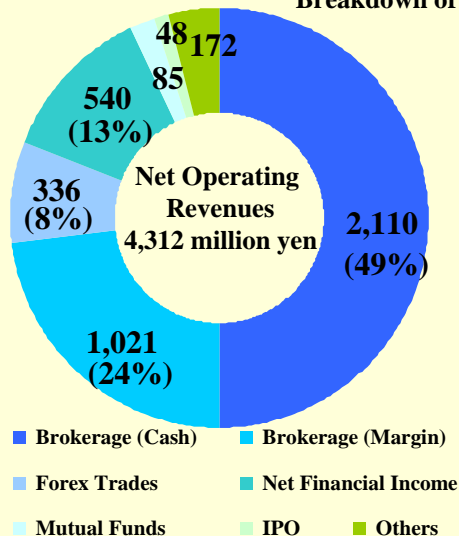
ROE (annualized)



Net Operating Revenues vs. Selling, General and Administrative Expenses



Breakdown of 2Q of Mar. 31, 2005



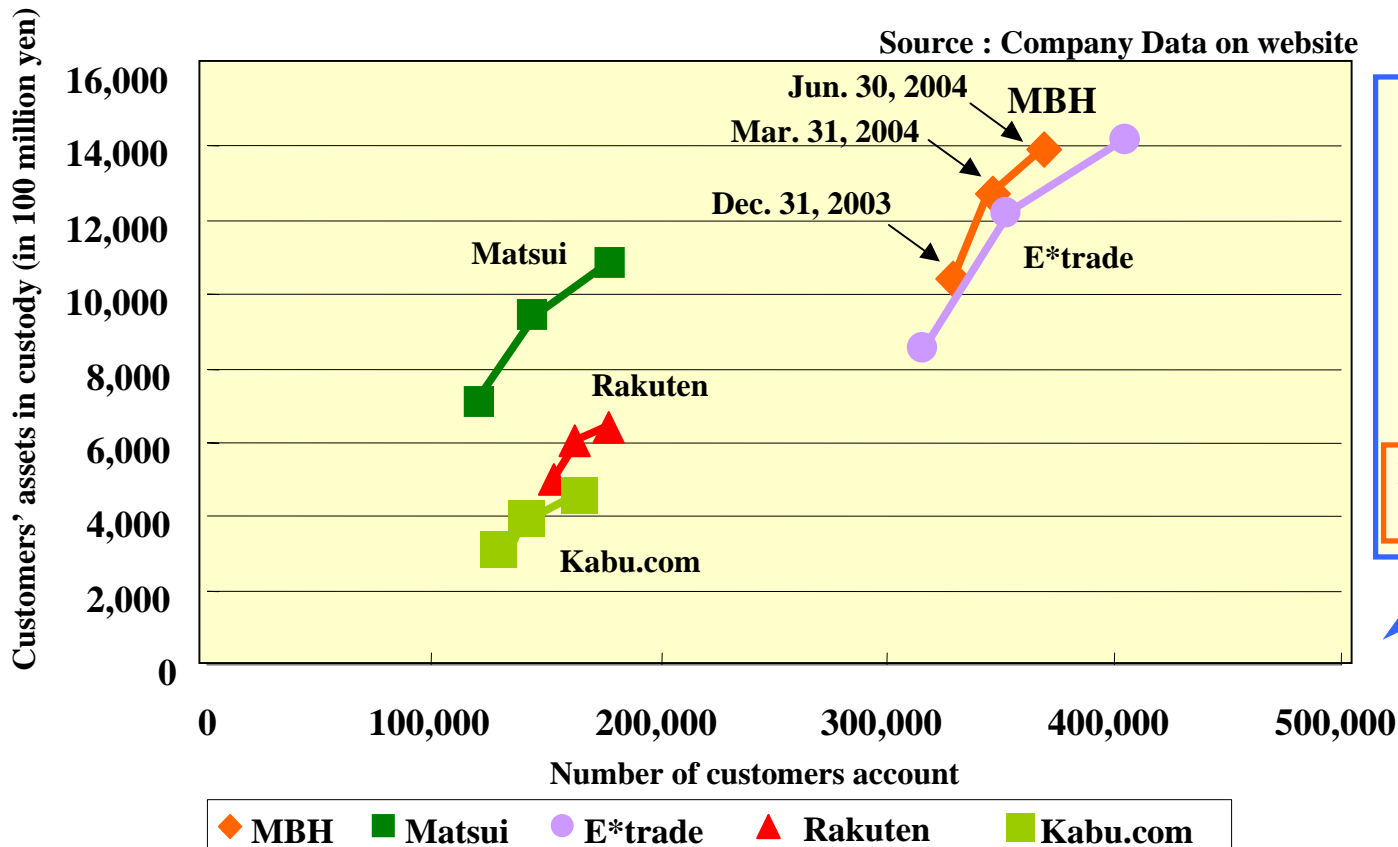
1. The ratio of brokerage commission revenues over net operating revenues is 73%. This means MBH have built relatively stable revenue structure.

2. Revenues excluding brokerage commissions are 27% of total revenues and cover about 60% of fixed cost.

3. MBH break-even point is 500 million TSE trading volume. This estimate is based on the following assumption. "Trading value share on TSE" and "Revenues excluding brokerage commissions" remain the same figures as those of 2Q of FYE Mar. 31, 2005.

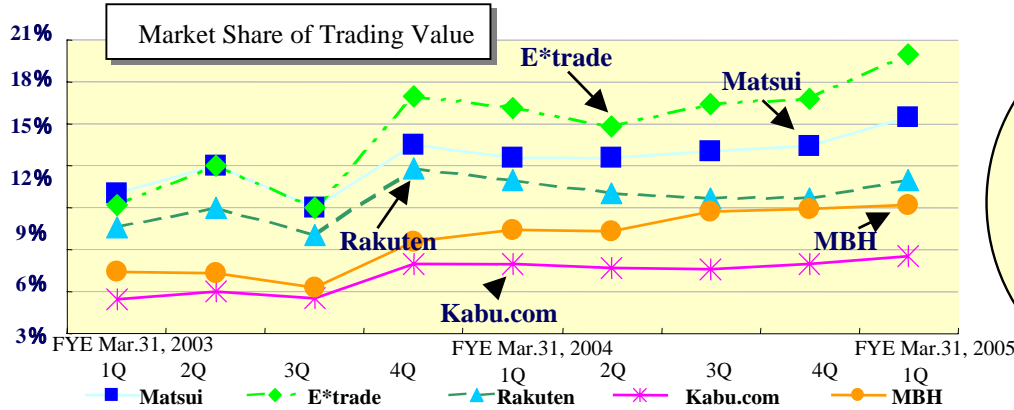
Comparison with Others : Number of Accounts vs. Customers' Assets in Custody

The following indicates "Customers' assets in custody per account" as of Dec. 31, 2003, Mar. 31, 2004 and Jun. 30, 2004.

