



FYE 03/2005 1Q Financial Results

July 16, 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 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 FYE 03/2004 1Q vs. FYE 03/2005 1Q

(in million yen, %)

	FYE 03/2004 1Q (3 months)	FYE 03/2005 1Q (3 months)	Change
Operating Revenue	1,252	3,081	146.1%
Net Operating Revenue	1,164	2,896	148.7%
SG&A	1,101	1,525	38.6%
Operating Income	63	1,370	2073.2%
Ordinary Income	66	1,381	1975.6%
Net Income	37	1,328	3429.0%

(04/2003 – 06/2003) (04/2004 – 06/2004)

(in million yen, %)

	FYE 03/2004 1Q June 30, 2003	FYE 03/2005 1Q June 30, 2004	Change
Total Assets	30,936	73,503	137.6%
Shareholders' Equity	8,404	12,304	46.4%
Capital Adequacy Ratio	543.8%	504.8%	-
Cash & Equivalent	8,480	7,238	(14.6%)
Lease O/S	2,339	1,748	(25.3%)

Financial Summary FYE 03/2004 4Q vs. FYE 03/2005 1Q

(in million yen, %)

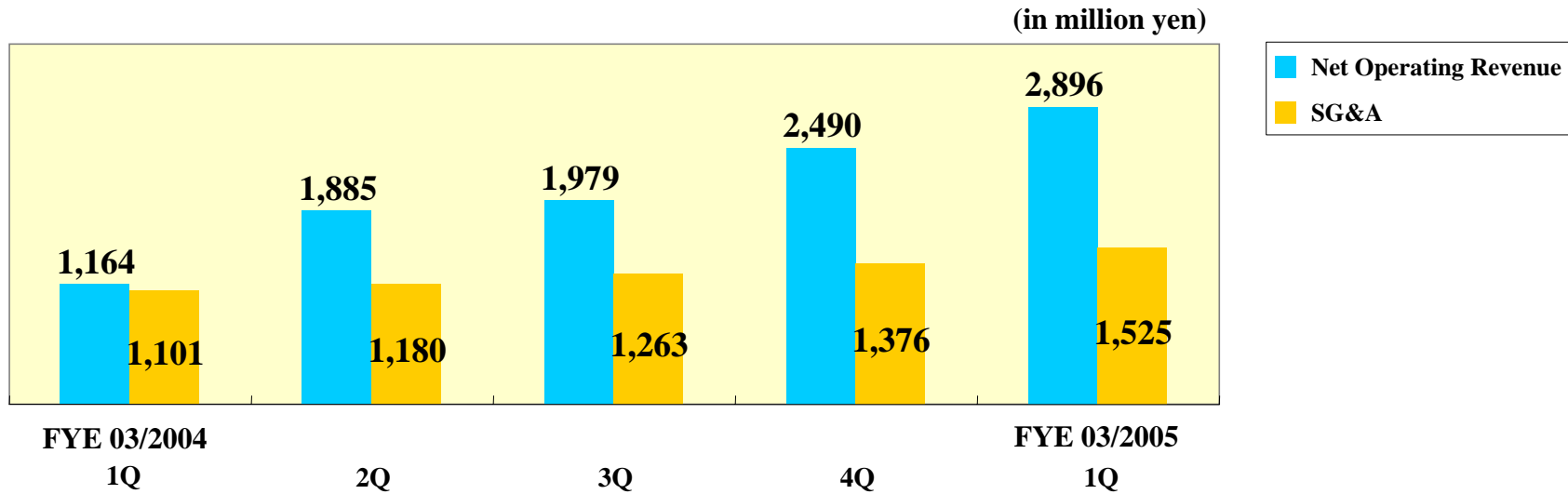
	FYE 03/2004 4Q (3 months)	FYE 03/2005 1Q (3 months)	Change
Operating Revenue	2,552	3,081	20.7%
Net Operating Revenue	2,490	2,896	16.3%
SG&A	1,376	1,525	10.8%
Operating Income	1,113	1,370	23.0%
Ordinary Income	1,112	1,381	24.2%
Net Income	833	1,328	59.4%

(01/2004 – 03/2004) (04/2004 – 06/2004)

(in million yen, %)

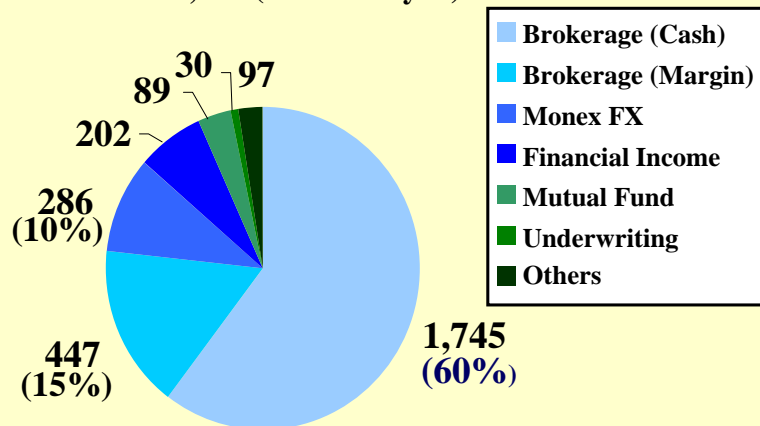
	FYE 03/2004 4Q March 31, 2004	FYE 03/2005 1Q June 30, 2004	Change
Total Assets	61,767	73,503	19.0%
Shareholders' Equity	10,779	12,304	14.1%
Capital Adequacy Ratio	500.4%	504.8%	-
Cash & Equivalent	6,777	7,238	6.8%
Lease O/S	1,907	1,748	(8.3%)

Net Operating Revenue vs. SG&A



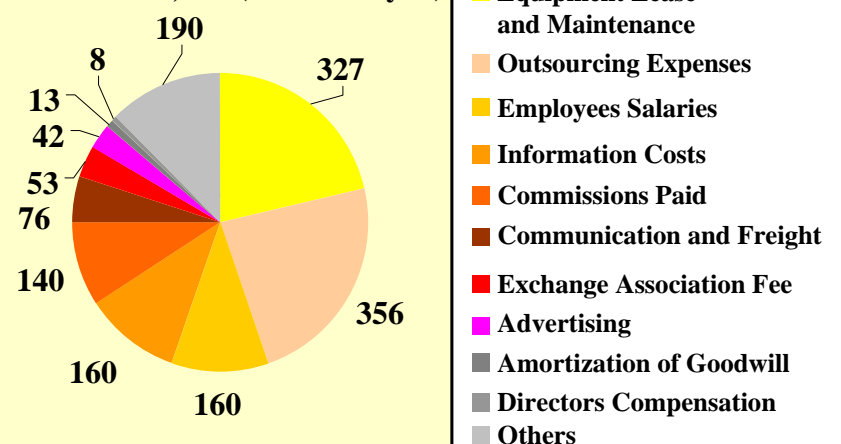
Net Operating Revenue Breakdown

100% = 2,896 (in million yen)



SG&A Breakdown

100% = 1,525 (in million yen)



Break-even Analysis Spreadsheet

	FYE 03/2004				FYE 03/2005
	10	20	30	40	10

1. Net Operating Revenue Breakdown (in million yen)

Brokerage	908	1,481	1,505	1,768	2,192
Monex FX	80	158	165	249	286
Underwriting	19	36	61	145	30
Financial Income(*), Trading Income and Other Service Revenues	84	97	144	166	237
Others (including Mutual Fund Sales and Agency Commissions)	73	113	104	162	151
Net Operating Revenue	1,164	1,885	1,979	2,490	2,896

2. SG&A Breakdown (in million yen)

Variable Cost (Brokerage Revenue + Monex FX) × 0.17 (approximation)	167	278	283	342	421
Fixed Cost (approximation)	934	902	980	1,034	1,104
SG&A	1,101	1,180	1,263	1,376	1,525

3. Ordinary Income (Actual basis)

Ordinary Income (in million yen)	66	706	718	1,112	1,381
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4. Revenue Ratio of Monex FX

Monex FX Trade Amount (in 100 million yen)	1,210	2,202	2,276	3,516	3,982
Monex FX Revenue / Monex FX Trade Amount (%)	6.61	7.17	7.25	7.08	7.18

5. Brokerage Commission per trade

Quarterly Trading Volume (thousands)	642	1,004	1,014	1,218	1,493
Average Commission per trade (yen)	1,414	1,475	1,484	1,451	1,468
Variable Cost per trade (yen)	260	277	279	281	282
Marginal Income per trade (yen)	1,154	1,198	1,205	1,171	1,186

