

Results for 1QFY2023
Matsui Securities Co., Ltd.
July 28, 2023

INDEX

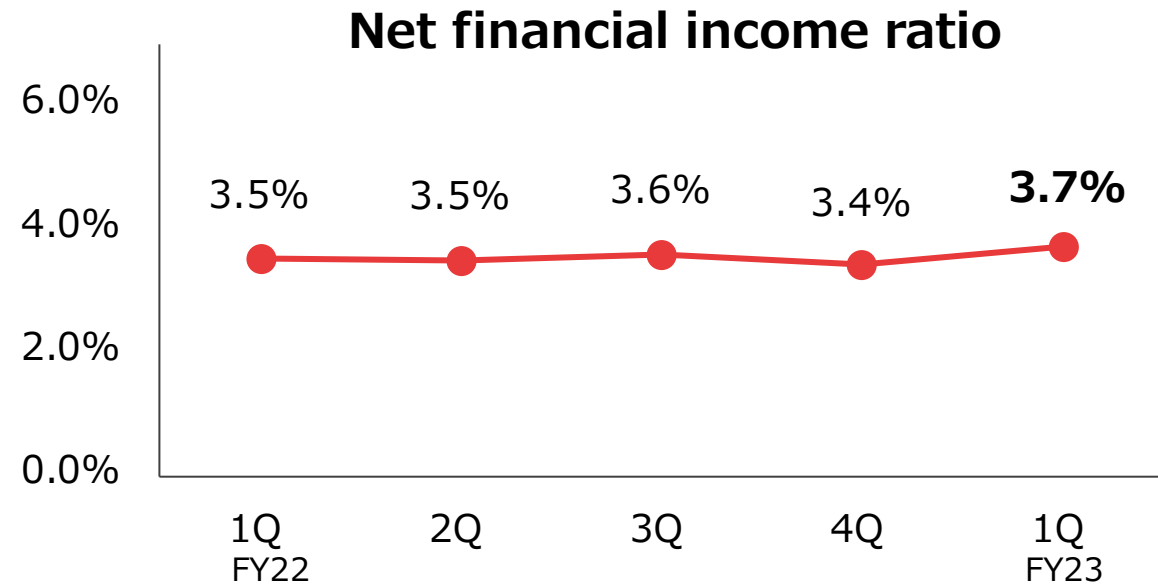
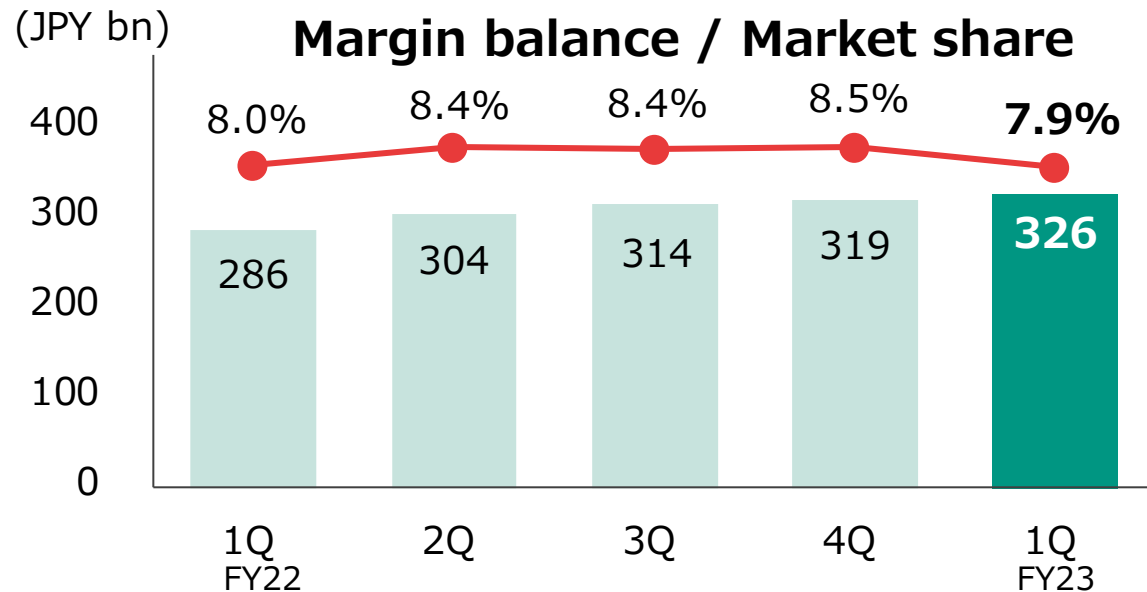
