



Matsui Securities Co., Ltd.

(First Section of Tokyo Stock Exchange: 8628)

Annual Results for 1Q FY2010

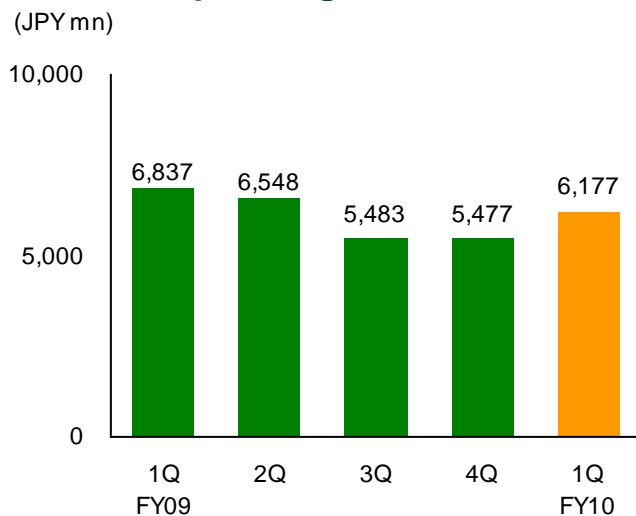
July 2010

Table of Contents

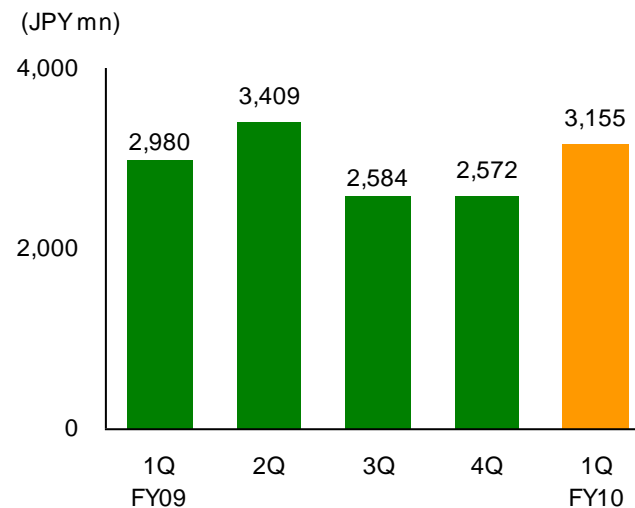
Section 1	Financial Summary	5
Section 2	Results of Operation	10
Section 3	Recent Developments	19

Financial Results

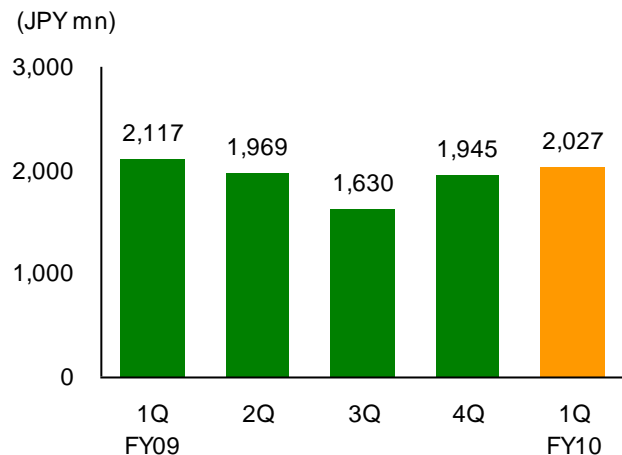
◆ Operating revenues



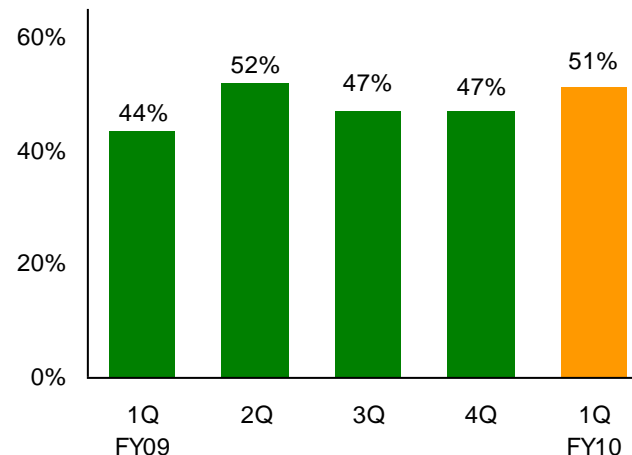
◆ Ordinary income



◆ Net income

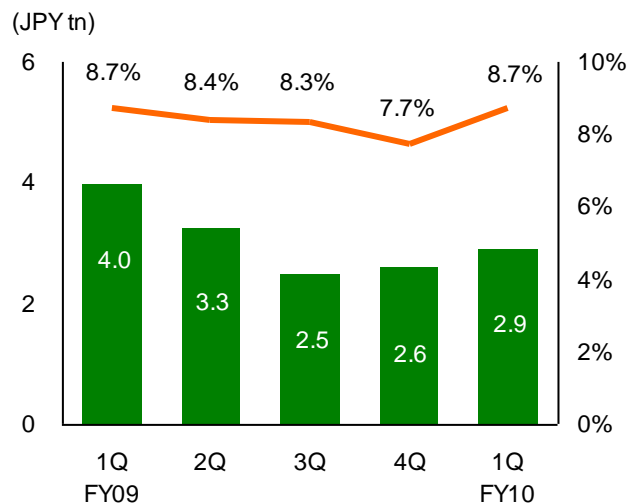


◆ Ordinary income ratio

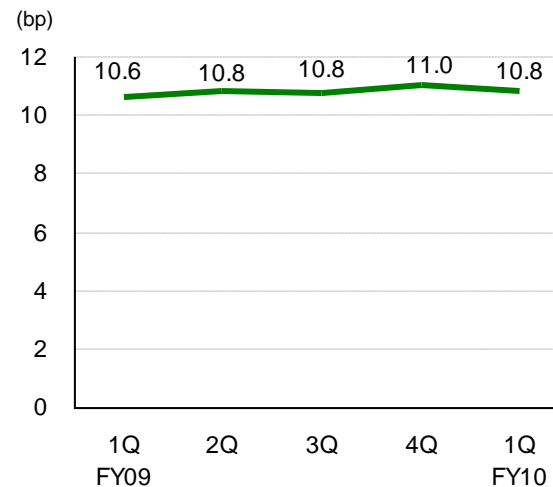


Results of Operation

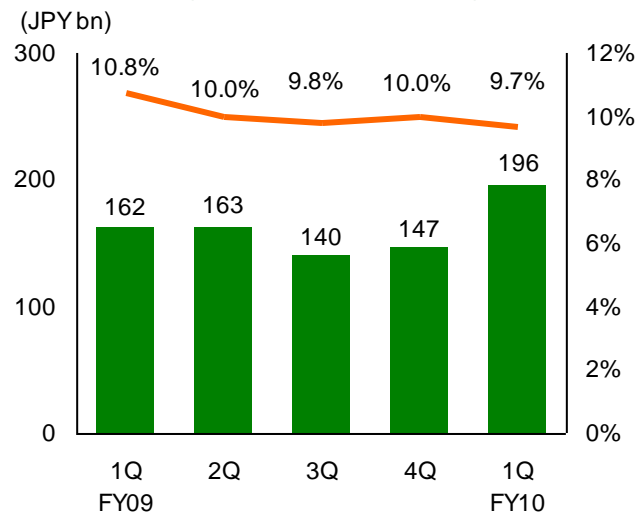
◆ Equity trading value



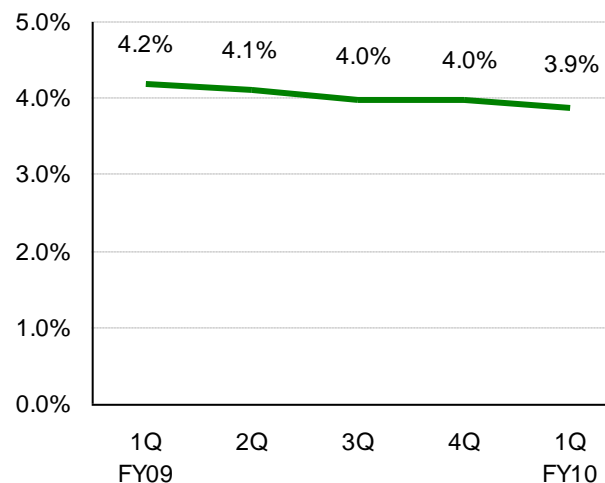
◆ Equity commission rate



◆ Margin balance (long-position)