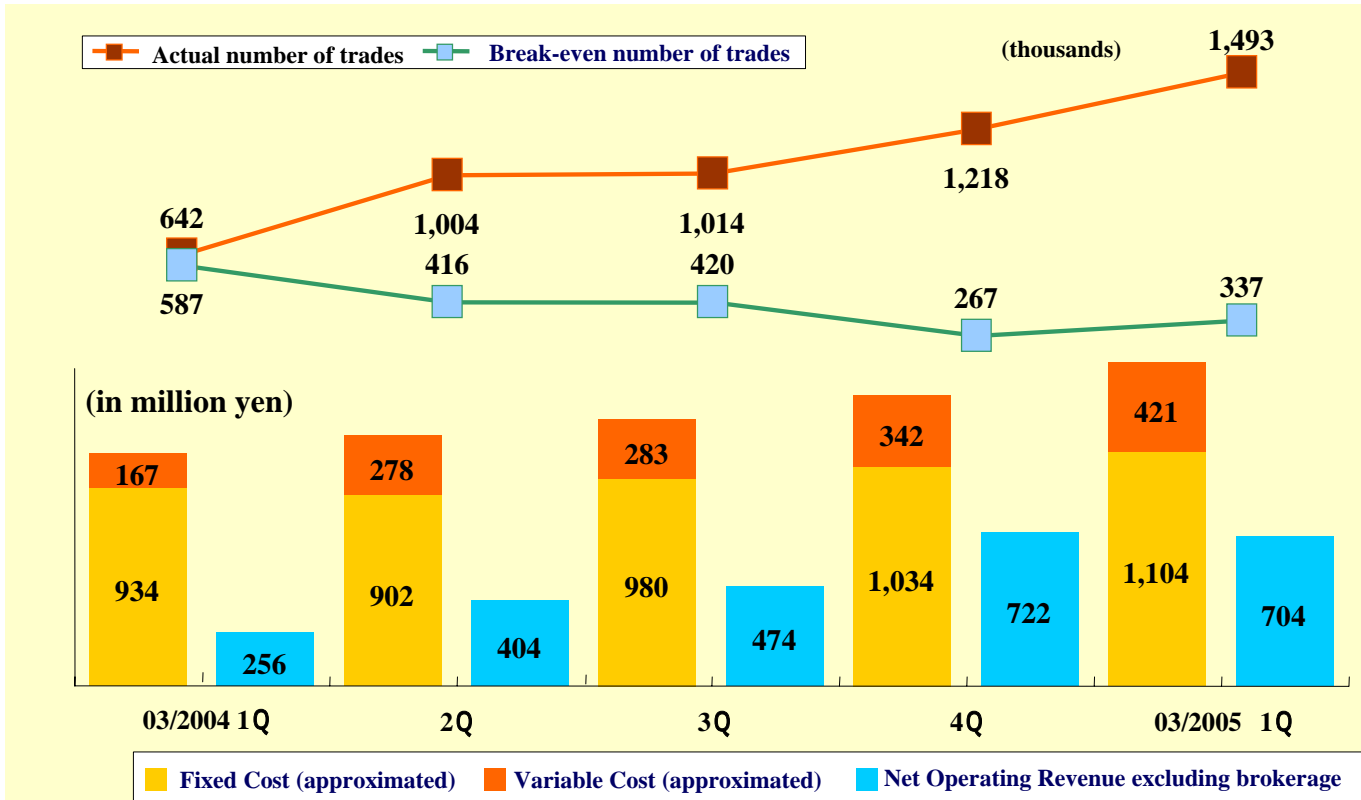
6. Break-even Point Analysis

Fixed Cost (in million yen) = A	934	902	980	1,034	1,104
Net Operating Revenue other than Brokerage Commission (in million yen) = B	256	404	474	722	704
A – B (in million yen)	678	498	506	312	400
Break-even Point Estimate (Quarterly) (trades in thousands)	587	416	420	267	337
Break-even Point Estimate (Monthly) (trades in thousands)	196	139	140	89	112
Break-even Point Estimate (trades per business day)	9,324	6,597	6,667	4,230	5,353

(* For your reference (in 100 million yen)

Average Balance of Margin Trading at the end of each month	127	188	257	305	425
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Break-even Analysis – Number of Trades



Revenue excluding brokerage commissions is over 60% of fixed cost.

FYE 03/2005 1Q

Reflecting the strong stock market, individual investors' trading kept to be good and the quarterly number of executed stock orders exceeded that of previous quarter.

The ratio of brokerage commission over net operating revenue is relatively low (76%).

➔ **Our business structure allows us to obtain stable revenue even under unfavorable market circumstances while we can expand revenue under favorable market circumstances.**

Financial Summary : FYE 03/2004 1Q vs. FYE 03/2005 1Q

(in million yen, %)

	FYE 03/2004 1Q (3 months)	FYE 03/2005 1Q (3 months)	Change
Operating Revenue	1,103	2,682	143.2%
Net Operating Revenue	1,023	2,544	148.2%
SG&A	766	1,280	67.1%
Operating Income	257	1,263	391.1%
Ordinary Income	252	1,264	400.6%
Net Income	229	1,202	424.4%

(04/2003 – 06/2003) (04/2004 – 06/2004)

(in million yen, %)

	FYE 03/2004 1Q June 30, 2003	FYE 03/2005 1Q June 30, 2004	Change
Total Assets	46,448	118,999	156.2%
Shareholders' Equity	9,367	12,905	37.8%
Capital Adequacy Ratio	810.3%	517.1%	-
Cash & Equivalent	9,685	19,518	101.5%

Financial Summary : FYE 03/2004 4Q vs. FYE 03/2005 1Q

(in million yen, %)

	FYE 03/2004 4Q (3 months)	FYE 03/2005 1Q (3 months)	Change
Operating Revenue	2,531	2,682	6.0%
Net Operating Revenue	2,416	2,544	5.3%
SG&A	1,327	1,280	(3.5%)
Operating Income	1,089	1,263	16.0%
Ordinary Income	1,089	1,264	16.0%
Net Income	981	1,202	22.6%

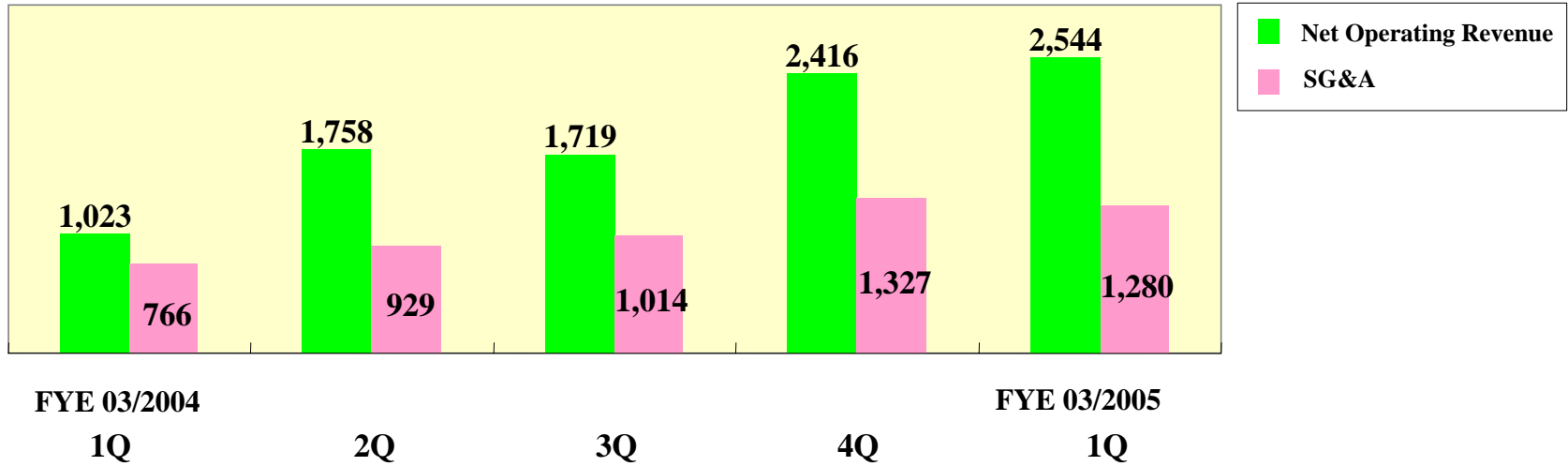
(01/2004 – 03/2004) (04/2004 – 06/2004)

(in million yen, %)

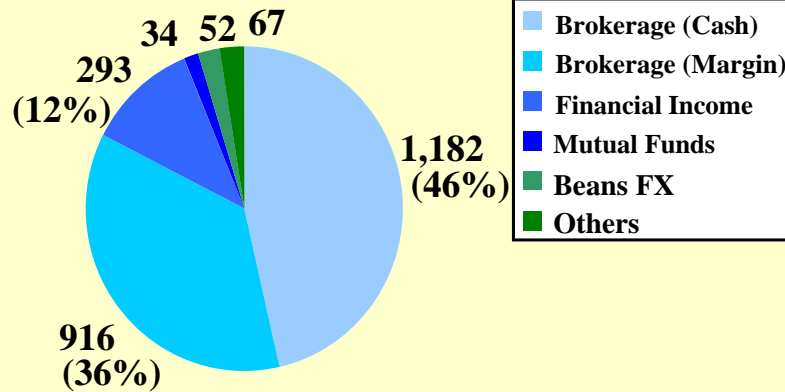
	FYE 03/2004 4Q March 31, 2004	FYE 03/2005 1Q June 30, 2004	Change
Total Assets	94,724	118,999	25.6%
Shareholders' Equity	11,712	12,905	10.2%
Capital Adequacy Ratio	541.9%	517.1%	-
Cash & Equivalent	9,206	19,518	112.0%