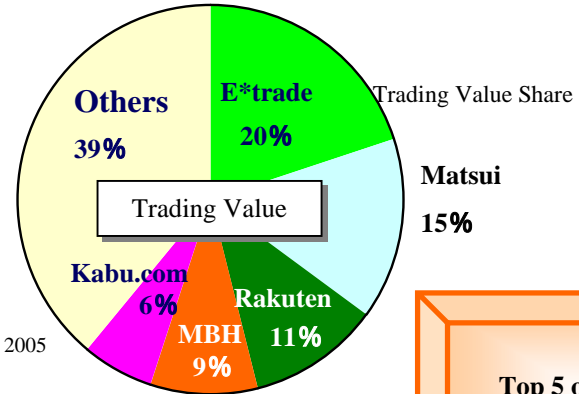


Comparison with Others : Retail Trading Value

Market share of trading value; vs. Matsui, E*trade, Rakuten & Kabu.com

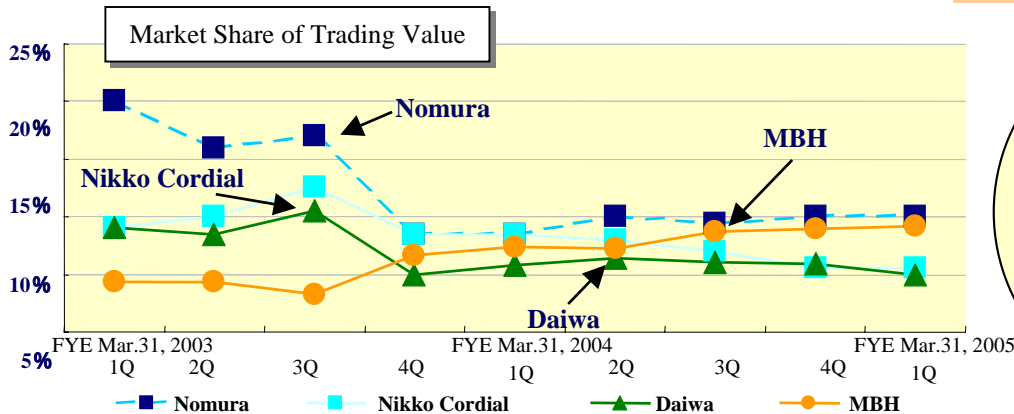


1Q of FYE Mar. 31, 2005

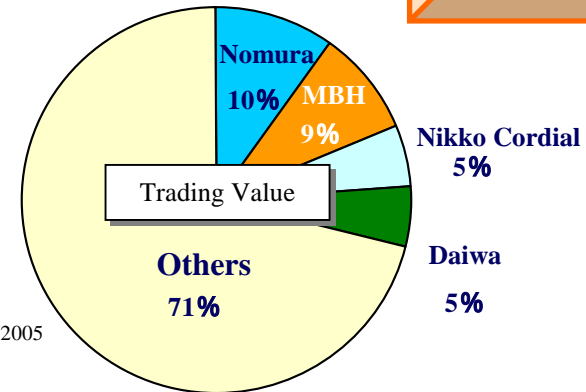


Top 5 online brokers won 61% market share of trading value.

Market share of trading value; vs. Nomura, Nikko Cordial & Daiwa



1Q of FYE Mar. 31, 2005



Source : Company Data on website

Margin Trading

Nikko Beans “Net Margin Trading”

Various Services

Two-type margin trading: “Classic type” and “Open-ended” Margin Trading

User Friendly Trading Rules (Lowest Margin Deposits Rate)

Reasonable Trading Fees

Various Order Methods

(“ Stop Loss Order(*)”, “Band Limit Order” and “Surfing Trading” etc.)

Bidding Auctions for bonus shares available

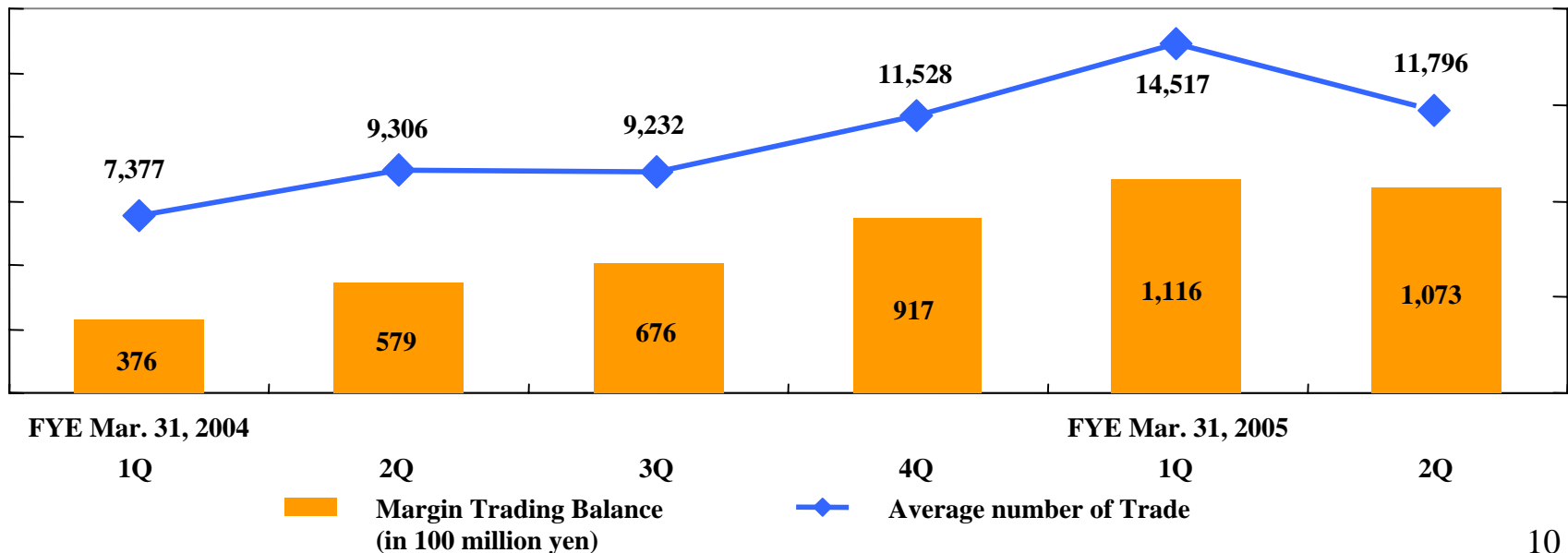
Multi Access Channel (Mobile Phone and PDA, etc)