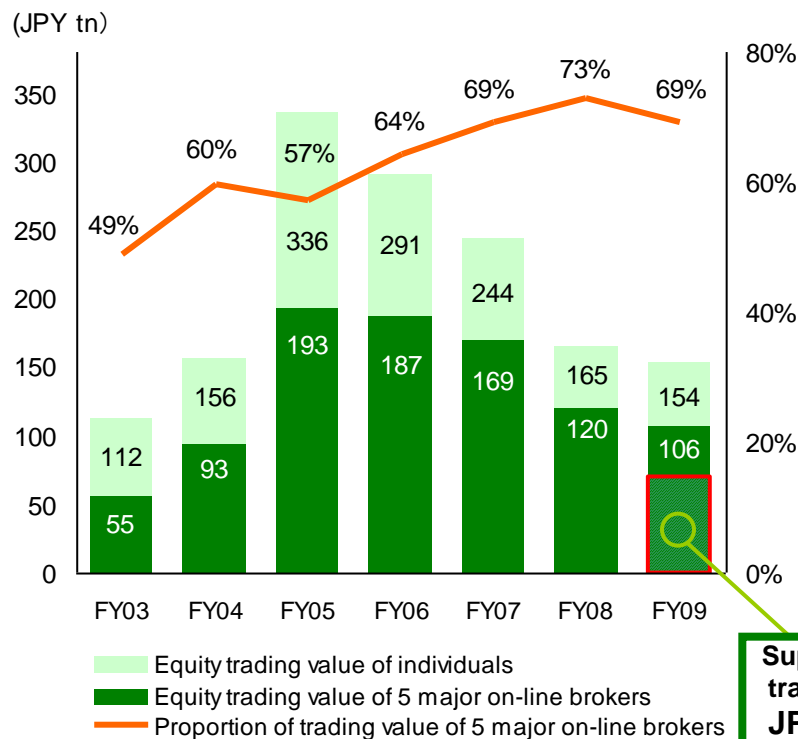


◆ Net interest income ratio



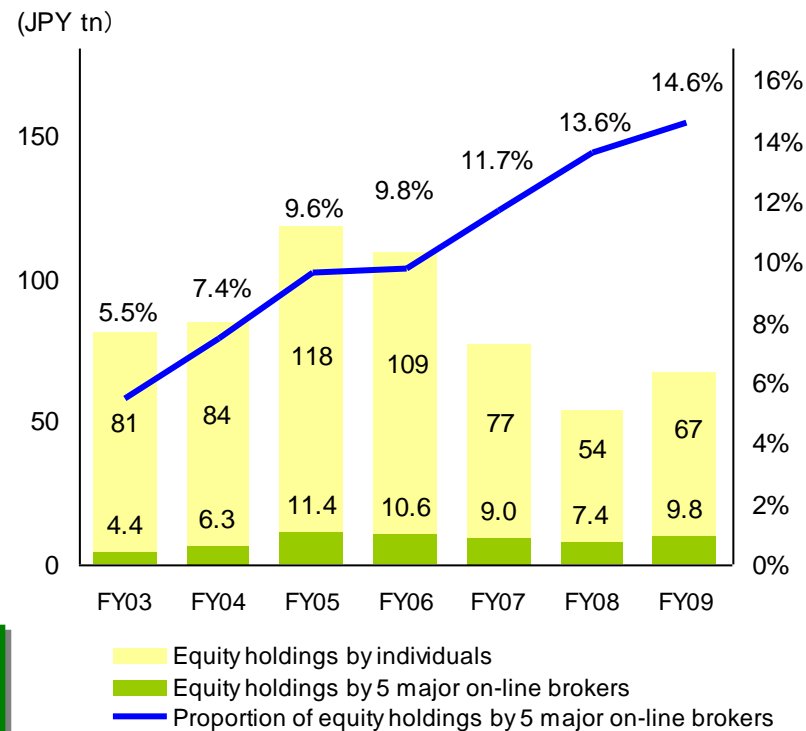
Overview of Retail Equity Trading Market

◆ Equity trading value of individuals¹ (FLOW)



Super active traders
JPY 70 tn
 (Estimate)

◆ Equity holdings by individuals¹ (STOCK)



Financial Summary

Section 1

Summary of Financial Results (Quarterly)

(JPY mn)

	FY10	FY09	QoQ	FY09			YoY	FY09 TOTAL
	1Q	4Q		3Q	2Q	1Q		
Operating Revenues	6,177	5,477	13%	5,483	6,548	6,837	-10%	24,346
Commissions	4,256	3,787	12%	3,684	4,622	5,189	-18%	17,282
Interest & dividend income	1,920	1,691	14%	1,797	1,924	1,646	17%	7,060
Interest expenses	205	215	-4%	220	288	347	-41%	1,069
Net operating revenues	5,972	5,263	13%	5,263	6,260	6,490	-8%	23,276
SG&A	2,828	2,791	1%	2,730	2,848	3,522	-20%	11,891
Operating income	3,144	2,472	27%	2,533	3,412	2,968	6%	11,385
Ordinary income	3,155	2,572	23%	2,584	3,409	2,980	6%	11,545
Net income	2,027	1,945	4%	1,630	1,969	2,117	-4%	7,661
Ordinary income ratio	51%	47%	-	47%	52%	44%	-	47%
Matsui's trading value (JPY tn)	2.9	2.6	11%	2.5	3.3	4.0	-28%	12.3
Daily average trading value on TSE (JPY tn)	1.7	1.5	11%	1.5	1.5	1.7	-3%	1.6

Breakdown of Net Operating Revenues (Quarterly)

(JPY mn)

	FY10	FY09	QoQ	FY09			YoY	FY09 TOTAL
	1Q	4Q		3Q	2Q	1Q		
Commissions	4,256	3,787	12%	3,684	4,622	5,189	-18%	17,282
Brokerage	3,744	3,351	12%	3,224	4,102	4,747	-21%	15,424
Underwriting & selling	0	-	-	11	-	-	-	11
Subscription & distribution	0	0	-83%	0	-	0	-84%	0
Others	512	436	18%	449	520	442	16%	1,846
Net gain (loss) on trading	1	-1	-	1	2	1	-47%	4
Interest & dividend income (1)	1,920	1,691	14%	1,797	1,924	1,646	17%	7,060
Total operating revenues	6,177	5,477	13%	5,483	6,548	6,837	-10%	24,346
Interest expenses (2)	205	215	-4%	220	288	347	-41%	1,069
Net operating revenues	5,972	5,263	13%	5,263	6,260	6,490	-8%	23,276
Net interest income (1) - (2)	1,715	1,477	16%	1,578	1,637	1,299	32%	5,990