Net Operating Revenue vs. SG&A

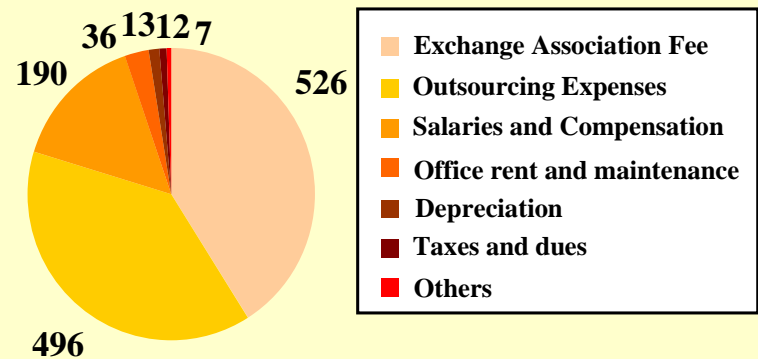
(in million yen)



Net Operating Revenue Breakdown
100% = 2,544 (in million yen)



SG&A Breakdown
100% = 1,280 (in million yen)



Break-even Analysis Spreadsheet

	FYE 03/2004				FYE 03/2005
	1Q	2Q	3Q	4Q	1Q

1. Net Operating Revenue Breakdown (in million yen)

Brokerage	832	1,483	1,386	2,008	2,098
Monex FX	32	53	52	69	52
Underwriting	0	0	0	0	0
Financial Income(*), Trading Income and Other Service Revenues	102	160	212	259	314
Others (including Mutual Fund Sales and Agency Commissions)	57	62	69	80	80
Net Operating Revenue	1,023	1,758	1,719	2,416	2,544

2. SG&A Breakdown (in million yen)

Variable Cost (Brokerage Revenue + Beans FX) × 0.21 (approximation)	181	322	301	436	451
Fixed Cost (approximation)	585	607	713	891	829
SG&A	766	929	1,014	1,327	1,280

3. Ordinary Income (Actual basis)

Ordinary Income (in million yen)	252	832	705	1,089	1,264
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4. Revenue Ratio of Beans FX

Beans FX Trade Amount (in 100 million yen)	847	1,451	1,139	2,511	1,612
Beans FX Revenue / Beans FX Trade Amount (%)	3.78	3.65	4.57	2.75	3.23

5. Brokerage Commission per trade

Quarterly Trading Volume (thousands)	797	1,114	1,062	1,350	1,754
Average Commission per trade (yen)	1,044	1,331	1,305	1,487	1,196
Variable Cost per trade (yen)	227	289	283	323	257
Marginal Income per trade (yen)	817	1,042	1,022	1,164	939

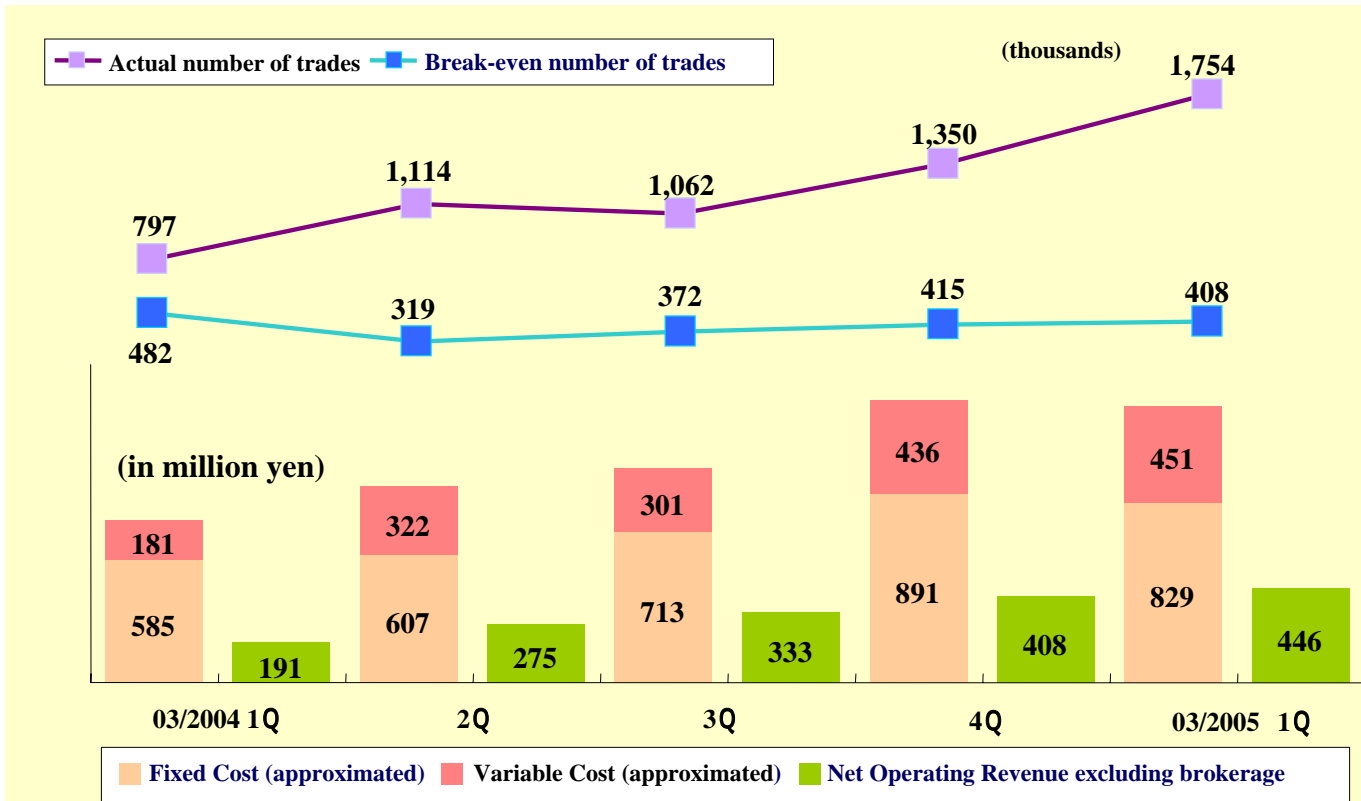
6. Break-even Point Analysis

Fixed Cost (in million yen) = A	585	607	713	891	829
Net Operating Revenue other than Brokerage Commission (in million yen) = B	191	275	333	408	446
A - B (in million yen)	394	332	380	483	383
Break-even Point Estimate (Quarterly) (trades in thousands)	482	319	372	415	408
Break-even Point Estimate (Monthly) (trades in thousands)	161	106	124	138	136
Break-even Point Estimate (per business day)	7.657	5.057	5.904	6.584	6.474

(*) For your reference (in 100 million yen)

Average Balance of Margin Trading at the end of each month	210	309	391	459	616
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Break-even Analysis – Number of Trades



Revenue excluding brokerage commissions is over **50%** of fixed cost.

FYE 03/2005 1Q

The ratio of brokerage commission over net operating revenue is **82%**. (Monex : **76%**)

The number of trades has increased smoothly compared with the previous quarter.

The ratio of the variable cost over the sum of brokerage commissions and FX commissions was appropriately **21%**. This ratio started decreasing from this quarter.

Financial Summary FYE 03/2005 1Q

(04/2004 – 06/2004)

(in million yen)

	Monex	Nikko Beans	MBH
Operating Revenue	3,081	2,682	5,763
Net Operating Revenue	2,896	2,544	5,440
SG&A	1,525	1,280	2,805
Operating Income	1,370	1,263	2,633
Ordinary Income	1,381	1,264	2,645
Net Income	1,328	1,202	2,530

(as of June 30, 2004)

(in million yen, %)

	Monex	Nikko Beans	MBH
Total Assets	73,503	118,999	192,502
Shareholders' Equity	12,304	12,905	25,209
Capital Adequacy Ratio	504.8%	517.1%	-
Cash & Equivalent	7,238	19,518	26,756

(*Please note that MBH is scheduled to be established on August 2, 2004. The numbers of MBH are the simple sum of those of Monex and Nikko Beans.