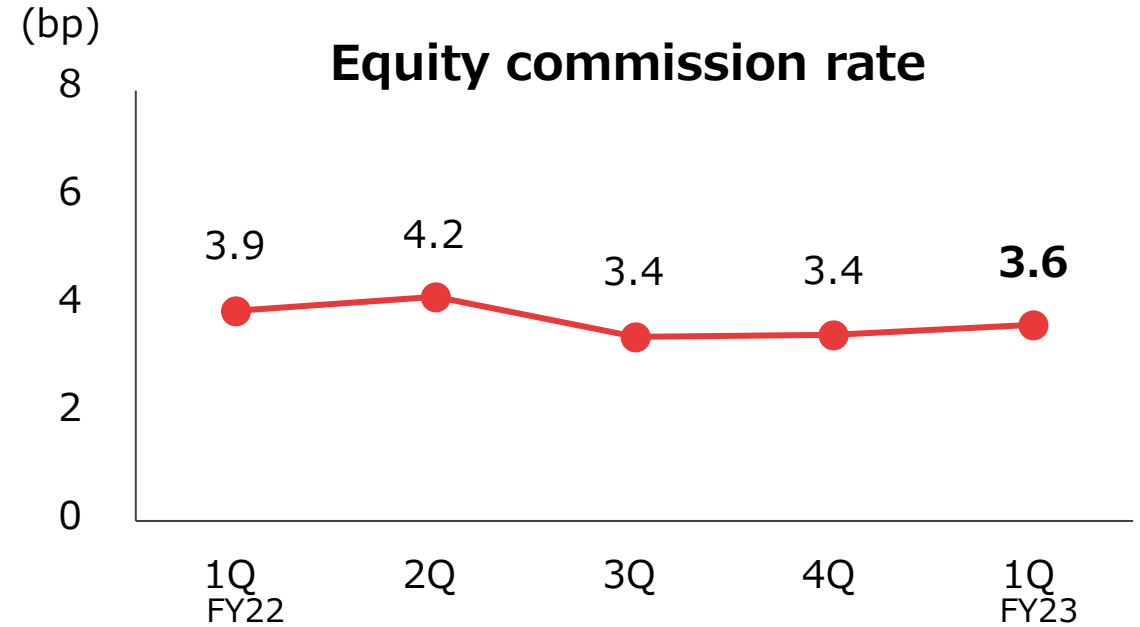
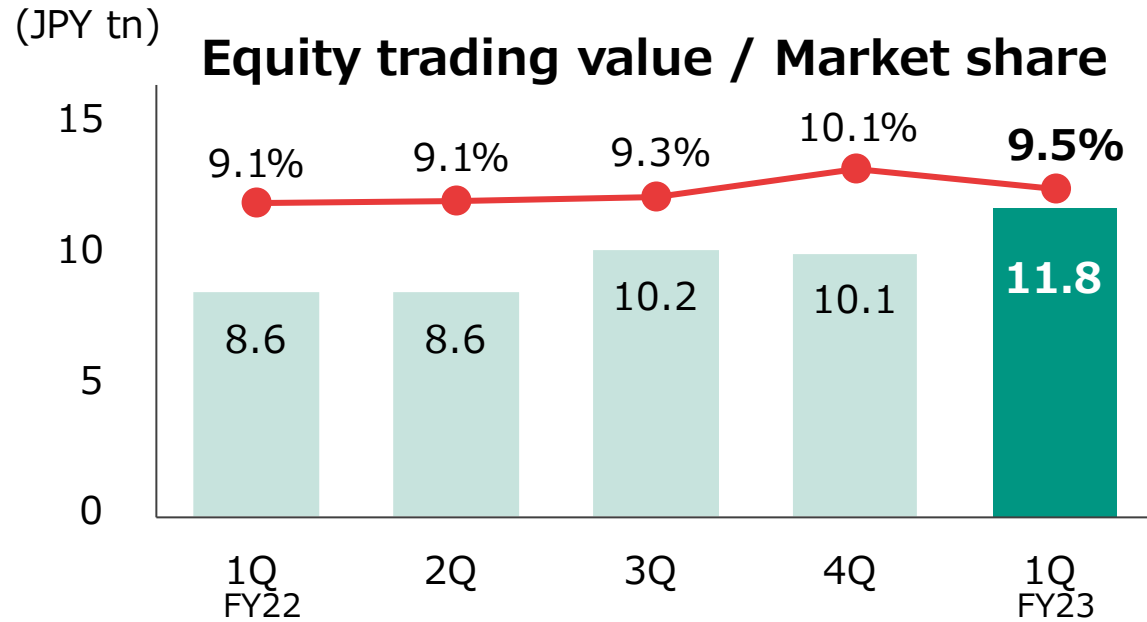
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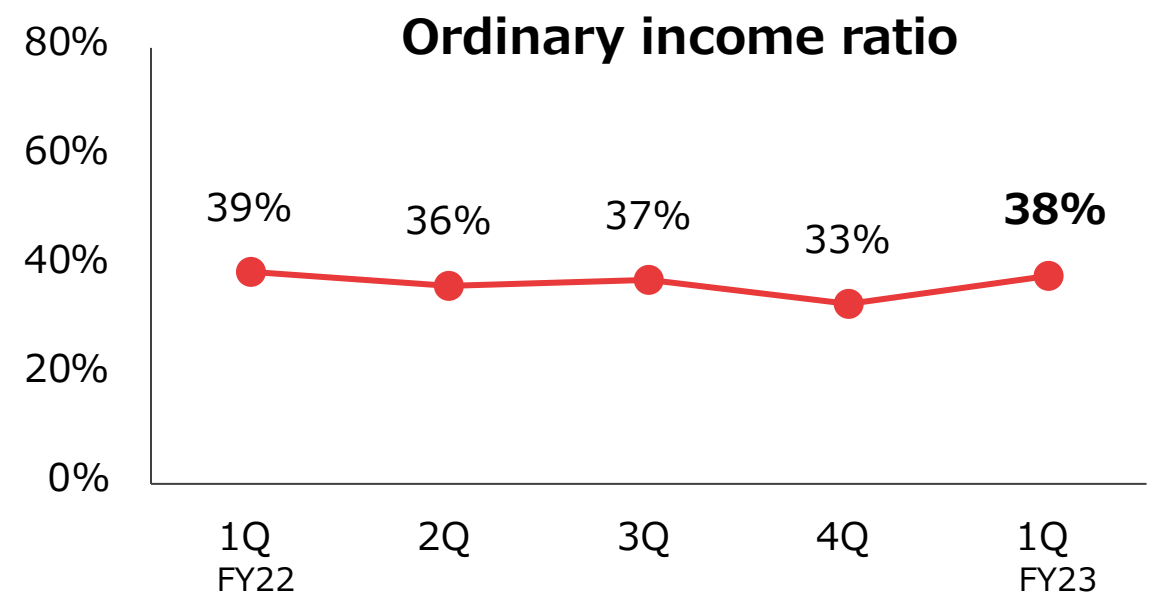