Breakdown of SG&A (Quarterly)

(JPY mn)

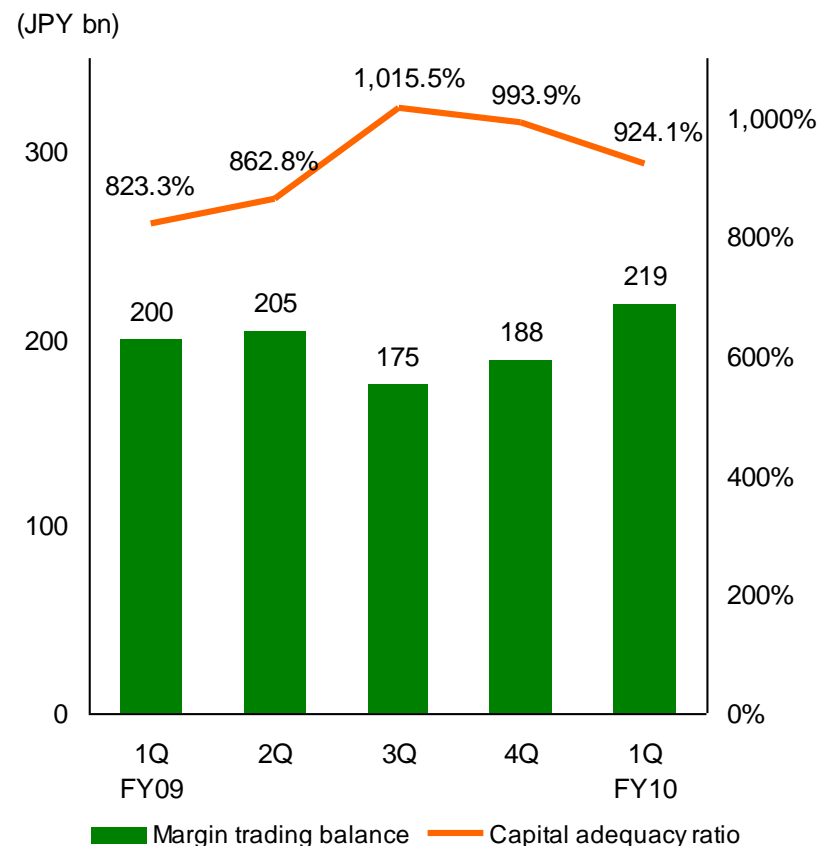
	FY10	FY09	QoQ	FY09			YoY	FY09 TOTAL
	1Q	4Q		3Q	2Q	1Q		
Transaction related expenses	884	895	-1%	861	927	947	-7%	3,630
Advertisement	86	107	-20%	97	90	97	-11%	391
Employees' compensation & benefits	544	476	14%	469	488	497	10%	1,930
Occupancy & rental	281	291	-4%	289	287	173	62%	1,040
Data processing & office supplies	570	596	-4%	627	619	1,297	-56%	3,139
Depreciation	472	482	-2%	457	450	386	22%	1,775
Duties & taxes other than income taxes	39	31	26%	26	31	55	-28%	143
Provision of allowance for doubtful accounts	-	5	-	-29	25	124	-	124
Others	37	14	164%	30	21	44	-16%	109
Total SG&A	2,828	2,791	1%	2,730	2,848	3,522	-20%	11,891

Capital Adequacy Ratio

◆ Capital adequacy ratio (As of 30 June 10)

		(JPY mn)
Tier 1	(A)	72,279
Tier 2	Net unrealized gain on investment	0
	Statutory reserves	1,665
	Allowance for doubtful accounts	66
	Sub total (B)	1,732
Assets to be deducted from equity capital	(C)	8,241
Net Capital		
	(A) + (B) - (C) (D)	65,770
Total risk	Market risk	0
	Counterparty risk	4,627
	Basic risk	2,488
	Total (E)	7,116
Capital Adequacy ratio	(D)/(E)	924.1%