(*) This is an unique service provided by limited online brokers including Nikko Beans

Provide well-designed services for all customers by combining sophisticated trading services of Nikko Beans and educational resources of Monex

Monex Margin Trading

Unique and broad range of educational contents



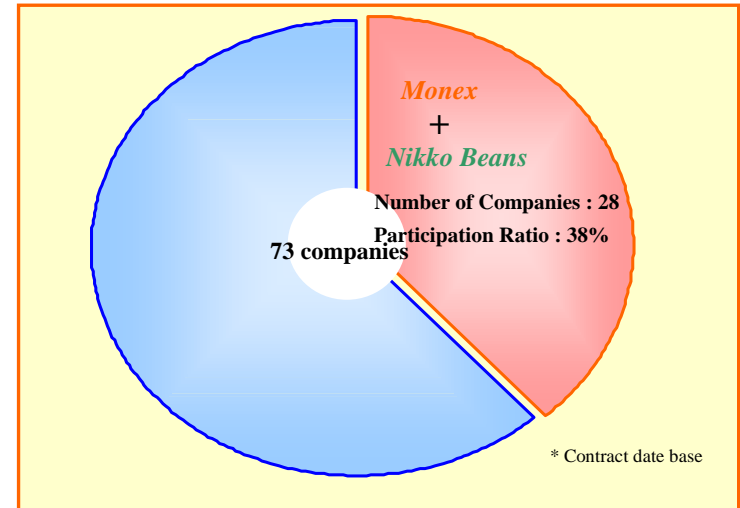
Underwriting Business

Underwriting Deals in 2Q of FYE Mar. 31, 2005 (Monex only)

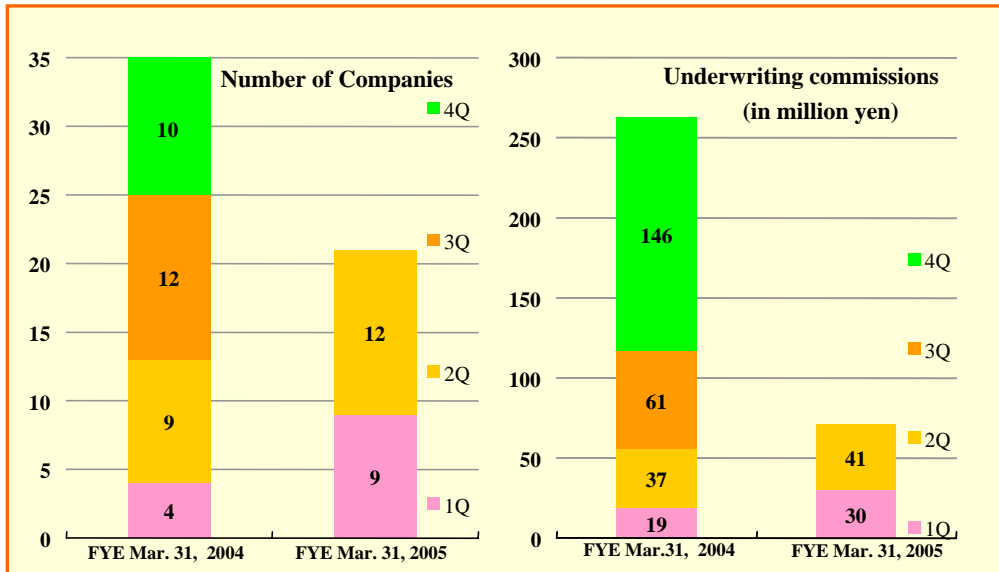
Company Name	Market	IPO date	Total IPO amount (in million yen)	Share (%)	Monex IPO (in million yen)
TAZMO CO.,LTD	JASDAQ	Jul. 15	3,330	1.0	33.3
Sosei Co. Ltd.	TSE Mothers	Jul. 29	12,320	1.0	123.2
ADM INC.	JASDAQ	Sep. 1	1,957	1.0	19.6
Media Exchange(MEX)	TSE Mothers	Sep. 1	1,350	1.0	13.5
So-net M3, Inc.	TSE Mothers	Sep. 16	5,661	2.0	113.2
WebCrew Inc.	TSE Mothers	Sep. 21	2,304	4.0	92.2
CAREER DESIGN CENTER CO.,LTD.	OSE Hercules	Oct. 1	1,924	6.0	115.4
Electric Power Development Co., Ltd.	TSE 1 st section	Oct. 6	281,086	0.1	140.5
IBJ Leasing Company, Limited	TSE 2 nd section	Oct. 7	7,800	2.0	156.0
GF Ltd.	TSE Mothers	Oct. 8	288	2.0	5.8
Chip One Stop, Inc.	TSE Mothers	Oct. 13	1,500	2.0	30.0
WonderCorporation	JASDAQ	Oct. 13	2,040	2.0	40.8

* TSE : Tokyo Stock Exchange, OSE : Osaka Securities Exchange * Contract date base

Underwriting and Distribution Amounts and Participation Ratio (Monex and Nikko Beans)



Number of Companies and Underwriting Commissions (Monex only)



· U/W commissions in this 2Q is 41 M yen, 11% increase compared to that of 2Q of FYE Mar. 31, 2004.
Total U/W commissions in this first half is 71 M yen, 27% increase compared to that of the first half of FYE Mar. 31, 2004.

