



Matsui Securities Co., Ltd.

(First Section of Tokyo Stock Exchange: 8628)

Financial Results for FY 2004

June 2005

 松井証券

Contents

Section 1	Highlights of FY2004	2
Section 2	Growth Potential in On-line Equity Transaction	8
Section 3	Business Goal and Strategies	16
Appendix A	Summary of Financial Results (Consolidated)	23
Appendix B	Retail Brokerage Market Overview and Matsui's Performance	33
Appendix C	Supplemental Information	49

The material is intended to provide the financial results for FY ended March 2005 and the company's business strategy, and does not constitute a solicitation of an offer to buy the securities issued by the company. The material is created based upon information as of June 2005. The information herein identifies our views at the time of creation of the material, and the company does not make any representation or warranty as to its accuracy or completeness, therefore, the information may be changed without any notices. The company does not assume responsibility for any omissions or errors of any data and descriptions in the material.

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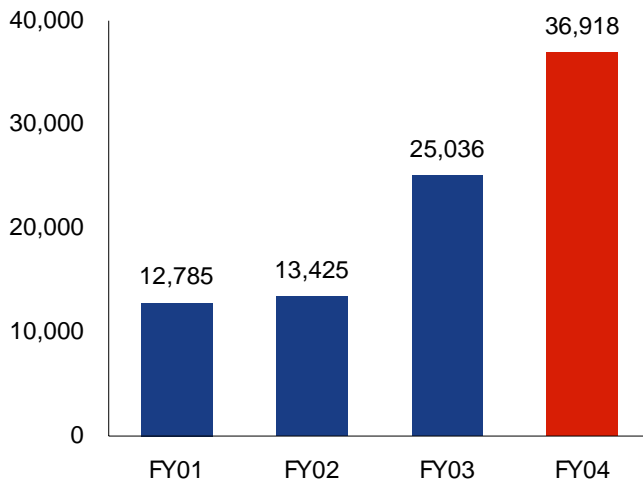
Highlights of FY2004

Section 1

Highlights of Financial Results for FY2004

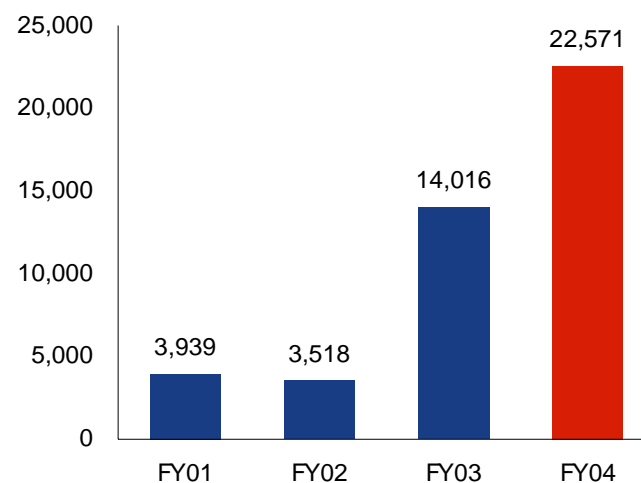
◆ Operating revenues

(¥mn)



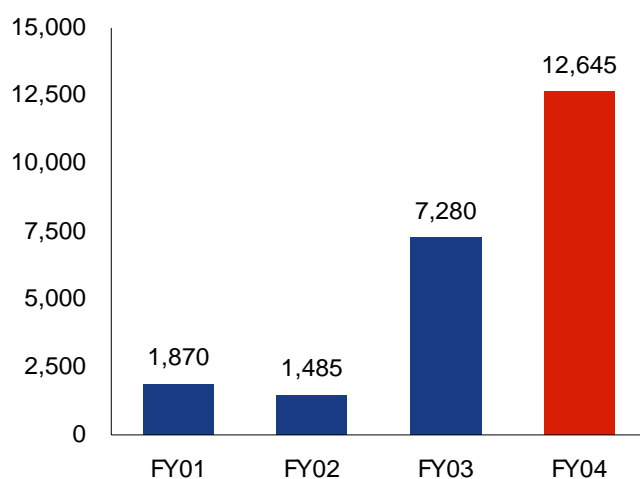
◆ Ordinary income

(¥mn)

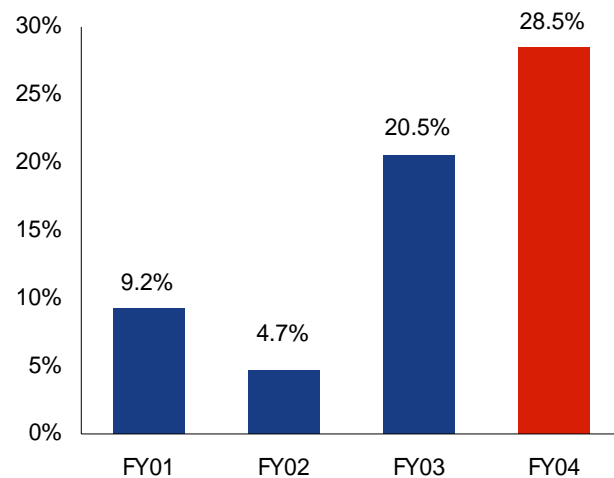


◆ Net income

(¥mn)

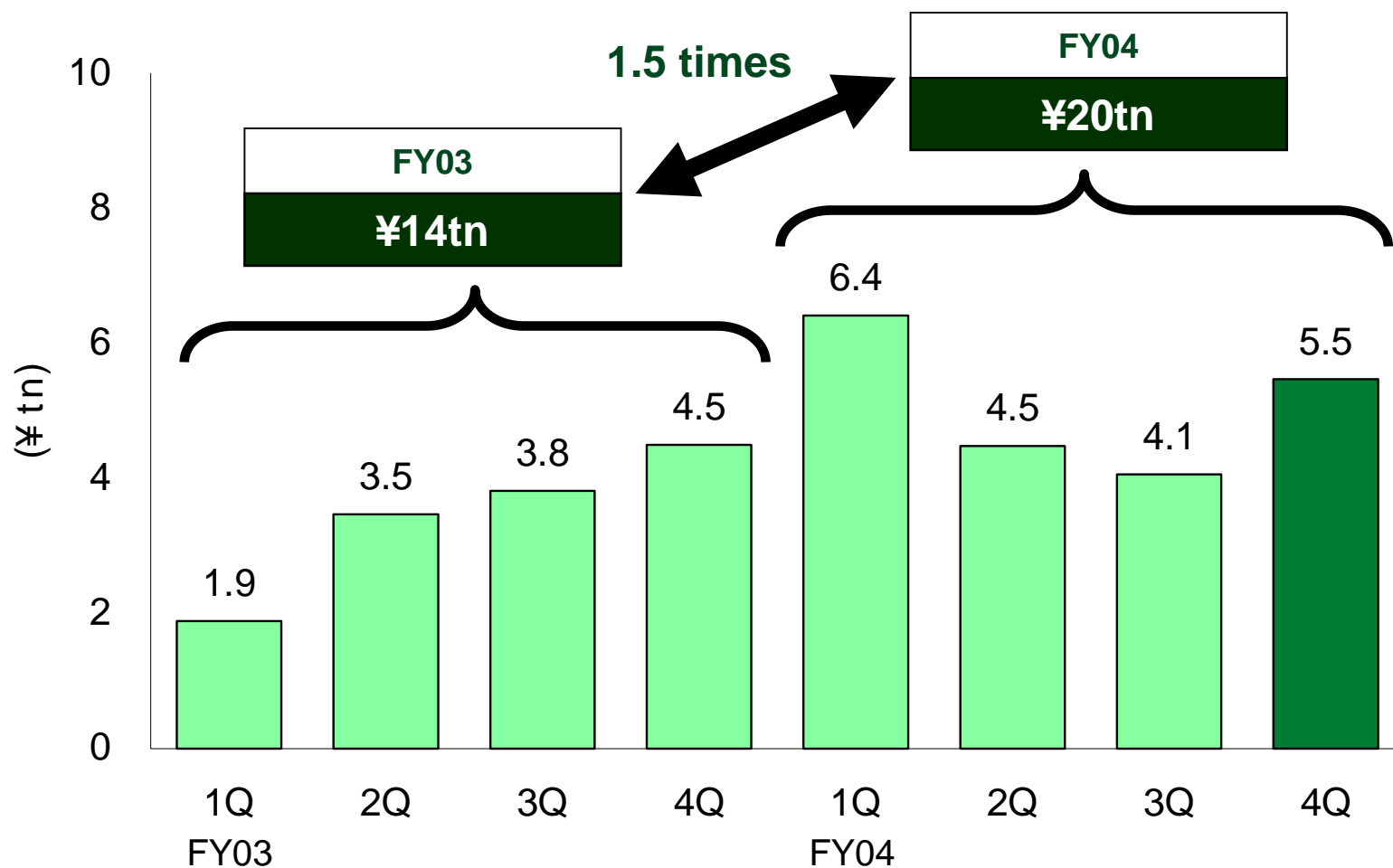


◆ ROE



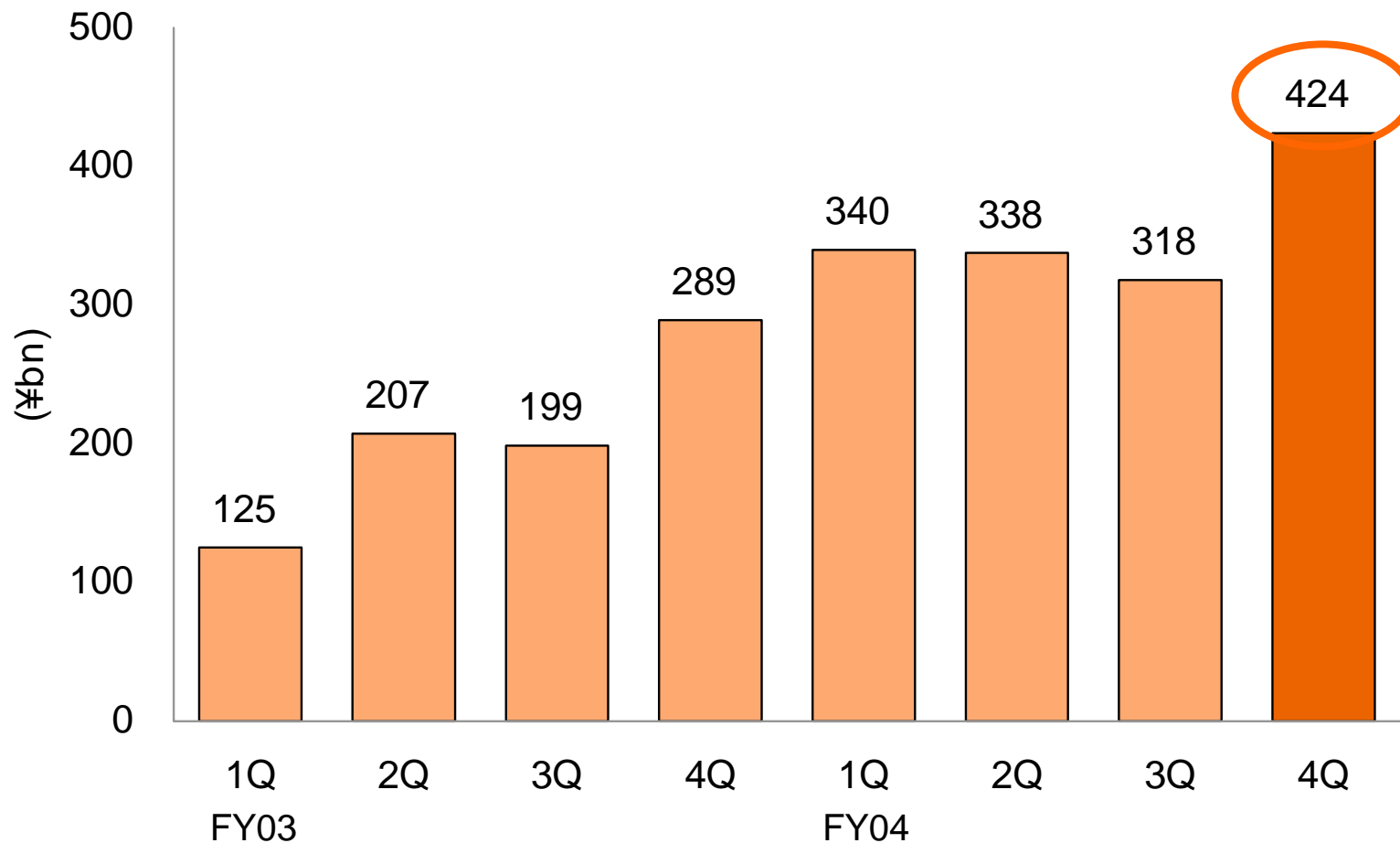
Matsui's Equity Trading Value

Matsui's equity trading value of FY04 (¥20tn) has increased to 1.5 times of FY03



Outstanding Value of Margin Trading

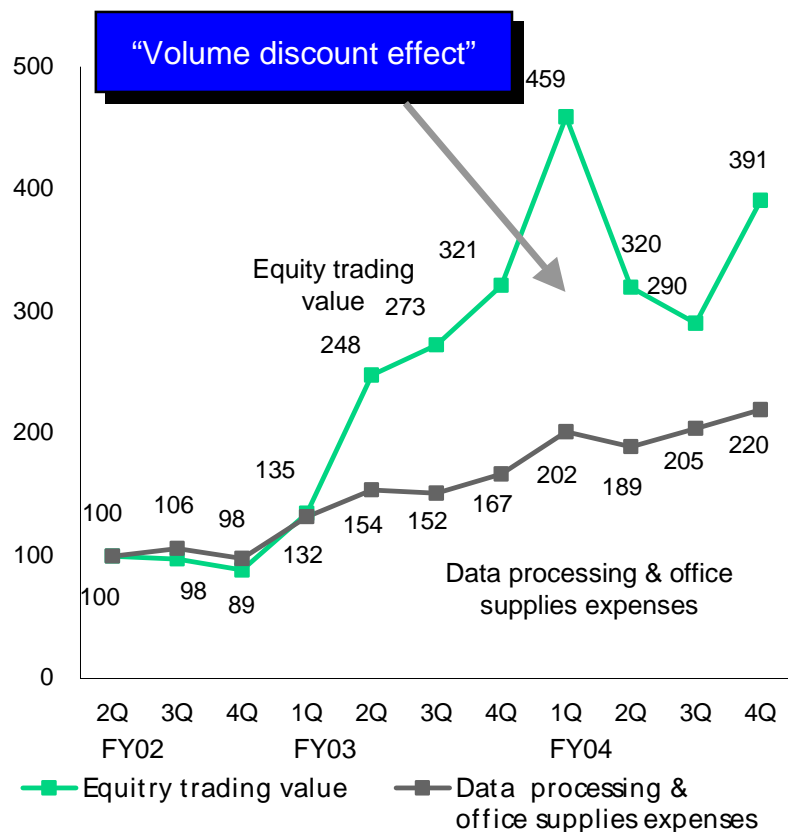
Outstanding value of margin trading as of March 05 is over ¥400bn



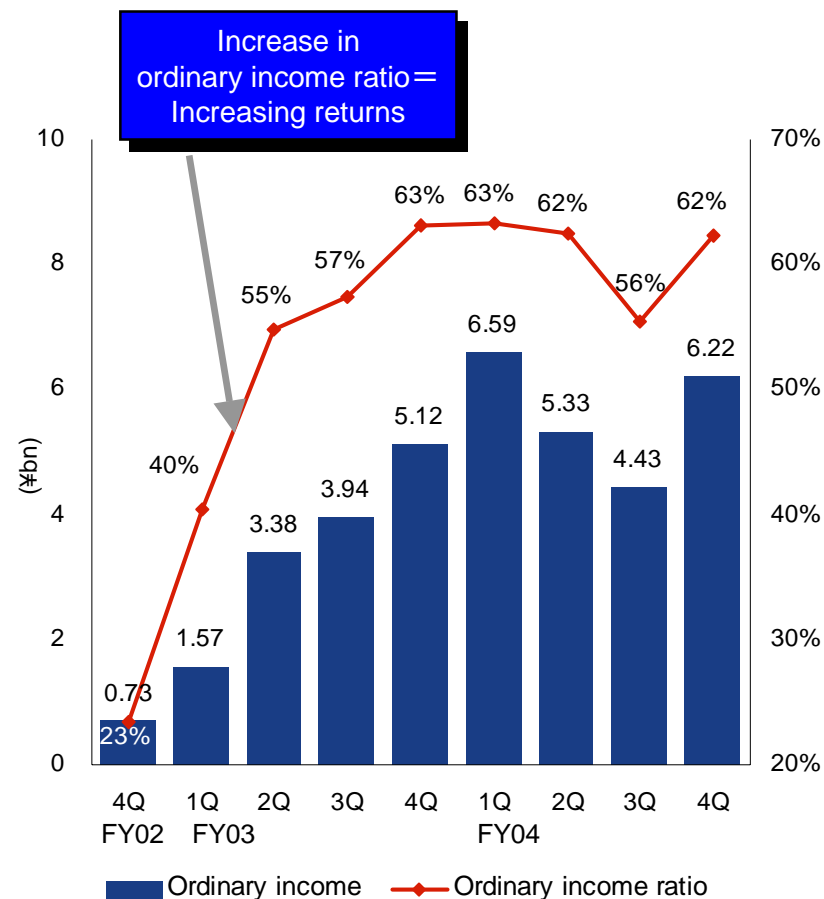
Matsui's Business Model of Increasing Returns

“Profitability increases with equity trading value” is Matsui's business model

◆ Analysis of equity trading value and data processing & office supplies expenses (Rebased to 2Q FY02=100)



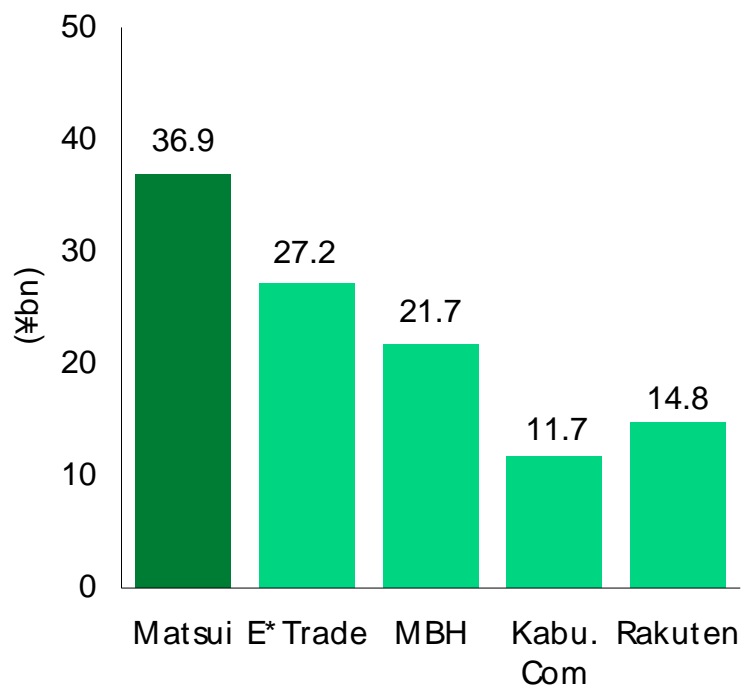
◆ Profitability analysis



Comparison with the Previous Fiscal Year

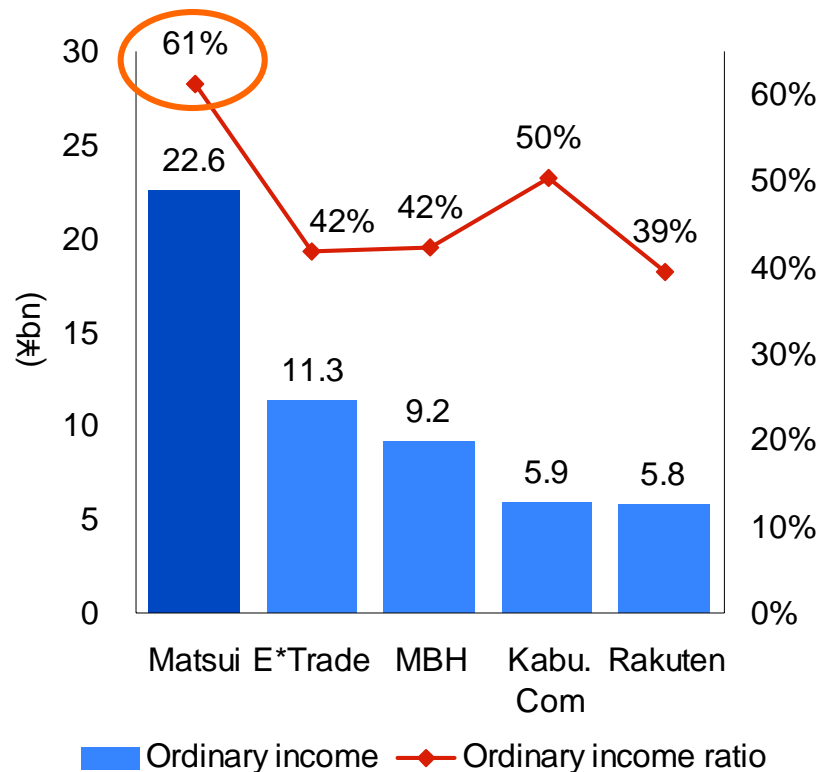
Matsui posted the highest operating revenues and ordinary income among on-line brokers in FY04