◆ Margin trading balance and capital adequacy ratio

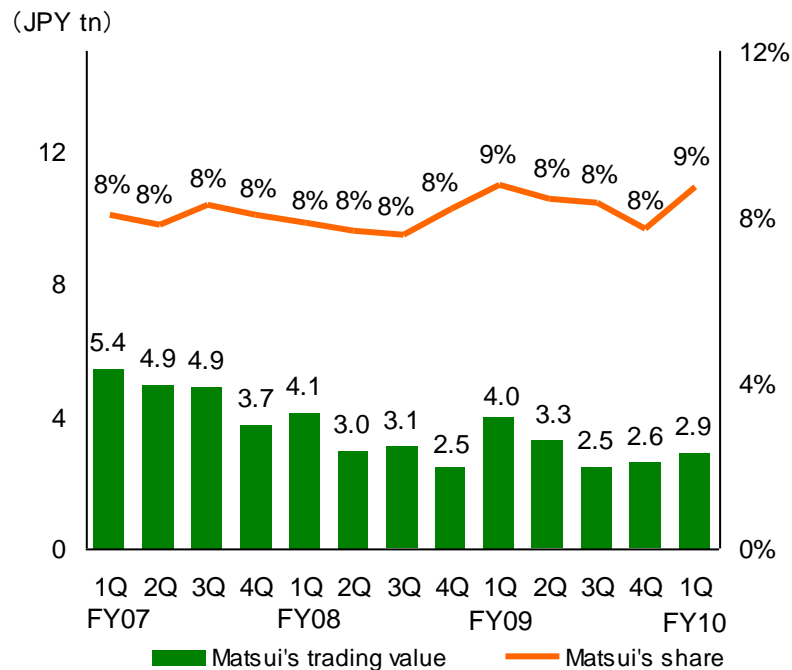


Results of Operation

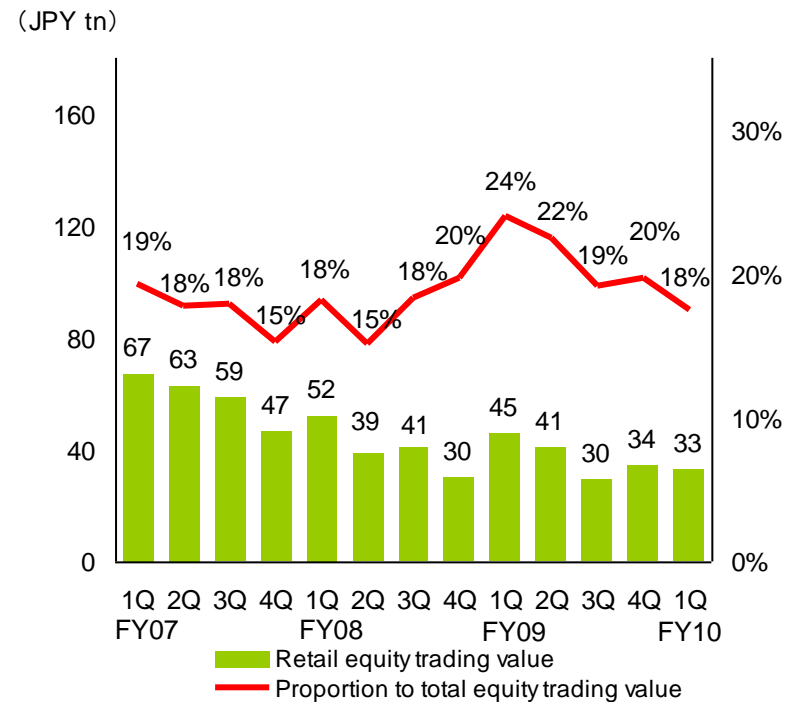
Section 2

Equity Trading Value

◆ Matsui's equity trading value and its market share¹

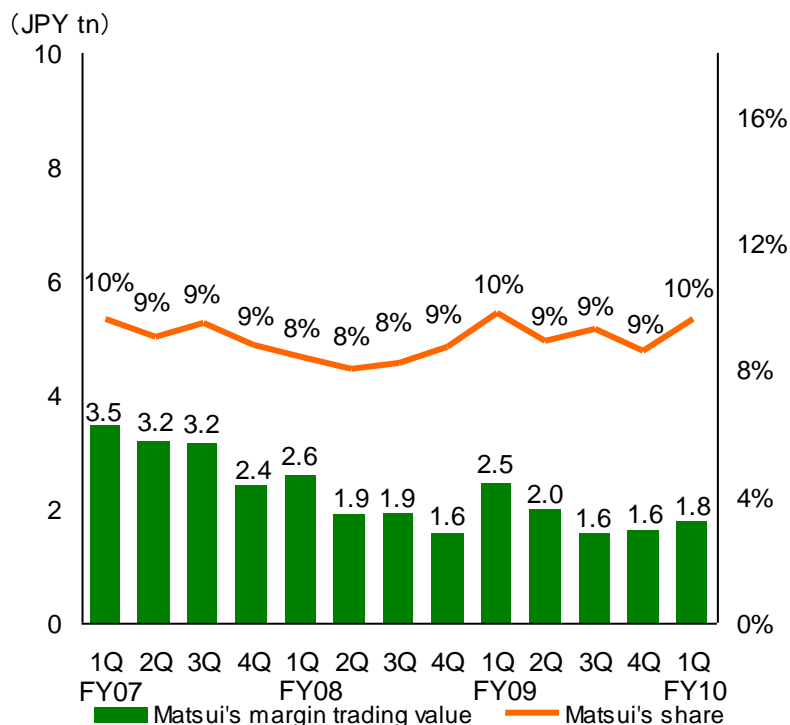


◆ Retail equity trading value¹ and proportion to total equity trading value

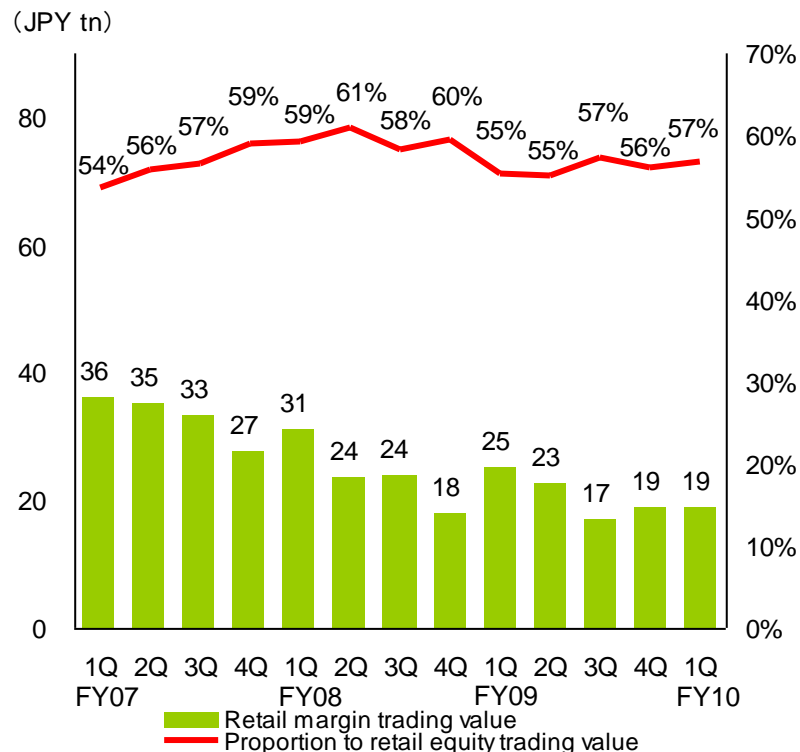


Margin Trading Value

◆ Matsui's margin trading value and its market share¹

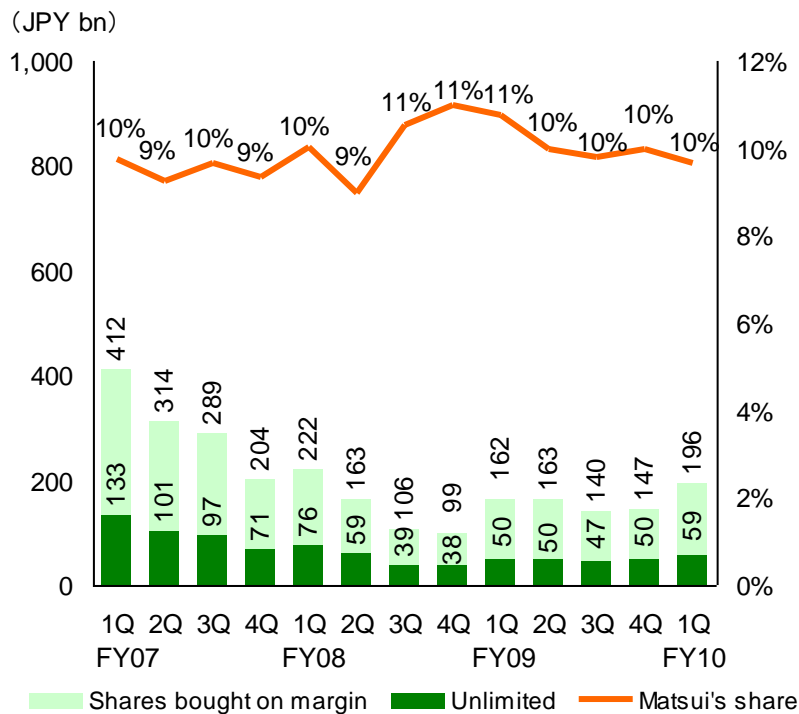


◆ Retail margin trading value¹ and proportion to total retail equity trading value