- Continuously focus on this business to expand new source of revenue
- Strengthen current deal management capabilities to obtain lead manager positions and more participation ratio
- Expand deal sources through the strong relationship with Nikko Cordial Corporation and the business cooperation with Mizuho Securities

Mutual Funds (Largest online mutual fund distributor)

Sales amounts at Monex (from Sep. 27 to Oct. 1)

- 1 "Nikkei 225 No-load Open"
- 2 "HSBC China Open"
- 3 "Vanguard Total Stock Market Index Fund"
- 4 "Bull Bear Select Double Bull Fund"
- 5 "The Fund@Monex"

(Sales amounts of MRF, MMF, USD MMF etc. are not included.)

The only distributor of Vanguard funds in Japan

Monthly purchase mechanism

Monex and Nikko beans offer this mechanism to each customer.

Sales amounts at Nikko Beans (Sep. 2004)

- 1 "Beans Value Pack"
- 2 "Mitsui Sumitomo New China Fund"
- 3 "Hyper Wave"
- 4 "Nikko PIMCO KAIGAITANKISAIKEN Fund"
- 5 "HSBC China Open"

(Sales amounts of MRF, MMF, USD MMF etc. are not included.)

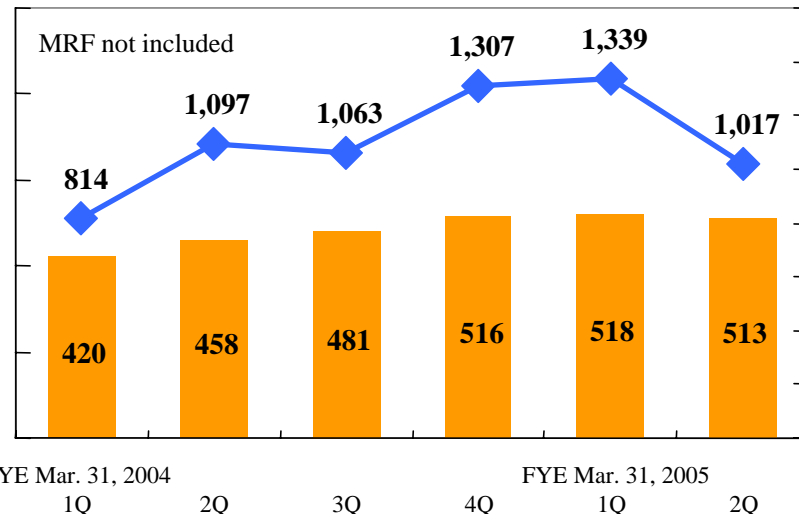
Increased investment needs resulting from scheduled pension system reform and planned revision of tax laws on retirement benefits

➡ MBH has built robust customer base as online brokers and continue to strengthen fund business as a key factor for the future of MBH

Onshore equity funds, Offshore equity funds, Hybrid funds

Onshore bond funds, Offshore bond funds, Bull Bear funds

Strictly selected and monitored mutual funds



Customers' assets in custody (in 100 million yen)

Average number of orders

Forex Trades

Largest number of retail margin accounts

(15,062 accounts as of Sep. 30, 2004)

-Matching customers' preferences

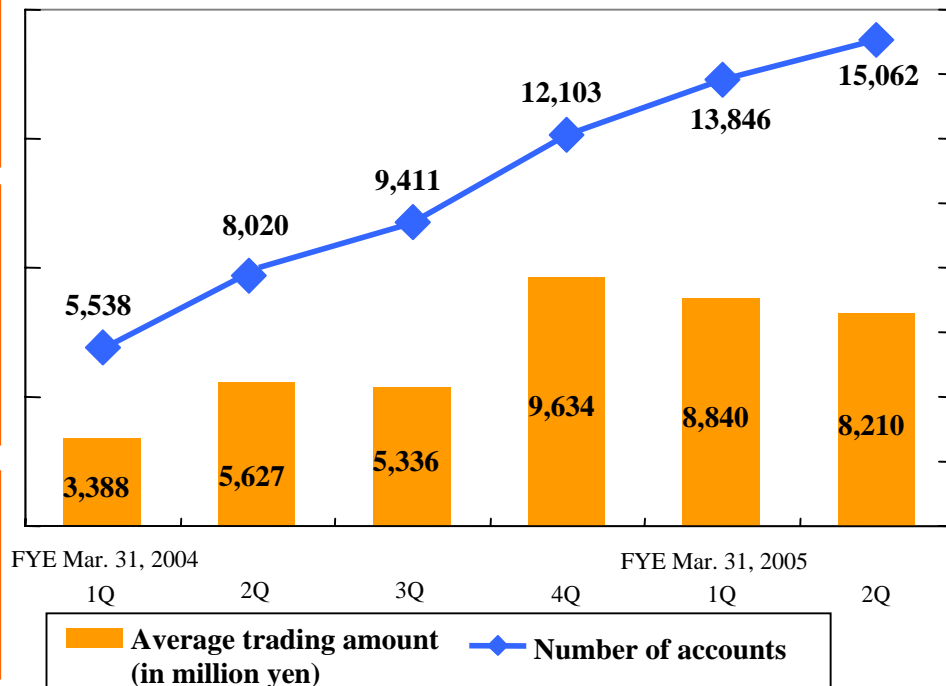
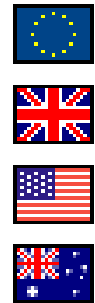
-Largest margin outstanding among financial institutions for individual Forex trades.

Flexible trading time zone

-24 hours a day

No impact of planned regulation on Forex trades

7 Currencies and 8 Pairs Trading
 USD vs. JPY, EUR vs. JPY, EUR vs. USD,
 AUD vs. JPY, GBP vs. JPY, CHF vs. JPY,
 CAD vs. JPY, NZD vs. JPY



Core Products Lines

The merger of Monex and Nikko Beans contributes to improve the line-up of products and services, and brings all kinds of products and services to every customer (from beginners to highly active customers).

Monex

Broad range of products and Services

Monex <<Saison>> Card

-Function both as a cash card and a credit card. Card holders can settle through their Monex securities accounts

Mini Kabu Service (Small Unit Stock Trading)

-Enable customers to trade stocks in one-tenth of ordinary trading unit

Monex Nighter (Night Time Trading)

-Monex original service among online brokers (started in Jan. 2001). Customers can enjoy trading from 17:30 to 23:59.
-Special Discount from Sep. 2004 to Apr. 2005. Only 500 yen is charged on each trade.