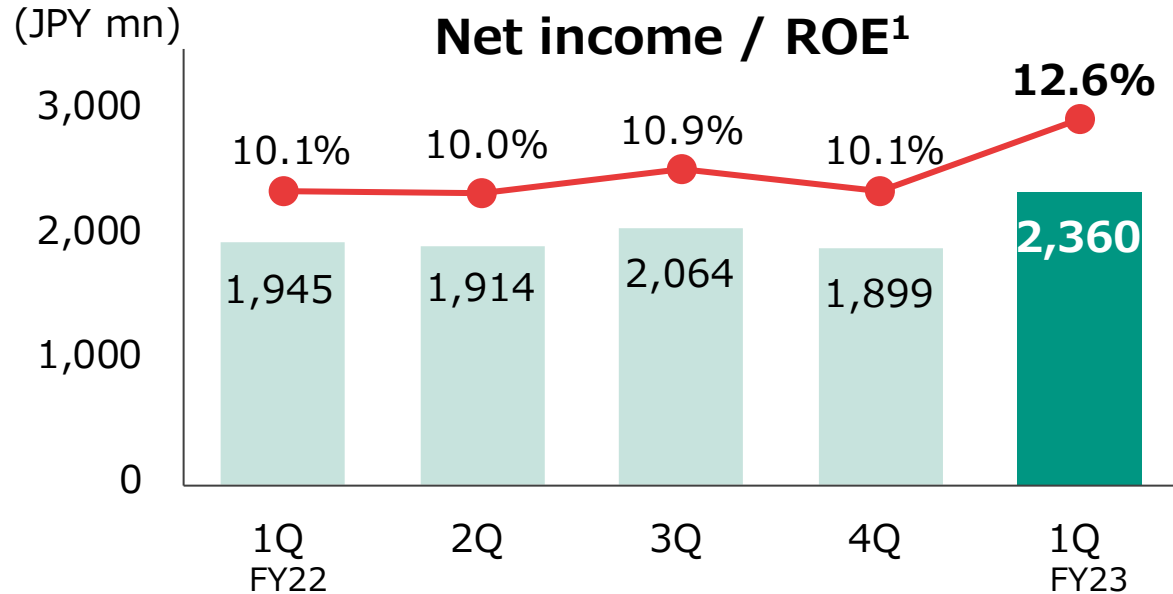
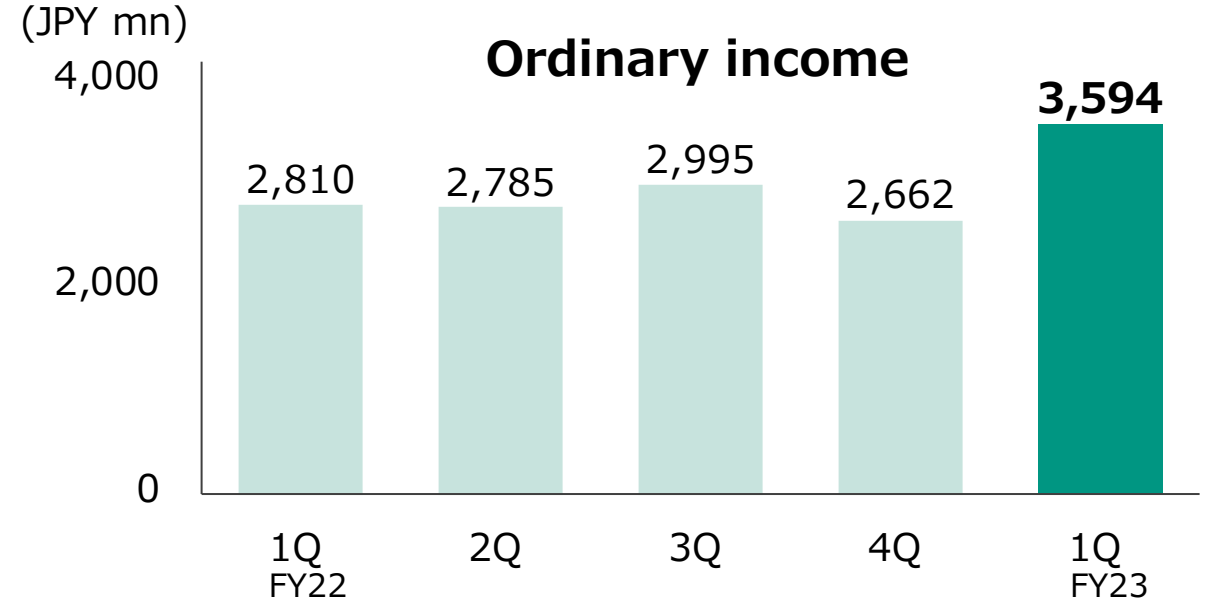
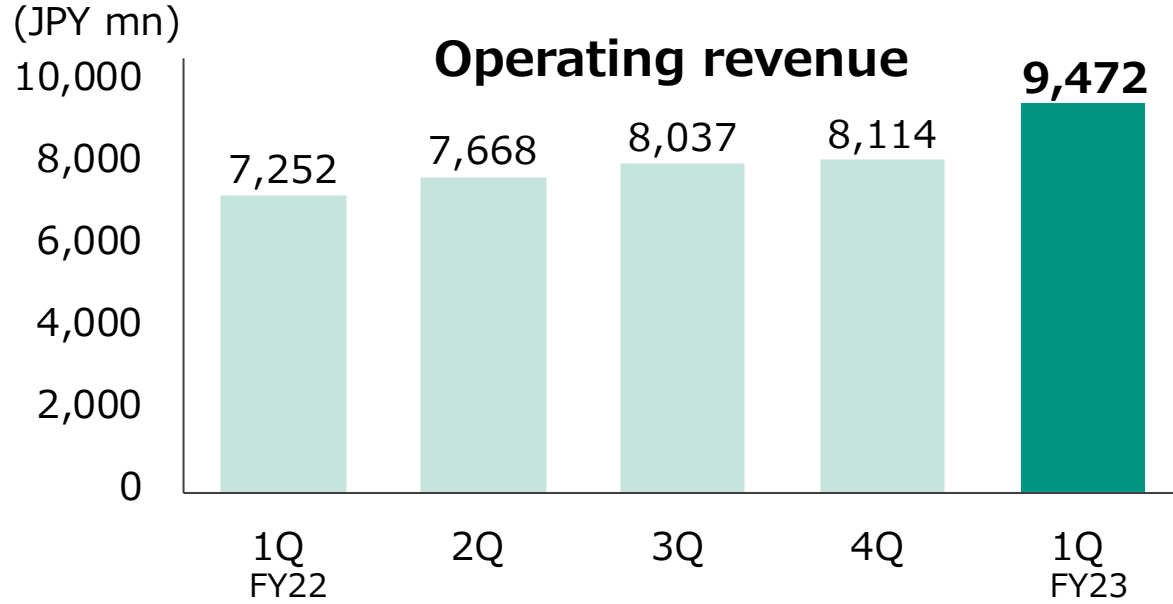
**03 Management Strategy
Recent Developments**