◆ Operating revenues¹ (FY04)



◆ Ordinary income¹ (FY04)

◆ Ordinary income ratio (FY04)



Source: Company data

Note:

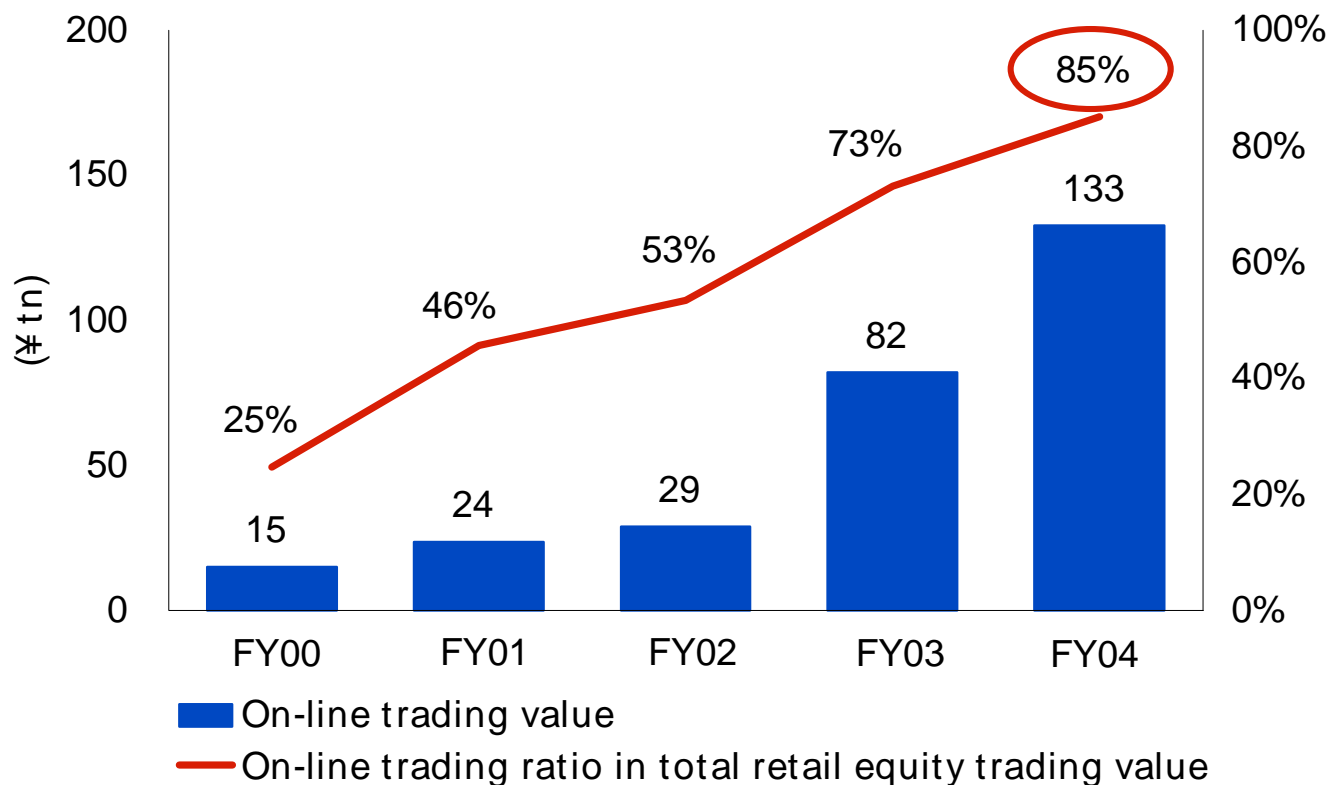
1 Consolidated results (except for Kabu.Com)

Growth Potential in On-line Equity Transaction

Section 2

On-line Equity Trading Market

On-line equity trading ratio in total retail equity trading value was as high as 85% in FY04



Source: TSE, JASDAQ statistical data; JSDA survey on on-line equity trading

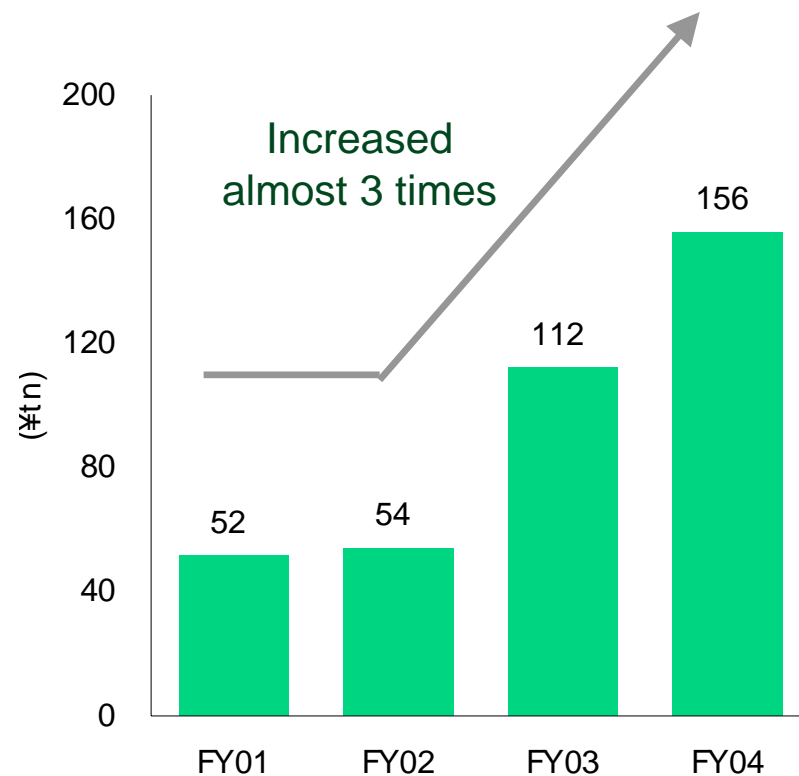
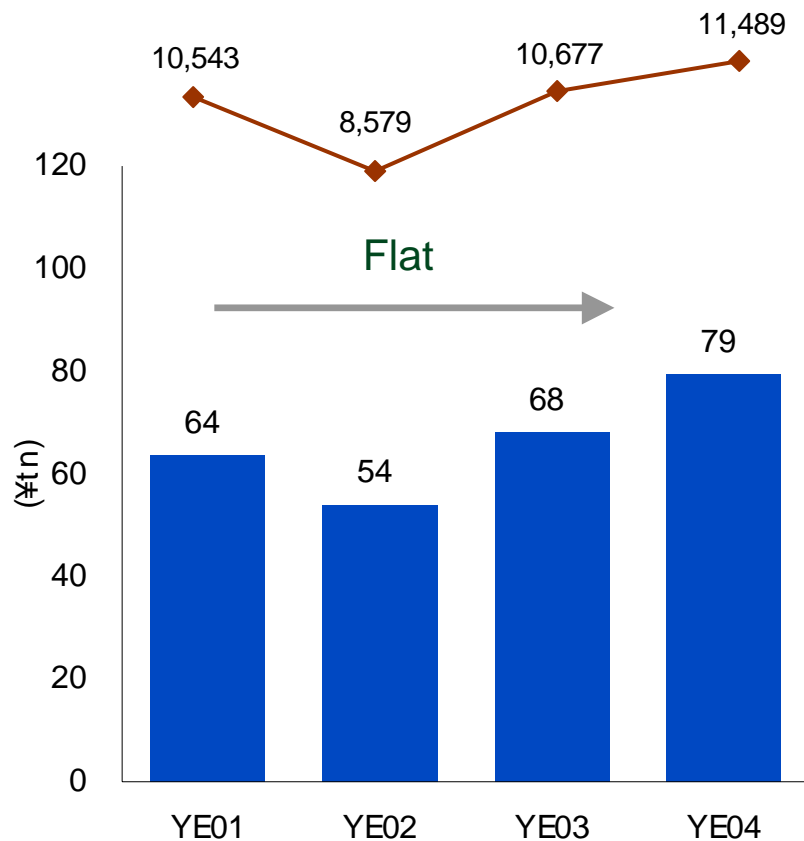
Note:

- 1 Aggregate value traded on the 3 Major Stock Exchanges (through securities companies with over ¥3bn capital) and JASDAQ (42 full service brokers)

Retail Investor Trends

Retail equity trading value increased almost 3 times over the last 2 years

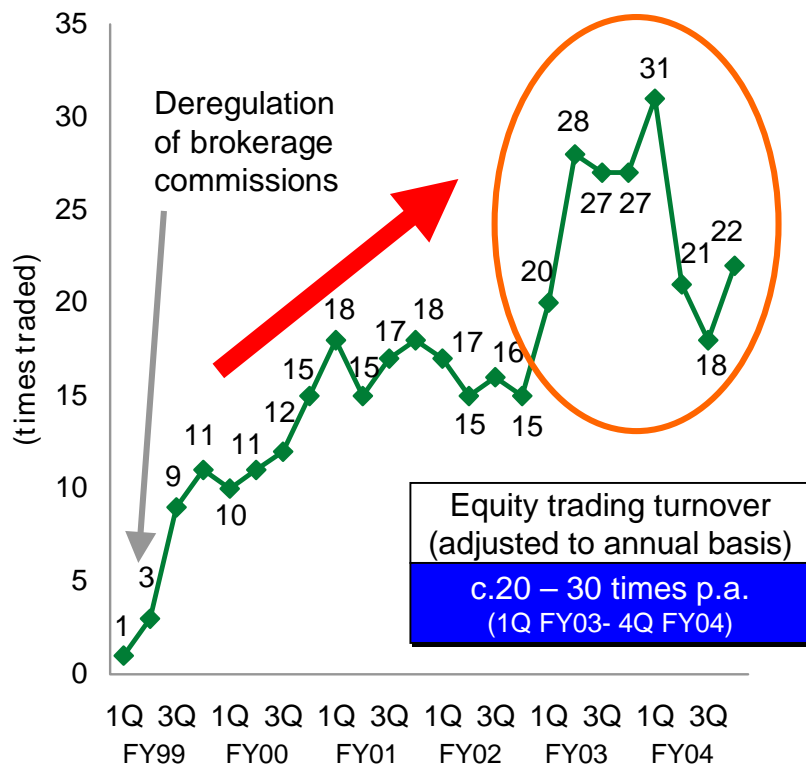
- ◆ Value of shares owned by retail investors
- ◆ Retail equity trading value¹
- ◆ Nikkei 225



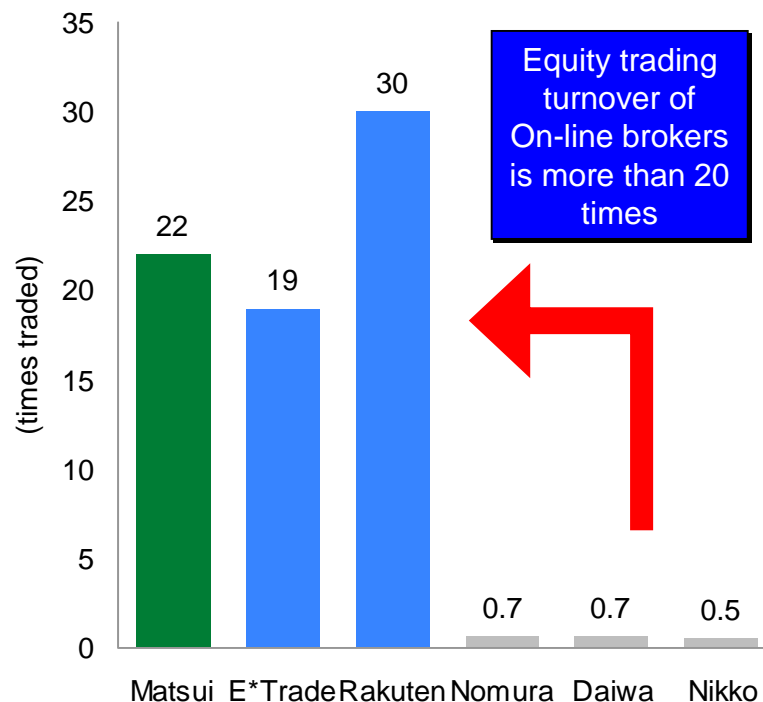
Trading Turnover

Annual equity trading turnover of Matsui's customers increased from 1 time p.a. to 20-30 times p.a.

◆ Annual trading turnover of Matsui's customers¹



◆ Annual trading turnover (4Q FY04)¹



Source: Results announcements, Company HP

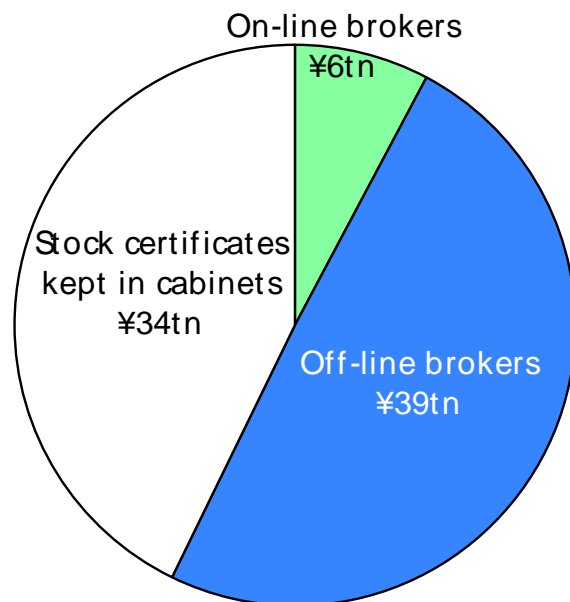
Note:

¹ Trading turnover (adjusted to annualized basis) = monthly average equity trading value/assets under Matsui's consumers' accounts x 12. Assets under Matsui's customers' accounts exclude the assets of Matsui's board of directors or their relatives for calculation of the turnover from 2Q FY01

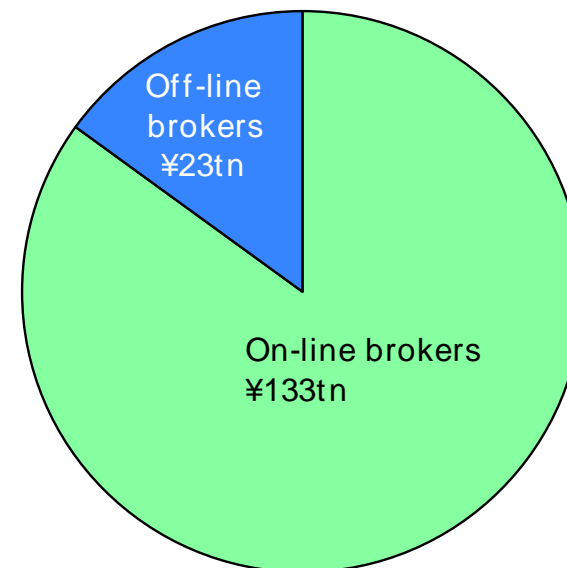
Stock vs Flow

On-line brokers' assets under customers' accounts are less than 10% (¥6tn) of total value of shares managed by all securities brokers

◆ Value of shares owned by retail investors (Dec 04)



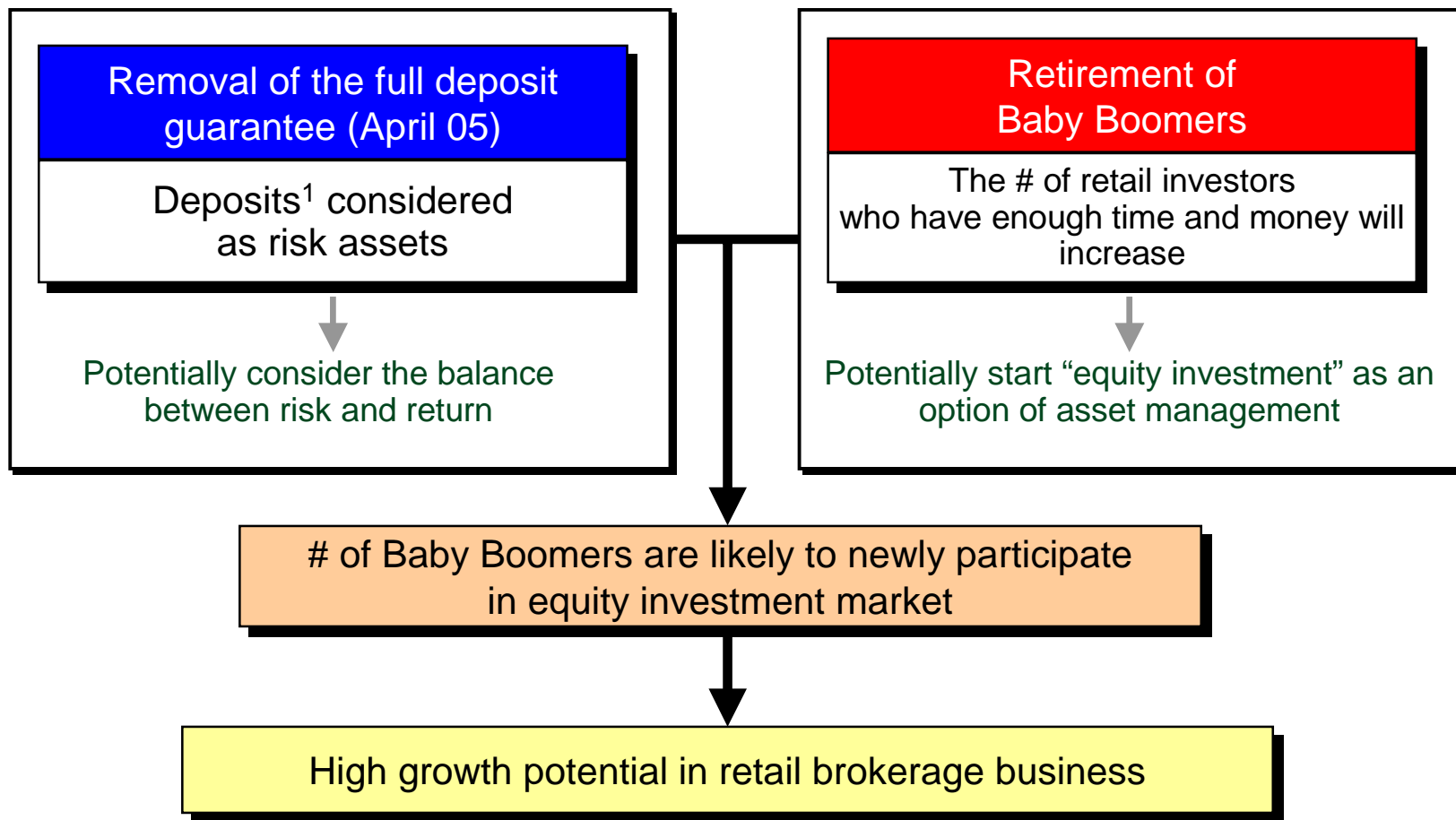
◆ Retail equity trading value (FY04)



Source: Company data, TSE, JASDAQ, BoJ.

