

January 21,2002

Mothers at Tokyo Stock Exchange

Third Quarter Financial Summary for FYE 03/2002 Q&A

Q1: Monex has promoted co-marketing with Credit Saison. What is the ratio of account acquiring through Credit Saison channel?

A1: According to the questionnaire we ask customers to fill out when they open an account with us, the most popular channel is through the internet. It is difficult to identify one definitive factor for opening the account as customers get information about us through various channels, however, we understand that about 20% of new accounts is opened through Credit Saison channel.

Q2: What is the breakeven of the underwriting business? I understand that the fixed-cost tends to be high in this business area; what is the manpower of your underwriting team?

A2: We have 4-5employees in underwriting team. At the moment, we think that P/L for this specific business is about breakeven. We plan to raise the underwriting share in each issue, not the number of issues we underwrite; in other words, we will try not to increase the fixed cost of the underwriting business.

Q3: What is the time horizon for studying the possibility of starting margin trade?

A3: We cannot give you a specific deadline to answer that question. As for the margin trade, the demand from our customers has continuously been high, and almost all the major securities houses have already started the service. We would like to explain the result next investors meeting at if possible. We may suggest how we can provide the service without deviating from Monex's philosophy and business model.

Q4: When are you going to announce the implementation of charging the information services?

A4: We are going to study and make a decision within a couple of months, and we will let you know the result timely.

Q5: Do you plan any kind of tie-up with Sony Life Insurance, Sony bank or Sony Assurance?

A5: Nothing concrete has been decided.

Q6: What do you think about the M&A after having done with Saison Securities?

A6: We are always thinking about the possibility of merger and acquisition positively.

Q7: Is my understanding correct that small number of very actively trading clients contribute to most of your revenue?

A7: Most of our client base is consisted of relatively small sized traders. We will start to study the possibility of margin trade not because of the increase of active traders. We do not think it is against our philosophy.

Q8: How do you correspond to T+1 (next day settlement) movement?

A8: Considering the fact that the implementation of T+1 in the US is delayed by one year, we think that it would also be delayed in Japan. Therefore, we have not taken any specific step toward it yet.

Q9: What was the result of your account opening campaign at Akihabara the other day?

A9: It was not that big compared to the number of accounts as a whole.

Q10: Is there any relation between your recent office move and possible M&A?

A10: Not at all. Due to the move of the office, the rent will increase by 5 million Yen per month. Other than that, move related cost was 56 million Yen which will decrease ordinary profit for this fiscal year by 10 million Yen, and 6 million Yen annually from year forward.