

Consolidated Financial Summary under Japanese GAAP
For the Three Months Ended June 30, 2004

Date: July 22, 2004
 Company name (code number): Matsui Securities Co., Ltd. (8628)
 Head Office: Hanzomon First Bldg 6F, 1-4, Kojimachi, Chiyoda-ku, Tokyo, 102-8516 Japan
 Stock exchange listing: Tokyo
 Representative: Michio Matsui: President and Chief Executive Officer
 Date of board meeting approving the account settlement: July 22, 2004
 Application of US GAAP: None

Note: All figures in the financial statements are rounded off to the nearest millionth.

Consolidated financial summary for the three months ended June 30, 2004

(1) Operating results

	Operating revenues		Net operating revenues		Operating income		Ordinary income	
	(Millions of Yen)	(Yr/Yr % change)	(Millions of Yen)	(Yr/Yr % change)	(Millions of Yen)	(Yr/Yr % change)	(Millions of Yen)	(Yr/Yr % change)
Three months ended June 30, 2004	10,407	(167.2)	9,804	(172.4)	6,642	(325.3)	6,588	(319.0)
Three months ended June 30, 2003	3,894	(11.5)	3,599	(10.8)	1,562	(376.7)	1,572	(396.9)
Year ended March 31, 2004	25,036	(86.5)	23,738	(95.4)	14,285	(303.6)	14,016	(298.4)

	Net income	Earnings/share	Fully diluted earnings/share	Earnings/shareholders' equity	Ordinary income/total assets
	(Millions of Yen) (Yr/Yr % change)	(Yen)	(Yen)	(%)	(%)
Three months ended June 30, 2004	3,775 (398.9)	42.43	37.77	37.8	5.0
Three months ended June 30, 2003	757 ()	8.59	8.49	9.4	3.3
Year ended March 31, 2004	7,280 (390.3)	81.50	76.99	20.5	4.3

Note: 1. Investment gain and loss on equity :None
 2. Average number of shares outstanding

Three months ended Jun.30, 2004 88,961,403 shares
 Three months ended Jun.30, 2003 88,062,885 shares
 Year ended Mar. 31, 2004 88,373,711 shares

3. Change in accounting policies: None

(2) Financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity/share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
Three months ended June 30, 2004	563,251	40,856	7.3	459.25
Three months ended June 30, 2003	209,744	32,367	15.4	367.51
Year ended March 31, 2004	488,166	39,162	8.0	439.36

Note: 1. Number of shares outstanding
 As of Jun. 30, 2004 88,962,566 shares
 As of Jun. 30, 2003 88,071,277 shares
 As of Mar. 31, 2004 88,957,910 shares

(3) Scope of consolidation and equity method

Consolidated subsidiaries: 1 company

Affiliates applicable of equity method: None

(4) Change in scope of consolidation and equity method application: None

Forecast of business results

The business results of securities brokerage companies depend on the market situation considerably, which makes it difficult to forecast the future business results. Accordingly, the Company does not issue such forecast while it discloses its quarterly business results promptly instead of such forecasts.

Notice to readers:

The accompanying consolidated financial statements have been prepared in accordance with the provision set forth in the Commercial Code of Japan and the Securities and Exchange Law, and in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards.

The consolidated financial statements are not intended to present the financial position and results of operations in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

Consolidated Balance Sheets

(Millions of Yen)

Item	June 30, 2003	June 30, 2004	March 31, 2004
(Assets)			
Current assets			
Cash and bank deposits	2,703	23,925	29,744
Cash segregated as deposits	95,501	209,002	183,002
Cash in trust	-	5,900	4,400
Trading assets	0	120	397
Net receivables arising from pre-settlement date trades	-	67	14
Margin account assets:	102,181	314,340	261,154
Loans receivable from customers	96,397	308,324	252,081
Cash deposited as collateral for securities borrowed from securities finance companies	5,784	6,016	9,073
Receivables from customers and others	169	16	23
Advance paid for subscription	-	4	44
Short-term guarantee deposits	3,611	1,261	899
Prepaid expenses	97	152	176
Accrued income	808	2,210	1,931
Deferred income taxes	185	329	692
Others	241	614	616
Allowance for doubtful accounts	(279)	(239)	(206)
Total current assets	205,217	557,699	482,887
Fixed assets			
Tangible fixed assets			
Buildings	889	1,117	974
Equipment and instruments	360	454	461
Land	210	189	194
Land	319	474	319
Intangible assets			
Software	2,069	1,959	2,055
Others	2,012	1,900	1,997
Others	57	59	58
Investments and others			
Investment securities	1,569	2,476	2,250
Investment in partnership	734	1,479	1,177
Long-term loans receivable	3	3	3
Long-term guarantee deposits	103	1	168
Long-term prepaid expenses	67	193	193
Deferred income taxes	6	19	21
Others	615	568	643
Allowance for doubtful accounts	145	316	307
Allowance for doubtful accounts	(103)	(104)	(261)
Total fixed assets	4,527	5,552	5,279
Total assets	209,744	563,251	488,166

(Millions of Yen)