Inflow of New Money into Equity Market

Due to the removal of the full deposit guarantee etc., we expect Baby Boomer's asset will shift into equity

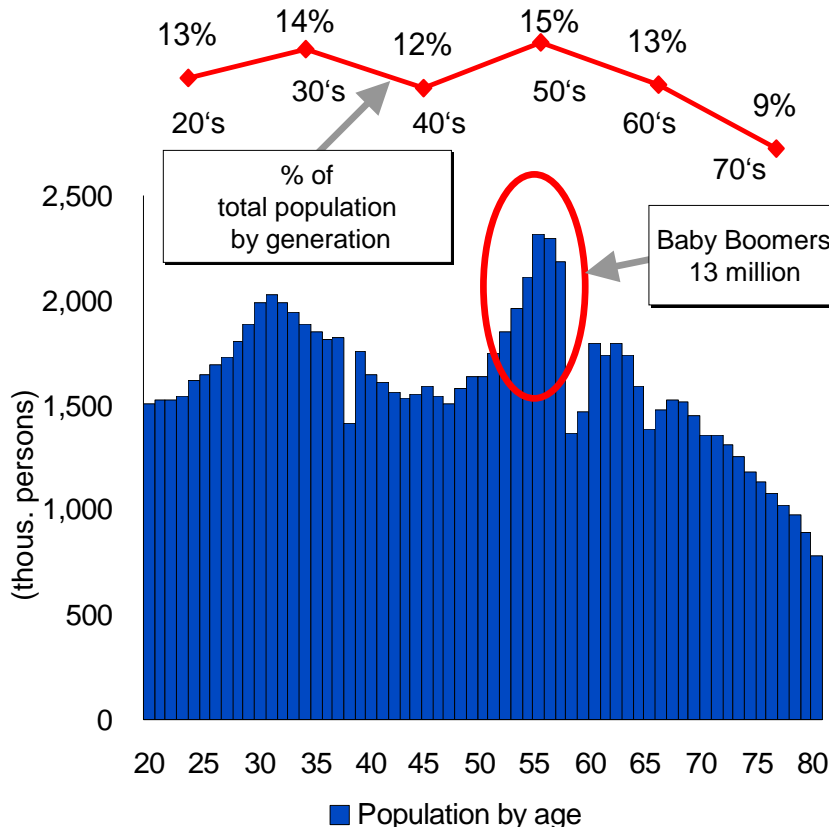


Note:

1 Over ¥10mn per person per bank

Attributes of Individuals in Japan

Baby Boomers¹ account for 10% of the total population (Sep 04)



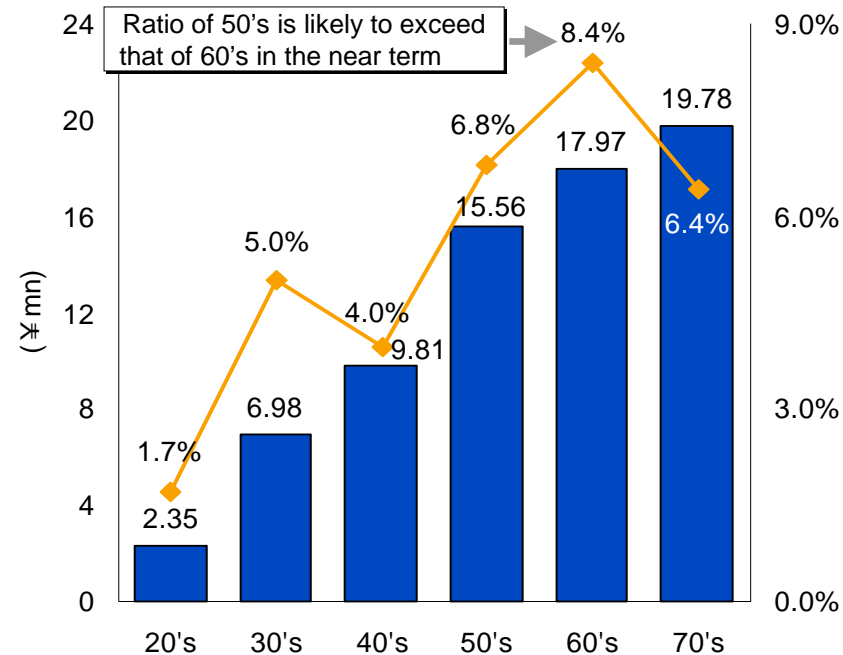
Source: Statistics Bureau, opinion poll by FSA

Note:

¹ 52-57 years old as of September 04

◆ Value of financial assets per household (by generation)

◆ % of equities in financial assets (by generation)

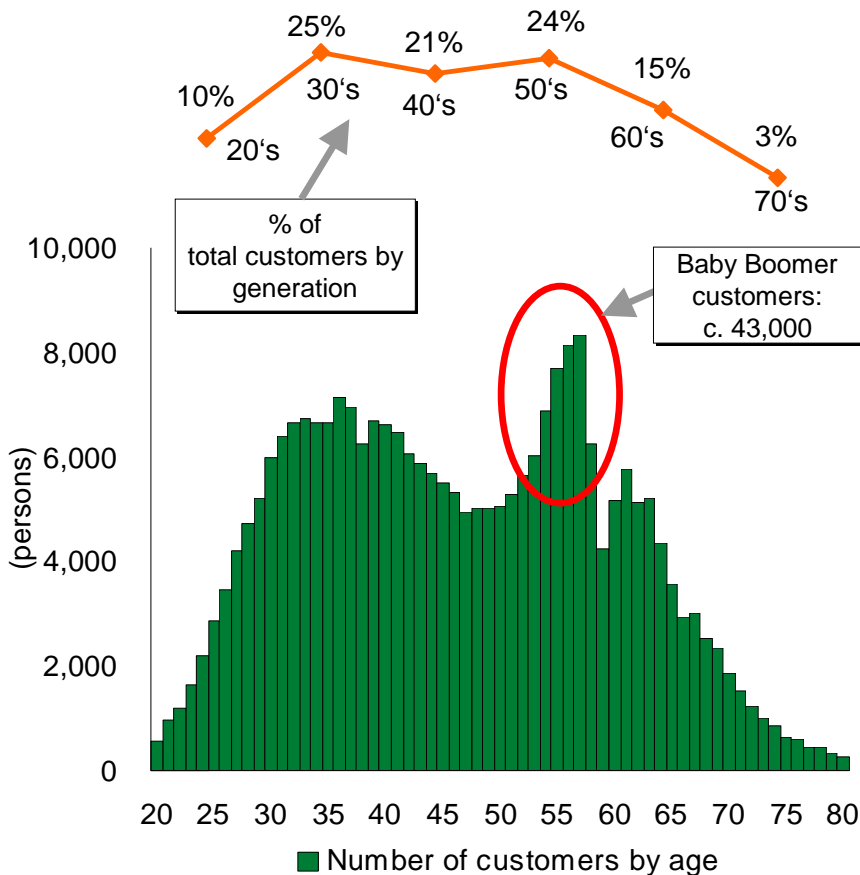


Source: Opinion poll by FSA

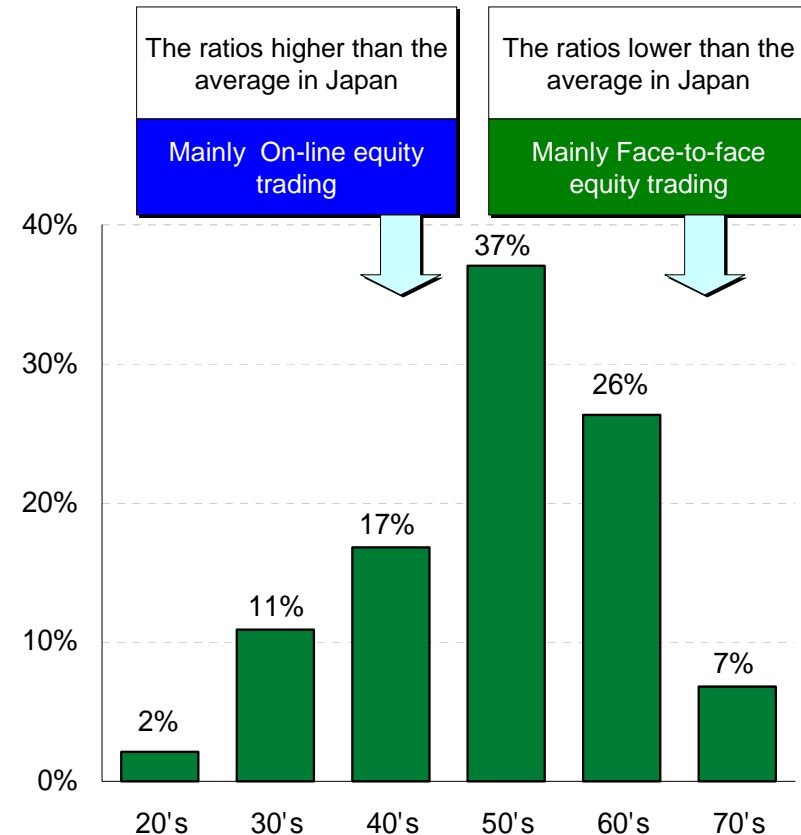
Ratio of equities in total financial assets increases with the age

Attributes of Matsui's Customers

Baby Boomer customers¹ are about 43,000, which accounts for c.20% of the total customers (Mar 05)



◆ Distribution of assets under customers' accounts by generation

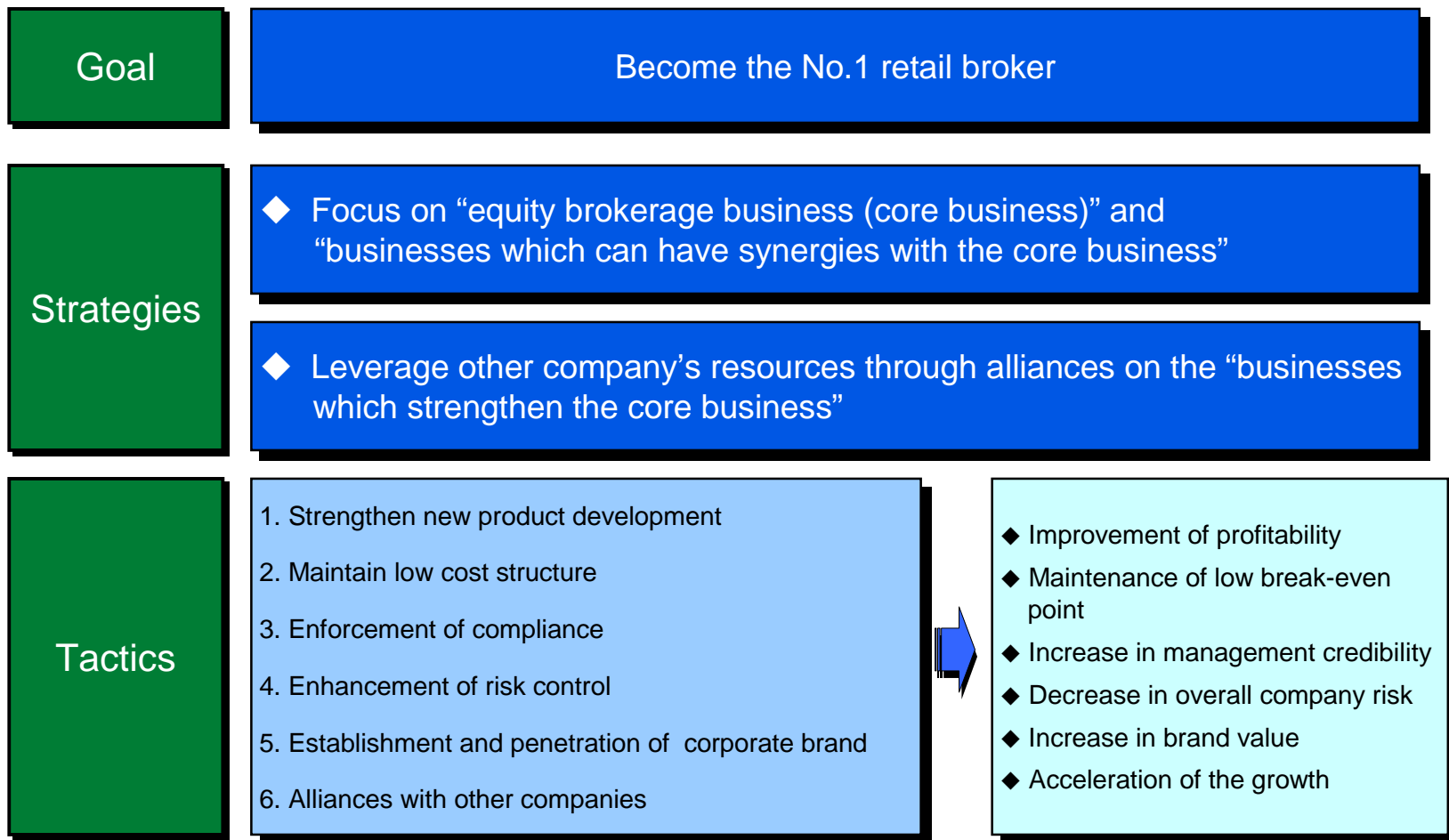


Business Goal and Strategies

Section 3

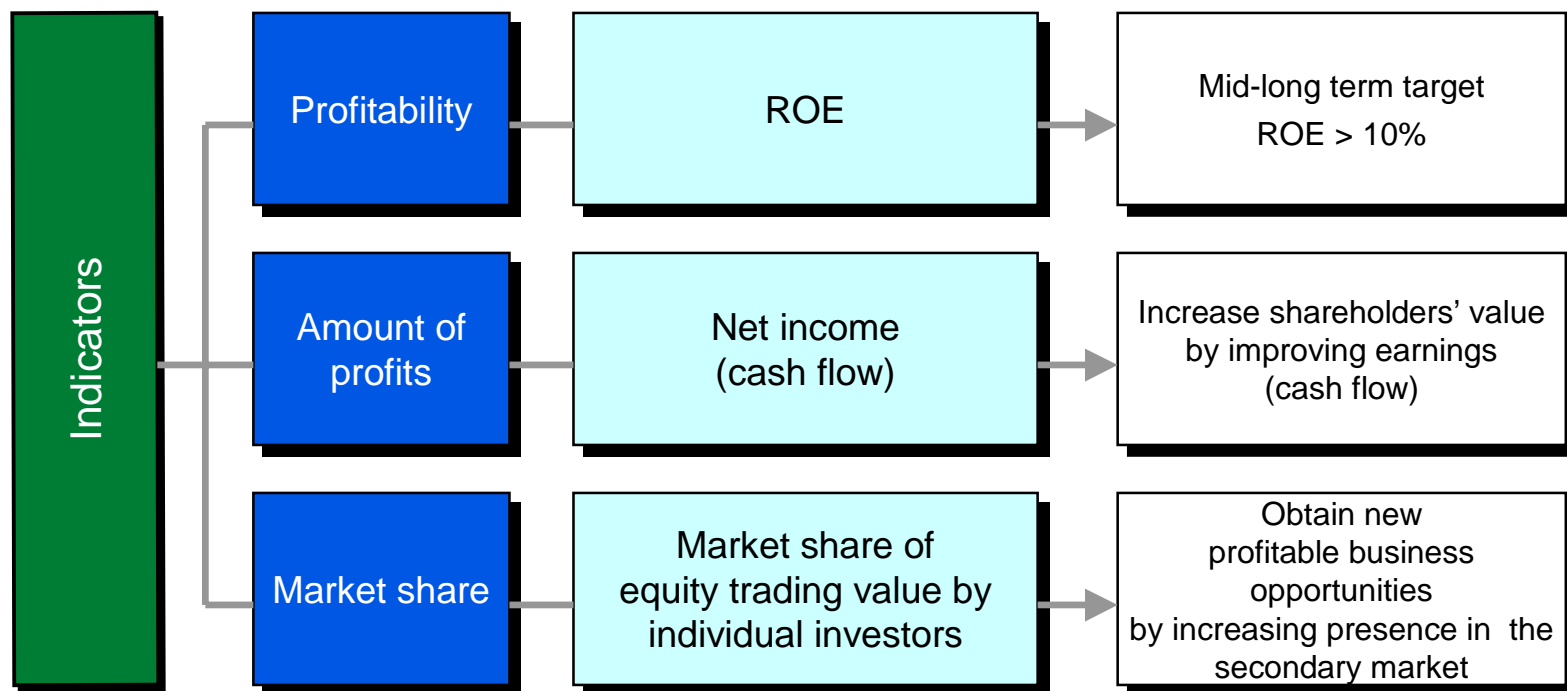
Business Goal and Strategies

Become the No.1 retail broker



Business Goal

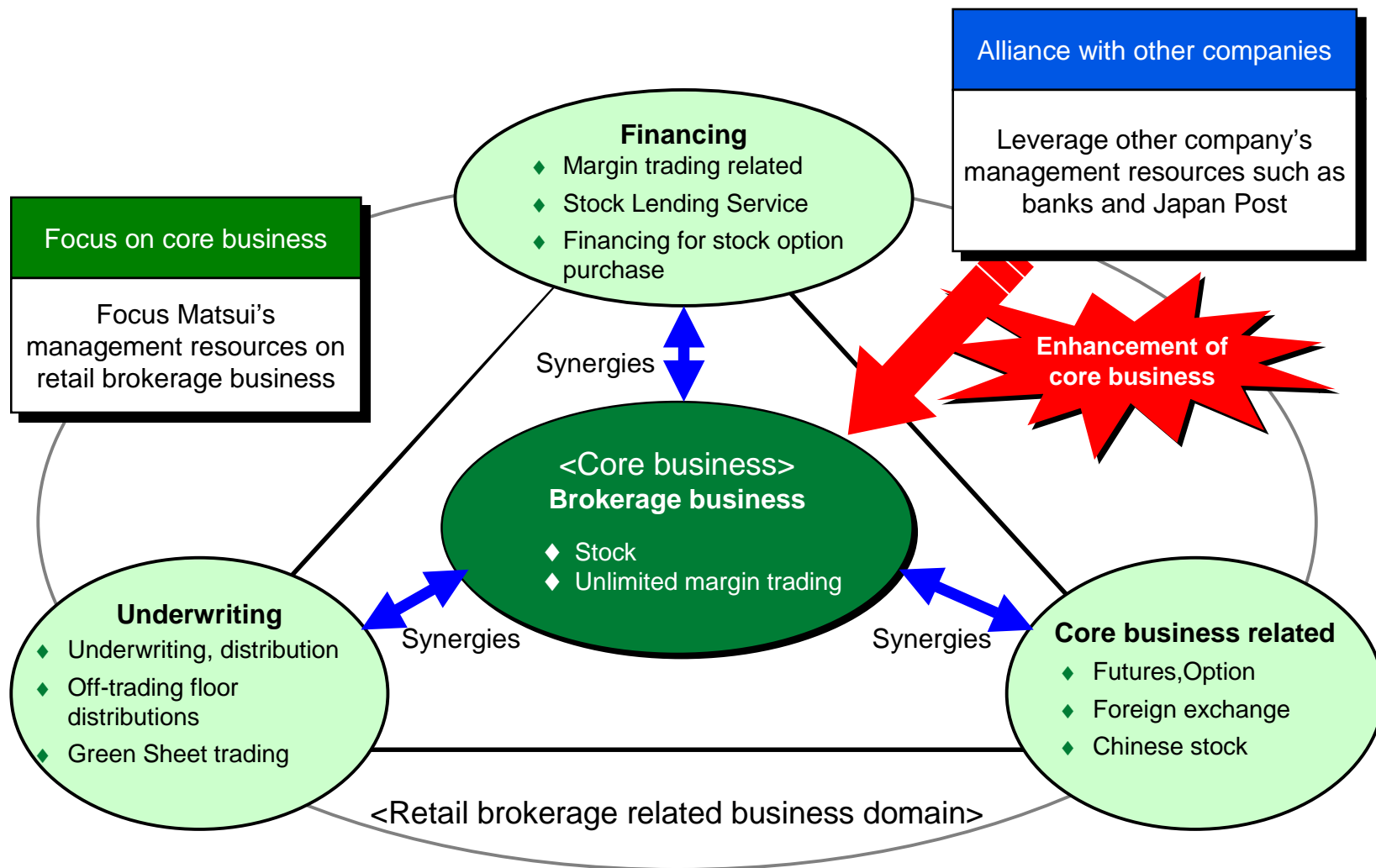
Become the No.1 retail broker in terms of profitability, amount of profits, and market share



The ultimate goal is to be the No.1 retail broker in terms of all of the above 3 indicators