Financial Summary FYE 03/2005 1Q

(as of June 30, 2004)

	Monex	Nikko Beans	MBH
Number of accounts	264,457	116,633	381,090
Number of margin trading accounts	8,403	6,442	14,845
Average number of executed cash trades during this quarter (per business day)	19,636	18,963	38,599
Average number of executed margin trades during this quarter (per business day)	4,791	9,726	14,517
Margin trading balance (in 100 million yen)	457	659	1,116
Customers' assets in custody (in 100 million yen)	8,473	5,438	13,911
Equity	6,443	4,236	10,679
Mutual Funds (excluding MRF)	407	111	518
MRF	1,328	760	2,088
Deposits, Received Margin and Others	292	328	620

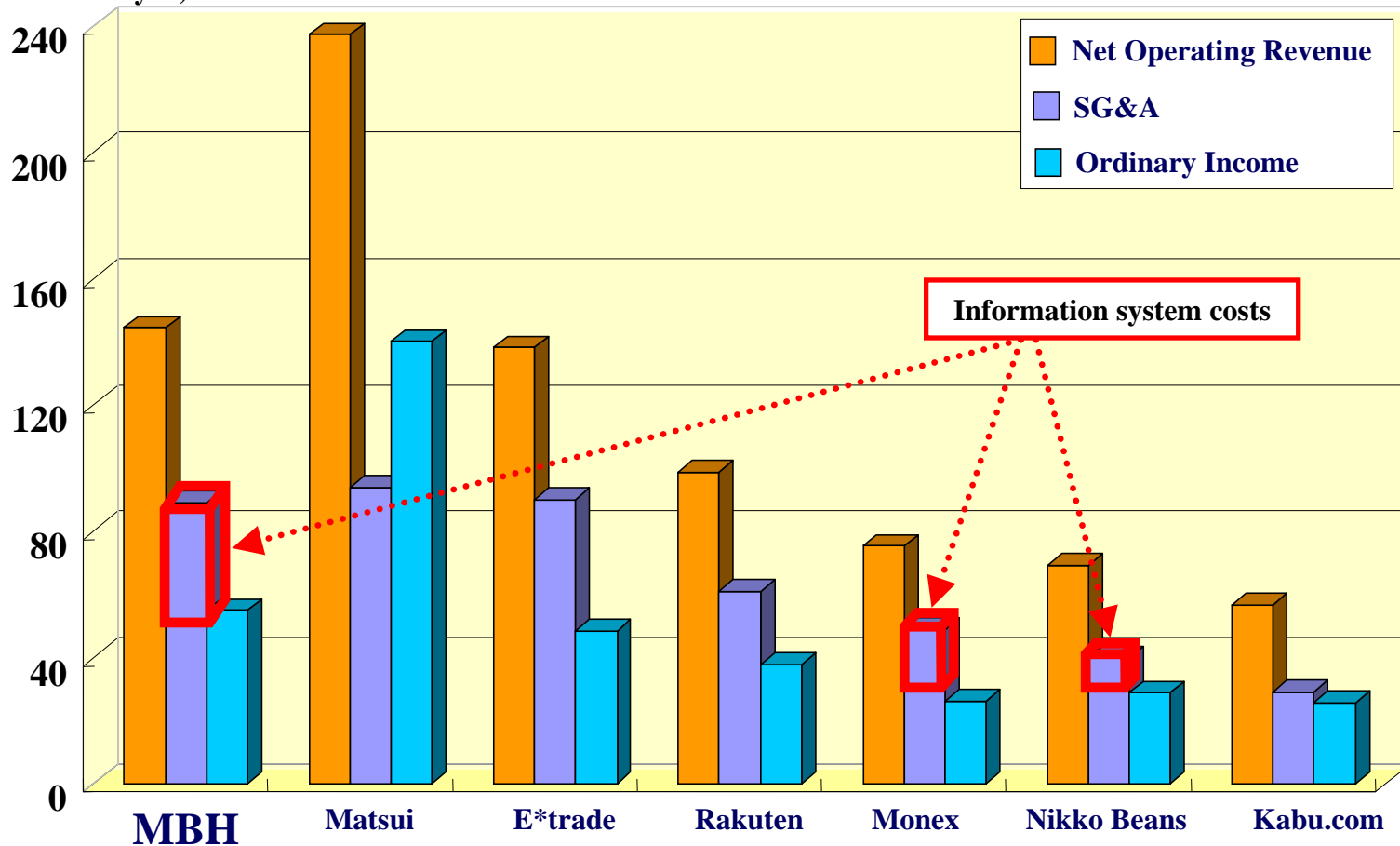
(*)Please note that MBH is scheduled to be established on August 2, 2004. The numbers of MBH are the simple sum those of Monex and Nikko Beans.

Comparison with Others : Net Operating Revenue, SG&A and Ordinary Income

FYE 03/2004 (04/2003 – 03/2004)

(in 100 million yen)

Source: Company Data on website

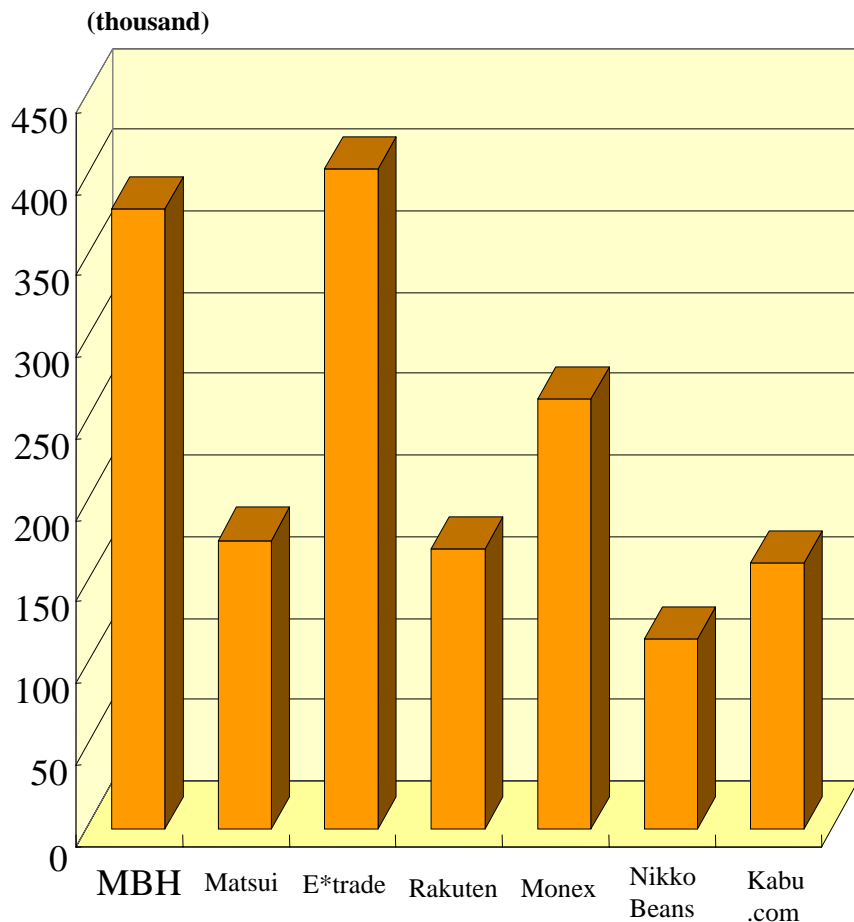


(*) Reduction of the information system costs almost by half is expected after the merger of Monex and Nikko Beans.

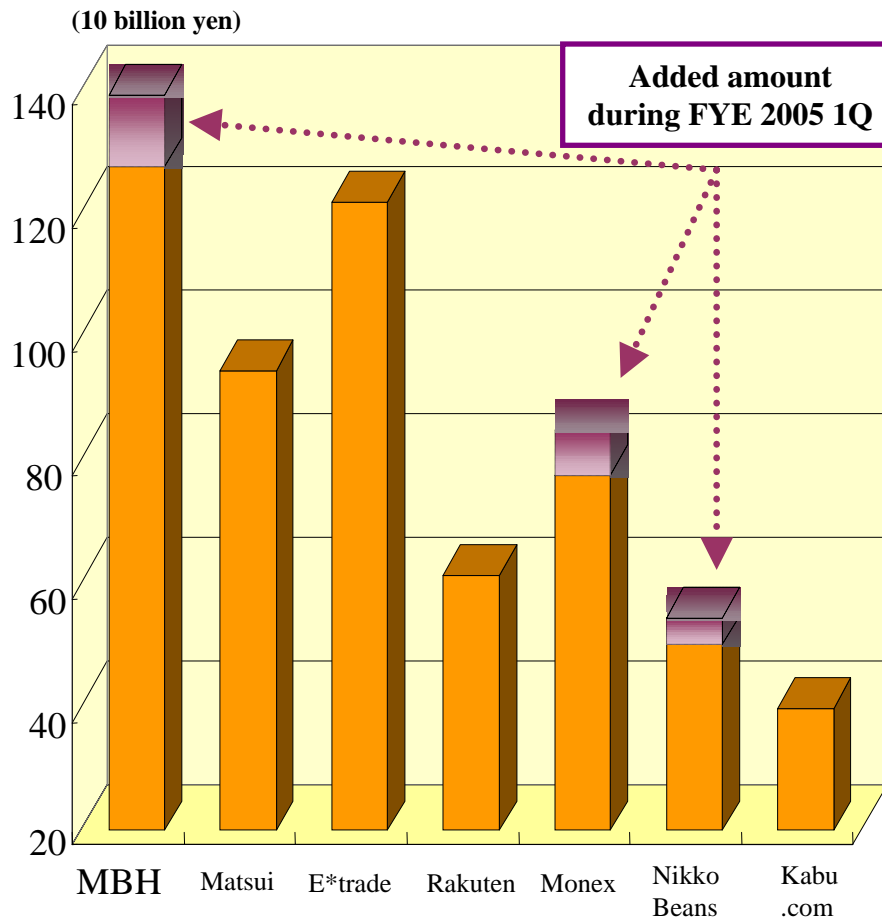
Comparison with Others : Number of accounts and Customers' assets in custody