Appendix

Business Results



Financial Results



Note 1: Annualized on each quarter.

Financial Summary

Summary of Financial Results

1Q FY2023

(JPY mn)

	1Q(Apr.-Jun.) FY2022	1Q(Apr.-Jun.) FY2023	YoY
Operating Revenues	7,252	9,472	31%
Net operating revenues	6,858	8,232	20%
SG&A	4,032	4,636	15%
Operating income	2,826	3,596	27%
Ordinary income	2,810	3,594	28%
Net income	1,945	2,360	21%
Ordinary income ratio	39%	38%	-
Matsui's trading value (JPY tn)	8.6	11.8	38%
Average margin balance (JPY bn)	281	312	11%

Breakdown of Net Operating Revenues

1Q FY2023

(JPY mn)

	1Q(Apr.-Jun.) FY2022	1Q(Apr.-Jun.) FY2023	YoY
Commissions	3,933	4,850	23%
Brokerage	3,734	4,611	23%
Equity & ETF	3,372	4,342	29%
Futures & Options	362	269	-26%
Others	195	208	7%
Net trading income	454	443	-2%
Net interest income	2,471	2,939	19%
Interest & dividend income	2,865	4,178	46%
Interest expenses	394	1,239	214%
Net operating revenues	6,858	8,232	20%

Breakdown of SG&A

1Q FY2023

(JPY mn)

	1Q(Apr.-Jun.) FY2022	1Q(Apr.-Jun.) FY2023	YoY
Trading related expenses	1,366	1,468	8%
Stock exchanges and securities	351	408	16%
Communications expenses	479	307	-36%
Advertisement	304	489	61%
Personnel expenses	778	870	12%
Occupancy & rental	224	236	5%
Data processing & office supplies	902	1,143	27%
Depreciation	609	743	22%
Taxes and dues	114	114	-0%
Provision of allowance for doubtful accounts	△ 33	△ 19	-
Others	72	81	11%
Total SG&A	4,032	4,636	15%

Summary of Financial Results

Quarterly

(JPY mn)

	4QFY2022	1QFY2023	QoQ
Operating Revenues	8,114	9,472	17%
Net operating revenues	7,187	8,232	15%
SG & A	4,505	4,636	3%
Operating income	2,682	3,596	34%
Ordinary income	2,662	3,594	35%
Net income	1,899	2,360	24%
Ordinary income ratio	33%	38%	-
Matsui's trading value (JPY tn)	10.1	11.8	17%
Average margin balance (JPY bn)	306	312	2%

Breakdown of Net Operating Revenues

Quarterly

(JPY mn)

	4QFY2022	1QFY2023	QoQ
Commissions	3,992	4,850	22%
Brokerage	3,743	4,611	23%
Equity & ETF	3,504	4,342	24%
Futures & Options	240	269	12%
Others	230	208	-10%
Net trading income	688	443	-36%
Net interest income	2,508	2,939	17%
Interest & dividend income	3,434	4,178	22%
Interest expenses	926	1,239	34%
Net operating revenues	7,187	8,232	15%

Breakdown of SG&A

Quarterly

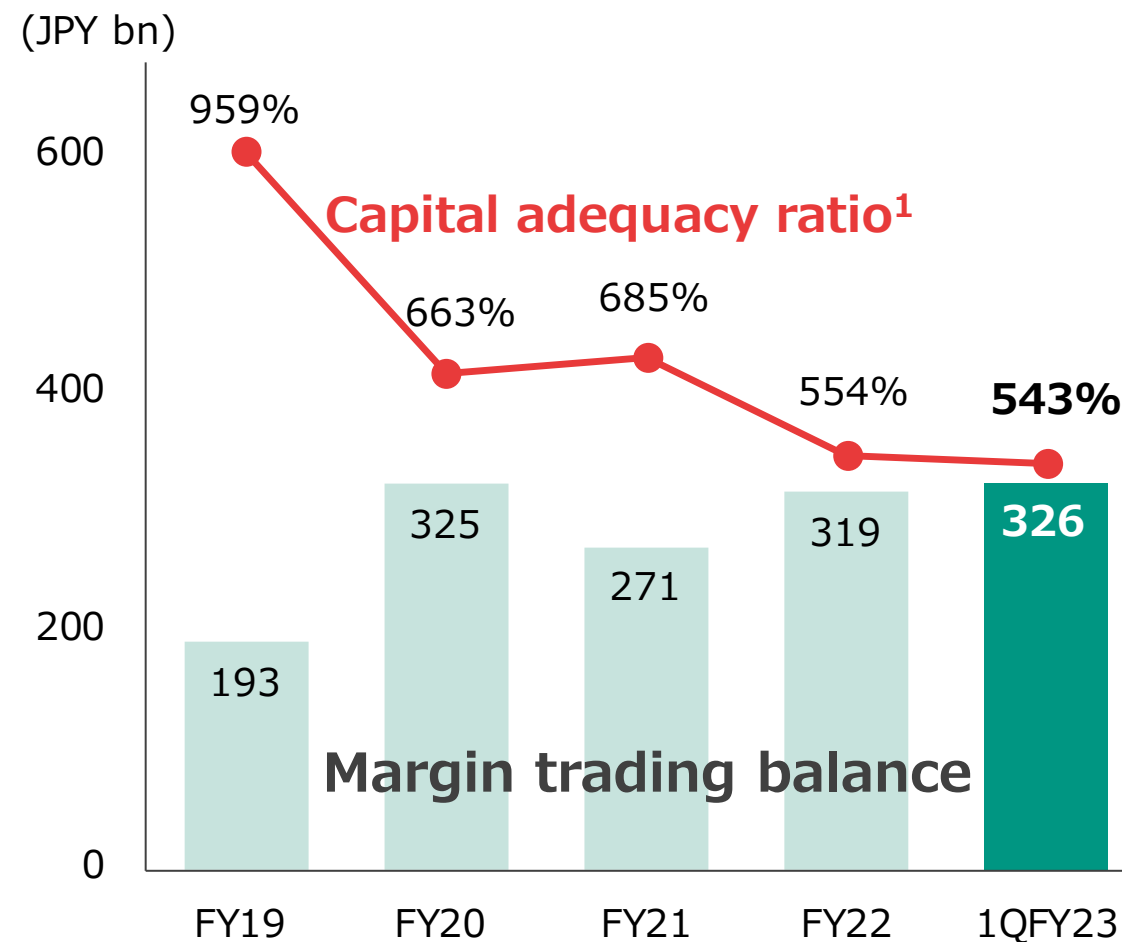
(JPY mn)