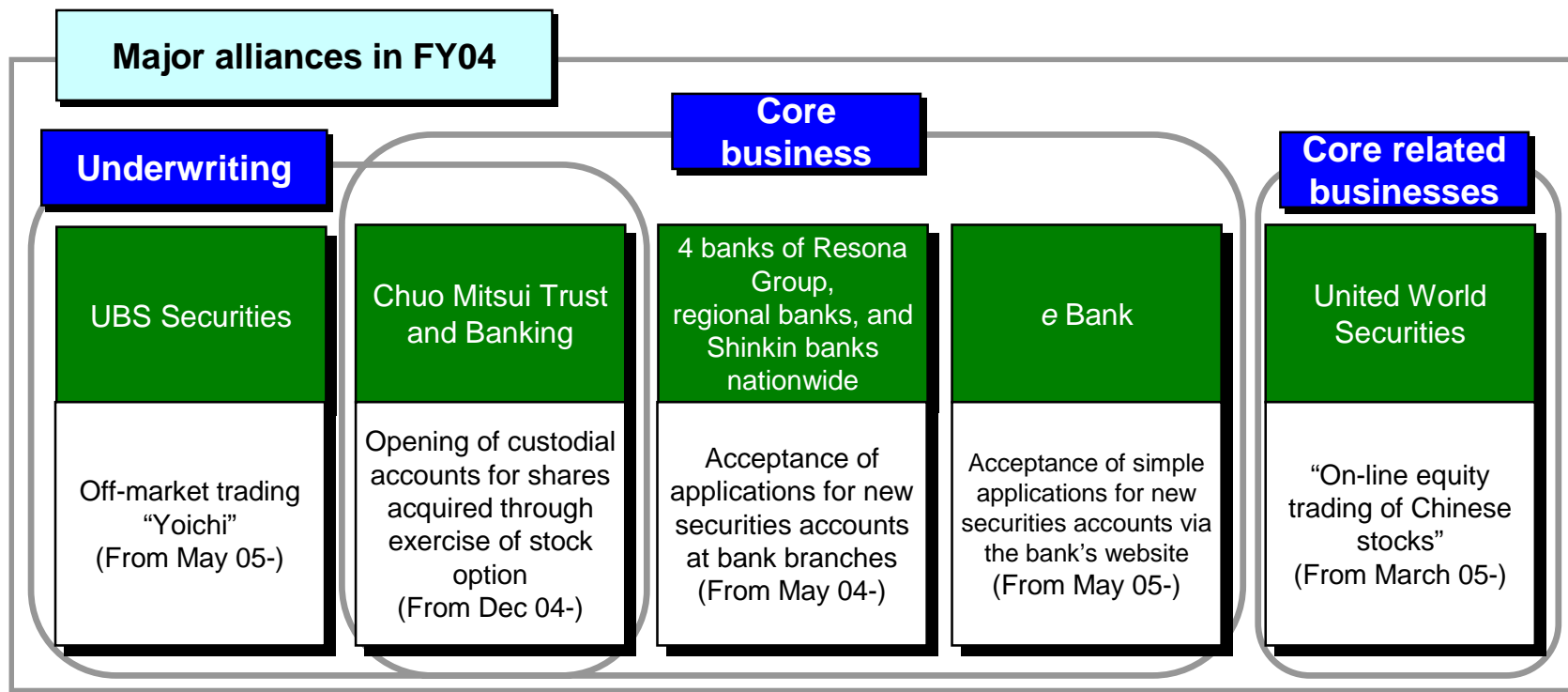
Business Strategies: Focus on Core Related Businesses

Focusing on core equity brokerage business



Alliance strategies

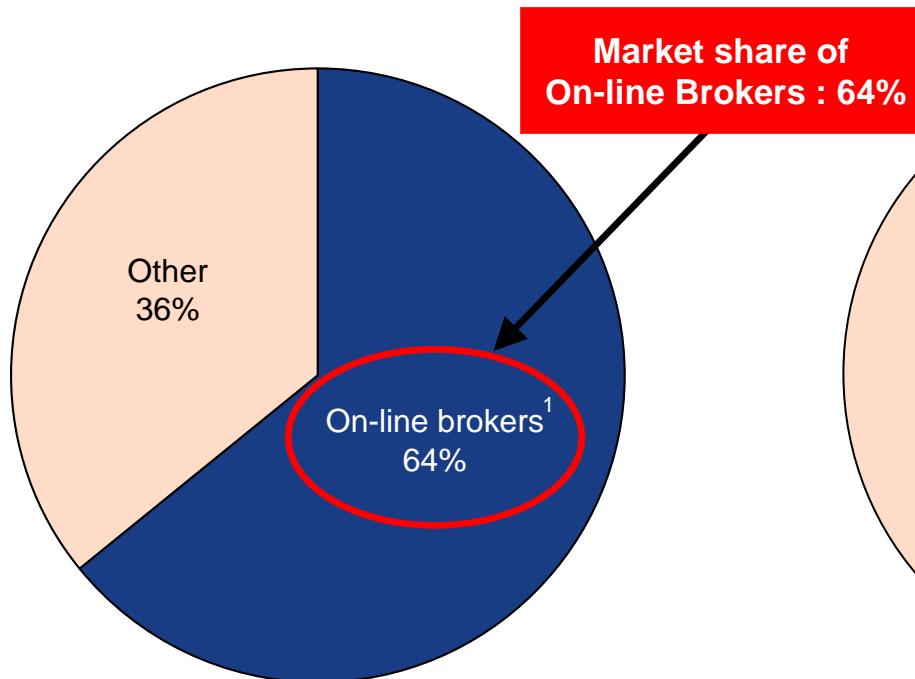
Aggressively leverage partner company's management resources to reinforce Matsui's core business (brokerage)



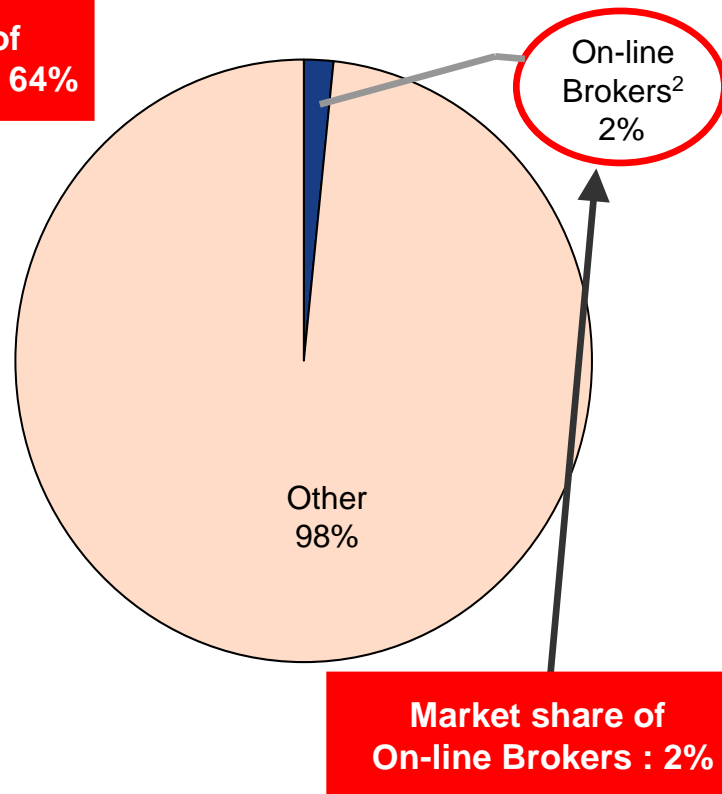
Reinforcement of core business (brokerage)

The Primary Market v.s. Secondary Market

◆ Market share in retail equity trading value (FY04)



◆ Market share in underwriting value of IPOs (FY04)



Source: Tokyo IPO, TSE Statistical Data, Company data, Company Website

Notes:

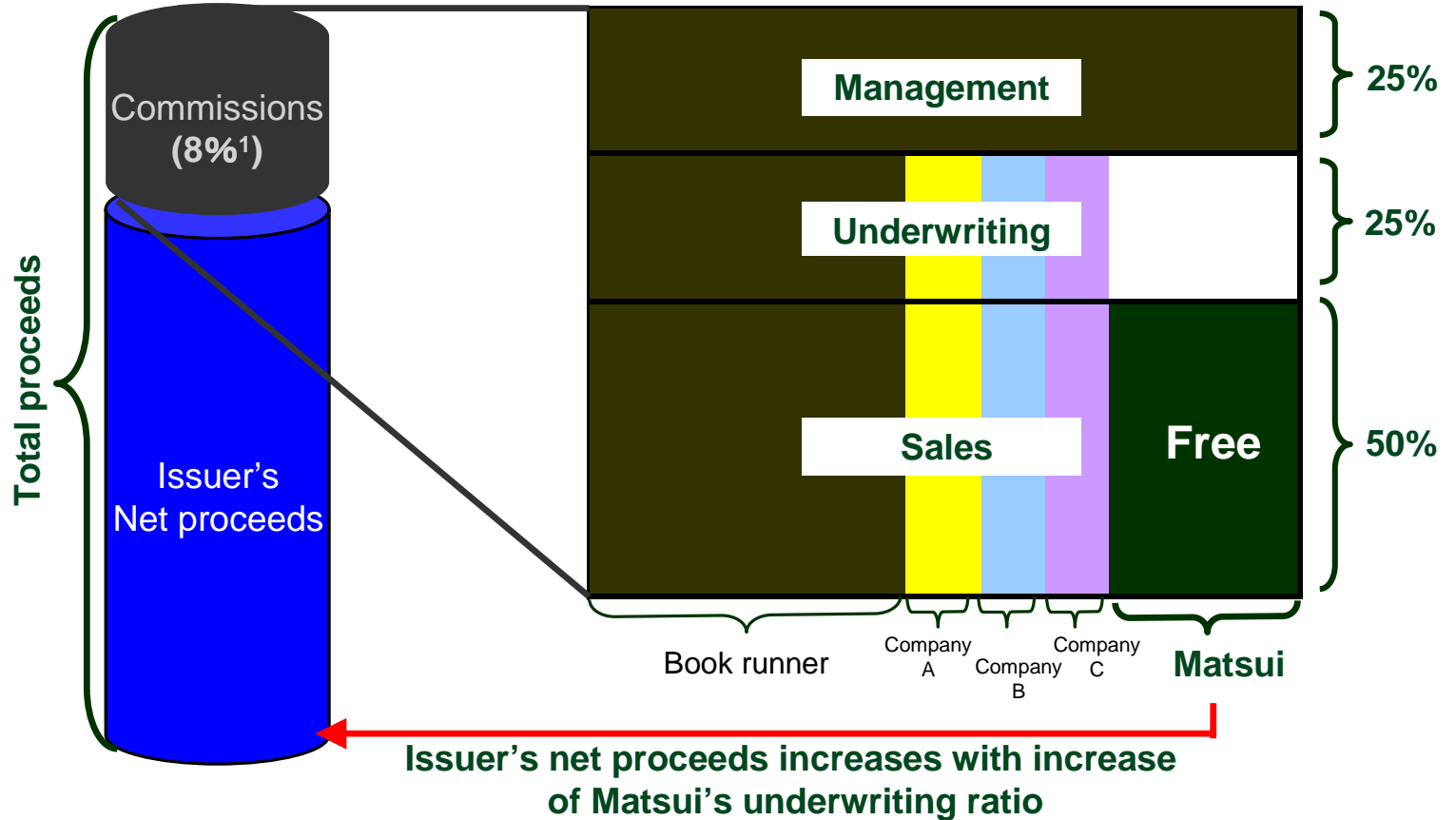
1 Equity Trading value of on-line brokers is the total of equity trading value of Matsui, E*Trade, Rakuten, Kabu.Com, Nikko Beans and MONEX

2 Underwriting value of on-line brokers is the total of underwriting value of Matsui, E*Trade, Rakuten and MONEX

“Charge-free” of Sales Commissions

Matsui’s challenge for “charge-free” of sales commissions benefits issuers and retail investors

◆ Breakdown of commissions



Note:
1. Example

Summary of Financial Results (Consolidated)

Appendix A

Summary of Financial Results for FY2004

Operating revenues (¥36.9bn) increased 47% over last FY

(¥ mn)	FY03 (Apr 2003–Mar 2004)	FY04 (Apr 2004–Mar 2005)	YoY
Operating Revenues	25,036	36,918	47%
Commissions	20,206	27,083	34%
Interest & dividend income	4,800	9,923	107%
Interest expenses	1,298	2,295	77%
Net operating revenues	23,738	34,623	46%
SG&A	9,453	12,016	27%
Operating income	14,285	22,607	58%
Ordinary income	14,016	22,571	61%
Net income	7,280	12,645	74%

Breakdown of Net Operating Revenues

Commissions (¥27.1bn) increased 34% over last FY

(¥ mn)	FY03 (Apr 2003–Mar 2004)	FY04 (Apr 2004–Mar 2005)	YoY
Commissions	20,206	27,083	34%
Brokerage	18,933	25,182	33%
Underwriting & distribution	191	307	61%
Subscription & distribution	36	29	-17%
Others	1,047	1,564	49%
Net gain (loss) on trading	30	△ 88	-
Interest & dividend income (1)	4,800	9,923	107%
Total operating revenues	25,036	36,918	47%
Interest expenses (2)	1,298	2,295	77%
Net operating revenues	23,738	34,623	46%
Net interest income (1)-(2)	3,502	7,628	118%

Breakdown of SG&A

SG&A increased 27% over last FY to ¥12bn

(¥ mn)	FY03 (Apr 2003–Mar 2004)	FY04 (Apr 2004–Mar 2005)	YoY
Transaction related expenses	2,261	3,339	48%
Advertisement	304	432	42%
Employees' compensation & benefits	1,863	1,927	3%
Occupancy & rental	369	273	-26%
Data processing & office supplies	3,986	5,373	35%
Depreciation	689	754	9%
Duties & taxes other than income taxes	67	195	192%
Provision of allowance for doubtful accounts	94	-	-
Others	125	154	23%
Total SG&A	9,453	12,016	27%

Summary of Quarterly Financial Results for FY2004

4Q operating revenues (¥10bn) increased 25% from 3Q

(¥ mn)	FY04 1Q(Apr–Jun)	FY04 2Q(Jul–Sep)	FY04 3Q(Oct–Dec)	FY04 4Q(Jan–Mar)	QoQ
Operating Revenues	10,407	8,536	7,989	9,986	25%
Commissions	7,990	6,116	5,531	7,446	35%
Interest & dividend income	2,403	2,421	2,466	2,633	7%
Interest expenses	603	534	626	532	-15%
Net operating revenues	9,804	8,001	7,363	9,454	28%
SG&A	3,162	2,683	2,950	3,221	9%
Operating income	6,642	5,319	4,412	6,233	41%
Ordinary income	6,588	5,330	4,435	6,218	40%
Net income	3,775	2,959	2,478	3,433	39%

Quarterly Breakdown of Net Operating Revenues

Commissions in 4Q FY04 (¥7.4bn) increased 35% from 3Q

(¥ mn)	FY04 1Q(Apr–Jun)	FY04 2Q(Jul–Sep)	FY04 3Q(Oct–Dec)	FY04 4Q(Jan–Mar)	QoQ
Commissions	7,990	6,116	5,531	7,446	35%
Brokerage	7,592	5,669	5,127	6,795	33%
Underwriting & distribution	100	53	90	64	-29%
Subscription & distribution	8	14	6	1	-77%
Others	290	380	307	586	91%
Net gain (loss) on trading	13	△ 2	△ 7	△ 92	-
Interest & dividend income (1)	2,403	2,421	2,466	2,633	7%
Total operating revenues	10,407	8,536	7,989	9,986	25%
Interest expenses (2)	603	534	626	532	-15%
Net operating revenues	9,804	8,001	7,363	9,454	28%
Net interest income (1)-(2)	1,801	1,887	1,839	2,101	14%

Quarterly Breakdown of SG&A

SG&A in 4Q FY04 (¥3.2bn) increased 9% from 3Q

(¥ mn)	FY04 1Q(Apr–Jun)	FY04 2Q(Jul–Sep)	FY04 3Q(Oct–Dec)	FY04 4Q(Jan–Mar)	QoQ
Transaction related expenses	926	753	770	890	16%
Advertisement	96	100	127	109	-14%
Employees' compensation & benefits	522	399	489	517	6%
Occupancy & rental	67	67	69	70	2%
Data processing & office supplies	1,329	1,248	1,348	1,449	7%
Depreciation	175	182	191	207	8%
Duties & taxes other than income taxes	56	47	40	51	28%
Provision of allowance for doubtful accounts	48	△ 48	-	-	-
Others	38	35	44	37	-15%
Total SG&A	3,162	2,683	2,950	3,221	9%

Dividend Policy

30% dividend payout ratio

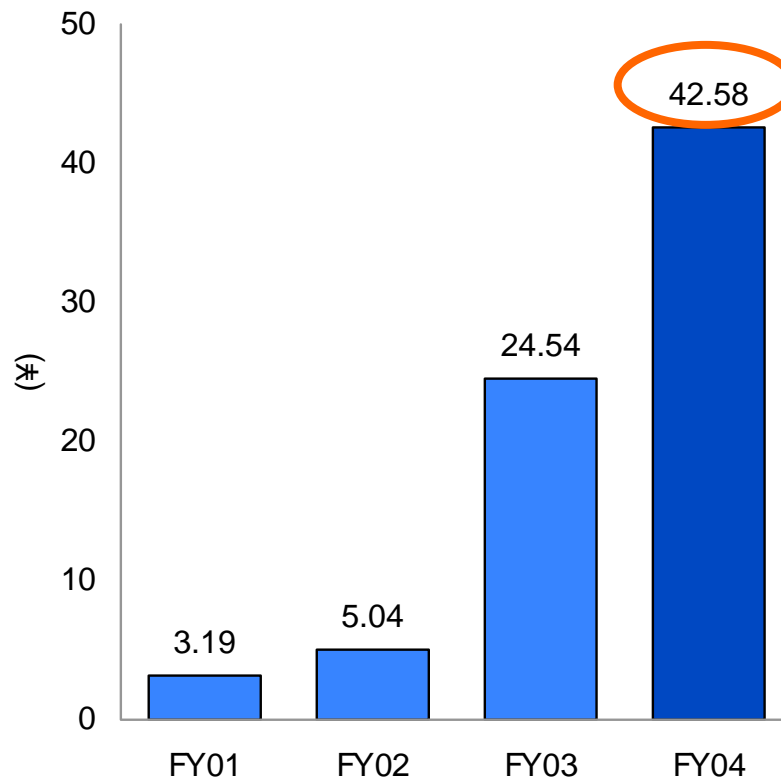
◆ Matsui's dividend policy

30% payout ratio
(Basic policy to distribute 30%
of net income annually)



**As net income increases,
dividend increases**

◆ Matsui's dividend per share



Balance Sheet (As of 31 March 2005)

Total shareholders' equity was ¥49.7bn

Assets		Liabilities	
Current assets	697,270	Current liabilities	564,409
Cash and bank deposits	61,251	Trading assets	0
Cash segregated as deposits	223,003	Margin account liabilities	142,920
Cash in trust	9,000	Loans from securities finance companies	103,384
Trading assets	107	Proceeds of securities sold on customers' account	39,535
Margin account assets	389,358	Payables on collateralized securities transactions	73,780
Loans receivable from customers	384,484	Deposits received	106,567
Cash deposited as collateral for securities borrowed from securities finance companies	4,875	Guarantee money received	137,467
Receivable on collateralized securities transactions	1,610	Short-term borrowings	93,829
Receivables from customers and others	133	Commercial paper	1,000
Short-term guarantee deposits	6,795	Accrued income taxes	6,342
Others	6,183	Accrued bonuses	301
Allowance for doubtful accounts	△ 171	Others	2,203
Fixed assets	6,185	Long-term liabilities	87,443
Tangible fixed assets	1,155	Bond	40,000
Intangible assets	2,253	Convertible bond	40,000
Software	2,215	Long-term borrowings	7,203
Others	39	Others	241
Investments and others	2,777	Statutory reserves	1,888
Investment securities	1,680	Reserve for securities transactions	1,888
Others	1,128	Total liabilities	653,740
Allowance for doubtful accounts	△ 31	Shareholders' equity	
		Common stock	11,469
		Capital surplus	9,317
		Earned surplus	28,737
		Net unrealized gain (loss) on investment securities, net of taxes	213
		Treasury stock	△ 21
		Total shareholders' equity	49,715
Total assets	703,456	Total liabilities and shareholders' equity	703,456

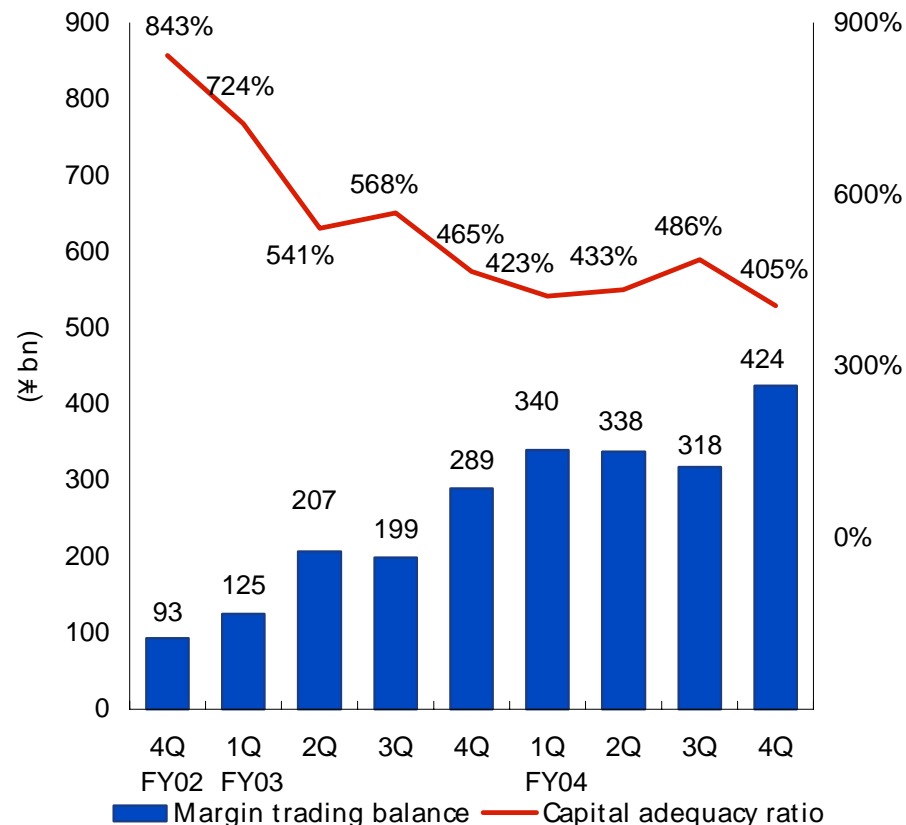
Capital Adequacy Ratio

Capital adequacy ratio was 405.4% as of 31 March 05

◆ Capital adequacy ratio (As of 31 March 2005)