Stock Lending Service

-The third revenue source followed by capital gain and dividend

Monthly mutual funds purchase scheme

Nikko Beans

Investment methods and products for highly active traders

Stop Loss Order, Band Limit Order

-Effective order mechanism to protect customers from unexpected market changes

Surfing Trading

-Special service for day traders
-Monex also launched on Aug. 30, 2004

Open-ended Margin Trading

-Realize no time constrained in-house margin trading

Special Discount for Heavy Traders

-Return the half of commissions to customers if the commissions per month are over 300,000 yen

CX (Commodities Futures)

-New risk profile other than financial assets

Forex Trades (Monex FX and Beans FX)

Investment Methods Education

**Mission of MBH –to prevail investment education among people in financial turning point.
This will lead to the development of MBH, particularly of new business.**

Indirect Finance

- Increased anxiety resulting from the amendment of public and corporate pension scheme
- Planned revision of tax law on retirement benefits
- Termination of governmental guarantee of bank deposits

**Direct Finance
(Individual investors start to buy capital markets products)**

Enlighten public financial literacy by offering both on-line and off-line educational tools

Wide variety of off-line seminars

- Over 4,000 participants in this three months
- Various seminars meeting customers financial knowledge (24 seminars)
- Sales of Videos and DVDs (mainly for suburban residents)

E-mail services (free of charge)

- "Monex mail" (260,000 enrollments, daily distributed)
-integrated with "Ma-mail" email service provided by Nikko Beans
Total Enrollments = 320,000
- "Market ASAICHIBAN" -Monex mail morning edition-
- Trade confirmation service
- Alert-mail service

Web contents

Plentiful educational contents (about 230 pages)

Books and Magazines



1. Financial Results and Business

Overview

2. Business Model and Future

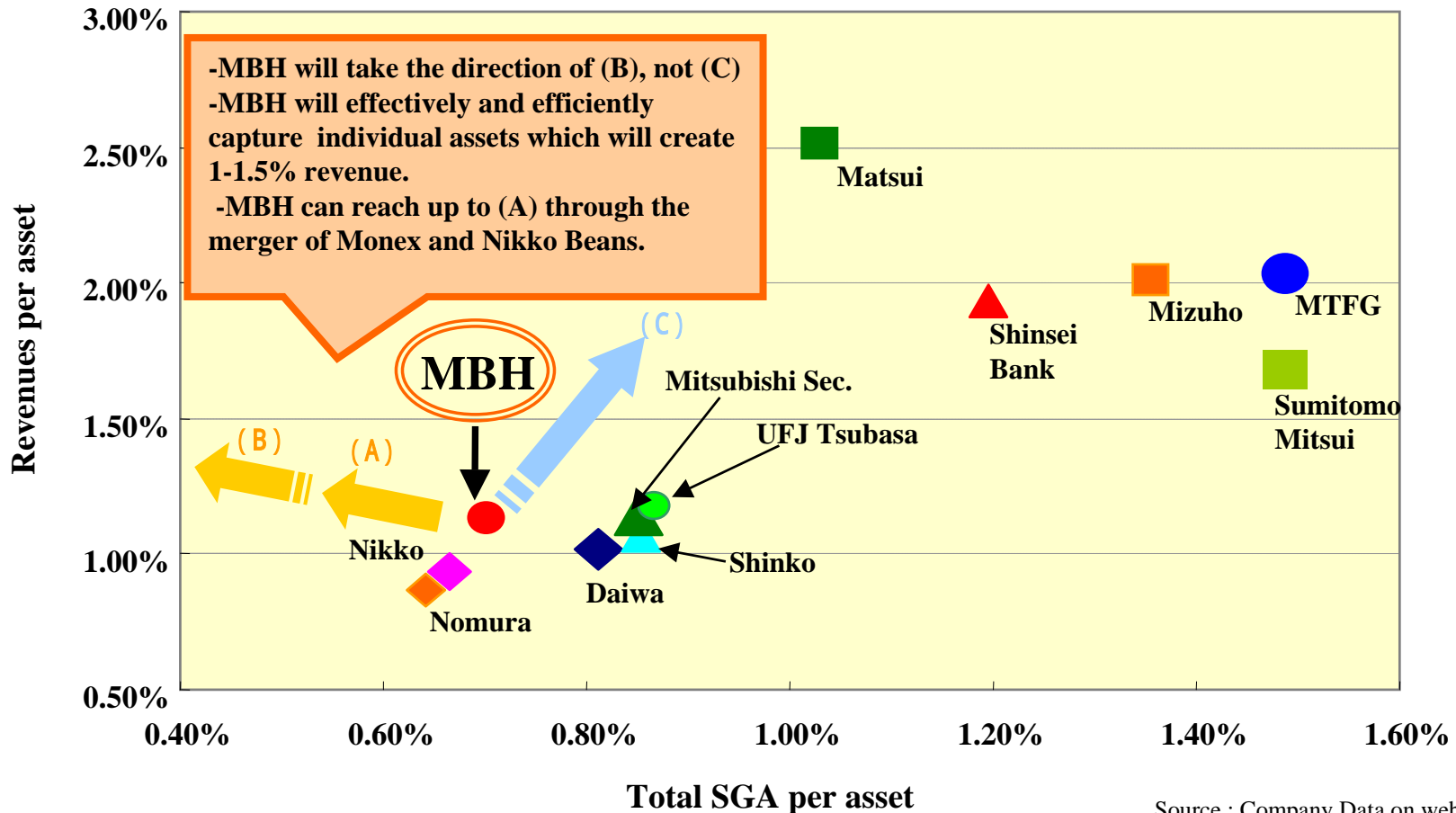
Development

Mission Statement

- ◆ **“MONEY” to “MONEX”**
- ◆ **Take position as total financial service provider, not just as online brokerage firm**
- ◆ **Be ready for environmental changes such as the revision of Article 65 of Securities and Exchange Law (Japanese “Glass-Steagall Act”) and reorganization of financial industries**
- ◆ **Offer newly developed investment instruments and methods**
- ◆ **Challenge more cost-effective business structure**
- ◆ **Maintain the highest standard for compliance issues**
- ◆ **Build the most credible corporate brand for all individuals**