	4QFY2022	1QFY2023	QoQ
Trading related expenses	1,453	1,468	1%
Stock exchanges and securities	366	408	12%
Communications expenses	313	307	-2%
Advertisement	522	489	-6%
Personnel expenses	867	870	0%
Occupancy & rental	257	236	-8%
Data processing & office supplies	1,096	1,143	4%
Depreciation	678	743	10%
Taxes and dues	88	114	29%
Provision of allowance for doubtful accounts	17	△ 19	-
Others	48	81	69%
Total SG & A	4,505	4,636	3%

Capital adequacy ratio (As of 30 June 2023)

(JPY mn)		
Tier 1 (A)		73,307
Tier 2	Net unrealized gain on investment	306
	Statutory reserves	3,286
	Allowance for doubtful accounts	11
	Sub total (B)	3,603
Assets to be deducted from equity capital (C)		16,349
Net Capital (A) + (B) - (C) (D)		60,562
Total risk	Market risk	20
	Counterparty risk	6,837
	Basic risk	4,281
	Total (E)	11,138
Capital Adequacy ratio (D)/(E)		543%

Margin trading balance and capital adequacy ratio

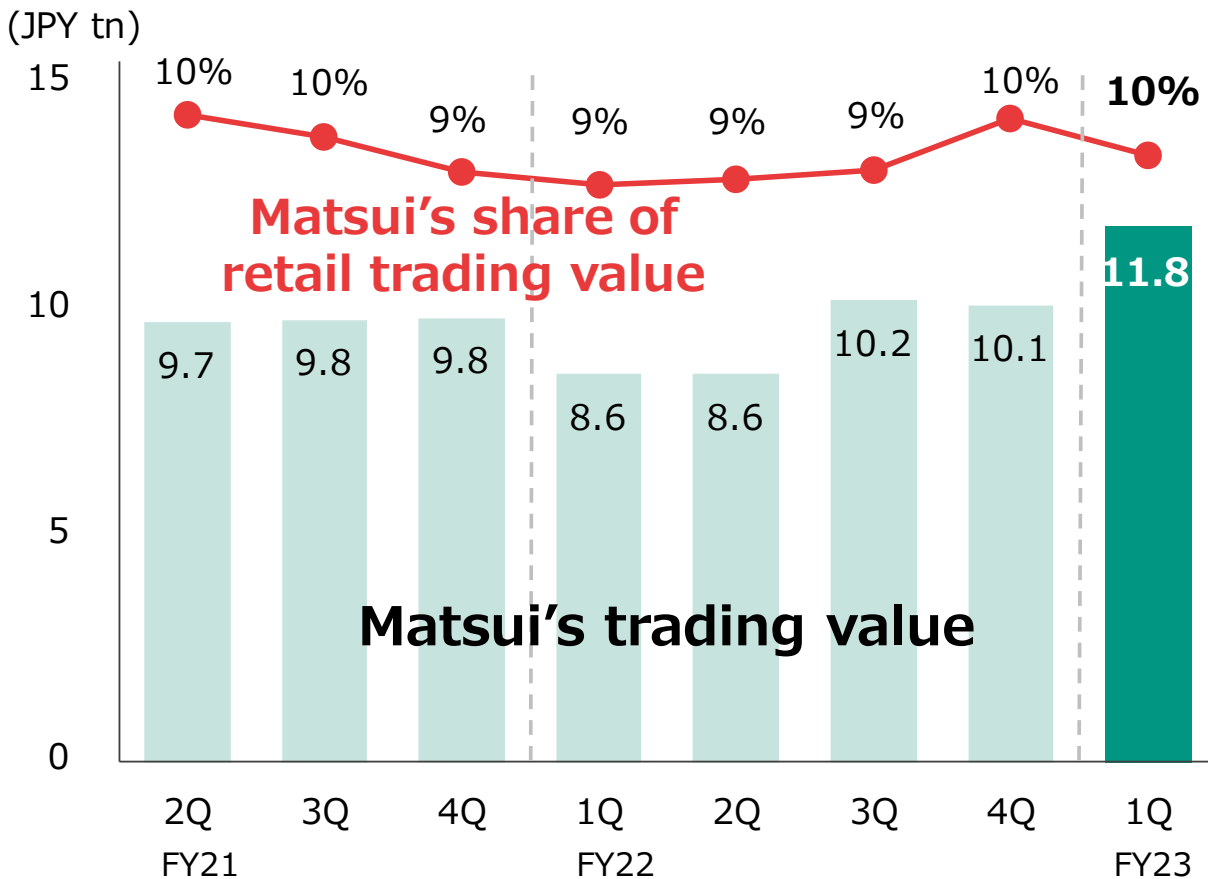


Note 1 : The average of capital adequacy ratio of the five major online brokers is 369%.
(as of Mar. 31, 2023)