			(¥ mn)
Tier 1	Capital	(A)	49,444
Tier 2	Unrealized gain on investment securities		213
	Statutory reserves		1,888
	Allowance for doubtful accounts		171
Total		(B)	2,272
Deductible assets		(C)	5,207
Net Capital (A) + (B) - (C)		(D)	46,509
Risk	Market risk		166
	Counterparty risk		8,341
	Basic risk		2,963
Total		(E)	11,471
Capital adequacy ratio		(D)/(E)	405.4%

◆ Margin trading balance and capital adequacy ratio



Retail Brokerage Market Overview and Matsui's Performance

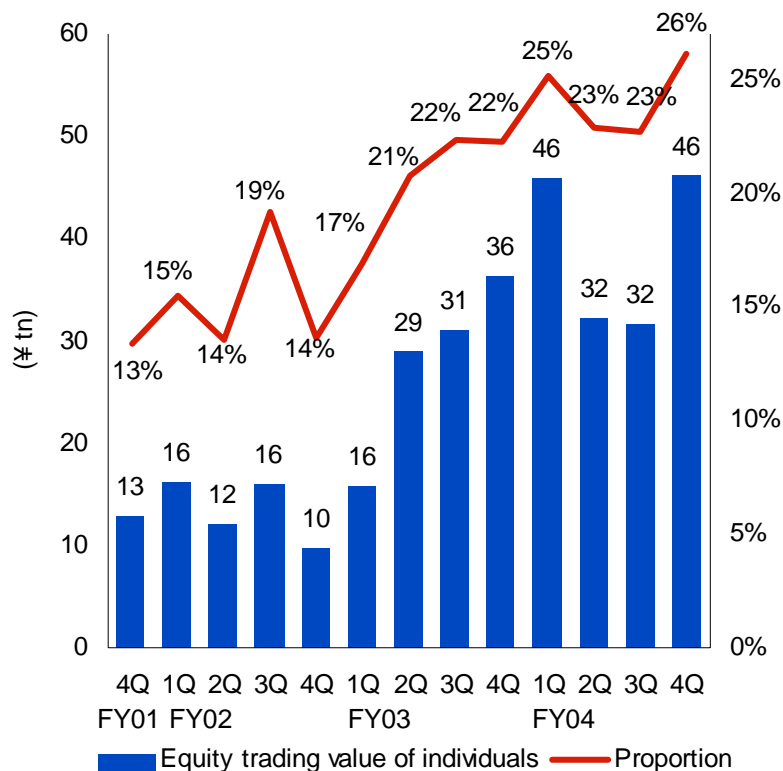
Appendix B

Retail Equity Trading Market

Equity trading value by individuals in 4Q FY04 represents ¥46 trillion, increased 45% from 3Q

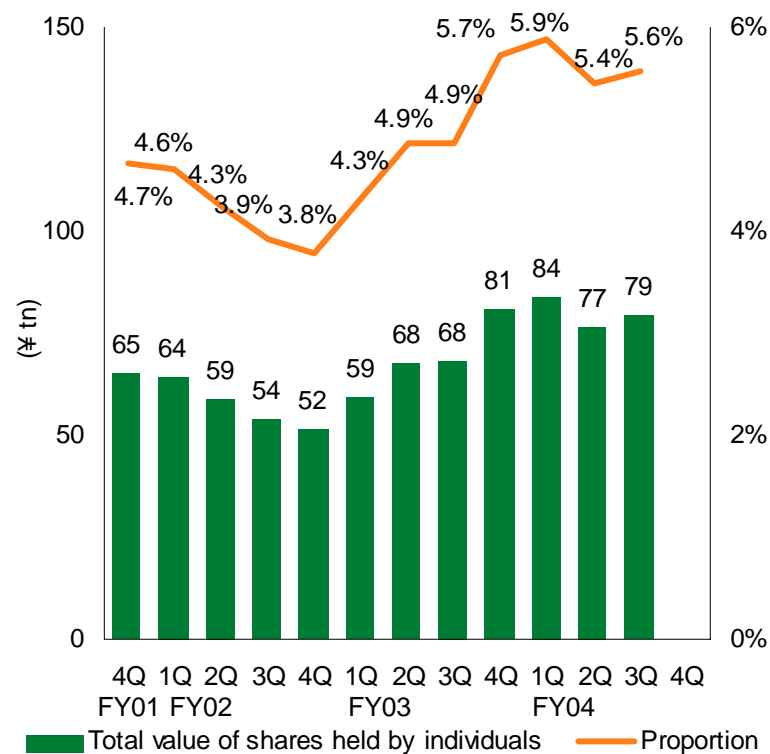
◆ Equity trading value of individuals¹ (“flow”)

◆ Proportion to total equity trading value



◆ Total value of shares held by individuals (“stock”)

◆ Proportion to total financial assets of individuals



Source: TSE, JASDAQ, BOJ

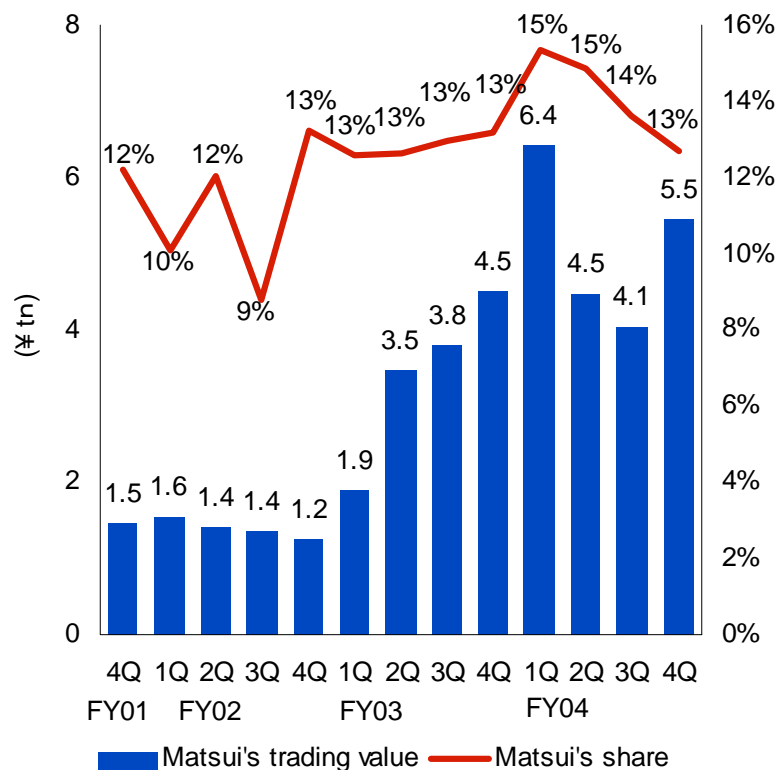
Note:

¹ Sum of the equity trading value on 3 stock exchanges (through securities companies with over ¥3bn capital) and JASDAQ

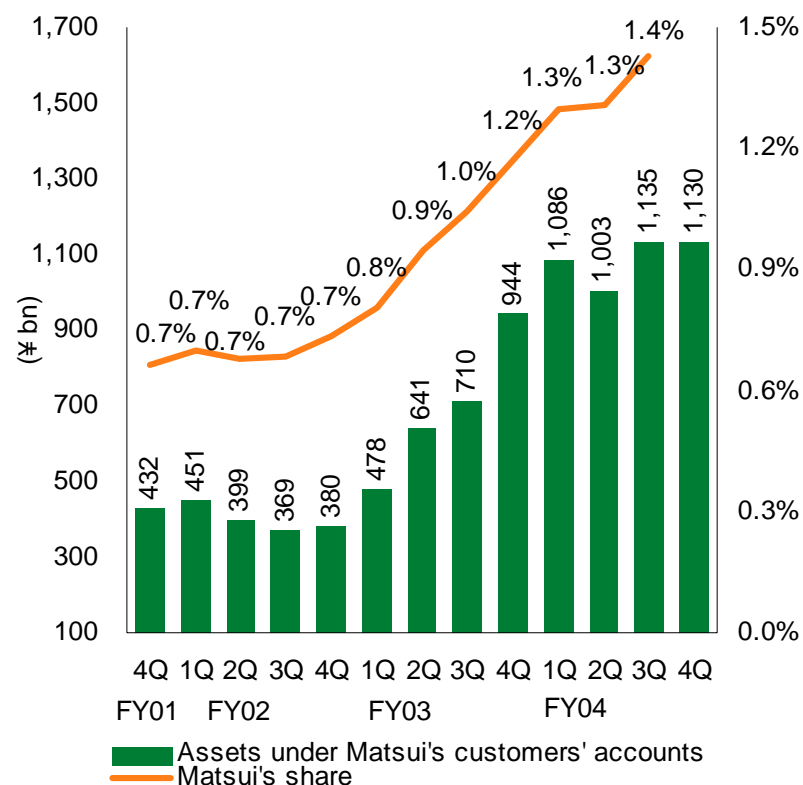
Matsui's Performance I (vs. Market)

Matsui has 13% market share of retail equity trading value (4Q FY04)

- ◆ Matsui's trading value ("flow")
- ◆ Matsui's share of retail equity trading value



- ◆ Assets under Matsui's customers' accounts ("stock")
- ◆ Matsui's share of value of shares owned by individuals



Source: TSE, BOJ

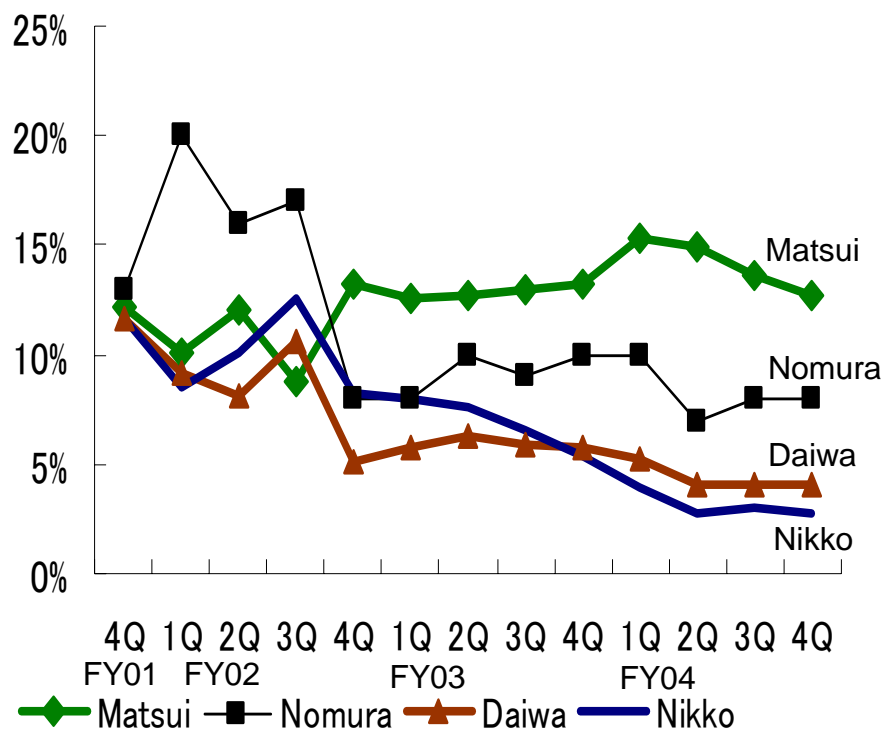
Note:

1 Sum of the equity trading value on 3 major stock exchanges

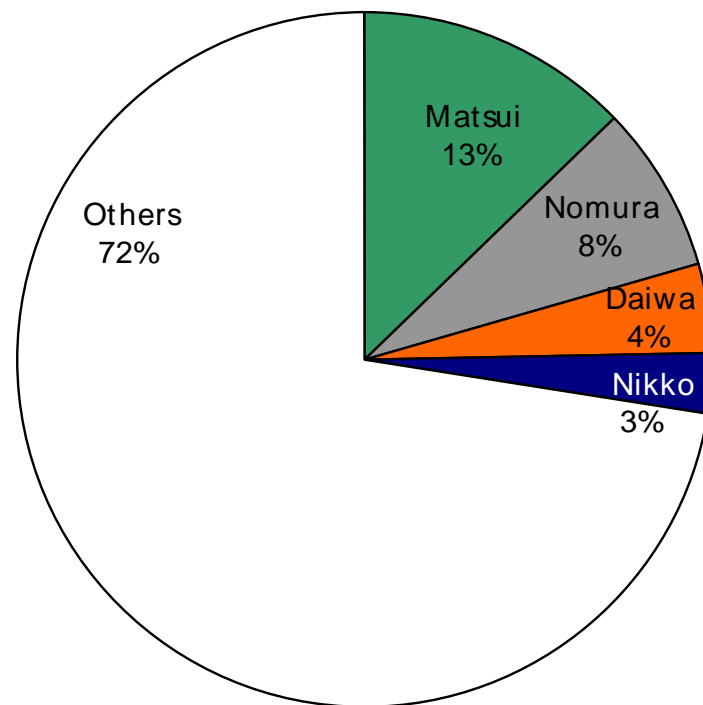
Matsui's Performance II (vs. Off-line Brokers)

Matsui's market share in retail equity trading value surpasses those of Big 3 (4Q FY04)

◆ Market share in retail equity trading value¹



◆ Market share in retail equity trading value¹ as of 4Q FY04



Source: TSE, Company data (estimated value based on company reports)

Note:

1 Sum of the retail equity trading value on 3 major stock exchanges

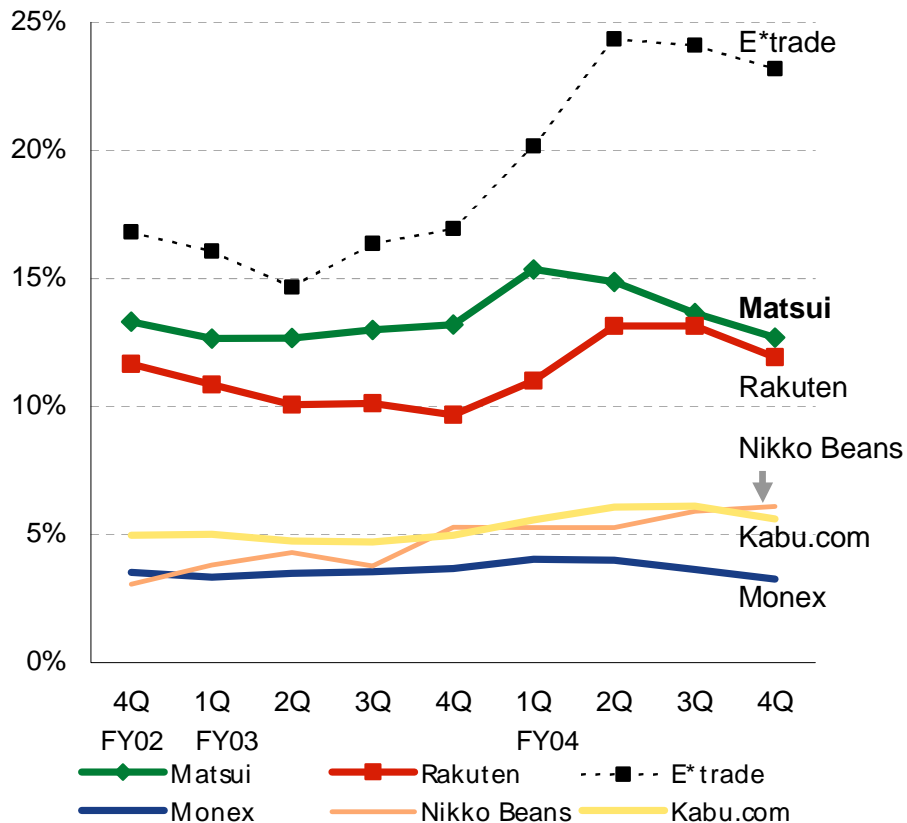
Nomura: Retail business division of Nomura Securities, Nikko: Nikko Cordial Securities,

Daiwa: Daiwa Securities

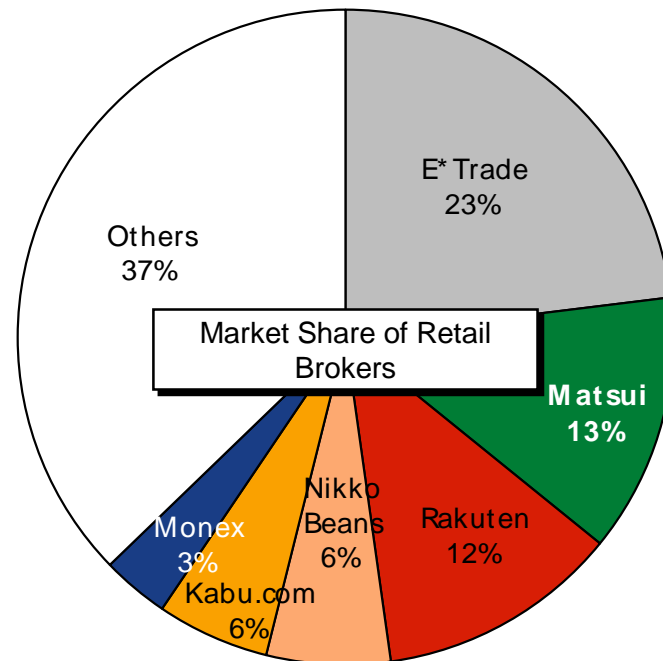
Matsui's Performance III (vs. On-line Brokers)

Matsui's market share in equity trading value is within 13–15% range

◆ Market share (retail equity trading value)¹



◆ Market share as of 4Q FY04 (retail equity trading value)¹



Source: TSE, Company data, Company website

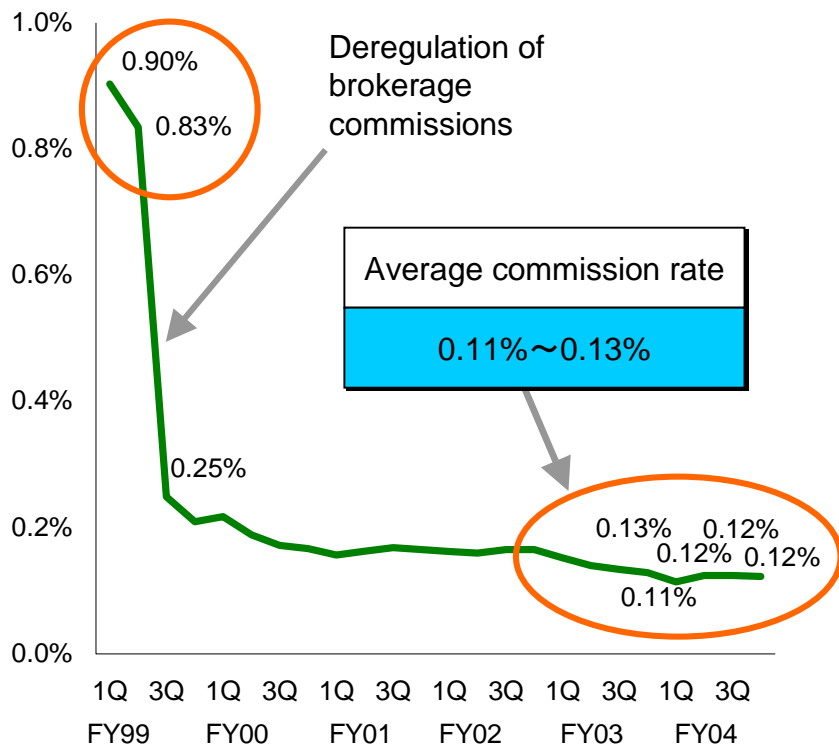
Note:

