

*(English Translation)*

**Note:** *This material is an English translation of a Japanese announcement made on January 21, 2005. Although the Company 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. This translation was made as a matter of record only and does not constitute an offer to sell or the solicitation of an offer to buy the securities in the U.S.*

January 21, 2005

To Investors and Customers:

Monex Beans Holdings, Inc.

Announcement of Establishing A New Fund  
“Fullerton-Monex Asian Fund of Hedge Funds”

This announcement is made to inform you that Monex, Inc. (“Monex”), a wholly-owned subsidiary of Monex Beans Holdings, Inc. (“MBH”), has signed a Memorandum of Understanding with Fullerton Fund Management Company Ltd (“FFMC”) to establish Fullerton-Monex Asian Fund of Hedge Funds (“Fullerton-Monex FOF”). Fullerton-Monex FOF is expected to be launched in mid 2005.

With the demand for alternative investments increasing in Japan in recent years, MBH established a subsidiary for planning and managing alternative investment products, Monex Alternative Investments, Inc. (“MAI”<sup>(\*)</sup>), in October 2004 and set up a pilot fund of alternative funds, Monex Fund of Funds I in November 2004.

Although hedge funds are a major asset class of alternative investments and Asian strategies are very much sought after, there is currently in the market place only few fund of hedge funds solely dedicated to Asian strategies. Therefore, Monex and FFMC agreed to collaborate with each other to set up an Asian fund of hedge funds.

FFMC, established in December 2003, is a wholly-owned subsidiary of Temasek Holdings (“Temasek”), which is one of the most respected and successful investment companies in Singapore, wholly owned by the Singapore's Ministry of Finance. The investment team of FFMC comprises experienced investment professionals who have long been engaged in investment at Temasek with a good track record, including alternative investments.

FFMC will be the Investment Manager of Fullerton-Monex FOF and fill the role of selection of non-Japan related Asian hedge fund managers and distribution of Fullerton-Monex FOF to non-Japanese investors.

MBH will fill the role of selection of Japan-related hedge fund managers through MAI<sup>(\*)</sup>, which will be the exclusive Sub-Advisor for Japanese hedge funds, and distribution of Fullerton-Monex FOF to Japanese investors.

Both MBH and FFMC see the significance of creating this important and rare asset class, and are pleased to be able to offer it to Japanese investors. Furthermore, we are looking for more opportunities of collaboration with each other going forward.

(\*) MAI, a company which plans and manages alternative investment products, was jointly established and is jointly owned by MBH and Asuka Asset Management, Ltd., which has ample experience and track records of alternative investments on a world-class standard level. MAI is planning to be registered at FSA as an Investment Advisor in March.

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<For Reference>

**(a) Outline of Fullerton Fund Management Company Ltd**

Fullerton Fund Management Co Ltd (“FFMC”) is a Singapore-based fund management house, established in December 2003. A wholly-owned subsidiary of Temasek Holdings Pte Ltd, its fund management team was previously the Temasek in-house fund management division, managing the company's capital resources since 1990.

Fullerton offers a range of asset management expertise, including money market, global equities, global fixed income, global currencies as well as absolute returns investment strategies, with particular emphasis on strategic asset allocation and specialised Asian products.

**(b) Outline of Temasek Holdings Private Ltd**

Temasek Holdings Private Ltd (“Temasek”) is an Asia investment company headquartered in Singapore. Temasek is committed to maximizing long-term shareholder value as an active investor and shareholder of successful enterprises.

Established in 1974, Temasek manages a diversified global portfolio of S\$90 billion, spanning Singapore, Asia and the OECD economies. Temasek’s investments are in a range of industries: telecommunications and media, financial services, property, transportation and logistics, energy and resources, infrastructure, engineering and technology, as well as pharmaceuticals and biosciences.

Singapore-based Temasek-linked companies include well-known listed firms such as Singapore Airlines, SingTel, DBS Bank, SMRT Corporation and Neptune Orient Lines. Temasek’s recent investments include ICICI Bank, Matrix Laboratories and the Apollo Hospital group in India, Bank Danamon and Bank International Indonesia in Indonesia, Quintiles Transnational Corp in the US, as well as Telekom Malaysia.

**(c) Alternative Investments**

“Alternative investments” are investments with technical skills, including ‘Venture Capital (VC)’, ‘Hedge Fund’, ‘Private Equity (PE)’, ‘Real Estate Fund’ and so on, and are different from traditional methods of stock and bond investments. In the United States, alternative investments have been offered to institutional investors and wealthy classes extensively, after 80’s. With the advancement of investing infrastructure in 90’s, they increased explosively. Also in Japan, they were introduced as a new investment product, especially a hedge fund from overseas, in the latter of 90’s. On and after 2000, a lot of ‘Japanese Hedge Fund’, ‘PE’ and ‘Real Estate Fund’ have been offered in Japan. In the point of global market, 7,000 and more hedge funds have been set up, and even in Japan it has reached up to 3-4 trillion yen due to 1) rapid increase of ‘PE’ and ‘Real Estate Fund’, and 2) revival of ‘VC’ with an economic recovery in Japan.