Comparison with Competitors

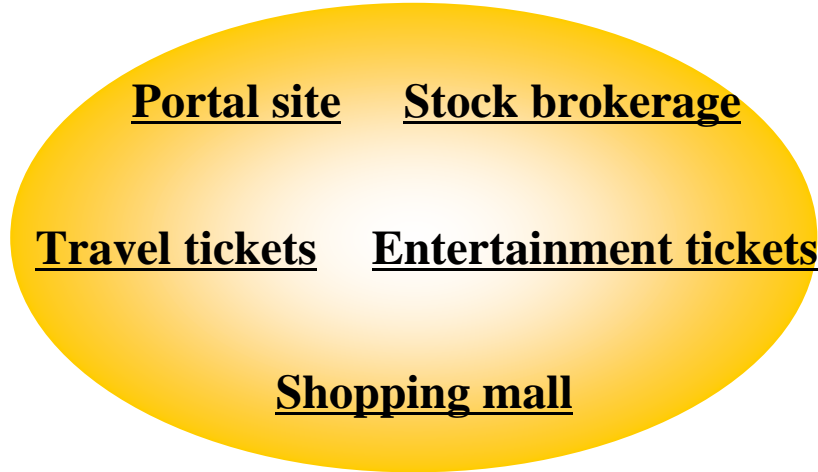
Total revenues & SGA per asset -retail business only- (as of Mar. 31, 2004)



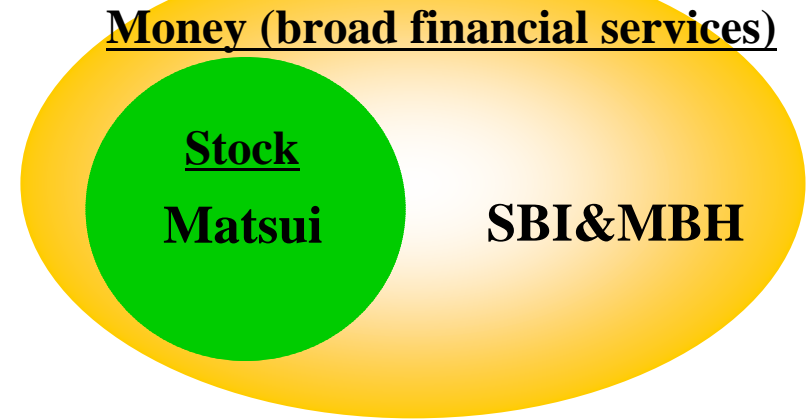
Source : Company Data on website

Differentiate Business Models against Competitors (Our Interpretation)

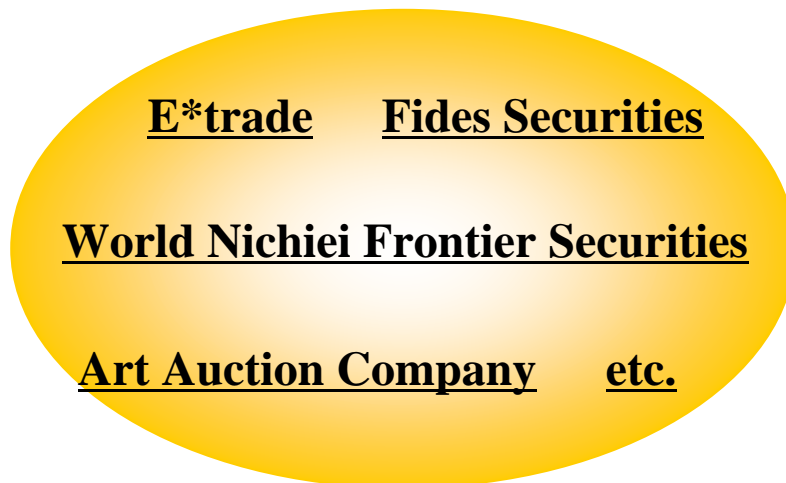
Rakuten = eCommerce



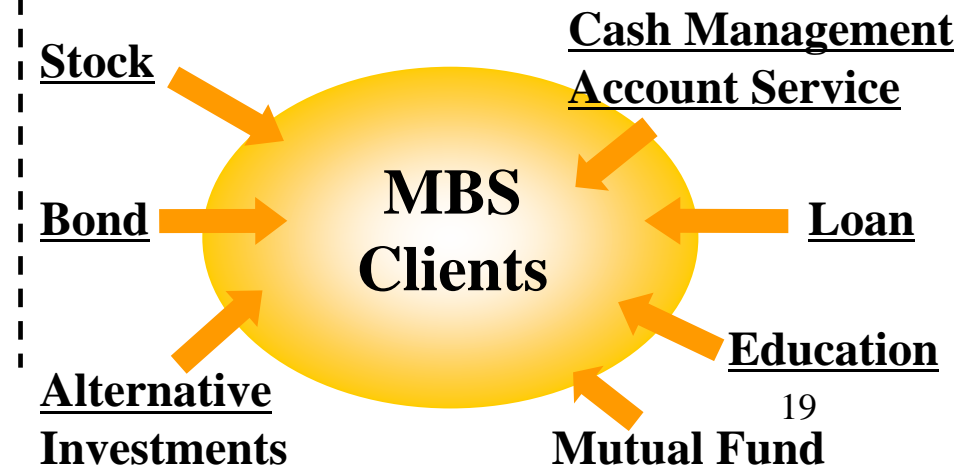
Matsui = Stock
vs. SBI&MBH = All Round Financial Services



SBF has multi-client bases



MBH offers a wide variety of services to the client base of Monex Beans Securities (MBS)



Business Partners

Business partners –who take advantage of financial environmental changes such as the abolishment of Article 65 of Securities and Exchange Law.

Business Cooperation with Credit Saison

Securities intermediary business with Credit Saison

-Through transactions, Monex will access 16 million <<Saison>> card holders (and in the future is expecting to access additional 12 million <<UC>> card holders).

Monex <<Saison>> Card

-Valid at about 25,500 post office ATMs and about 700 Credit Saison ATMs

“Cash Management Account”



Approach to broad range of customer bases

Business Cooperation with Mizuho Securities

IPO stocks' participation to Mizuho Sec.
Support for Monex's account opening operations

Nikko Cordial Corporation

See Page 22.