1 Sum of the retail equity trading value on 3 major stock exchanges

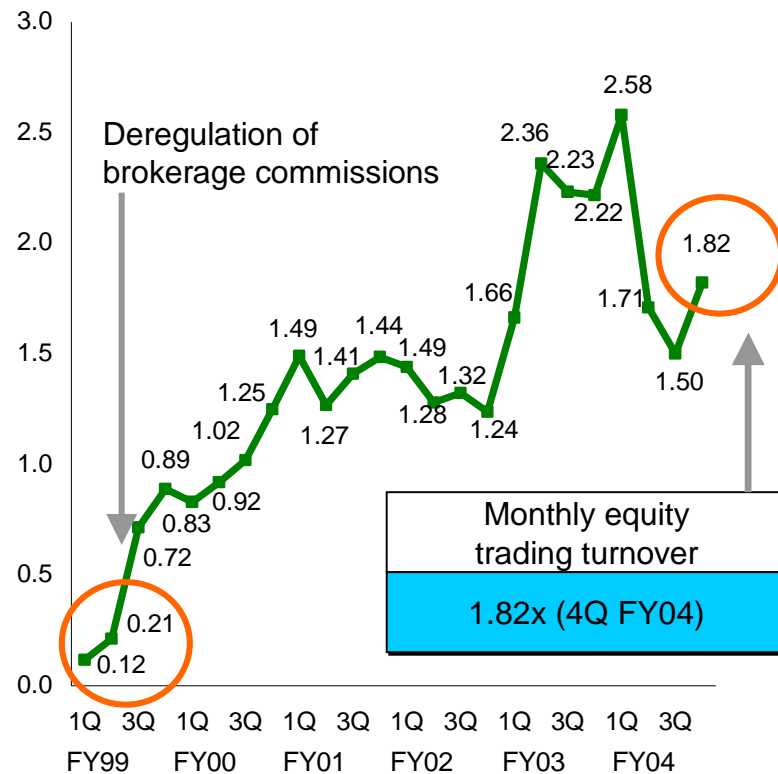
Matsui's Performance IV (Commission Rate and Trading Turnover)

Matsui's average commission rate of 0.12% (4Q FY04)

◆ Matsui's average commission rate¹



◆ Equity trading turnover of Matsui's customers²



Notes:

1 Average commission rate = (Monthly average brokerage commission) / (Monthly average equity trading value)

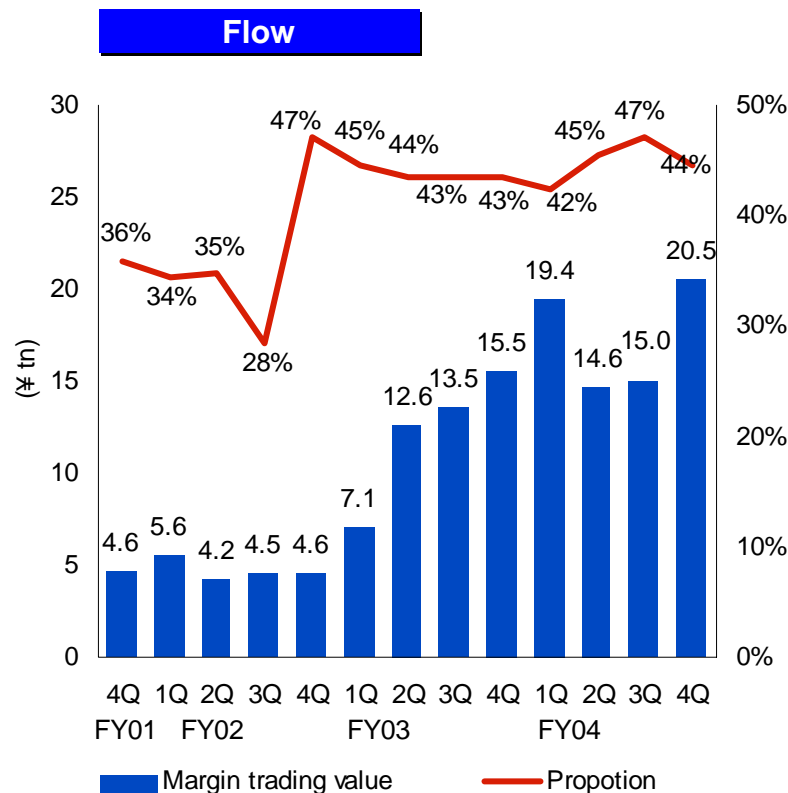
2 Equity trading turnover = (monthly average trading value) / (quarterly average assets under customers' accounts*)

* From 2Q FY01, assets under customers' accounts of Matsui's board members and related persons are excluded

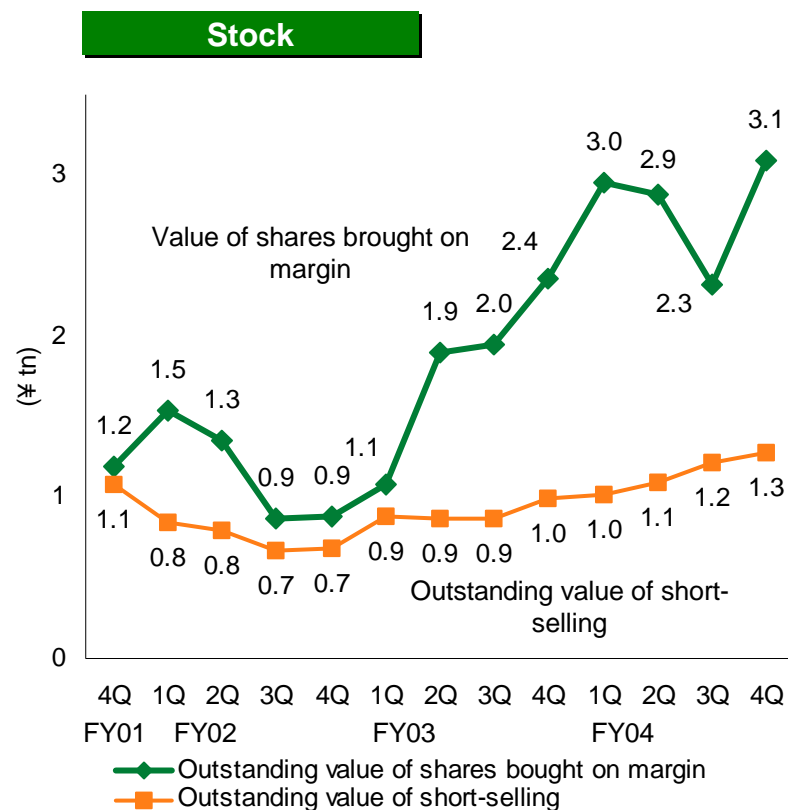
Retail Margin Trading

Margin transactions represented 44% of all retail equity trading transactions (4Q FY04)

- ◆ Margin trading value of individuals¹
- ◆ Proportion to total equity transaction by individuals



- ◆ Outstanding value of shares of margin trading²



Source: TSE, JASDAQ

Notes:

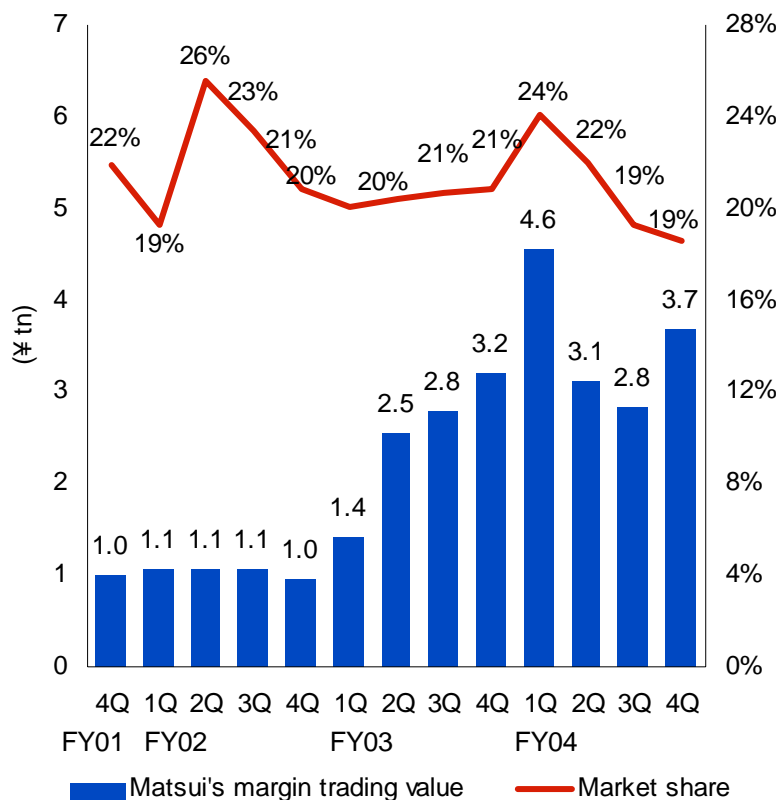
1 Sum of the equity trading value of 3 major stock exchanges and JASDAQ

2 Sum of the balance in each quarter on 3 major stock exchanges and JASDAQ

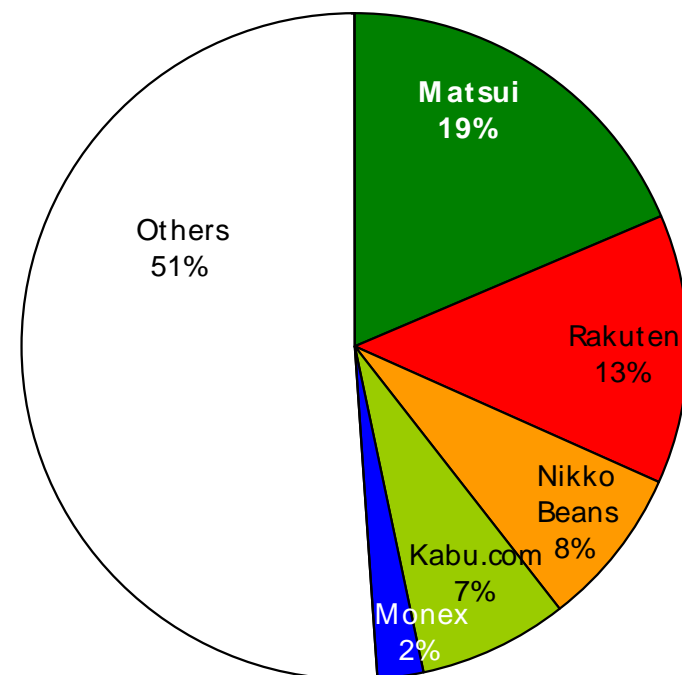
Matsui's Performance I

Matsui's market share of retail margin trading was 19% (4Q FY04)

◆ Matsui's margin trading value and market share¹



◆ Market share of retail margin trading by value² (4Q FY04)



Source: TSE, JASDAQ, Company data, Company HP

Notes:

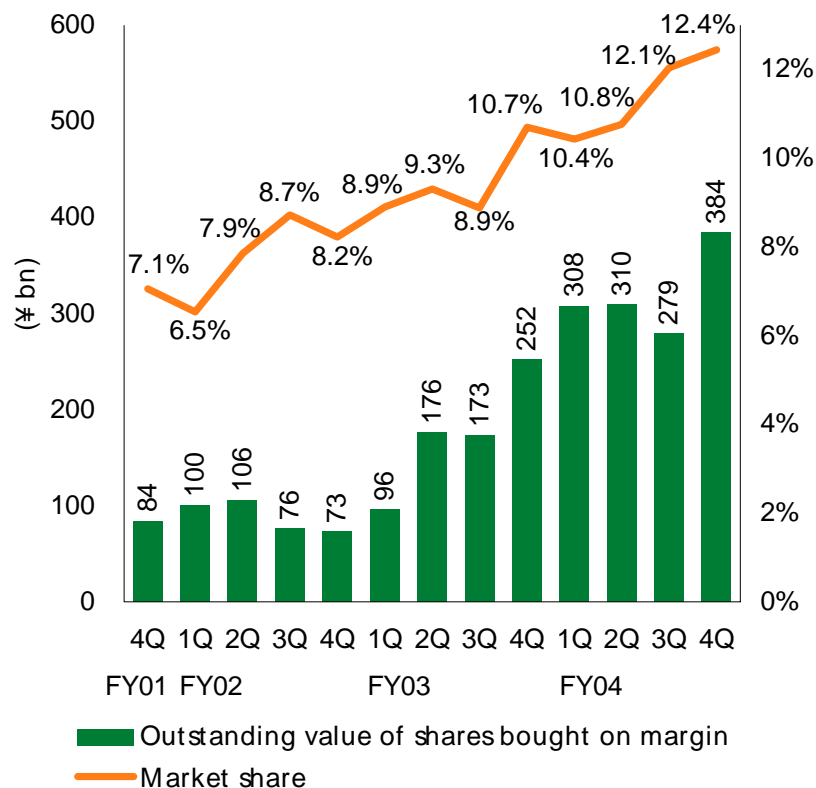
1 Sum of trading value on 3 major stock exchanges and JASDAQ

2 Sum of margin trading value on 3 major stock exchanges

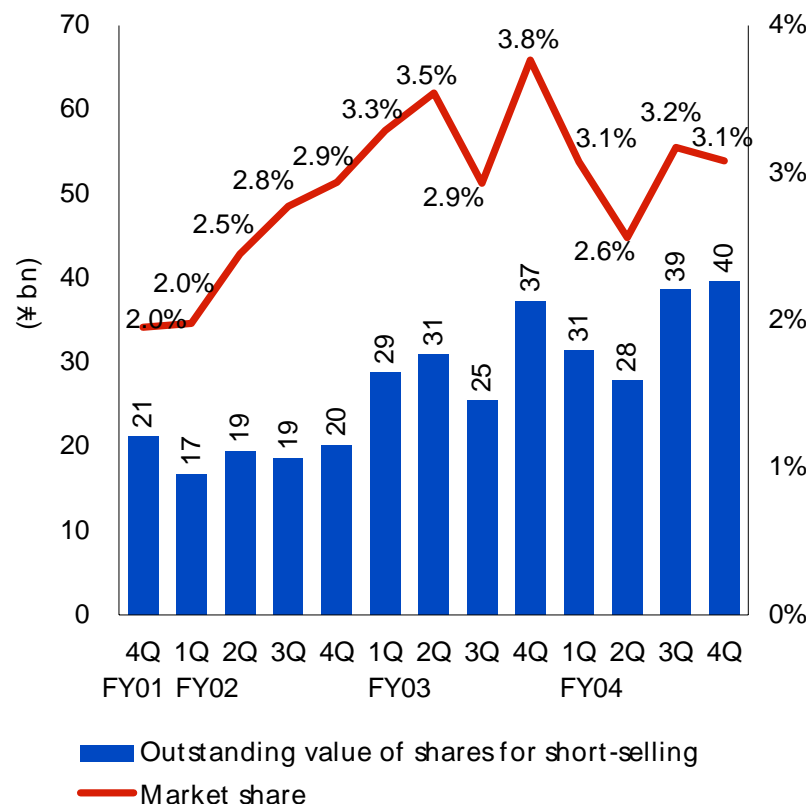
Matsui's Performance II

Matsui's outstanding value of shares bought on margin: ¥384.5bn (as of 31 March 05)
Matsui's outstanding value of shares for short-selling: ¥39.5bn (as of 31 March 05)

◆ **Matsui's outstanding value of shares bought on margin¹ and its market share²**



◆ **Matsui's outstanding value of shares for short-selling¹ and its market share²**



Source: TSE

Notes:

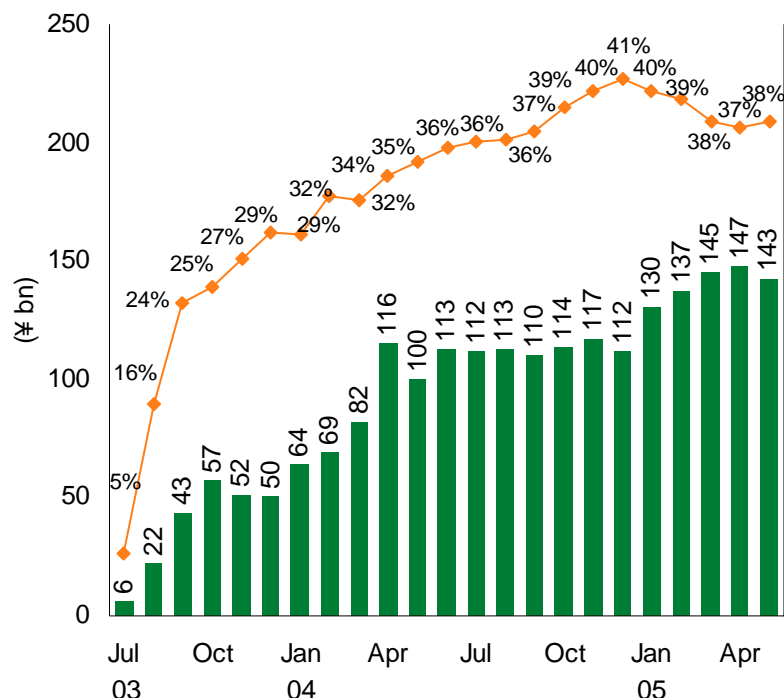
1 As of end of each quarter

2 Total market share in 3 major stock exchanges

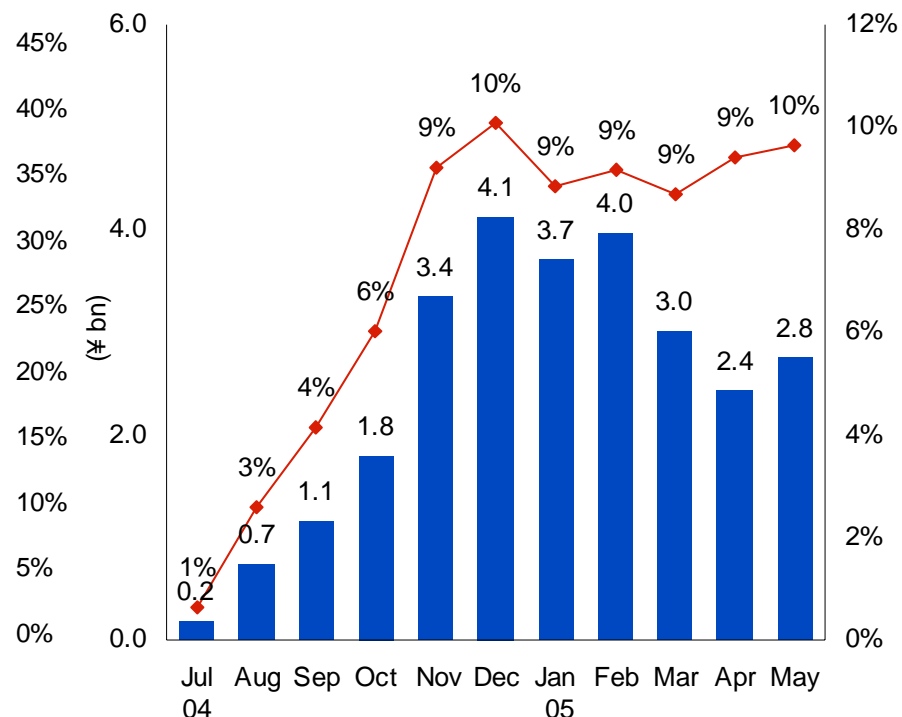
Unlimited Margin Trading

Balance of unlimited margin trading increased steadily to ¥147bn as of 30 April 05

- ◆ Matsui's value of shares bought on margin with unlimited margin trading period¹
- ◆ Ratio of value of shares bought on margin with unlimited margin trading period in Matsui's total outstanding value of shares brought on margin



- ◆ Matsui's value of shares for short-selling with unlimited margin trading period¹
- ◆ Ratio of value of shares for short-selling with unlimited margin trading period in Matsui's total outstanding value of shares for short-selling