Item	June 30, 2003	June 30, 2004	March 31, 2004
(Liabilities)			
Current liabilities			
Trading assets		102	217
Net payables arising from pre-settlement date trades	2		
Margin account liabilities:	58,334	85,774	101,342
Loans from securities finance companies	29,532	54,364	64,046
Proceeds of securities sold on customers' account	28,803	31,411	37,296
Payables on collateralized securities transactions:			
Cash deposits as collateral for securities loaned	4,399	40,826	23,579
Deposits received	42,711	90,691	79,361
Guarantee money received	59,611	134,281	112,977
Suspense account for undelivered securities	5	17	15
Short-term borrowings	8,627	46,177	25,177
Commercial paper		3,000	3,000
Bond due within one year		500	500
Deferred revenue	67	99	88
Accounts payable	203	317	619
Accrued expenses	620	1,005	943
Accrued income taxes	708	2,442	6,112
Accrued bonuses	42	49	
Others	0	0	0
Total current liabilities	175,329	405,280	353,929
Long-term liabilities			
Bond	500	40,000	20,000
Convertible bond		40,000	40,000
Long-term borrowings	401	35,449	33,532
Reserve for directors' retirement bonuses	282	241	281
Others	0	0	0
Total long-term liabilities	1,183	115,689	93,813
Statutory reserves			
Reserve for securities transactions	866	1,426	1,261
Total Statutory reserves	866	1,426	1,261
Total liabilities	177,378	522,395	449,004
(Shareholders' equity)			
Common stock	11,406	11,463	11,463
Capital surplus	9,256	9,312	9,312
Earned surplus	11,829	19,867	18,352
Net unrealized gain (loss) on Investment securities, net of taxes	(121)	232	52
Treasury stock	(3)	(18)	(17)
Total shareholders' equity	32,367	40,856	39,162
Total liabilities and shareholders' equity	209,744	563,251	488,166

Consolidated Statements of Income

(Millions of Yen)

Item	Three months ended June 30, 2003	Three months ended June 30, 2004	Year ended March 31, 2004
Operating revenues			
Commissions	3,127	7,990	20,206
Net gain (loss) on trading	0	13	30
Interest and dividend income	767	2,403	4,800
Total operating revenues	3,894	10,407	25,036
Interest expenses	295	603	1,298
Net operating revenues	3,599	9,804	23,738
Selling, general and administrative expenses	2,037	3,162	9,453
Transaction related expenses	414	926	2,261
Employees compensation and benefits	463	522	1,863
Occupancy and rental	84	67	369
Data processing and office supplies	870	1,329	3,986
Depreciation	157	175	689
Duties and taxes other than income taxes	17	56	67
Provision of allowance for doubtful accounts	9	48	94
Others	25	38	125
Operating income	1,562	6,642	14,285
Non-operating income	12	42	30
Non-operating expenses	2	96	298
Ordinary income	1,572	6,588	14,016
Special profits	10	42	2
Special losses	178	165	776
Income before income taxes	1,405	6,465	13,242
Income taxes – current	709	2,375	6,676
Income taxes – deferred	(61)	315	(713)
Net income	757	3,775	7,280

Summary of Quarterly Consolidated Statements of Income

(Millions of Yen)

Item	1Q of the year ended Mar. 31, 2004 '03. 4. 1 '03. 6.30	2Q of the year ended Mar. 31, 2004 '03. 7. 1 '03. 9.30	3Q of the year ended Mar. 31, 2004 '03.10. 1 '03.12.31	4Q of the year ended Mar. 31, 2004 '04. 1. 1 '04. 3.31	Total for the year ended Mar. 31, 2004 '03. 4. 1 '04. 3.31	1Q of the year ended Mar. 31, 2005 '04. 4. 1 '04. 6.30
Operating revenues	3,894	6,180	6,856	8,107	25,036	10,407
Commissions	3,127	5,159	5,468	6,452	20,206	7,990
Net gain (loss) on trading	0	(0)	1	29	30	13
Interest and dividend income	767	1,021	1,387	1,626	4,800	2,403
Interest expenses	295	293	316	393	1,298	603
Net operating revenues	3,599	5,886	6,539	7,713	23,738	9,804
Selling, general and administrative expenses	2,037	2,458	2,378	2,580	9,453	3,162
Transaction related expenses	414	589	586	672	2,261	926
Employees' compensation and benefits	463	436	517	447	1,863	522
Occupancy and rental	84	82	81	123	369	67
Data processing and office supplies	870	1,017	998	1,102	3,986	1,329
Depreciation	157	172	176	185	689	175
Duties and taxes other than income taxes	17	52	(16)	14	67	56
Provision of allowance for doubtful accounts	9	76	10	(1)	94	48
Others	25	35	26	38	125	38
Operating income	1,562	3,428	4,161	5,134	14,285	6,642
Non-operating income and expenses	10	(44)	(223)	(12)	(268)	(55)
Ordinary income	1,572	3,385	3,938	5,121	14,016	6,588
Special profits and losses	(168)	(135)	(114)	(358)	(774)	(123)
Income before income taxes	1,405	3,249	3,824	4,764	13,242	6,465
Income taxes-current	709	1,750	1,848	2,369	6,676	2,375
Income taxes-deferred	(61)	(251)	(168)	(233)	(713)	315
Net income	757	1,751	2,144	2,628	7,280	3,775