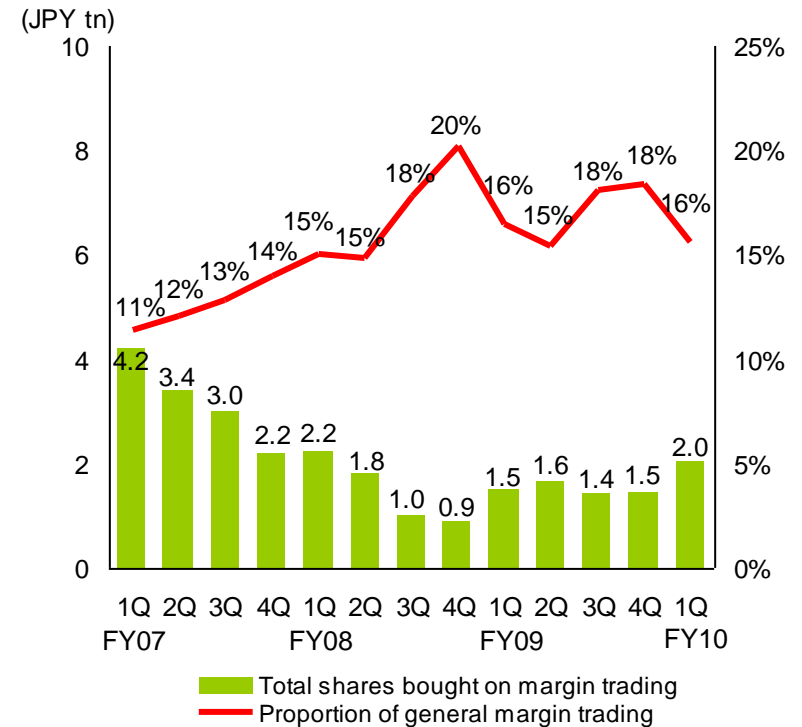


Margin Trading Balance

◆ Matsui's shares bought on margin¹ and its market share²

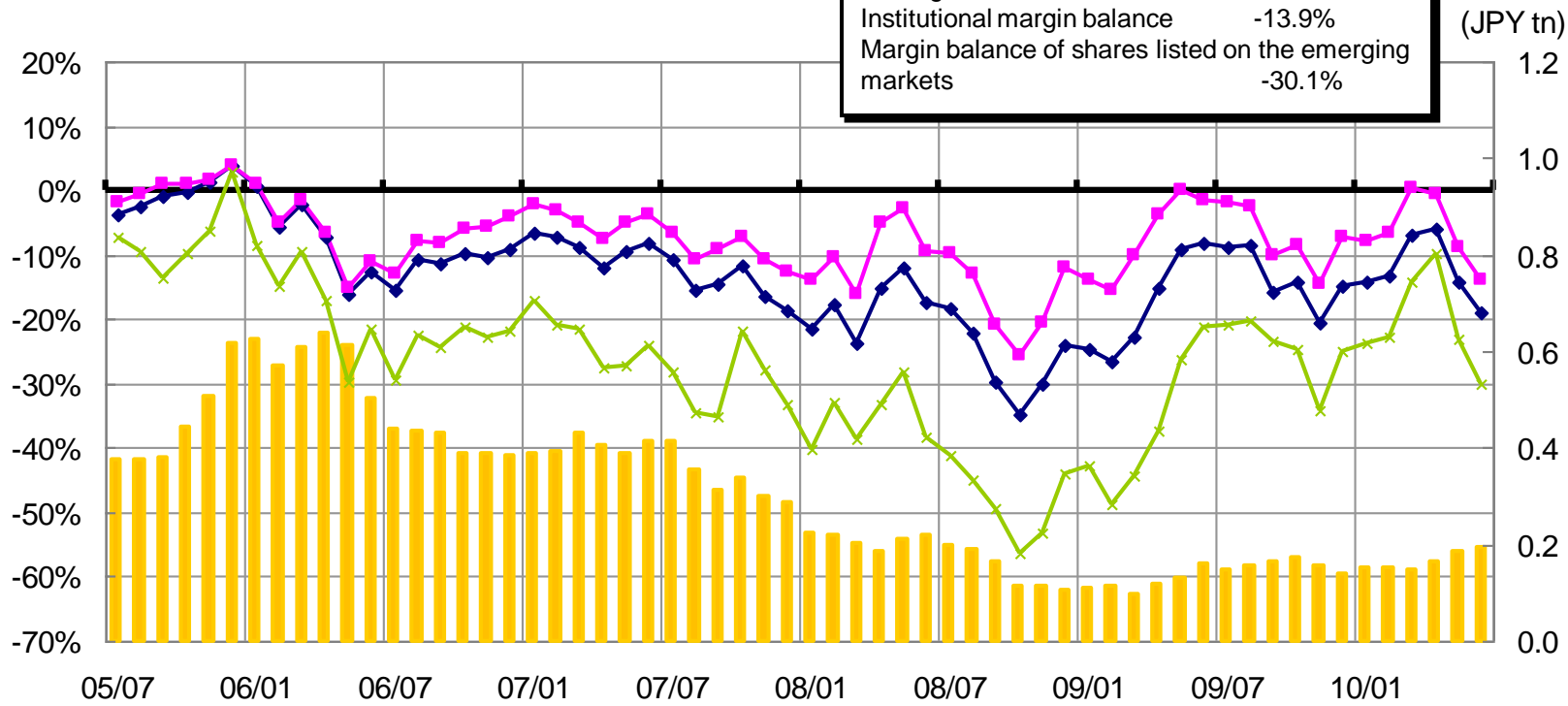


◆ Total shares bought on margin¹ and proportion of general margin trading



Evaluation Losses on Matsui's Margin Balance

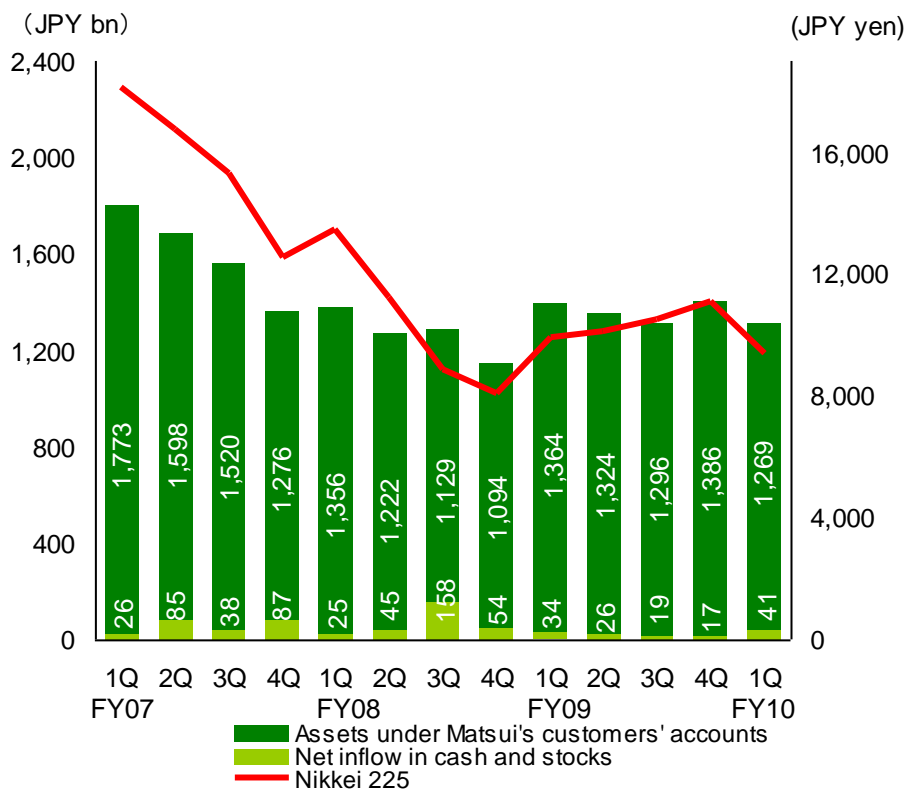
As of 30 Jun. 2010
 Average -18.9%
 Institutional margin balance -13.9%
 Margin balance of shares listed on the emerging markets -30.1%