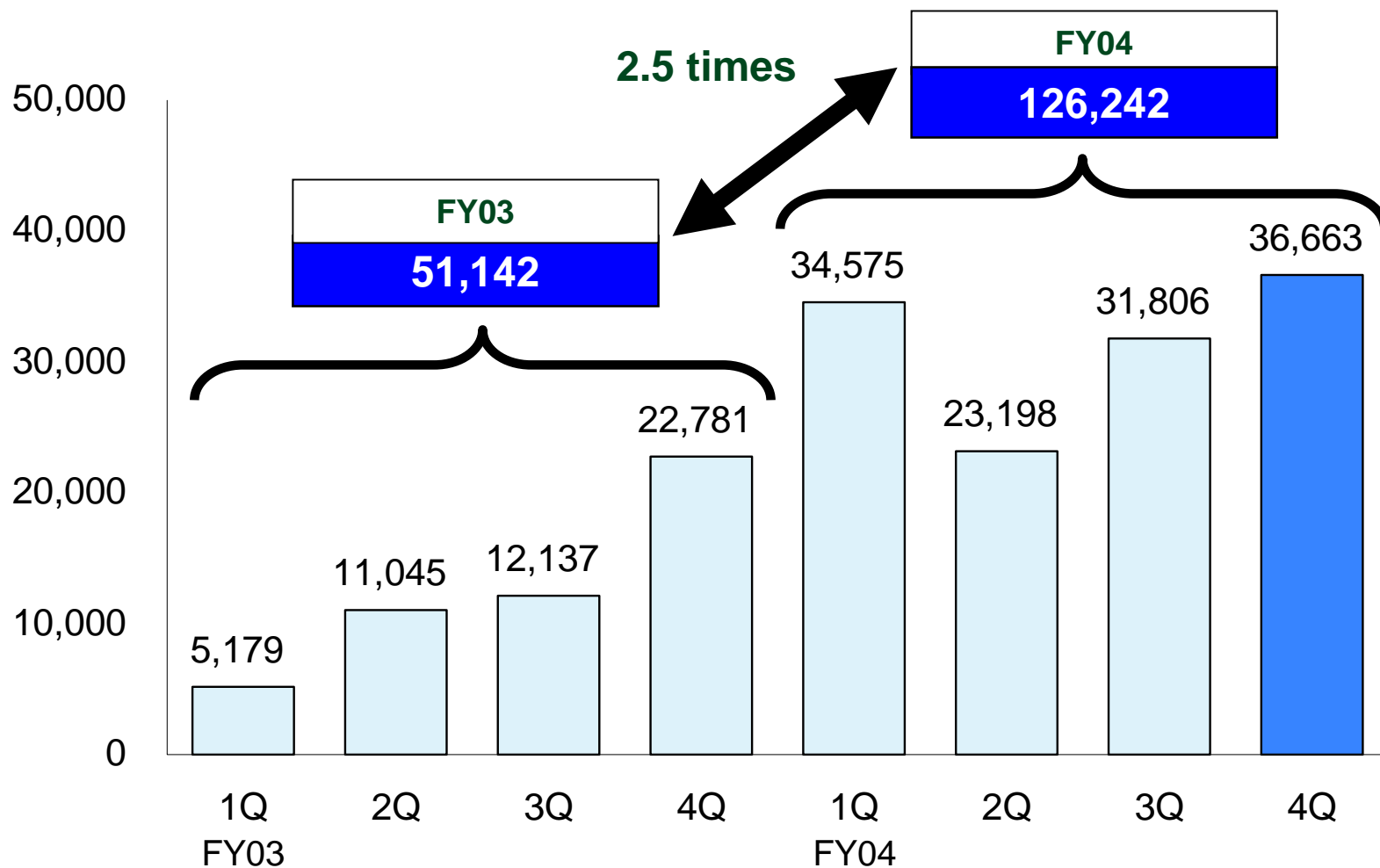


Note:

1 outstanding amount as of the end of each month (transaction value basis)

Number of New Accounts

Number of new accounts open FY04 increased to a record high of 126,242 accounts



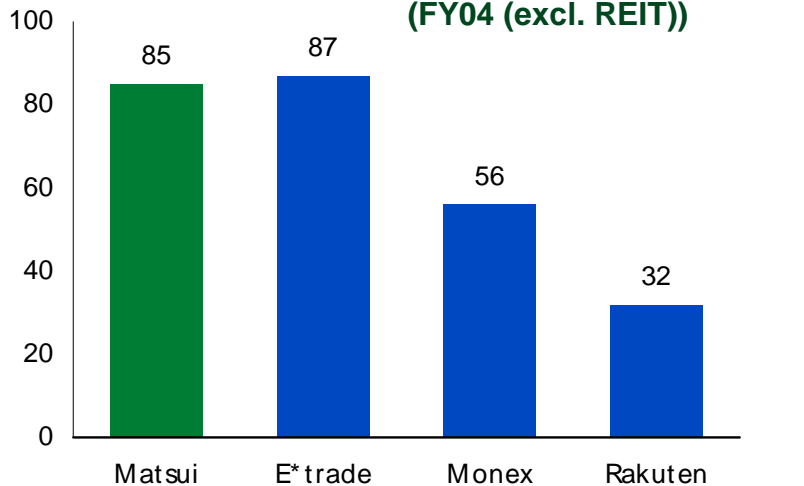
Performance in Underwriting Business

113 underwriting deals (¥7.3bn), 4 distribution deals (¥0.4bn), 153 off-trading floor distributions (¥7.1bn)

◆ Underwriting deals (FY04)

	(# of deals)	(Amount)
1H	51	¥3,103mn
2H	62	¥4,177mn
Total	113	¥7,280mn

【 # of IPOs underwritten by on-line brokers 】 (FY04 (excl. REIT))



Source: Company website

*Listing date base

◆ Distribution deals (FY04)

	(# of deals)	(Amount)
1H	4	¥411mn
2H	0	¥0mn
Total	4	¥411mn

◆ Off-trading floor distributions (FY04)

	(# of deals)	(Amount)
1H	53	¥3,535mn
2H	100	¥3,606mn
Total	153	¥7,141mn

Performance in Various Products and Services

		FY03				FY04			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Designated deposit account for shares acquired through stock option ¹	# of accounts	-	199	568	977	1,660	2,195	2,503	2,661
	Value of assets under customer accounts	-	¥0.6bn	¥1.3bn	¥4.1	¥5.7	¥6.3	¥9.2	¥10.3bn
	# of companies that have appointed Matsui as their custodian	-	10	16	24	32	38	40	47
Green sheet market offering	# of offerings	-	5	7	6	1	6	6	1
	Total size	-	¥62mn	¥74mn	¥65mn	¥54mn	¥240mn	¥117mn	¥27mn
Stock lending service	# of accounts	4,310	4,967	5,367	6,028	6,936	7,857	8,853	10,383
	Outstanding value of order as of end of month (similar to asset under customer accounts)	¥20.1bn	¥21.8bn	¥21.1bn	¥21.5bn	¥22.7bn	¥21.2bn	¥17.3bn	¥18.0bn
NetFx	# of accounts	2,079	3,040	3,631	4,189	5,235	7,868	10,933	15,243
	Monthly average trading value	¥106.0bn	¥94.6bn	¥63.3bn	¥123.3bn	¥93.2bn	¥90.0bn	¥114.3bn	¥196.1bn

Note:

1 Account for custody of shares acquired through exercise of stock option

(*) the figures as under (1) # of accounts, (2) assets under customers' accounts, (3) # of companies that have appointed Matsui as their custodian for shares acquired through stock option, (4) outstanding value under stock lending service as of end of month state figures as of end of quarter

List of Newly Offered Services / Products

Starting in	Details of services
January 2004	Launch of brokerage service for stocks listed on Sapporo Stock Exchange
	No fees on online transfer from affiliated financial institutions
March	No commissions on petty sum stock investment
	No commission on either buying or selling (one way) for day trading
April	Increase margin call (20%→25%)
	Launch of margin trading for JASDAQ listed shares
May	Acceptance of applications for opening of new securities accounts at the 4 banks of Resona Group
July	Launch of unlimited margin trading for short positions
August	Launch of special service provided as apology for non-allocation of stock in an IPO ~ Reimbursement out of the underwriting commissions ~
	Launch of "Refresh service of old stock certificates" (Replacement of old stock certificates with new ones)
	Expanded line-up of unlimited margin trading stock for short positions
September	Launch of "Easy start of online trading" service
	Acceptance of applications for opening of new securities accounts at Fukushima Bank
November	Acceptance of applications for opening of new securities accounts at Hokuriku Bank
	Launch of trading in Green Sheet securities through Mirai Securities who is a representative member eligible for trading
December	Business alliance with Chuo Mitsui Trust and Banking related to opening of custodial accounts for safekeeping of shares acquired through exercise of stock options
February 2005	Acceptance of applications for opening of new securities accounts at Onga Shinkin Bank and Saitama-ken Shinkin Bank
March	Launch of online trading in Chinese stocks
April	Acceptance of applications for opening of new securities accounts at Ugo Shinkin, Gifu Shinkin, Sen-nan Shinkin, Tomakomai Shinkin, IY Bank
	Launch of trading in Nikkei stock price index futures and Nikkei stock price index options (short)
May	Launch of "Net stock Trader Premium"
	Start off-market trading services "Yoichi"
	Acceptance of applications for opening of new securities accounts at Nishi-Nippon City Bank, Hachijuni Bank, Okinawa Kaiho Bank
	Simple application procedures for opening of new securities accounts to be accepted via eBank website

Alliances with Banks and Shinkin Banks

Aggressive roll-out of business alliances for acceptance of applications for new securities accounts with banks and Shinkin banks

◆ Basic alliance scheme

Banks and Shinkin banks will accept applications for new securities accounts at their retail branches

Matsui pays the following commissions to them

- ① Account opening : ¥3,000/account
- ② Trading : ¥1,000/day
(Fixed commissions for 1 whole day regardless of transaction value, times traded)

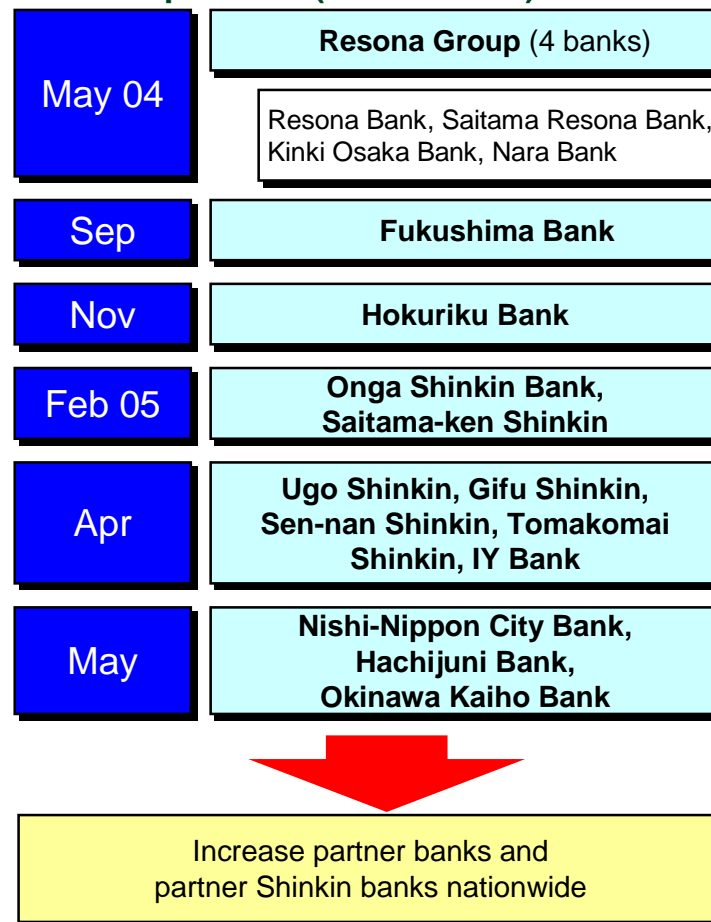
◆ Advantages of the alliance / scheme

Utilize the branch network and customer base of the banks and provide face-to-face service for application for new accounts

Enable low cost operations
→ potential to expand into regional banks

Enhancement of Matsui's corporate name and brand

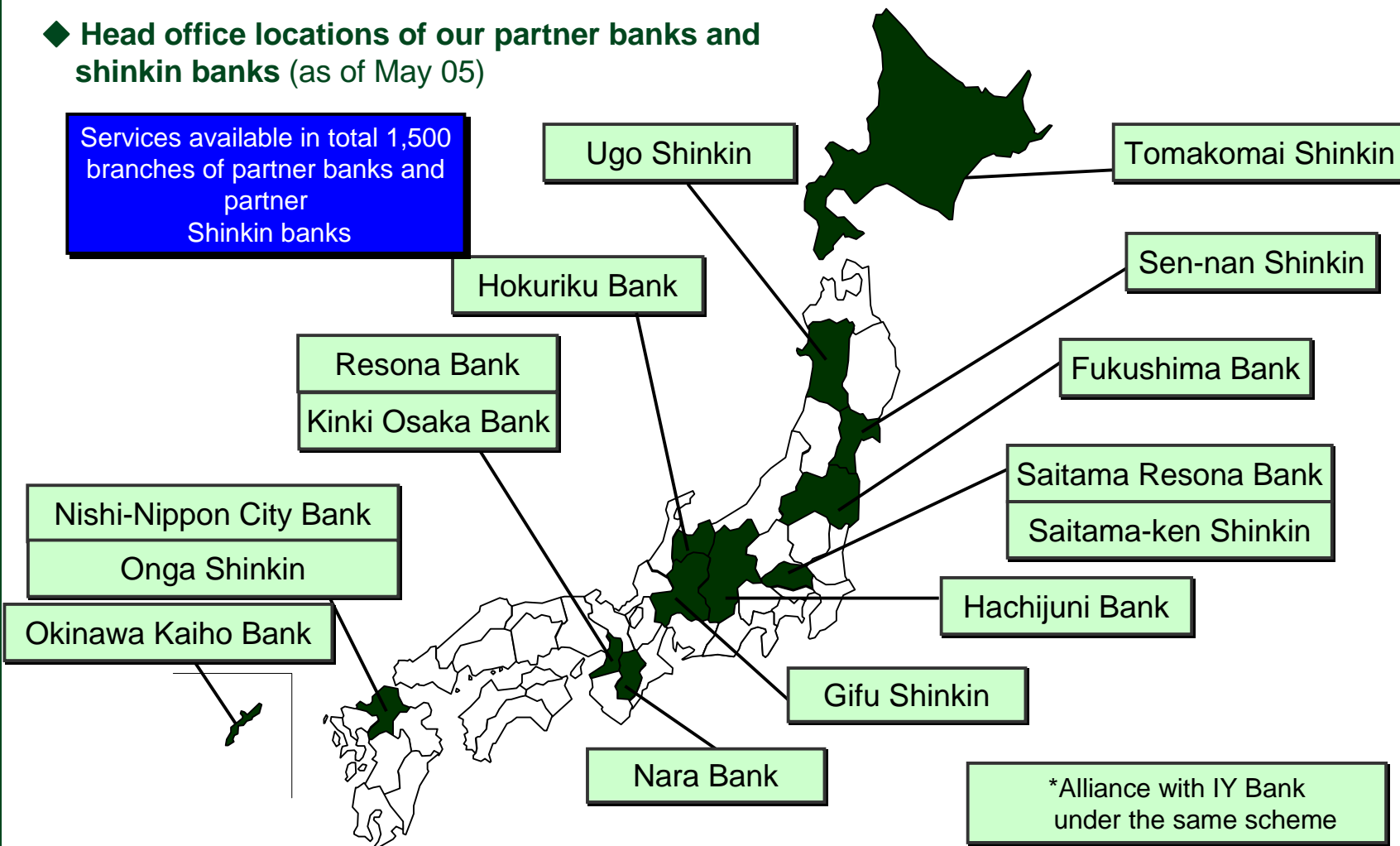
◆ Alliance partners (from FY04 -)



Nationwide Rollout of Alliance with Banks

Starting with the 4 banks of Resona Group, we are increasing # of partner banks and partner Shinkin banks nationwide

◆ Head office locations of our partner banks and shinkin banks (as of May 05)

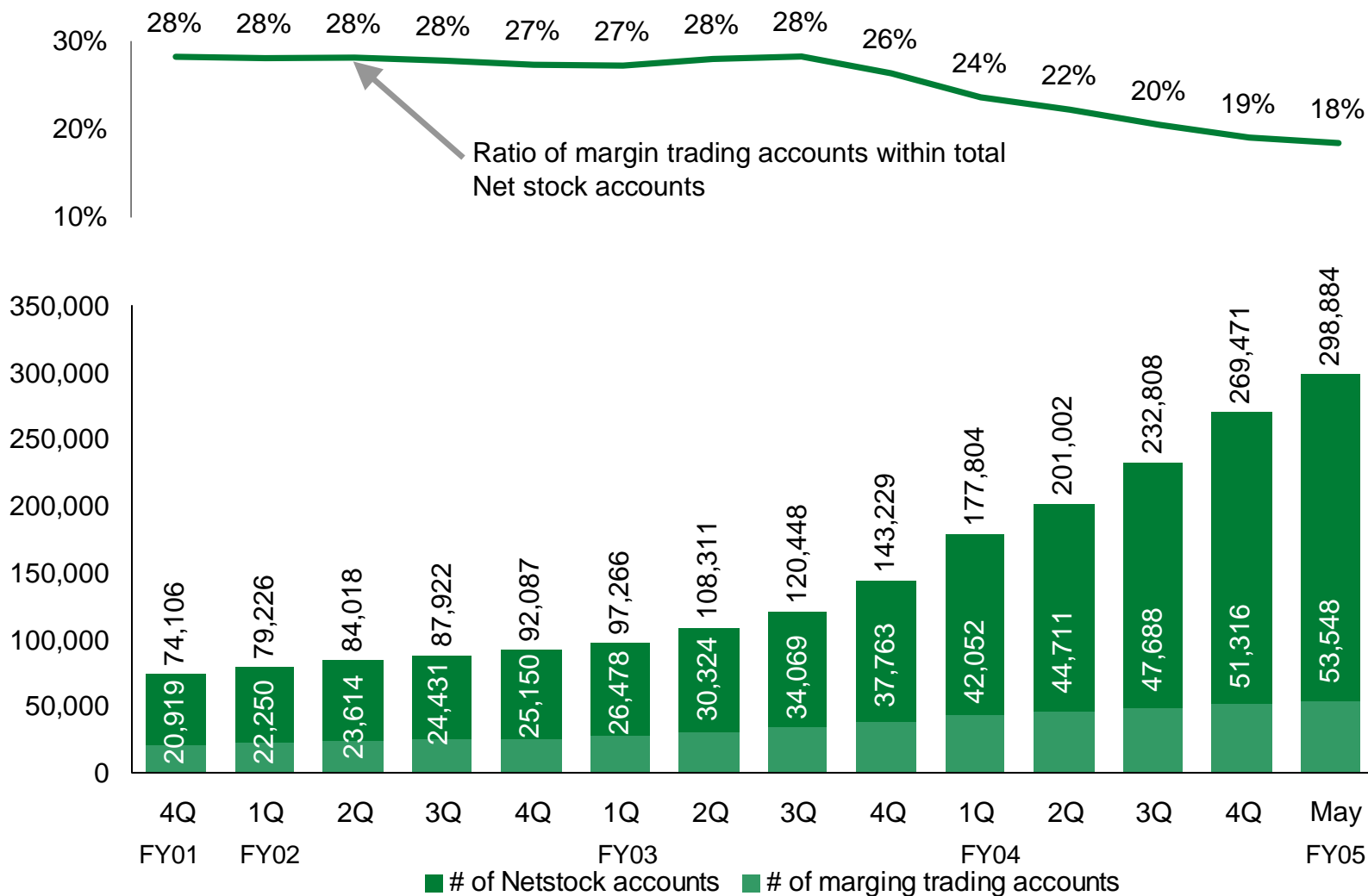


Supplemental Information

Appendix C

Net stock Accounts

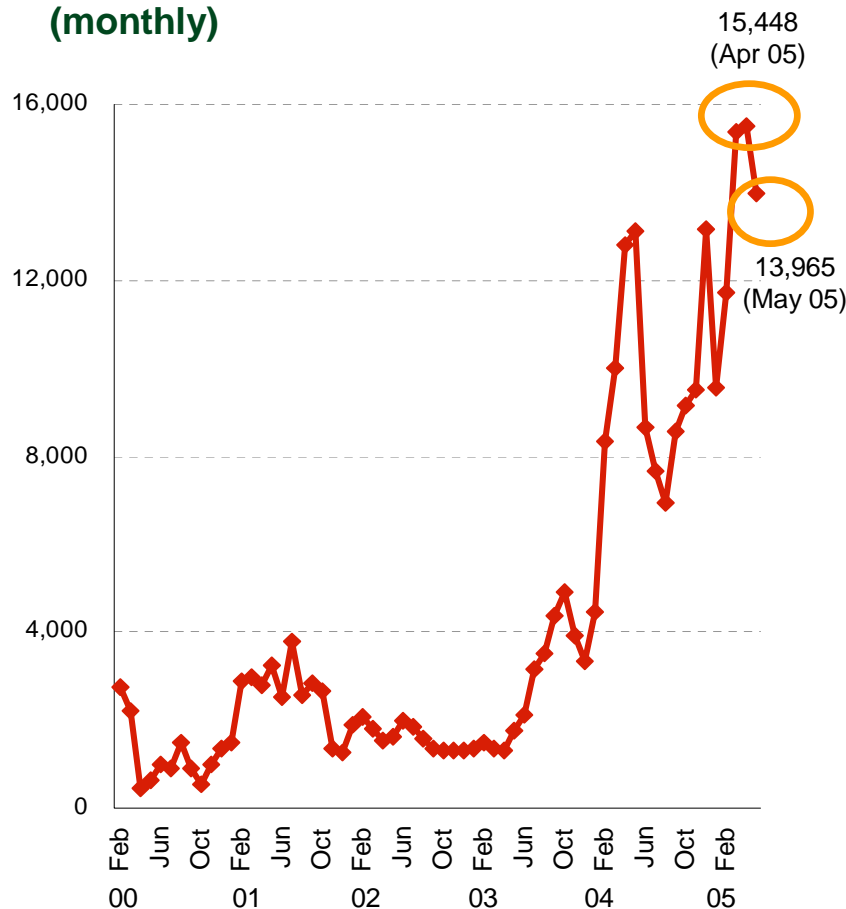
Number of Net stock accounts (Quarterly)



