

Consolidated Financial Summary under Japanese GAAP
For the Six Months Ended September 30, 2004

Date: October 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: October 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 six months ended September 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)
Six months ended Sep. 30, 2004	18,942	(88.0)	17,805	(87.7)	11,961	(139.7)	11,918	(140.4)
Six months ended Sep. 30, 2003	10,074	(44.4)	9,486	(48.1)	4,990	(201.4)	4,957	(200.9)
Year ended Mar. 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)	(%)	(%)
Six months ended Sep. 30, 2004	6,733 (168.5)	75.68	67.39	32.5	4.5
Six months ended Sep. 30, 2003	2,507 (326.6)	28.46	28.12	15.1	3.9
Year ended Mar. 31, 2004	7,280 (390.3)	81.50	76.99	20.5	4.3

Note: 1. Investment gain and loss on equity method: None

2. Average number of shares outstanding

Six months ended Sep.30, 2004 88,967,520 shares
Six months ended Sep.30, 2003 88,113,140 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)
Six months ended Sep. 30, 2004	559,653	43,692	7.8	491.06
Six months ended Sep. 30, 2003	344,407	34,269	10.0	388.45
Year ended Mar. 31, 2004	488,166	39,162	8.0	439.36

Note: 1. Number of shares outstanding

As of Sep. 30, 2004
As of Sep. 30, 2003
As of Mar. 31, 2004

88,974,634 shares
88,220,251 shares
88,957,910 shares

(3) Cash flows

	Cash flows from operating activities (Millions of Yen)	Cash flows from investing activities (Millions of Yen)	Cash flows from financing activities (Millions of Yen)	Cash and cash equivalent at end of period (Millions of Yen)
Six months ended Sep. 30, 2004	5,065	- 505	11,483	45,787
Six months ended Sep. 30, 2003	- 20,338	- 657	28,254	12,248
Year ended Mar. 31, 2004	- 87,829	- 1,290	113,875	29,744

(4) Scope of consolidation and equity method

Consolidated subsidiaries: 1 company

Affiliates applicable of equity method: None

(5) 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 of the Company are prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

Consolidated Balance Sheets

(Millions of Yen)

Item	September 30, 2003	September 30, 2004	March 31, 2004
(Assets)			
Current assets			
Cash and bank deposits	12,248	45,787	29,744
Cash segregated as deposits	140,701	181,003	183,002
Cash in trust	-	5,700	4,400
Trading assets	94	976	397
Net receivables arising from pre-settlement date trades	67	-	14
Margin account assets:	180,525	314,471	261,154
Loans receivable from customers	176,410	309,941	252,081
Cash deposited as collateral for securities borrowed from securities finance companies	4,115	4,531	9,073
Receivable on collateralized securities transactions:	-	107	-
Cash deposits collateral for securities borrowed	-	107	-
Receivables from customers and others	135	152	23
Advance paid for subscription	234	76	44
Short-term guarantee deposits	3,570	2,088	899
Others	2,033	3,964	3,415
Allowance for doubtful accounts	(208)	(170)	(206)
Total current assets	339,398	554,155	482,887
Fixed assets			
Tangible fixed assets	870	1,152	974
Intangible assets	2,169	1,892	2,055
Software	2,116	1,835	1,997
Others	53	57	58
Investments and others	1,969	2,453	2,250
Investment securities	1,021	1,322	1,177
Others	1,197	1,150	1,334
Allowance for doubtful accounts	(249)	(18)	(261)
Total fixed assets	5,009	5,498	5,279
Total assets	344,407	559,653	488,166

(Millions of Yen)

Item	September 30, 2003	September 30, 2004	March 31, 2004
(Liabilities)			
Current liabilities			
Trading assets	89	325	217
Net payables arising from pre-settlement date trades	-	526	
Margin account liabilities:	100,912	105,586	101,342
Loans from securities finance companies	70,021	77,741	64,046
Proceeds of securities sold on customers' account	30,891	27,845	37,296
Payables on collateralized securities transactions:			
Cash deposits as collateral for securities loaned	22,134	53,410	23,579
Deposits received	56,595	82,426	79,361
Guarantee money received	89,011	129,434	112,977
Suspense account for undelivered securities	-	28	15
Short-term borrowings	22,931	21,877	25,177
Commercial paper	-	1,000	3,000
Bond due within one year	-	500	500
Accrued income taxes	2,456	4,931	6,112
Accrued bonuses	84	93	
Others	1,021	1,435	1,650
Total current liabilities	295,234	401,572	353,929
Long-term liabilities			
Bond	10,500	40,000	20,000
Convertible bond		40,000	40,000
Long-term borrowings	3,120	32,593	33,532
Reserve for directors' retirement bonuses	281	241	281
Others	0	0	0
Total long-term liabilities	13,902	112,834	93,813
Statutory reserves			
Reserve for securities transactions	1,002	1,555	1,261
Total Statutory reserves	1,002	1,555	1,261
Total liabilities	310,137	515,961	449,004
(Shareholders' equity)			
Common stock	11,414	11,464	11,463
Capital surplus	9,264	9,313	9,312
Earned surplus	13,580	22,826	18,352
Net unrealized gain (loss) on Investment securities, net of taxes	15	109	52
Treasury stock	(4)	(19)	(17)
Total shareholders' equity	34,269	43,692	39,162
Total liabilities and shareholders' equity	344,407	559,653	488,166