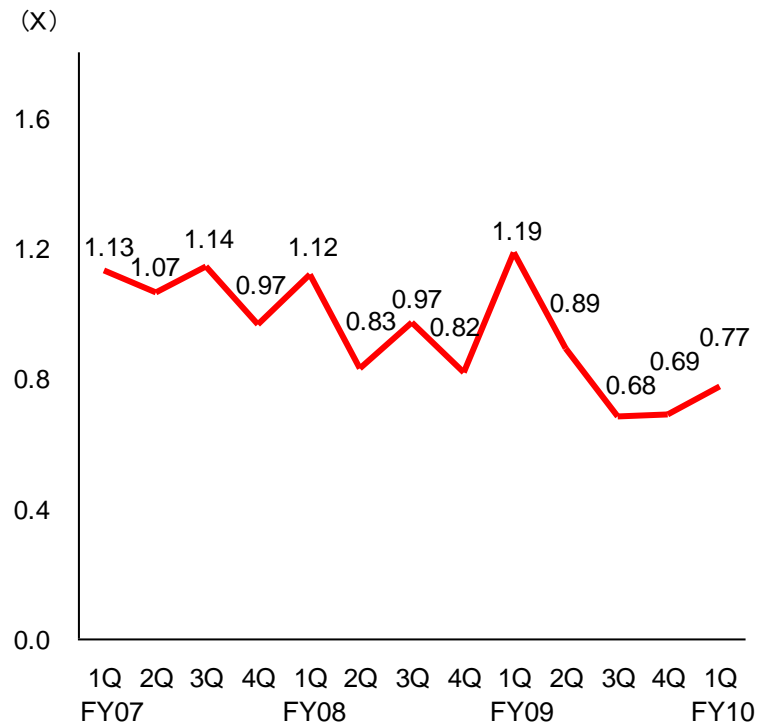
■ Matsui's shares bought on margin (right axis) ◆ Average (left axis)
■ Institutional (left axis) × Shares listed on the emerging markets (left axis)

Assets under Customers' Accounts / Trading Turnover

◆ Assets under Matsui's customers' accounts



◆ Equity trading turnover¹ of Matsui's customers



Source: BOJ

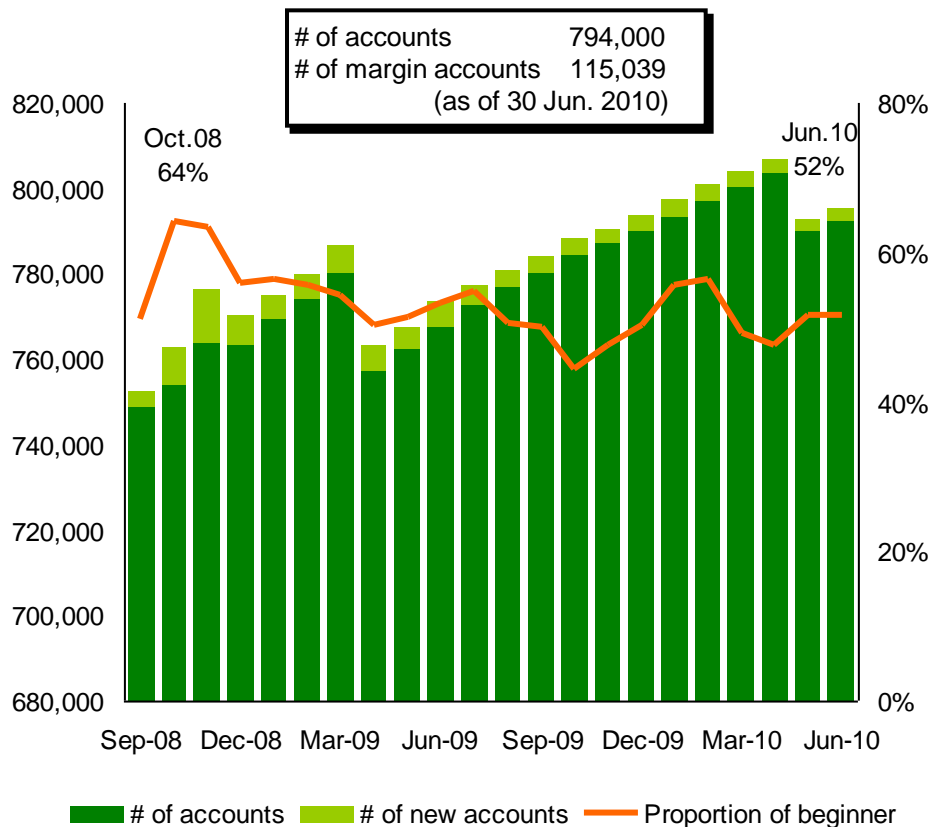
Note 1: Equity trading turnover = (monthly average trading value) / (quarterly average assets under customers' accounts*)

* assets under customers' accounts of Matsui's related persons are excluded

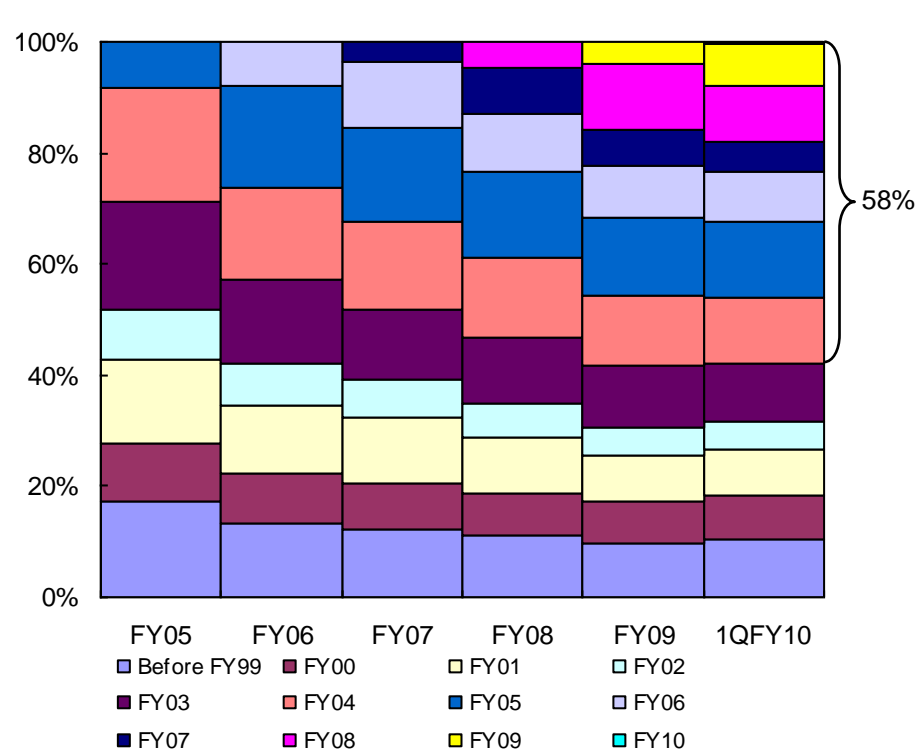
Note 2: Nikkei 225 is the closed price at the end of each quarter

Number of Accounts

◆ Number of accounts at Matsui¹



◆ Breakdown of trading value by customers opening the accounts in each fiscal year

