

Monex Beans Holdings, Inc.

Consolidated Financial Summary under Japanese GAAP for the third quarter of the fiscal year ending March 31, 2006 (April 1, 2005–December 31, 2005)

This is an English translation of Japanese report of the consolidated financial summary under Japanese GAAP for the third quarter of the fiscal year ending March 31, 2006. If there is any discrepancy between a statement in English and a statement in Japanese, the Japanese statement shall always control.

Forward Looking Statement

This report contains forward-looking statements that are based on our current expectations, assumptions, estimates and projections about our industry and us. These forward-looking statements are subject to various risks and uncertainties. Generally, these forward-looking statements can be identified by the use of terms such as “may”, “will”, “expect”, “anticipate”, “estimate”, “plan” or other similar words. These statements discuss future expectations, identify strategies, contain projections of results of operations or of our financial condition or state other “forward-looking” information. Our operations are subject to risks, uncertainties and other factors that could cause our actual results to differ materially from those contained in any forward-looking statement.

Accounting Principles

The financial information included in this report is based on our un-audited consolidated financial statements for the third quarter of the fiscal year ending March 31, 2006. All of those financial statements have been prepared based on accounting principles generally accepted in Japan. Please note there are significant differences between Japanese GAAP and U.S. GAAP and we have not prepared a reconciliation to show what our results or financial position would be under U.S. GAAP.

Monex Beans Holdings, Inc. / January 2006

Consolidated Financial Summary

For the third quarter of the fiscal year ending March 31, 2006

	Million Yen
Operating Results (from Apr. 1, 2005 to Dec. 31, 2005):	
Operating Revenues	¥ 27,228
Net Operating Revenues	26,124
Selling, General and Administrative Expenses	8,974
Operating Income.....	17,150
Other Expenses, net	1,249
Income Before Income Taxes and Minority Interests	15,901
Income Taxes	6,756
Minority Interests.....	3
Net Income.....	¥ 9,142
Financial Position (as of Dec. 31, 2005):	
Total assets	¥ 388,273
Shareholders' equity.....	37,086
Per Share Amounts (from Apr. 1, 2005 to Dec. 31, 2005):	
Net income	¥ 3,899.22
Shareholders' equity.....	15,817.25

Notes

Net income per share is computed by dividing net income by the weighted average number of common shares outstanding for the term and shareholders' equity per share is calculated by dividing shareholders' equity by the number of common shares outstanding at the end of the term.

Consolidated Balance Sheet As of December 31, 2005

Assets	Million Yen	%
Current assets:		
Cash and deposits	¥ 50,227	
Cash segregated for customers and others.....	101,361	
Trading assets	336	
Margin transaction assets.....	216,706	
Payments on securities subscribed	2,799	
Short-term guarantee money deposited	5,937	
Accrued revenues	2,000	
Deferred tax assets.....	868	
Other	4,980	
Allowance for doubtful receivables.....	(0)	
	385,214	99.3
Property and equipment, at cost:		
Buildings	107	
Furniture and fixtures	269	
Accumulated depreciation	(288)	
	88	0.0
Intangible assets, net of amortization:		
Goodwill	66	
Software.....	22	
Other	10	
	98	0.0
Investment and others:		
Investment securities	2,416	
Long-term guarantee deposits	424	
Deferred tax assets.....	31	
Other	397	
Allowance for doubtful receivables.....	(395)	
	2,873	0.7
	¥ 388,273	100.0

Liabilities and Shareholders' Equity	Million Yen	%
Current Liabilities:		
Trading liabilities.....	¥ 108	
Margin transaction liabilities.....	93,270	
Loans payable secured by securities.....	38,858	
Deposits received.....	73,574	
Guarantee money received.....	84,340	
Short-term borrowings.....	49,000	
Income taxed payable.....	5,769	
Accrued employees' bonuses.....	143	
Allowance for point service.....	714	
Other.....	3,706	
	349,482	90.0
Statutory Reserve:		
Reserve for securities transactions.....	1,663	
Reserve for commodities transactions.....	19	
	1,682	0.4
Minority Interests.....	22	0.0
Shareholders' Equity:		
Common stock.....	8,800	2.3
Authorized - 8,800,000 shares		
Issued - 2,344,687 shares		
Capital surplus.....	15,155	3.9
Retained earnings.....	13,124	3.4
Net unrealized holding gains (losses) on securities, net of taxes.....	8	0.0
	37,087	9.6
	¥ 388,273	100.0

