

(English Translation)

Note: This material is an English translation of a Japanese announcement made on August 16, 2004. Although the Companies intended to faithfully translate the Japanese document into English, the accurateness and correctness of this English translation are not guaranteed and thus you are encouraged to refer to the original Japanese document. The announcement was made as a matter of record only.

August 16, 2004

To Investors and Customers:

Monex Beans Holdings, Inc.
Mizuho Securities Co., Ltd.

**Announcement of Signing of Formal Agreement on Business Cooperation
Among Monex Beans Holdings Group Companies and Mizuho Securities**

This announcement is made to inform you that a formal agreement on business cooperation, which furthers and sets forth the details of the basic agreement made and entered on July 15, 2004 by and among Monex, Inc. ("Monex"), Nikko Beans, Inc. ("Nikko Beans") and Mizuho Securities Co., Ltd. ("Mizuho Securities"), was made today among these three companies and Monex Beans Holdings, Inc. ("MBH"), the sole parent company of Monex and Nikko Beans. The details are as follows:

1. Object of Business Cooperation

As was already announced by Monex and Nikko Beans, the business integration of both companies has occurred on August 2, 2004 through the establishment of a common holding company, MBH, by way of share transfers.

The object of this business cooperation is to expand the business opportunities of the MBH group companies, as one of the largest online brokerage in Japan, and Mizuho Securities by utilizing (i) the power of the MBH group companies to distribute securities to individuals and (ii) the power of Mizuho Securities to source business opportunities, as well as its capacity to deal with business entities, which has been developed through operating its investment banking business.

2. Outline of Business Cooperation

The outline of the business cooperation among MBH group companies and Mizuho Securities is as described below, which became effective as from today.

- (1) Mainly in connection with initial public offerings (IPO's) for which Mizuho Securities will be the lead managing underwriter, Mizuho Securities will have Monex and Nikko Beans distribute stocks on commission basis.
- (2) Mizuho Securities will study ways to support Monex and Nikko Beans expanding the number of customer accounts through local banks or securities intermediary agents.

3. Conclusion of Relating Agreements

The following agreements have also been signed today in connection with the signing of the

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formal agreement on business cooperation among MBH group companies and Mizuho Securities:

(1) Stock Distribution Agreement

In order to execute the business cooperation described in 2.(1) above, each of Monex and Nikko Beans has entered into a stock distribution agreement with Mizuho Securities.

(2) Share Transfer Agreement

Mizuho Securities has entered into a share transfer agreement with Nikko Cordial Corporation for purchasing 3% of the outstanding stocks of MBH by the end of 2004, with the intention to make the relationship of MBH group companies and Mizuho Securities intended by this business cooperation a mid-and-long term and closer one.

<For Reference >

(a) Outline of Monex Beans Holding, Inc. (As of August 2, 2004)

- (1) Company Name** : Monex Beans Holdings, Inc.
- (2) Address of Head Office** : 11-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo
- (3) Representative** : Representative Director, CEO - Oki Matsumoto
- (4) Capital** : 8,800 Million Yen
- (5) Major Shareholders and Shares of Outstanding MBH Stocks** : Sony Corporation (20.06%)
Nikko Cordial Corporation (20.05%)
Oki Matsumoto (12.79%)

(b) Outline of Monex, Inc. (As of August 2, 2004)

- (1) Company Name** : Monex, Inc.
- (2) Address of Head Office** : 11-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo
- (3) Representative** : Representative Director, CEO - Oki Matsumoto
- (4) Capital** : 6,395 Million Yen
- (5) Major Shareholders and Shares of Outstanding Monex Stocks** : Monex Beans Holdings, Inc. (100%)

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(c) Outline of Nikko Beans, Inc. (As of August 2, 2004)

- (1) Company Name : Nikko Beans, Inc.
- (2) Address of Head Office : 28-38, Shinkawa 1-chome, Chuo-ku, Tokyo
- (3) Representative : Representative Director, President - Noriyuki Ogasawara
- (4) Capital : 7,425 Million Yen
- (5) Major Shareholders and Shares of Outstanding Nikko Beans Stocks : Monex Beans Holdings, Inc. (100%)

(d) Outline of Mizuho Securities Co., Ltd. (As of June 30, 2004)

- (1) Company Name : Mizuho Securities Co., Ltd.
- (2) Address of Head Office : 5-1, Otemachi 1-chome, Chiyoda-ku, Tokyo
- (3) Representative : Representative Director, President - Yoshio Osawa
- (4) Capital : 150, 200 Million Yen
- (5) Major Shareholders and Shares of Outstanding Mizuho Securities Stocks : Mizuho Corporate Bank, Ltd. (100%)

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