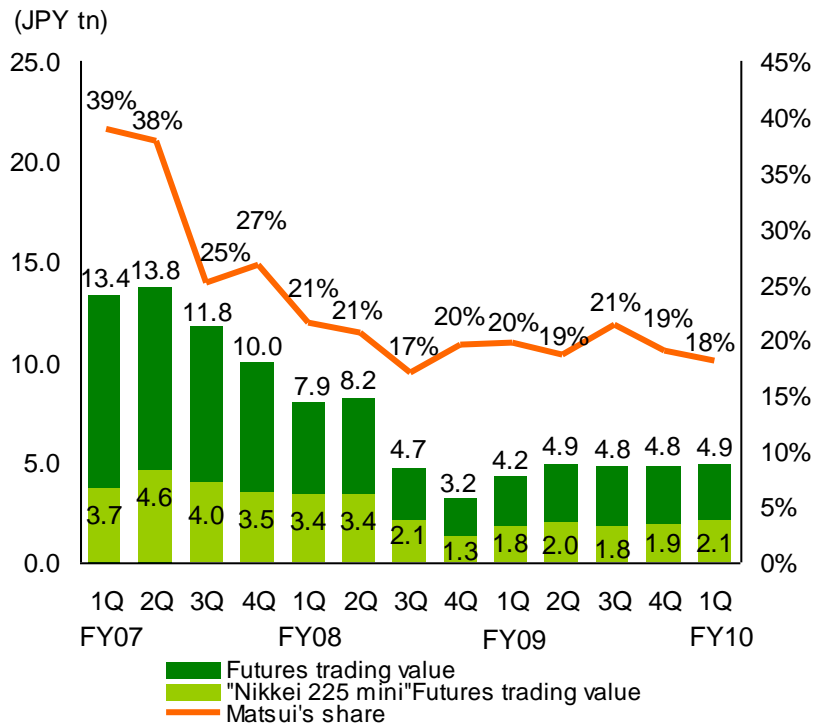


Note 1: Number of accounts as of the end of each month

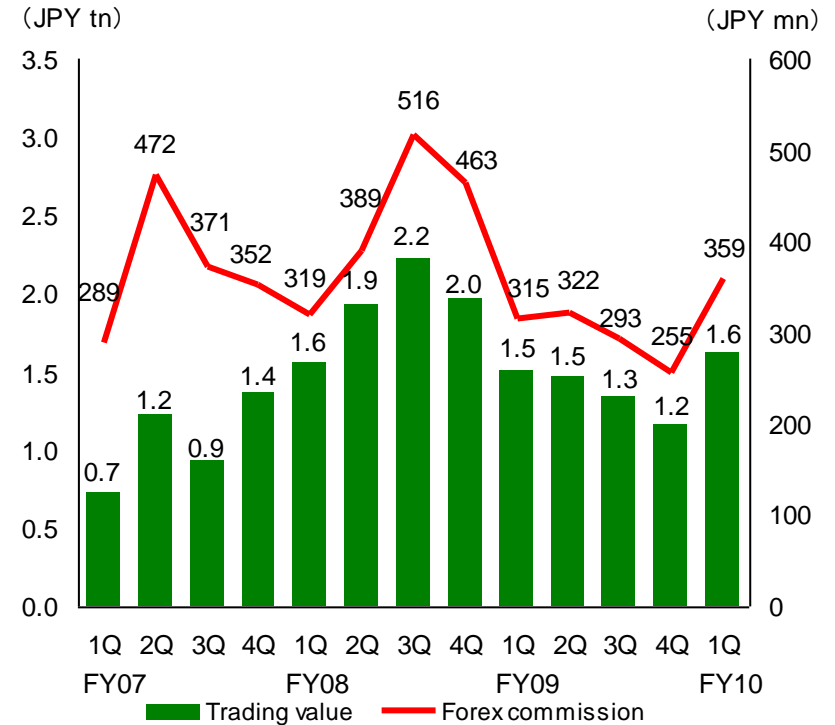
Dormant accounts were closed down 11,140 in Dec. 2008, 28,846 in Apr. 2009 and 16,431 in May 2010

Nikkei 225 Futures / Forex Margin Trading (NetFx)

◆ Matsui's Nikkei 225 Futures trading value and its market share¹



◆ Matsui's Forex margin commission income and trading value

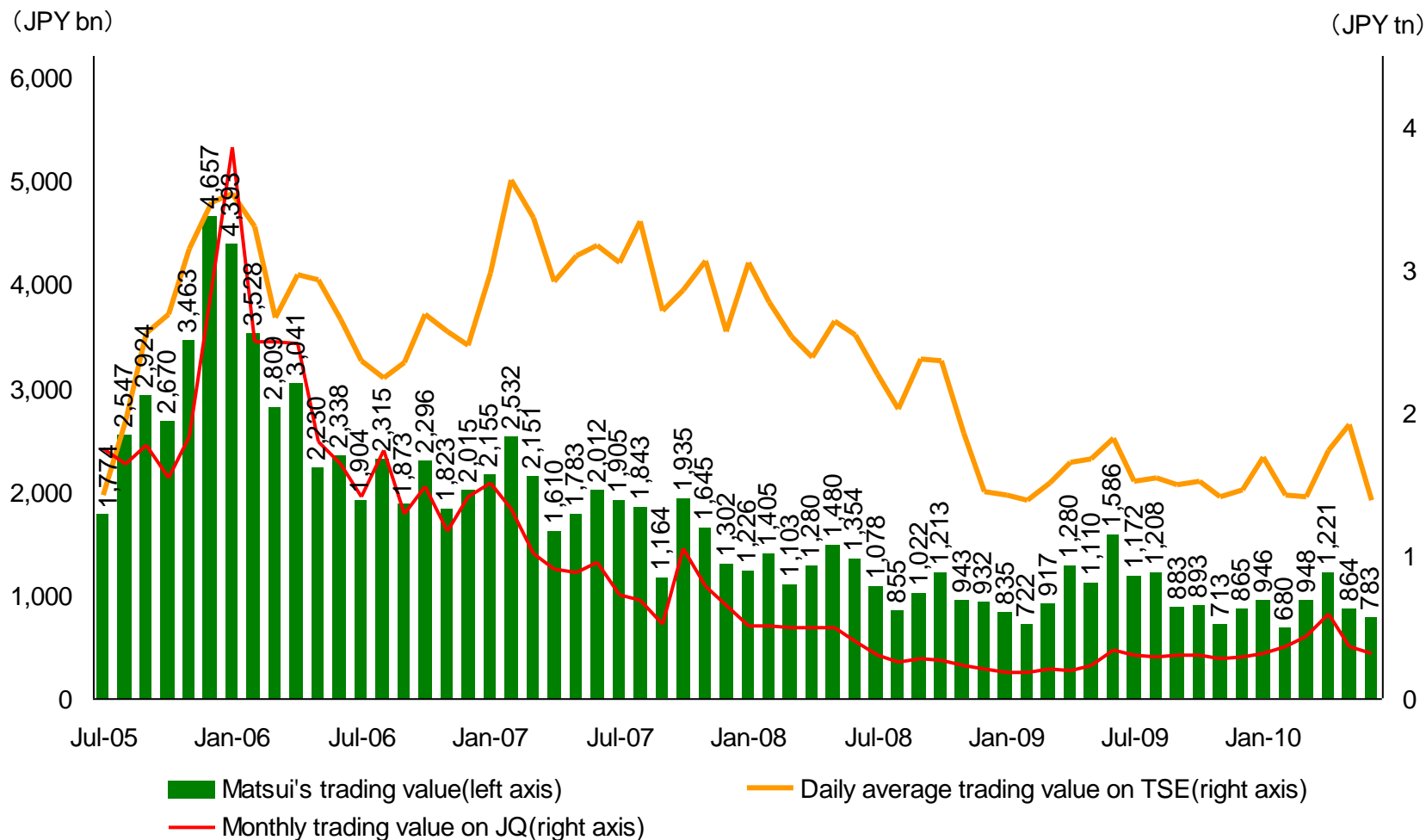


Source: OSE (Osaka Securities Exchange)

Note 1: The steep decrease in market share in 3QFY07 is due to a statistical reason
 (a part of brokers' trading value has been included in that of retail since 3QFY07)

Equity Trading Value

◆ Matsui's monthly equity trading value



Recent Developments

Section 3

Corporate Strategy

Our Purpose

We will provide superior quality of trading platform for retail investors based upon "customer-centered strategy"