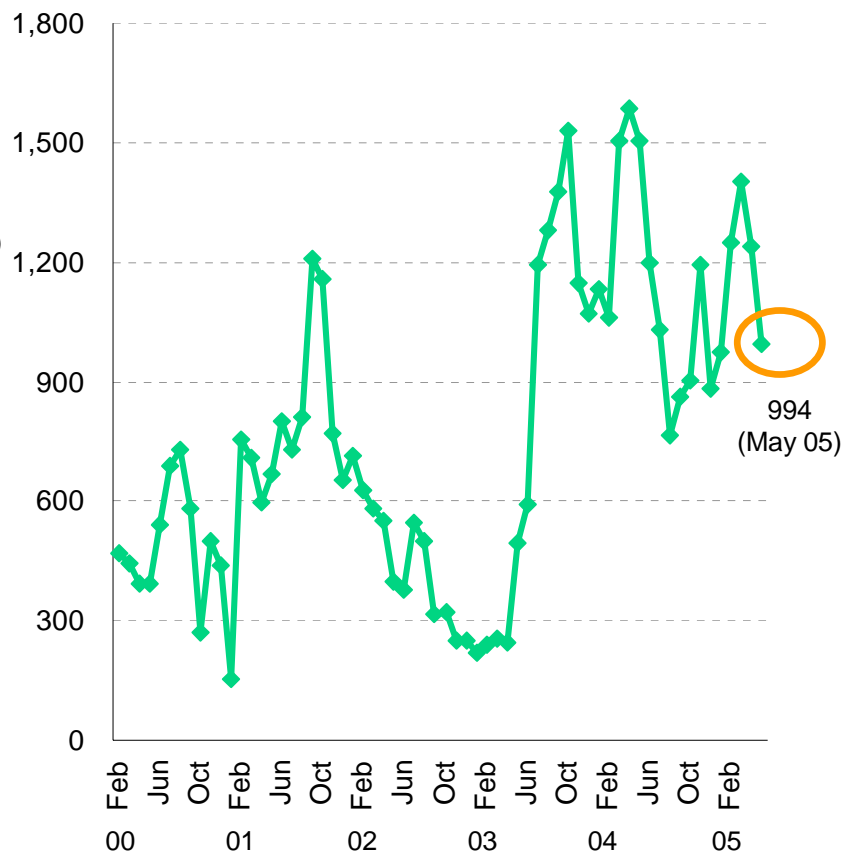
Monthly Number of New Accounts

15,448 new accounts opened in April 05 is a new record for a single month exceeding that of March 05

◆ #of new accounts (monthly)

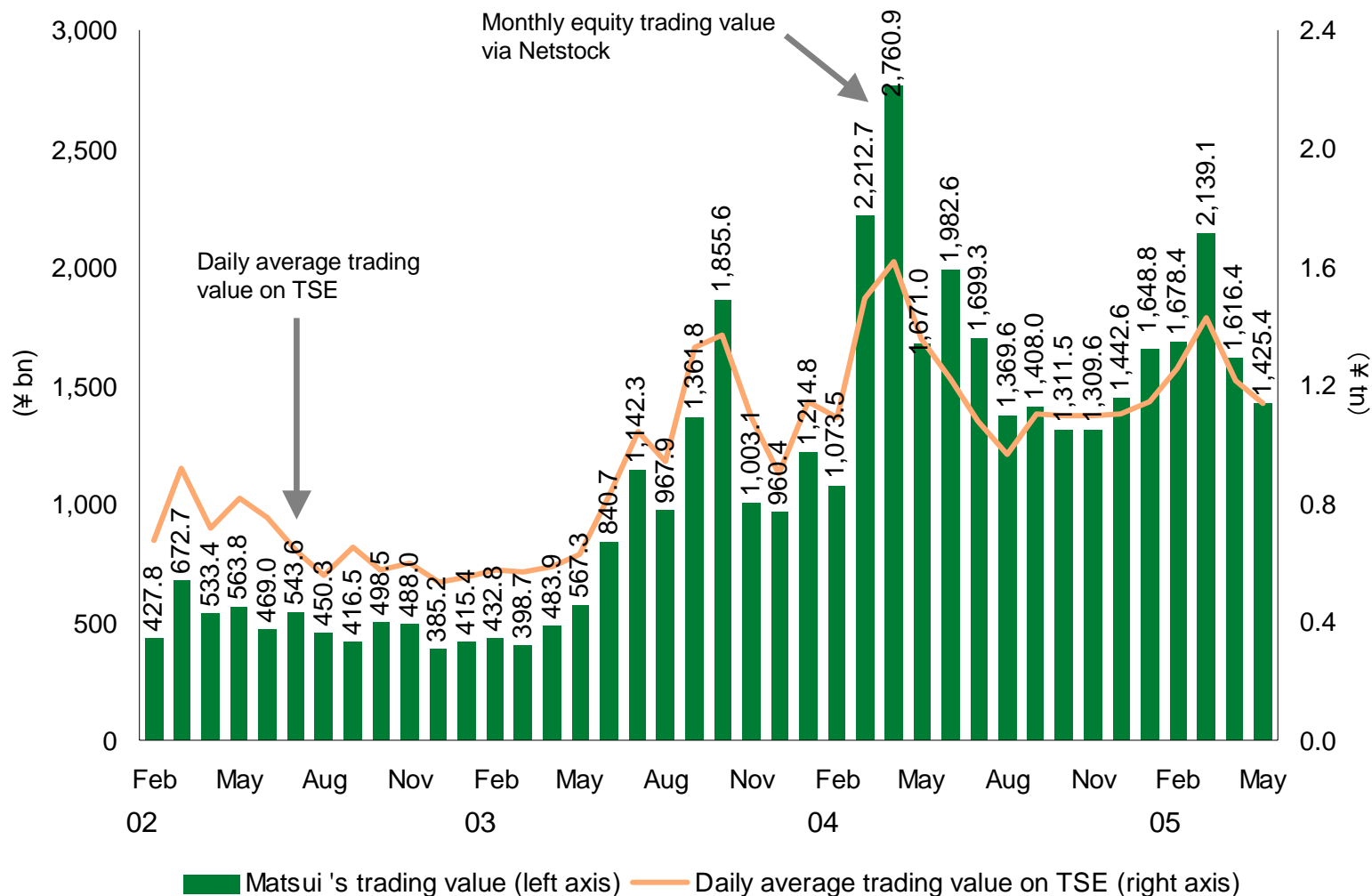


◆ # of new margin trade accounts (monthly)



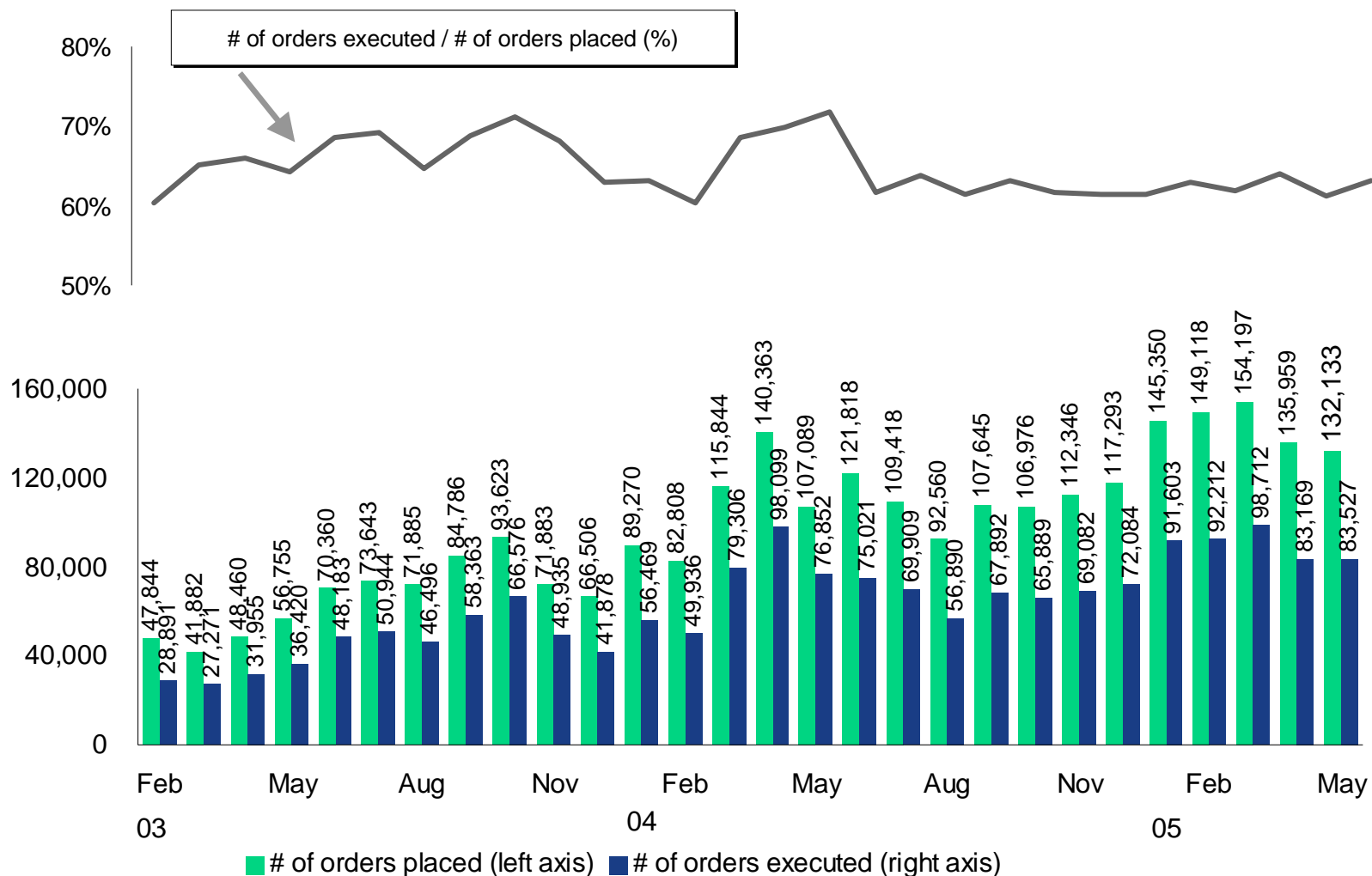
Equity Trading Value

Equity trading value via Netstock (Monthly)



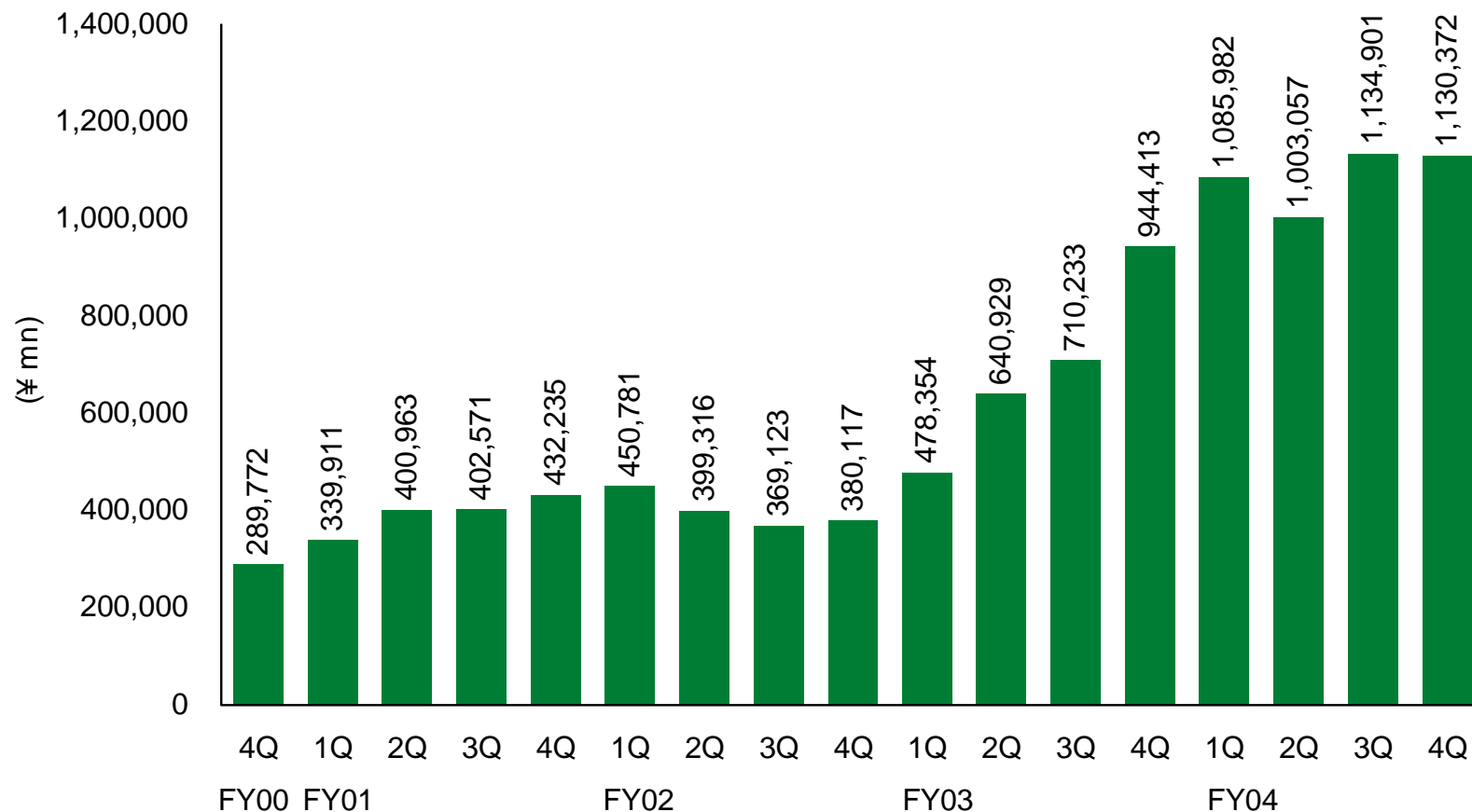
Number of Orders Placed and Executed

of orders placed & executed (daily average)



Assets under Customers' Accounts

Balance of assets under customers' accounts (quarterly)



P/L - On-line Brokers (FY2004)

(¥ mn)

	Matsui	E*trade	MBH	Kabu.com	Rakuten
Total operating revenues	36,918	27,175	21,716	11,725	14,780
Commissions	27,083	20,643	17,931	9,377	10,522
Brokerage	25,182	18,689	15,362	8,786	9,743
Underwriting & distribution	307	308	259	-	161
Subscription & distribution	29	614	294	208	63
Others	1,564	1,032	2,014	382	553
Net gain (loss) on trading	△ 88	674	152	△ 15	16
Interest & dividend income	9,923	5,803	3,457	2,353	3,263
Interest expenses	2,295	1,994	1,025	1,152	1,044
Net operating revenues	34,623	25,181	20,690	10,572	13,736
SG&A	12,016	14,068	11,424	4,607	8,074
Transaction related expenses	3,339	3,639	3,530	2,241	2,462
Employees' compensation & benefits	1,927	1,574	1,571	595	1,171
Occupancy & rental	273	2,431	1,376	809	2,523
Data processing & office supplies	5,373	4,165	3,517	458	1,312
Depreciation	754	851	141	275	394
Others	349	1,408	1,289	225	110
Operating income	22,607	11,113	9,266	5,965	5,661
Ordinary income	22,571	11,344	9,180	5,891	5,827
Net income	12,645	6,179	7,079	4,014	2,562
Net interest income	7,628	3,809	2,432	1,201	2,219

B/S - On-line Brokers (FY2004)

(¥ mn)

	Matsui	E*trade	MBH	Kabu.com	Rakuten
Current assets	697,270	481,487	230,717	200,899	278,728
Cash and bank deposits	61,251	3,281	26,004	22,851	3,658
Cash segregated as deposits	223,003	176,063	61,887	66,033	119,843
Loans receivable from customers	384,484	263,458	125,264	99,542	136,267
Others	28,532	38,685	17,562	12,473	18,960
Fixed assets	6,185	7,494	1,373	1,871	4,377
Tangible fixed assets	1,155	584	98	92	121
Intangible assets	2,253	3,532	138	727	1,481
Investments and others	2,777	3,378	1,136	1,050	2,775
Deferred assets	-	75	-	-	-
Total assets	703,456	489,056	232,091	202,771	283,106

Current liabilities	564,409	435,004	201,187	179,919	267,650
Loans from securities finance companies	103,384	192,508	67,990	88,242	99,558
Proceeds of securities sold on customers' account	39,535	44,411	18,229	13,373	17,507
Payables on collateralized securities transactions	73,780	2,169	6,584	-	1,771
Deposits received	106,567	16,766	27,524	20,671	81,965
Guarantee money received	137,467	162,045	49,965	55,662	45,962
Borrowings , etc.	94,829	10,440	26,000	-	18,070
Others	8,846	6,664	4,895	1,971	2,817
Long-term liabilities	87,443	137	-	-	6,006
Statutory reserves	1,888	2,273	1,072	587	1,407
Total liabilities	653,740	437,415	202,260	180,506	275,064
Minority interests	-	720	19	-	-
Total shareholders' equity	49,715	50,921	29,811	22,264	8,042
Total liabilities, minority interests, and shareholders' equity	703,456	489,056	232,091	202,771	283,106

Source: Company data

Note:

1 Consolidated (except for Kabu.com)

Ranking of Securities Companies in Japan (FY2004)

◆ Operating revenues

	(¥ mn)
1 Nomura	1,126,237
2 Daiwa	519,337
3 Nikko	343,449
4 Mitsubishi	155,540
5 Shinko	113,052
6 UFJ Tsubasa	85,238
7 Okasan	58,438
8 SMBC Friend	52,306
9 Mizuho Investors	46,157
10 Tokai Tokyo	40,951
11 Matsui	36,918
12 E*Trade	27,174
13 Ichiyoshi	21,734
14 MBH	21,716
15 Cosmo	20,730
16 Marusan	19,551
17 Toyo	17,551
18 Mito	15,589
19 Rakuten	14,780
20 Kabu.com	11,725
21 World Nichiei	10,671
22 H.S.	9,774
23 Takagi	9,356
24 Kyokuto	8,908
25 Maruhachi	6,648
26 Kosei	967

◆ Ordinary income

	(¥ mn)
1 Nomura	204,835
2 Daiwa	120,433
3 Nikko	77,717
4 Mitsubishi	24,315
5 Matsui	22,571
6 SMBC Friend	18,337
7 UFJ Tsubasa	17,256
8 Shinko	14,220
9 E*Trade	11,226
10 Okasan	11,208
11 MBH	9,180
12 Mizuho Investors	8,331
13 Tokai Tokyo	6,517
14 Kabu.com	5,891
15 Rakuten	5,827
16 Ichiyoshi	5,477
17 Marusan	4,758
18 Mito	4,666
19 Toyo	3,921
20 Kyokuto	3,607
21 H.S.	3,074
22 World Nichiei	2,906
23 Cosmo	2,459
24 Takagi	2,327
25 Maruhachi	910
26 Kosei	△ 109

◆ Ordinary income ratio

1 Matsui	61%
2 Kabu.com	50%
3 MBH	42%
4 E*Trade	41%
5 Kyokuto	40%
6 Rakuten	39%
7 SMBC Friend	35%
8 H.S.	31%
9 Mito	30%
10 World Nichiei	27%
11 Ichiyoshi	25%
12 Takagi	25%
13 Marusan	24%
14 Daiwa	23%
15 Nikko	23%
16 Toyo	22%
17 UFJ Tsubasa	20%
18 Okasan	19%
19 Nomura	18%
20 Mizuho Investors	18%
21 Tokai Tokyo	16%
22 Mitsubishi	16%
23 Maruhachi	14%
24 Shinko	13%
25 Cosmo	12%
26 Kosei	△ 11%

Source: Company reports

大正7年創業以来、昔も今も個人のお客様とともに

東証1部：8628



<http://www.matsui.co.jp/>

http://www.matsui.co.jp/about_matsui/en/ (English IR)