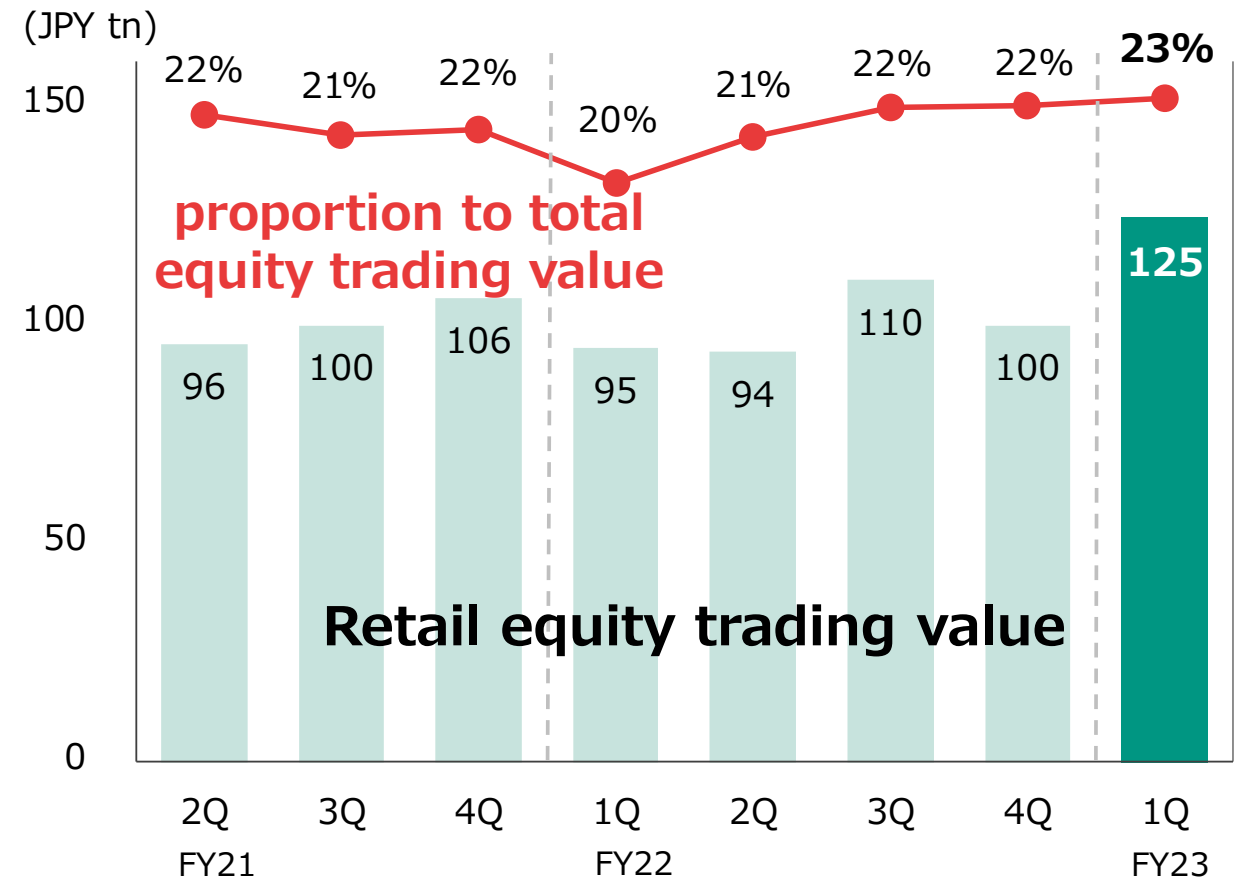
Business Results

Equity Trading Value

Matsui's equity trading value and its market share¹



Retail equity trading value¹ and proportion to total equity trading value