Consolidated Statement of Income

For the third quarter of the fiscal year ending March 31, 2006

	Million Yen	%
Operating Revenues:		
Commission revenues.....	¥ 22,151	
Net gain on trading account.....	135	
Financial income	4,769	
Other operating revenues.....	173	
	27,228	100.0
Financial expenses.....	1,104	4.1
Net Operating Revenues	26,124	95.9
Selling, general and administrative expenses	8,974	32.9
Operating Income	17,150	63.0
Other Income (Expenses):		
Provision for securities transactions.....	(598)	
Provision for commodities transactions	(12)	
Gain from sales of fixed assets.....	50	
Gain from sales of investment securities.....	99	
Loss on disposal of fixed assets.....	(19)	
Expenses resulting from the merger of two subsidiaries	(537)	
Other, net	(232)	
	(1,249)	(4.6)
Income before income taxes and minority interests.....	15,901	58.4
Income taxes:		
Current.....	6,670	24.5
Deferred.....	86	0.3
Minority interests.....	3	(0.0)
Net Income	¥ 9,142	33.6
Per share amounts		
	Thousands of Yen	
Net Income	¥ 3,899.22	

Consolidated Statement of Shareholders' Equity As of December 31, 2005

	Million Yen
Common stock	
Balance as of March 31, 2005	¥ 8,800
Balance as of December 31, 2005	¥ 8,800
Capital surplus	
Balance as of March 31, 2005	¥ 15,155
Balance as of December 31, 2005	¥ 15,155
Retained Earnings	
Balance as of March 31, 2005	¥ 5,804
Increase:	
Net income.....	9,142
Decrease:	
Dividends paid.....	1,172
Bonuses paid to directors.....	47
Other	603
Balance as of December 31, 2005	¥ 13,124
Net unrealized holding gains (losses) on securities, net of taxes	
Balance as of March 31, 2005	¥ 53
Decrease	45
Balance as of December 31, 2005	¥8

Consolidated Statement of Cash Flows

For the third quarter of the fiscal year ending March 31, 2006

	Million Yen
Cash flows from operating activities:	
Income before income taxes and minority interests	¥ 15,901
Depreciation	57
Provision for allowance for doubtful receivables.....	182
Provision for allowance for point services	326
Increase in accrued employees' bonuses.....	(17)
Decrease in severance and retirement benefits for employees	(79)
Interest income and dividend income	(4,782)
Interest expense.....	1,104
Gain on sales of fixed assets	(50)
Gain on sales of investment securities	(99)
Loss on disposal of fixed assets	19
Increase in cash segregated for customers and others	(39,542)
Increase in separated deposits	(20,517)
Increase in trading assets	(22)
Increase in margin transaction assets, net of increase in margin transaction liabilities.....	(78,841)
Decrease in loans receivable secured by securities and in loans payable secured by securities.....	32,275
Decrease in short term guarantee money deposits	2,056
Increase in deposits received.....	46,049
Increase in guarantee money received	34,375
Payment for directors' bonuses	(47)
Other, net.....	(4,736)
Sub total.....	<u>(16,388)</u>
Interest and dividends received	4,455
Interest paid	(1,059)
Income taxes paid.....	<u>(3,506)</u>
Net cash used in operating activities	<u>(16,498)</u>
Cash flows from investing activities:	
Purchases of property and equipment.....	(17)
Purchases of intangible assets.....	(10)
Proceeds from transfer of intangible assets	50
Purchases of investment securities	(1,771)
Proceeds from sales of investments securities.....	149
Payment for long-term guarantee deposits	(124)
Proceeds from long-term guarantee deposits.....	95
Other, net	(5)
Net cash used in investing activities.....	<u>(1,633)</u>
Cash flows from financing activities:	
Increase in short-term borrowings.....	23,000
Dividends paid.....	(1,164)
Payment for treasury stocks	0
Net cash provided by financing activities	<u>21,836</u>
Net increase in cash and cash equivalents	3,705
Cash and cash equivalents at beginning of term	<u>26,005</u>
Cash and cash equivalents at end of term	<u>¥ 29,710</u>