Source: Company Data on website

Number of accounts (as of June 30, 2004)

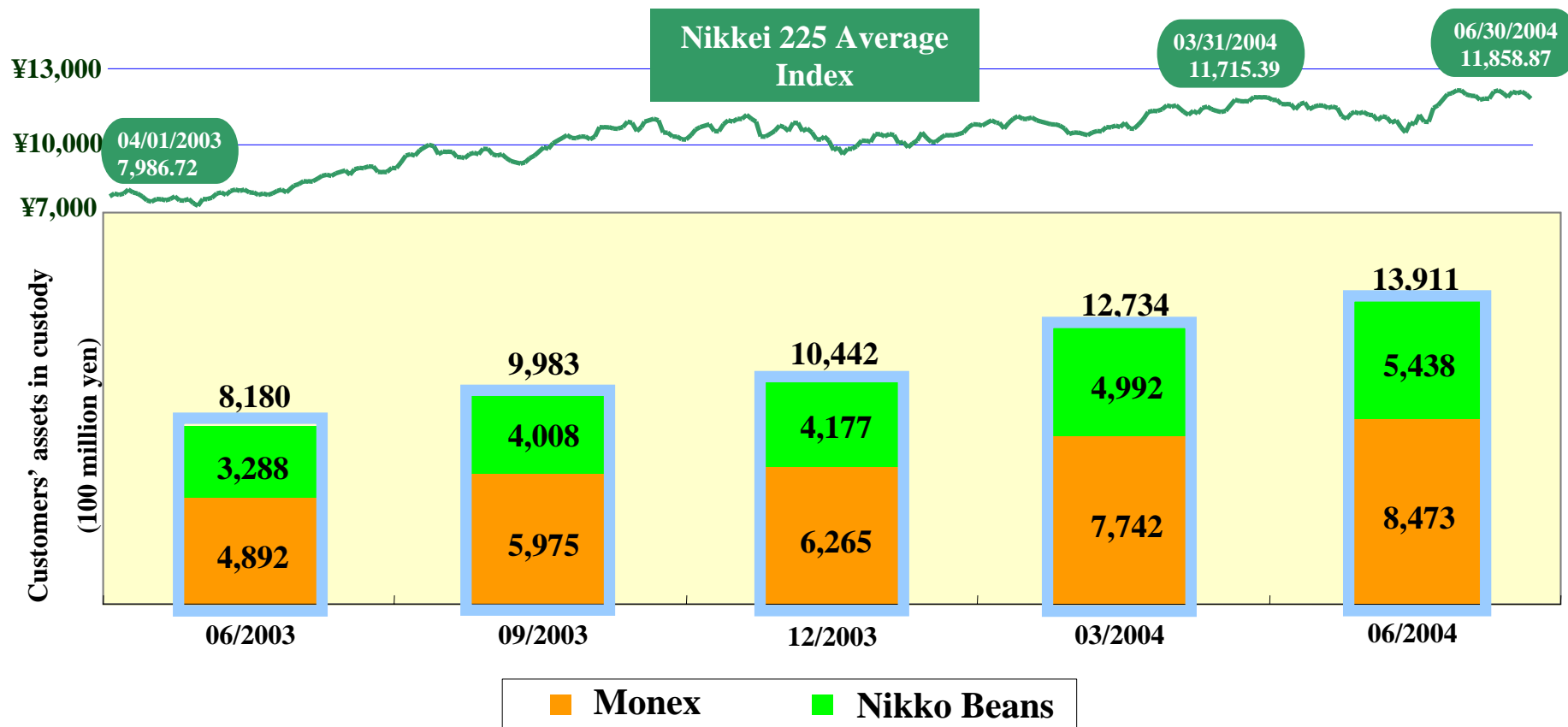


Customers' assets in custody (as of March 31, 2004)



Please note that the numbers of MBH are the simple sum of those of Monex and Nikko Beans.

Trends of Customers' Assets in Custody

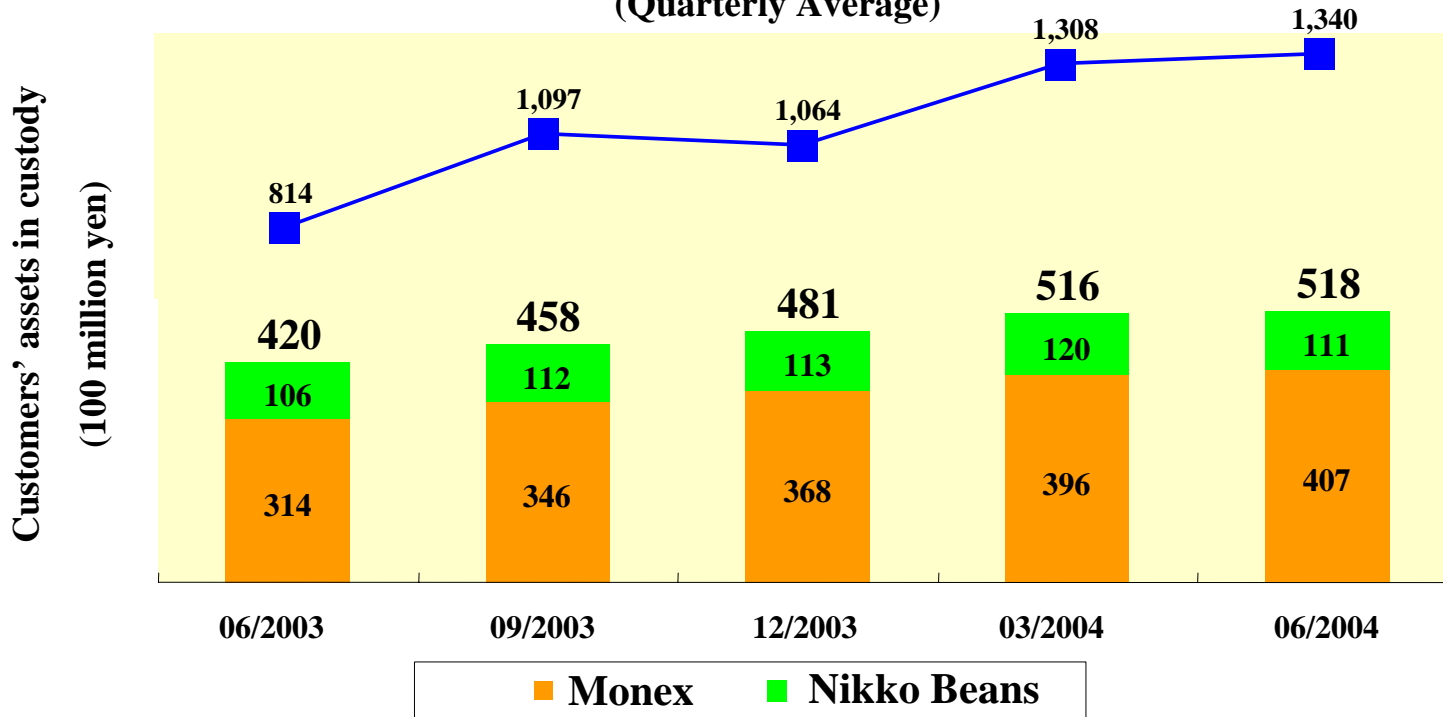


As of June, 30 2004 : 1,391.1 billion yen (Monex + Nikko Beans)
 End of March 2004 End of June 2004
 Nikkei 225 Average Index : + 1.2%, Customers' assets in custody : + 9.2%
 Customers' assets in custody (Equity assets only)
 973.5 billion yen (as of March 31, 2004) 1,067.9 billion yen (as of June 30, 2004) : + 9.7%

Mutual Funds Business (Monex + Nikko Beans)

Monex and Nikko Beans provide strictly selected mutual funds.