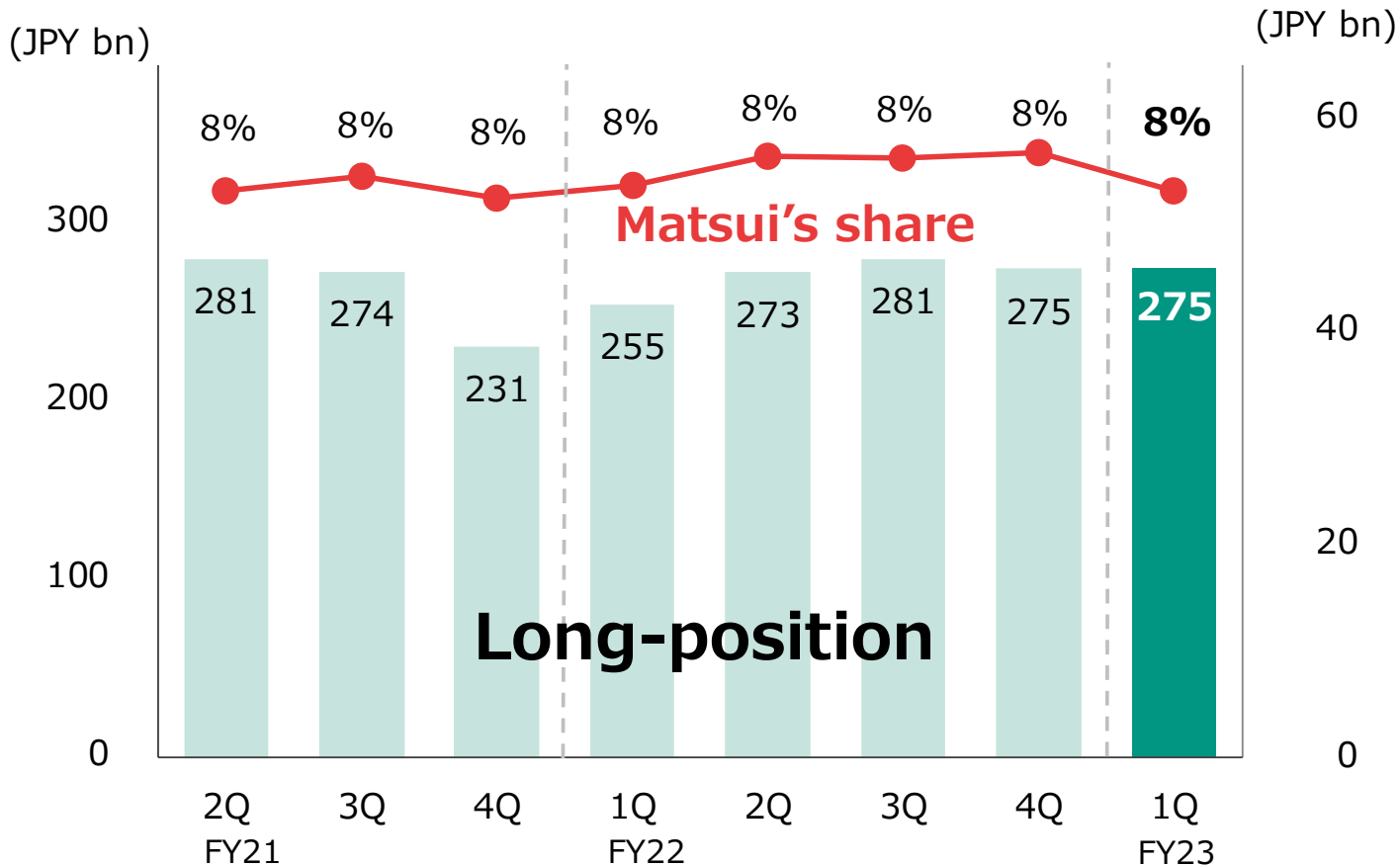


Source: TSE

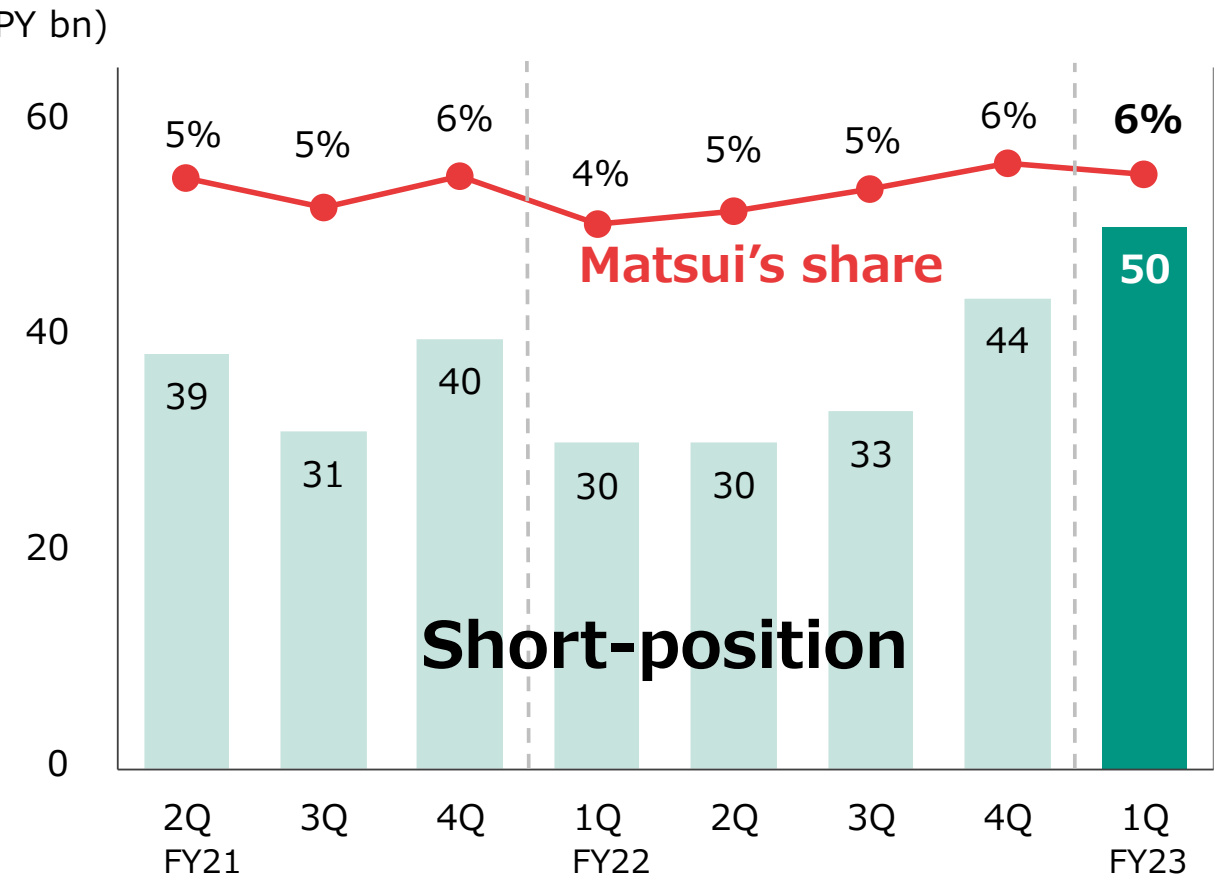
Note 1: Sum of the retail equity trading value on 2 major stock exchanges