Sony

Largest shareholder of MBH
Contribution to the brand building of Monex

Progress on Business Integration

	Apr. 2004-Sep. 2004	Oct. 2004-Apr. 2005	May 2005
Infrastructure	Jul. 2004 Nikko Beans(B) moved to the same floor with Monex(M) Aug. 2004 MBH founded and started its business Sep. 2004 M's Call Center relocated its office next to B's Sep. 2004 MBH announced its roadmap to merger		Starting up of Monex Beans Securities Setting up of integrated Call Center
Products	Jul. 2004 M launched Nikkei 225 futures and options	Oct. 2004 B started open-ended margin trading Oct. 2004 M started offering Inflation-indexed bond funds Nov. 2004 M and B integrate its commission tables	· Provide products and services matching each segment of 500,000 customers
Services	Aug. 8 2004 M started providing "Surfing Trading Service" Jul. 2004 B added commission scheme charged on each trade Jun.-Aug. 2004 M and B conducted joint summer sales promotion Sep. 2004 M and B held joint thanks seminar for all customers	Nov. 2004 M and B start "QTP" information service Oct. 2004 M and B integrated each email news letter Oct. 2004 M and B started joint margin trading promotion	· Offer a wide variety of products and services to all customers from beginners to advanced users (Further details is explained on next page)
System Integration	Building of environment development	Building of system infrastructure System test Rehearsal Jan. 2005	Launch New Integrated System + Release New Website

Risk Control through integrated risk management program

- Leverage external consulting on data mitigation process
- Establish independent internal audit function on system integration

< 5 risk factors ought to be managed >

System Capacity


System Failure

External Connection

Administrative Operation

Data Conversion & Migration

Monex Beans Securities (MBS) in FYE Mar. 31, 2006

MBS			
Customer Base	Core Products and Services -Line-up based on "Customer First Philosophy"-		Integrated New System
500,000 customer accounts 1,500 billion yen customers' assets in custody · From elementary-level investors to advanced investors  Target for baby boomers with forward-looking mentality · Target for age 20's to 30's and females	For advanced customers	· Stop loss order, Band limit order and "Surfing Trading" · Open-ended margin trading	Realize abundance and stability of system infrastructures Offer high degree of flexibility and extendibility, system modification is easy and efficient System development and maintenance cost ought to be curtailed significantly. For your reference : Temporary Integration Cost = 1.5-2.0 billion yen Estimated Cost Cut = 2 billion yen per year, which is approximately 20% of total ordinary cost *The above estimations are based on those of 4Q of FYE Mar. 31, 2004 and temporary integration cost only includes system related cost, excluding other business integration cost.
	For intermediate and entry level customers	· IPOs · Mini stock service · Night time trading · Bonds (JGB for individual investors) · Mutual funds	
	Universal Services	· Monex <<Saison>> Card · Off-line Seminars · Sales of DVDs, etc	
	Other investment transaction	· Margin Forex · Commodity Futures	

Effect of merger



Synergy of Venture Spirit and Business Expertise
 Integration of different customers and services
 Various cooperation from Nikko Cordial Corporation
 Cost reduction

Monex

Customer Base -Intermediate and entry level customers	Main Products and Services -Mutual Funds -JGB for individual investors -Night time trading -IPOs
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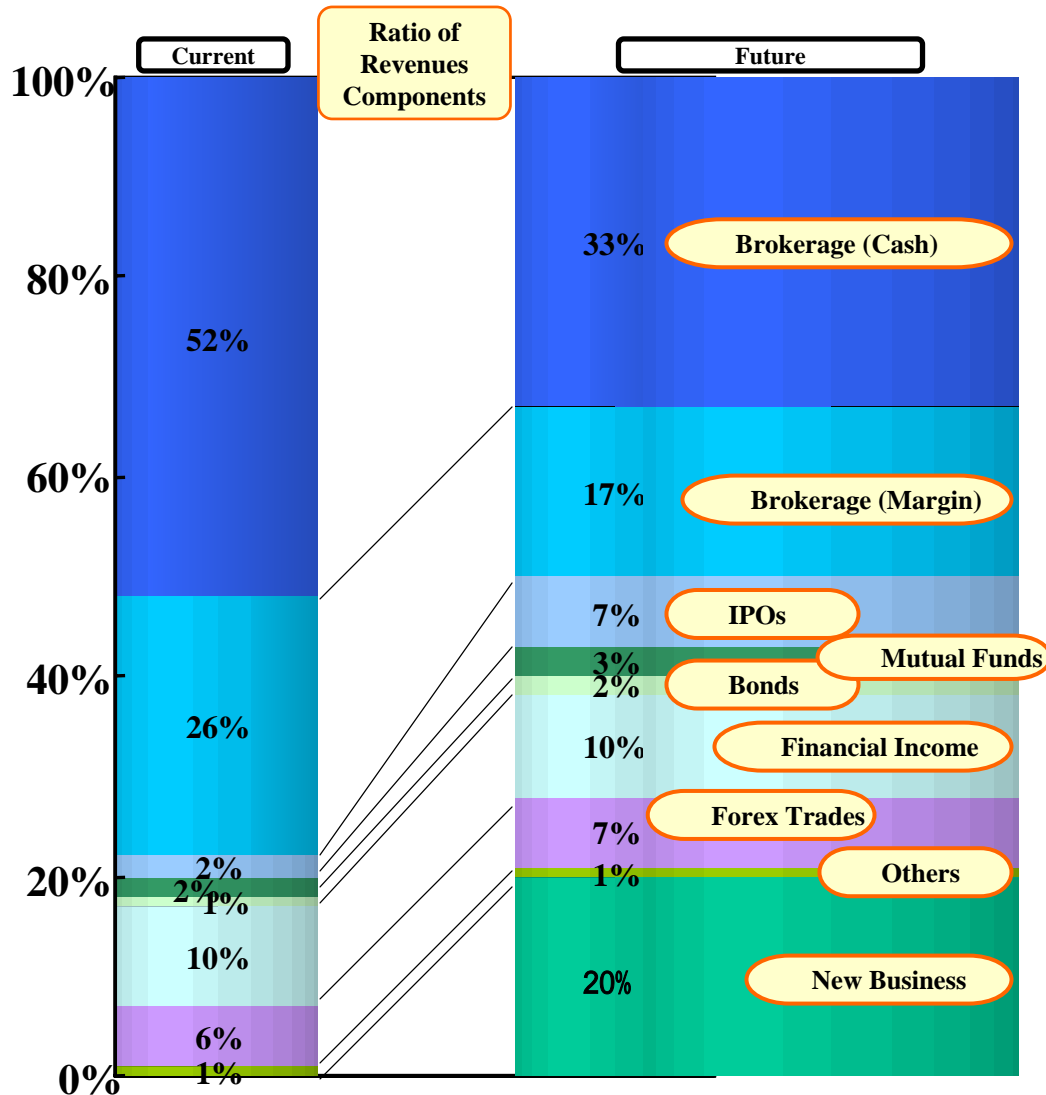
Nikko Beans