Consolidated Statements of Income

(Millions of Yen)

Item	Six months ended September 30, 2003	Six months ended September 30, 2004	Year ended March 31, 2004
Operating revenues			
Commissions	8,286	14,106	20,206
Net gain (loss) on trading	0	12	30
Interest and dividend income	1,788	4,824	4,800
Total operating revenues	10,074	18,942	25,036
Interest expenses	588	1,137	1,298
Net operating revenues	9,486	17,805	23,738
Selling, general and administrative expenses	4,495	5,844	9,453
Transaction related expenses	1,002	1,680	2,261
Employees compensation and benefits	899	921	1,863
Occupancy and rental	166	134	369
Data processing and office supplies	1,886	2,577	3,986
Depreciation	329	356	689
Duties and taxes other than income taxes	69	103	67
Provision of allowance for doubtful accounts	85	-	94
Others	60	73	125
Operating income	4,990	11,961	14,285
Non-operating income	18	56	30
Non-operating expenses	51	99	298
Ordinary income	4,957	11,918	14,016
Special profits	0	62	2
Special losses	304	298	776
Income before income taxes	4,654	11,683	13,242
Income taxes – current	2,458	4,824	6,676
Income taxes – deferred	(312)	125	(713)
Net income	2,507	6,733	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)
Operating revenues	3,894	6,180	6,856	8,107	25,036
Commissions	3,127	5,159	5,468	6,452	20,206
Net gain (loss) on trading	0	(0)	1	29	30
Interest and dividend income	767	1,021	1,387	1,626	4,800
Interest expenses	295	293	316	393	1,298
Net operating revenues	3,599	5,886	6,539	7,713	23,738
Selling, general and administrative expenses	2,037	2,458	2,378	2,580	9,453
Transaction related expenses	414	589	586	672	2,261
Employees' compensation and benefits	463	436	517	447	1,863
Occupancy and rental	84	82	81	123	369
Data processing and office supplies	870	1,017	998	1,102	3,986
Depreciation	157	172	176	185	689
Duties and taxes other than income taxes	17	52	(16)	14	67
Provision of allowance for doubtful accounts	9	76	10	(1)	94
Others	25	35	26	38	125
Operating income	1,562	3,428	4,161	5,134	14,285
Non-operating income and expenses	10	(44)	(223)	(12)	(268)
Ordinary income	1,572	3,385	3,938	5,121	14,016
Special profits and losses	(168)	(135)	(114)	(358)	(774)
Income before income taxes	1,405	3,249	3,824	4,764	13,242
Income taxes-current	709	1,750	1,848	2,369	6,676
Income taxes-deferred	(61)	(251)	(168)	(233)	(713)
Net income	757	1,751	2,144	2,628	7,280

(Millions of Yen)

Item	1Q of the Year ended Mar. 31, 2005 '04. 4. 1 '04. 6. 30	2Q of the Year ended Mar. 31, 2005 '04. 7. 1 '04. 9.30	Total for the six months ended Sep. 30, 2004 '04. 4. 1 '04. 9.30
Operating revenues	10,407	8,536	18,942
Commissions	7,990	6,116	14,106
Net gain (loss) on trading	13	(2)	12
Interest and dividend income	2,403	2,421	4,824
Interest expenses	603	534	1,137
Net operating revenues	9,804	8,001	17,805
Selling, general and administrative expenses	3,162	2,683	5,844
Transaction related expenses	926	753	1,680
Employees' compensation and benefits	522	399	921
Occupancy and rental	67	67	134
Data processing and office supplies	1,329	1,248	2,577
Depreciation	175	182	356
Duties and taxes other than income taxes	56	47	103
Provision of allowance for doubtful accounts	48	(48)	-
Others	38	35	73
Operating income	6,642	5,319	11,961
Non-operating income and expenses	(55)	12	(43)
Ordinary income	6,588	5,330	11,918
Special profits and losses	(123)	(112)	(236)
Income before income taxes	6,465	5,218	11,683
Income taxes-current	2,375	2,449	4,824
Income taxes-deferred	315	(190)	125
Net income	3,775	2,959	6,733