Our Achievements

- ◆ Pioneer in providing full-fledged online brokerage services in Japan
- ◆ Customer-oriented trading rule for margin trading
- ◆ "Box Rate" fee structure
- ◆ Pioneer in developing unlimited margin trading
- ◆ Pioneering approach to "NetFx" "Nikkei 225 futures and Nikkei 225 Options"

Our Direction

- ◆ Develop unique and innovative services
- ◆ Focus on brokerage business
- ◆ Pursue the services which expand brokerage (flow) business rather than asset gathering related (stock) services

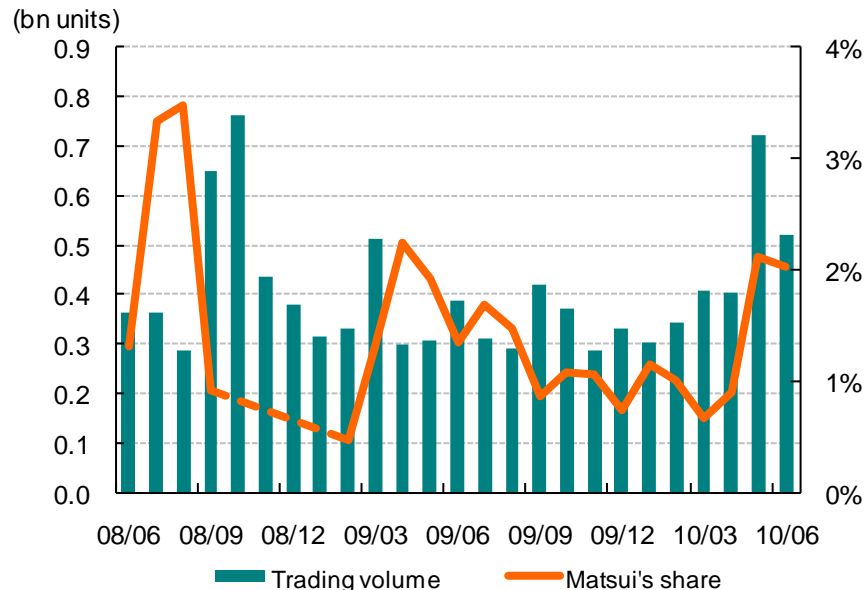
The CME “Nikkei 225” Futures Trading

Rapid growth in number of volume since starting the Intraday Account

◆ Recent Results (maximum of 4/1-6/30)

- # of accounts : 13,234 (As of 30 Jun.10)
- Trading value : 12.7bn (6 May10)
- Market share : 3.5% (24 May10)

◆ Trading Volume of the CME “Nikkei 225” Futures (Yen denominated)



◆ Undertakings in 1QFY10

■ Start the Intraday Account (April 2010)

~ “Intraday Account”

Able to trade with smaller amount of margin during a given period of time (from the opening till 15 min. before the closing)

~ Merits for the Intraday Account

Enable customers to trade with smaller amount of margin, which is a quarter of ordinary margin

■ Introduce the World Real-Time Chart (June 2010)

Real-time information tool that provides market information of GLOBEX listed on CME for 24 hours

■ Start trading for mobile phone (July 2010)

< mobile trading tool >

<World Real-Time Chart >



RTGS / The OSE's Forex Margin Trading

◆ Real-Time-Gross-Settlement

- Steady operation of system, secure liquidity is the highest priority
- # of accounts : 40,120 (As of 30 Jun. 10)

~ Undertakings in 1QFY10 ~

- No commission charge up to JPY10mn of trading value (~Sep.10)



Appeal the merits of RTGS

- Enable customers to day-trade the same stock several times on the same day
- Possible to trade during 11AM-12AM
- Possible to transfer the proceeds of the sale of shares to the bank account using the real-time disbursement service
- Increase in trading capacity of customers as result of increase in margin ratio immediately upon selling collateral securities

~ Future Developments ~

- Introduce margin transaction in order to increase liquidity

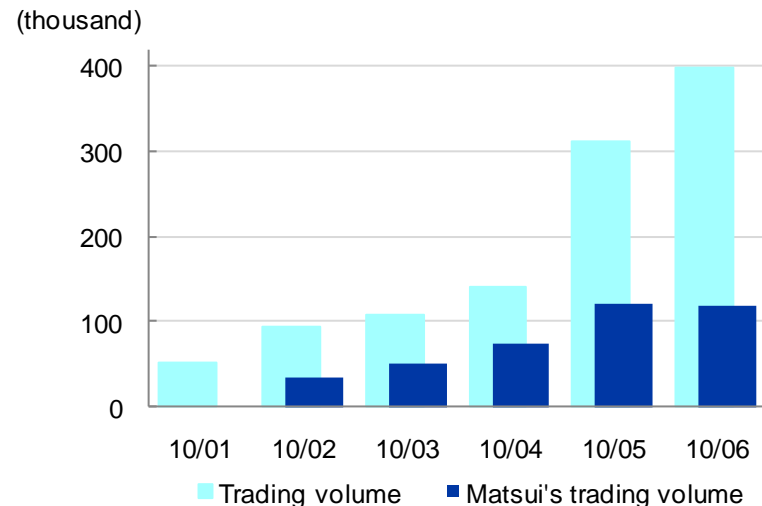
◆ Recent Results of the OSE's FX (maximum of 2/1-)

- # of accounts : 5,646 (As of 30 Jun. 10)
- Trading volume : 13,153 (7 May 10)

~ Undertakings in 1QFY10 ~

- Discount commission charge for new customers
- Introduction of the virtual trading service for the OSE's FX with virtual money of JPY100mn

◆ Trading Volume of the OSE's FX



Details of Newly Offered Services

Campaign/Promotion	Improvement in Quality of Services to Customers
<ul style="list-style-type: none"> ◆ No commission charge for transferring stocks from other brokers (4/1-5/31,7/12-8/13) ◆ No commission charge for RTGS up to JPY10mn of trading value (4/1-6/30,7/1-9/30) ◆ Discount of commission charge for Nikkei 225 futures trading among new futures/options customers (4/26-6/30) ◆ No commission charge for CME Nikkei 225 futures trading for new customers (4/27-5/31,6/1-6/30,7/5-7/30) ◆ Discount of commission charge for new OSE's FX customers (5/17-6/30) 	<ul style="list-style-type: none"> ◆ Renew “Investment Information” (4/23-) ~Expand the investment information offering on the WEB site ◆ Start the Intraday Account for CME Nikkei 225 futures trading (4/27-) ~Able to trade with smaller amount of margin during a given period of time ◆ Introduce the virtual trading service for the OSE's FX (6/7-) ~Able to trade with virtual money of JPY100mn ◆ Introduce the World Real-Time Chart (6/11-) ~Real-time information tool that provides market information of GLOBEX listed on CME for 24 hours ◆ Start CME Nikkei 225 futures trading for mobile phone (7/5-)

The material is intended to provide the financial results for the quarter ended 30 June 2010 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 July 2010. 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.

This presentation may contain forward looking information. Please keep in mind that they are based on projections of the company and subject to changes depending on the situation. We will under no circumstances assume the obligation to revise this presentation in case such situation occurs.

Contact information

Matsui Securities Co., Ltd.

URL: <http://www.matsui.co.jp/ir/en/>

Tel: +81-3-5216-0784 Fax: +81-3-5216-8638

Mail: ir@matsui.co.jp

Akira WARITA, Director : a-warita@matsui.co.jp

Kumiko HAYASHI : k-hayashi@matsui.co.jp