(MBH) Number of trades per business day (excluding MRF)
(Quarterly Average)



Outstanding balance (as of June 30, 2004) 51.8 billion yen (Monex + Nikko Beans)

(Domestic Equity Funds : 28.3 billion yen, Domestic Fixed Income Funds : 10.1 billion yen,
Foreign-registered Funds : 13.4 billion yen)

The number of trades per business day has increased steadily. It's because we deal carefully selected mutual funds.

Stock Lending Service (Monex only)

The outstanding balance is over 30 billion yen.

This service contributed to differentiate our services from others.

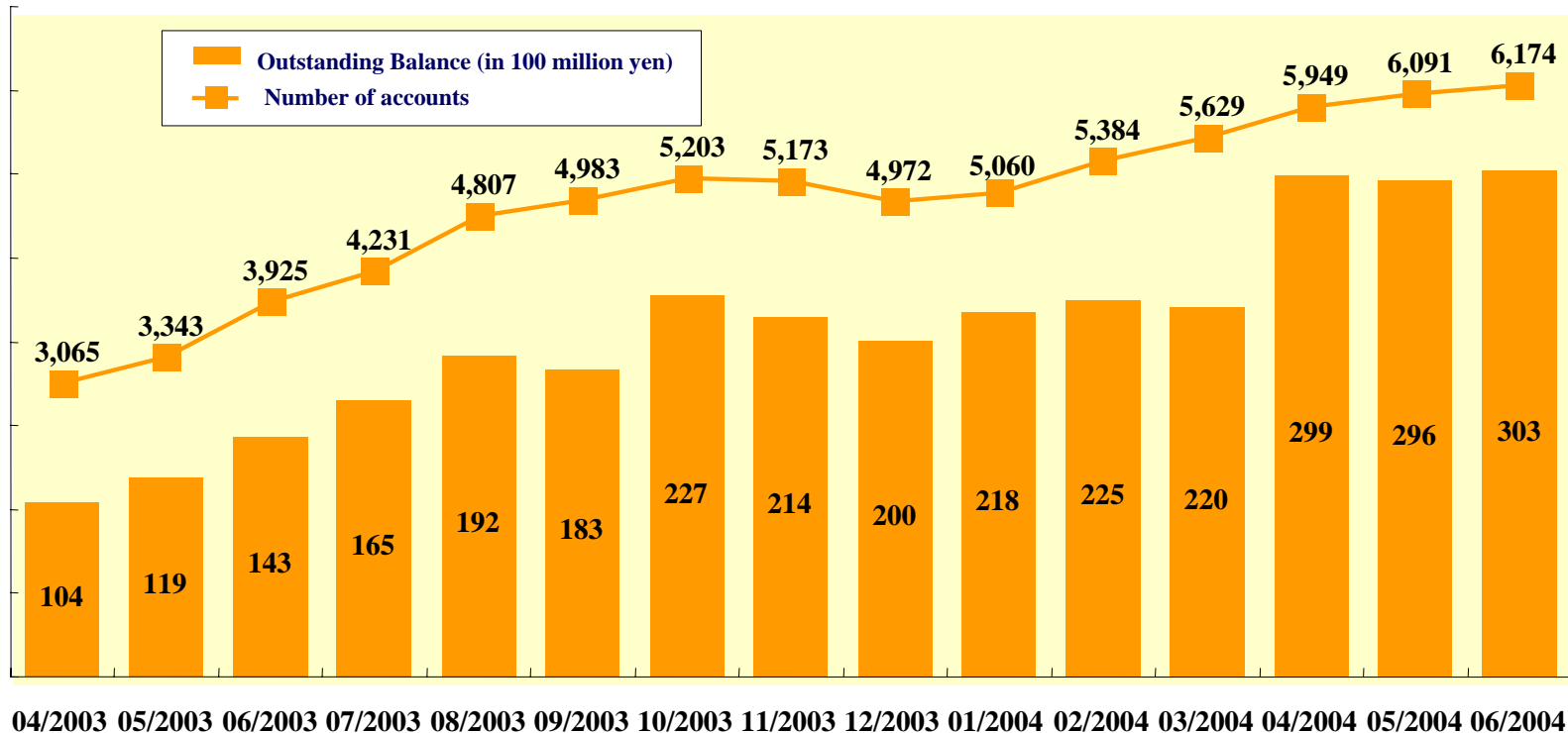
Average Interest during this quarter : 0.134% per annum
More than 20 financial institutions entered into a stock lending contracts with us.

Will conduct an aggressive approach for further growth

- Execute intensive marketing
- Launch new services

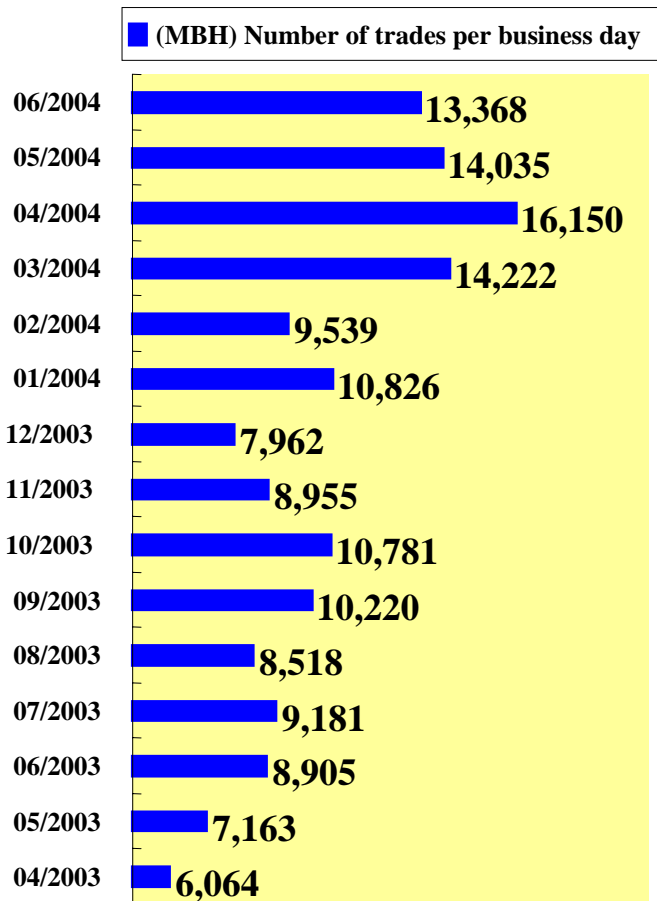
Offer fair services to customers

- Secured dividend equivalent payment
- No restriction on transaction and delivery
- Wide selection of stocks and quantities for lending



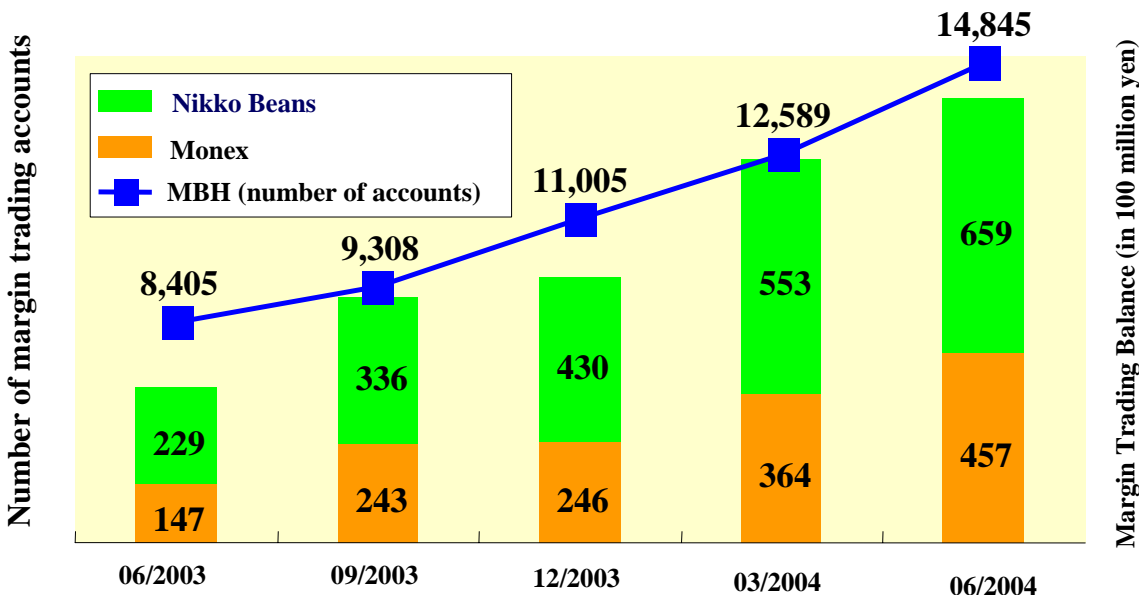
Margin Trading (Monex + Nikko Beans)

We pursue the synergy of both companies through providing customer-oriented services



Monex plans to start trade notification service by e-mail.
Nikko Beans plans to launch open-ended margin trading service.
Increase margin trading balance to contribute to the diversification and stabilization of our revenue structure.