Customer Base -Advanced and intermediate customers	Main Products and Services -Stop loss order and band order -Open-ended margin trading -Commodities Futures
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· Products and Know-hows
 · Human Resources

Nikko Cordial Corporation

Current and Future Business Models

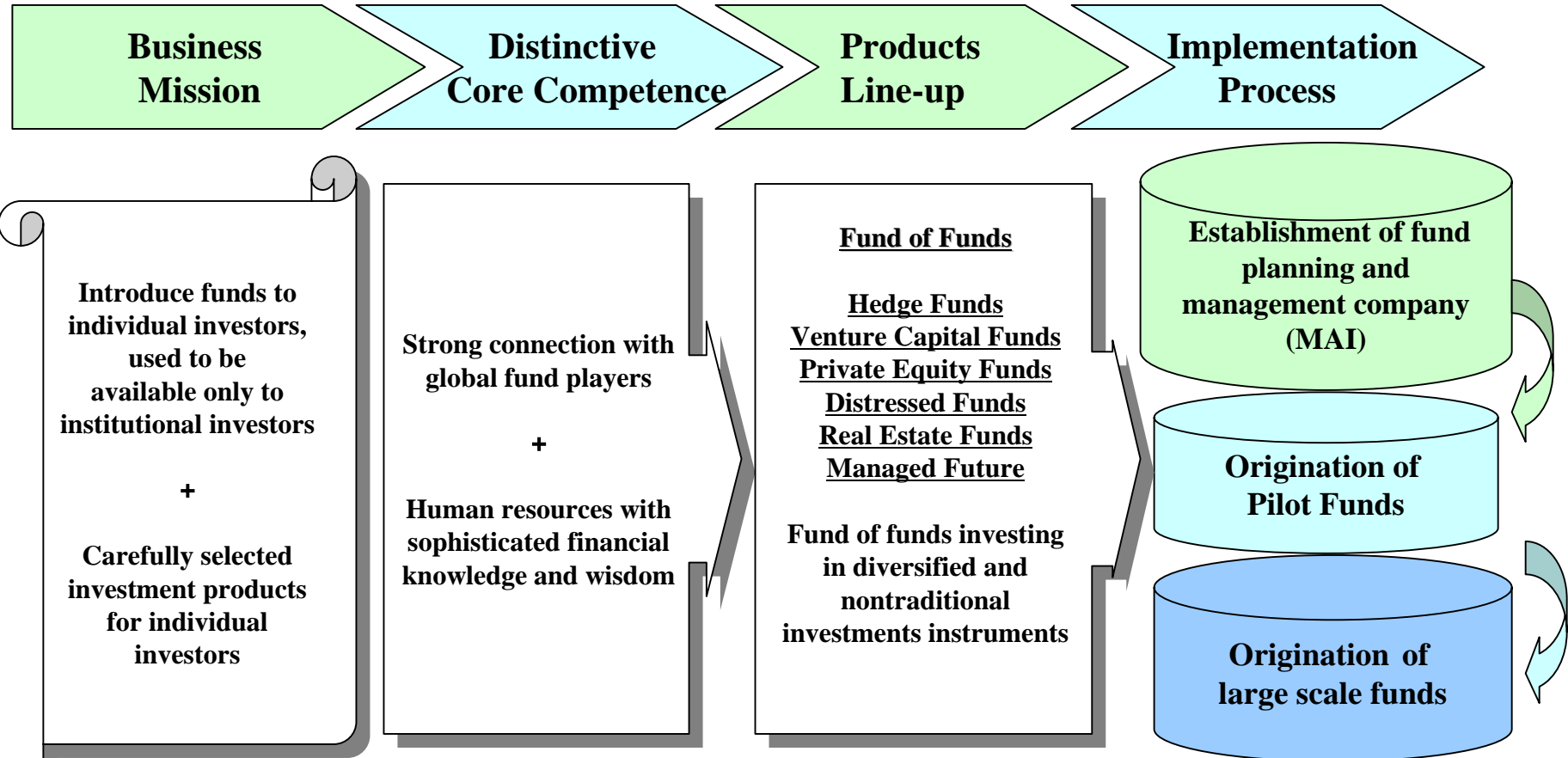


Business Potential

<ul style="list-style-type: none"> Increase in number of accounts Expansion of customer base through providing lifetime investment education Continuous launch of new services
<ul style="list-style-type: none"> Light focus on this business (target for about 50% of cash brokerage business revenue)
<ul style="list-style-type: none"> Cooperation with business partners Mandate of lean manager positions
<ul style="list-style-type: none"> Continuous introduction of excellent funds Shift to fund management fee business, rather than sales commission business
<ul style="list-style-type: none"> More fixed income products supply
<ul style="list-style-type: none"> Matched Box by Margin trading and Stock lending business
<ul style="list-style-type: none"> Best fits to customer needs
<ul style="list-style-type: none"> Trading, Commodity Futures and others (advertising)
<ul style="list-style-type: none"> Alternative investments business, Loan business and Investment education business.

Launch of Alternative Investments Funds Business

“Monex Alternative Investments, Inc. (MAI)”, Joint Venture with Asuka Asset Management, Ltd.



“Monex Alternative Investments, Inc. ” and “Pilot Funds” are scheduled to start in 3Q of FYE Mar. 31, 2005. The large scale fund is scheduled to launch in FYE Mar. 31, 2006.

MBH
Monex Beans Holdings, Inc.