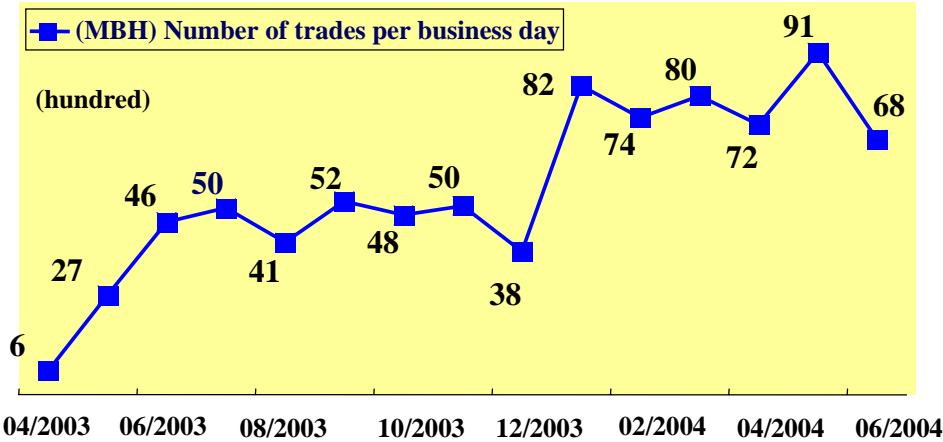
Number of margin trading accounts and margin trading balance



Please note that the numbers of MBH are the simple sum of those of Monex and Nikko Beans.

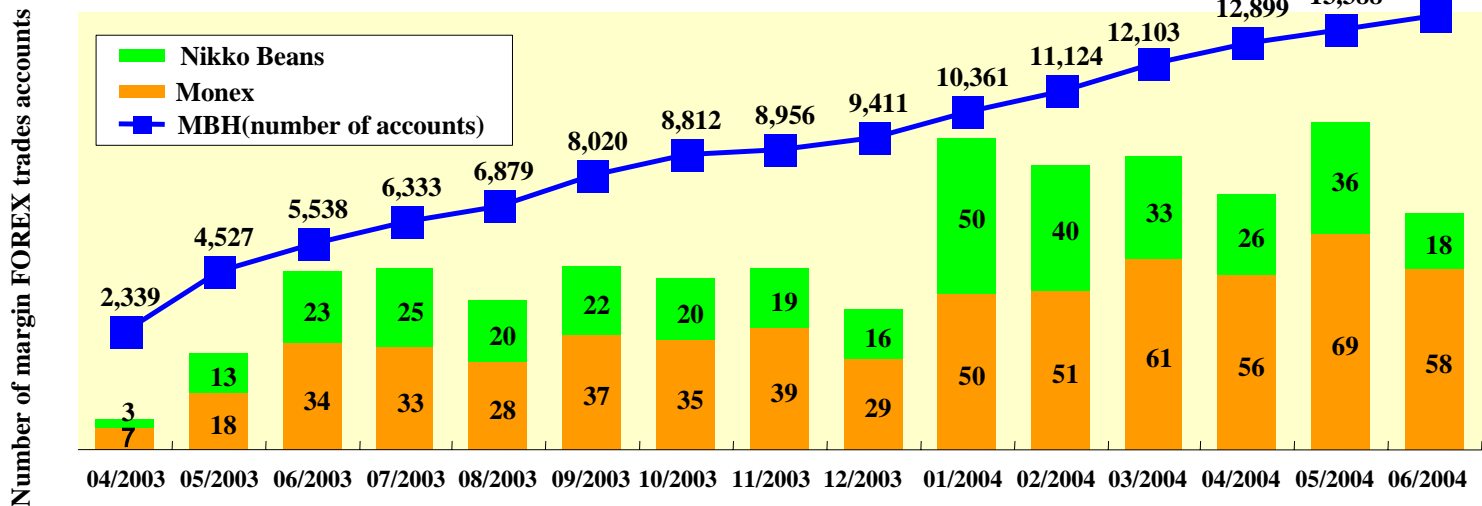
Margin FOREX Trades (Monex FX + Beans FX)

Maintain surpassing customer base and strengthen even more.



This service prevails particularly among Monex customers. We pursue the synergy with Nikko Beans.
Monex has a strong customer base at present. This business integration with Nikko Beans will reinforce our robust customer base even more.

Number of margin FOREX trades accounts and trade volume per business day



Underwriting Business (Monex only)

We underwrote plenty of IPO and PO deals and established the bedrock for further progress.

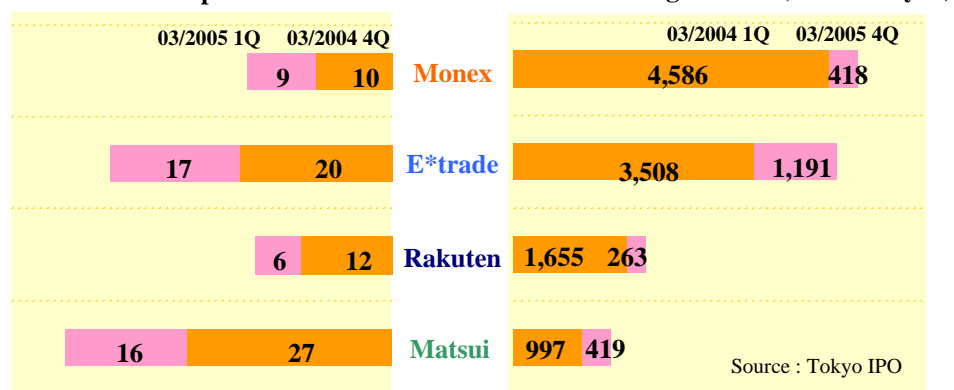
IPO deals during FYE 03/2005 1Q

Company Name	IPO Date	Share
netprice,ltd.	07/08	7.0%
Duo Systems Co.,LTD.	07/01	1.0%
Frente Co.,Ltd.	06/18	6.0%
RUNSYSTEM CO.,LTD.	06/18	4.0%
Kenko.com,Inc.	06/16	5.0%
HEPHAIST SEIKO CO.,LTD	06/11	2.0%
MEIHO ENTERPRISE CO.,LTD.	06/09	2.0%
CCS Inc.	06/08	2.0%
Frameworkx,Inc.	06/04	3.0%

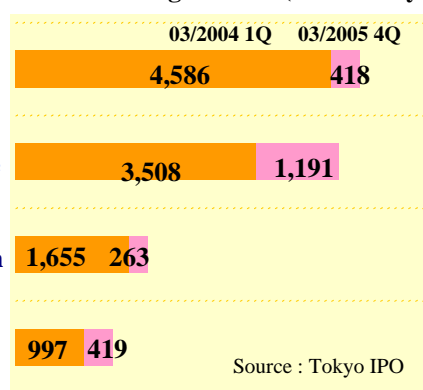
PO deals during FYE 03/2005 1Q

Company Name	Settlement	Share
Credit Saison Co.,Ltd.	06/24	1.3%
Hoosiers Corporation	05/31	1.0%

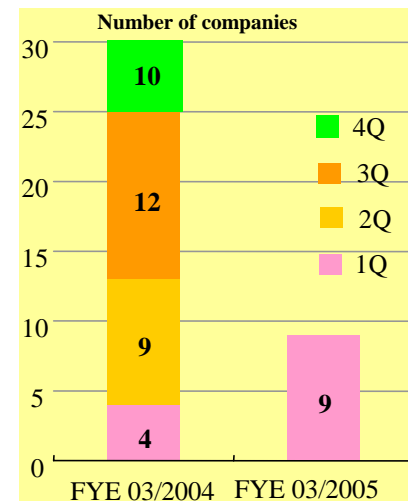
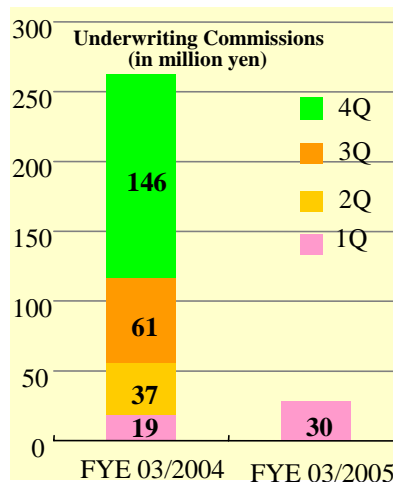
Number of companies underwritten



Underwriting amount (in million yen)



Source : Tokyo IPO



(Note) Underwriting commission includes the commission from secondary offering.
Other data are based on IPO underwriting

The number of IPO deals and underwriting commissions increased.

Number of IPO deals

(FYE 03/2004 1Q : 4 deals FYE 03/2005 1Q : 9 deals)

Underwriting commissions

(FYE 03/2004 1Q : 19 million yen FYE 03/2005 1Q : 30 million yen)

Aim to increase the number of IPO deals and improve the market share of each deal

Foster a deal as a lead manager and acquire a share in large IPO deals

Royalty Services (Monex + Nikko Beans)

Provide plentiful service contents (including both on-line and off-line contents) & serve all our customers to enhance their financial literacy

Seminars FYE 03/2005 1Q (Some seminars were co-hosted by Monex and Nikko Beans.)

About services and products : 16 times, total 1,407 participants

About transaction analysis : 5 times, total 460 participants

Sales of videos and DVDs of seminars

Actual total sales (for the last three months) : 3,816

Total number of participants is 1,867 during last three months.

Before starting investments

Products and services

Investment techniques & theory

Advanced investment methods

Seminars

- Co-hosted with Tokyo Stock Exchange (For beginners)
- Introduction to Internet trading etc.

- Equity Investment
- "China Stock" Investment
- FX trades etc.

- Margin trading
- Technical Analysis etc.

- Scientific Equity Investments (directed by Masami Masuda)
- Seminars with investment analysts

E-mail Newsletters

Monex Mail (more than 200,000 enrollments)

Ma-mail (Nikko Beans) (more than 83,000 enrollments)

Monex Mail -morning edition- (16,000 enrollments)

New Services and Merger of Monex and Nikko Beans

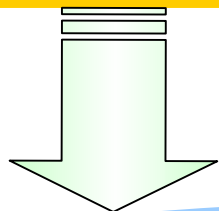
Successive introduction of new services and products and Merger of Monex and Nikko Beans

Monex

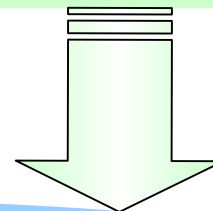
Nikkei 225 futures and options : 07/2004
Money Express (linked settlement service)
with Suruga Bank
: 07/2004
Trade notification service by e-mail
: 07/2004 (scheduled)
Surfing Trading - new service for
active traders - : 08/2004 (scheduled)

Nikko Beans

Additional commission scheme charged on each
trade : 07/2004
Open-ended margin trading service
: 10/2004 (scheduled)
“Quick Trader Premium”
- exclusive trading information tool -
:11/2004 (scheduled)



**Integrated securities
company**



**Integrated securities company will provide full
line services and products which each customers
can enjoy in Monex and/or Nikko Beans.**

1. Financial Results and Business

Overview

2. Business Model and Future

Development

Provide the supreme financial services to individual customers

Do away with misguided practice of the past

Assume the role of creating new financial regime

Dedicate ourselves to the interests of individual customers

Maintain the customer-first policy

Keep the transparency of business through disclosure

To become the most credible financial institution for all individuals

Schedule**August 2, 2004 : Listing of stocks of Monex Beans Holdings, Inc. to Tokyo Stock Exchange Mothers Market**

- **July 5, 2004** **The most functions of Nikko Beans moved to the same floor with Monex and started their operations**
- **July 26, 2004** **Last trading date of Stocks of Monex, Inc.**
- **July 27, 2004** **Delisting of Stocks of Monex, Inc. from Tokyo Stock Exchange Mothers Market**
- **July 30, 2004** **Stock certificate submission due**
- **August 2, 2004** **Occurrence of the Share Transfer, Establishment of Monex Beans Holdings, Inc. and Listing of stocks of Monex Beans Holdings, Inc. to Tokyo Stock Exchange Mothers Market
(* 1 share of Monex Beans Holdings, Inc. will be allotted to each share of Monex.**
- **May, 2005** **Merger of Monex, Inc. and Nikko Beans, Inc.**
(scheduled)
- **2005** **Application for listing stocks of Monex Beans Holdings, Inc. to the first section of**
(scheduled) **Tokyo Stock Exchange**

Policy on System Integration Risks

Reduce system integration risks through comprehensive preparation and arrangement

Place top priority on the absolute completion of integration

Implement thorough testing and rehearsal

Consolidate information system based on the existing system of Nikko Beans and minimize the range of new development process

Risk Control

Report to directors on a weekly basis and enable its management to confirm the progress of integration

Analyze the effects of receiving external audit from professional consulting firms and establishing internal double-check function

Schedule

Finalize the system integration on May 2005

Promise

Promise to become the most credible financial institution

Promise to customers

Promise to shareholders

Continue to be a party of financial service professionals

MBH

Various needs

Broad range of customer preferences

Provide services and products

Meet customer desire

Obtain absolute returns

Thorough Disclosure

Achieve the maximum and continued returns

ROE

PER

Be trusted in the capital markets

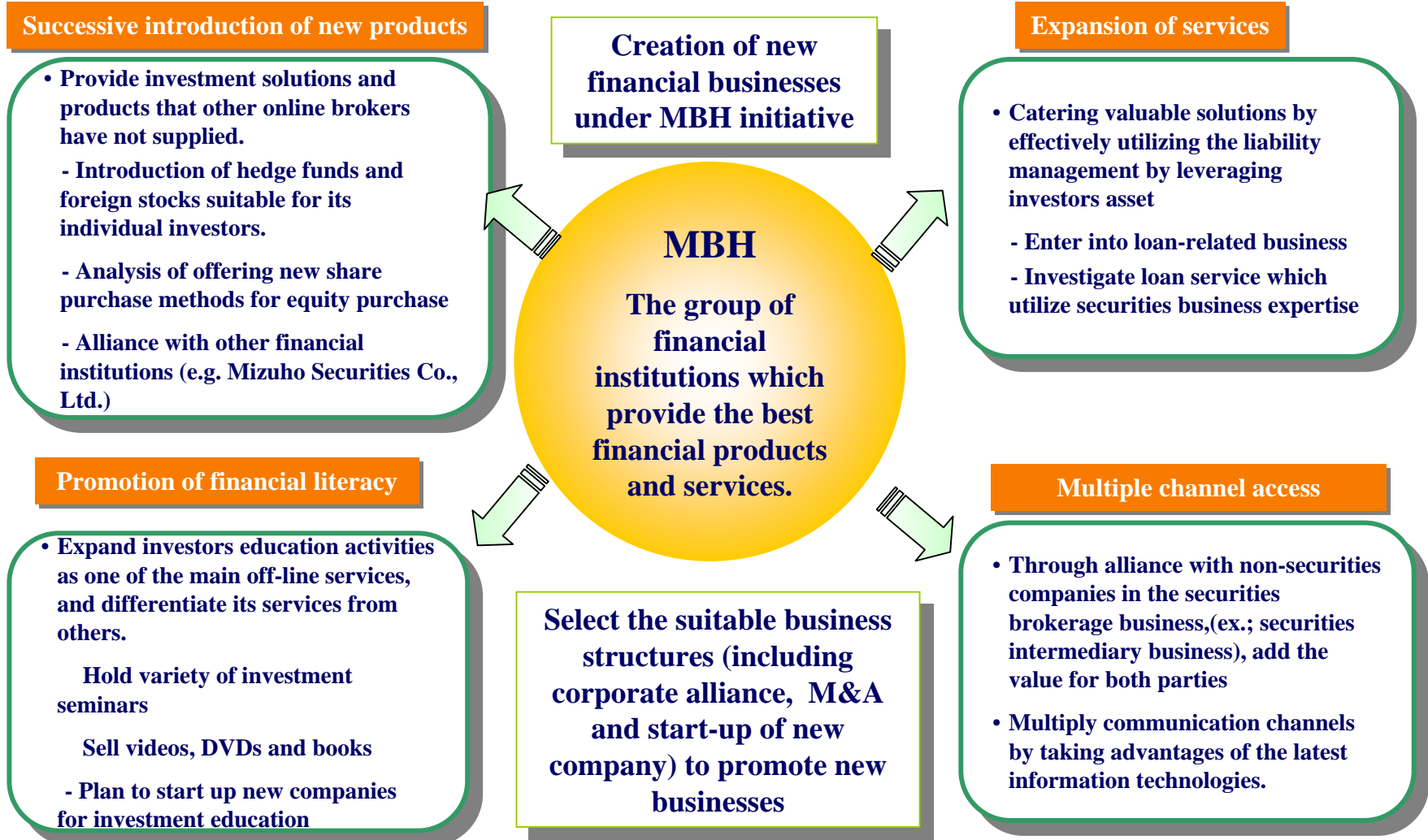
Solid low-cost structure

Steady and continuous dividends

Operating Costs per customers' assets in custody

Strategy for the Future

Heading for the best financial institution



Building a platform to provide supreme financial services to individual investors

React and correspond dynamically to the movements of legal system, social and economic environment and our customers' demands

Supreme "Financial" Services

of the people, by the people, for the people

MBS

[Securities Company]

MBH

869

MBX₁

MBX₂

MBX_x

Non-MB

[Alliance for the realization of our services]

[Subsidiaries for the realization of our services]



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