Margin Trading Balance

**Matsui's long-position on margin¹
and its market share²**



**Matsui's short-position on margin¹
and its market share²**

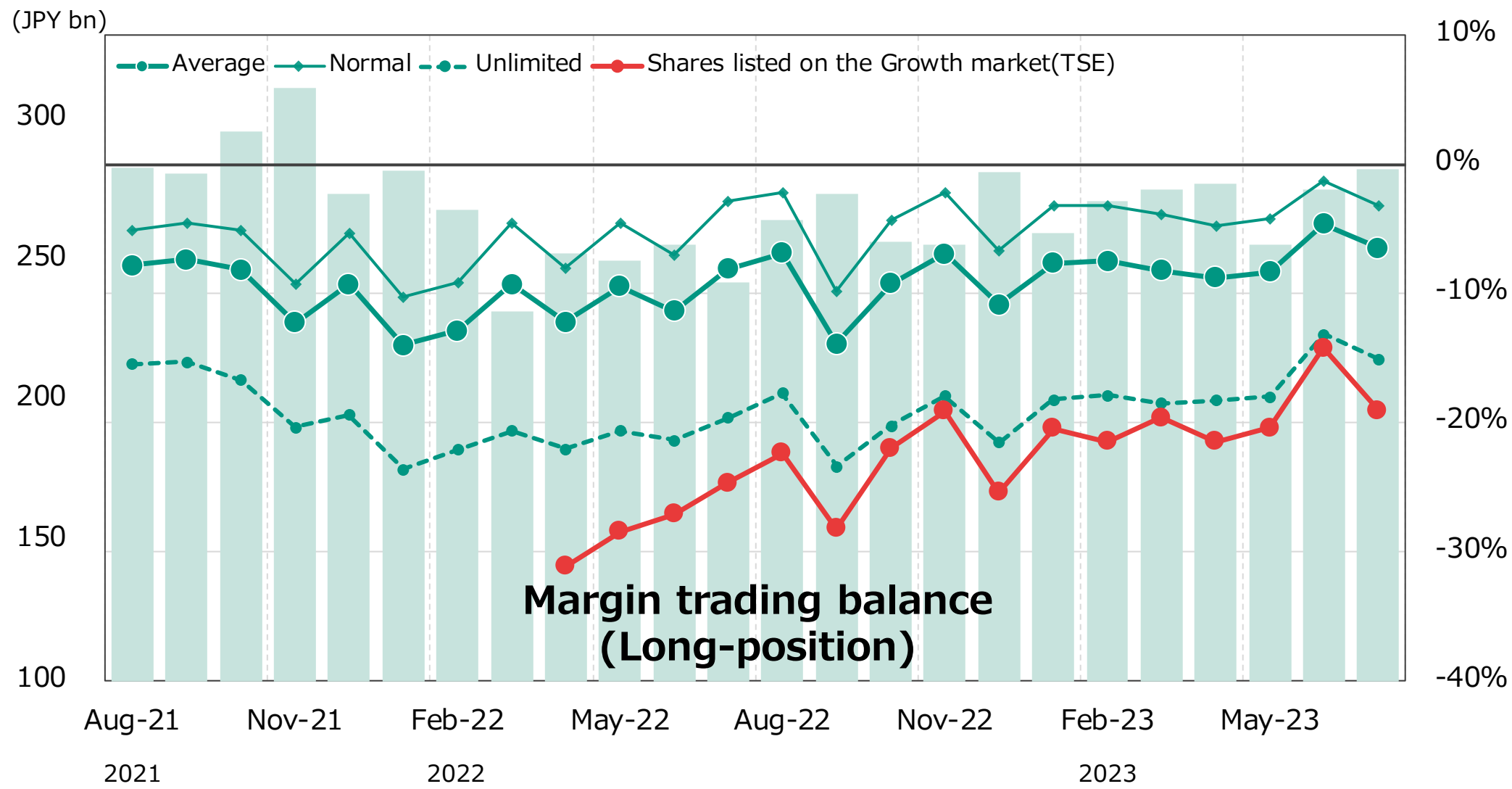


Source: TSE, Company Websites

Note1 : Balance as of the end of each quarter

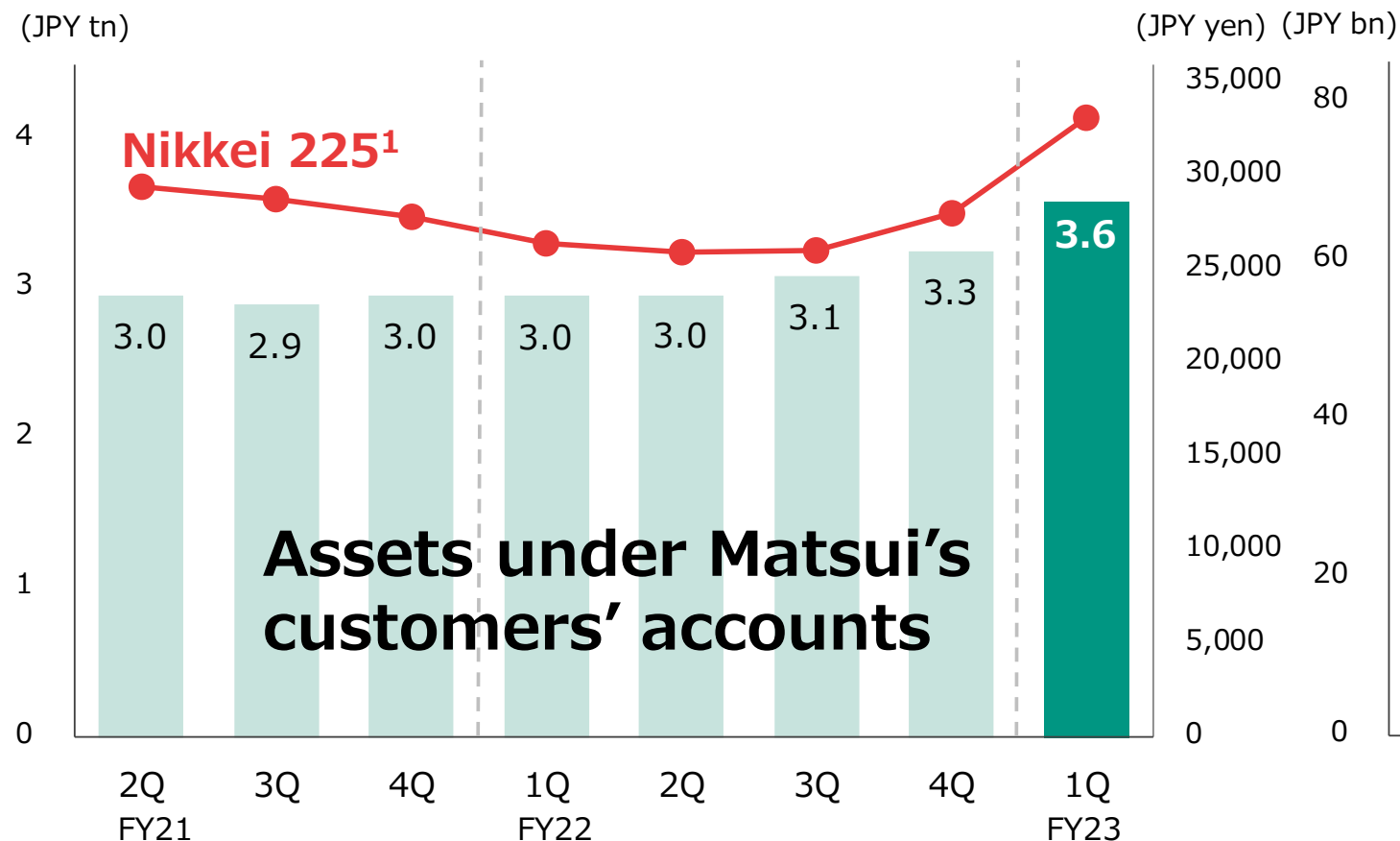
Note2 : Total market share in 2 major stock exchanges

Unrealized Losses (Long-position)

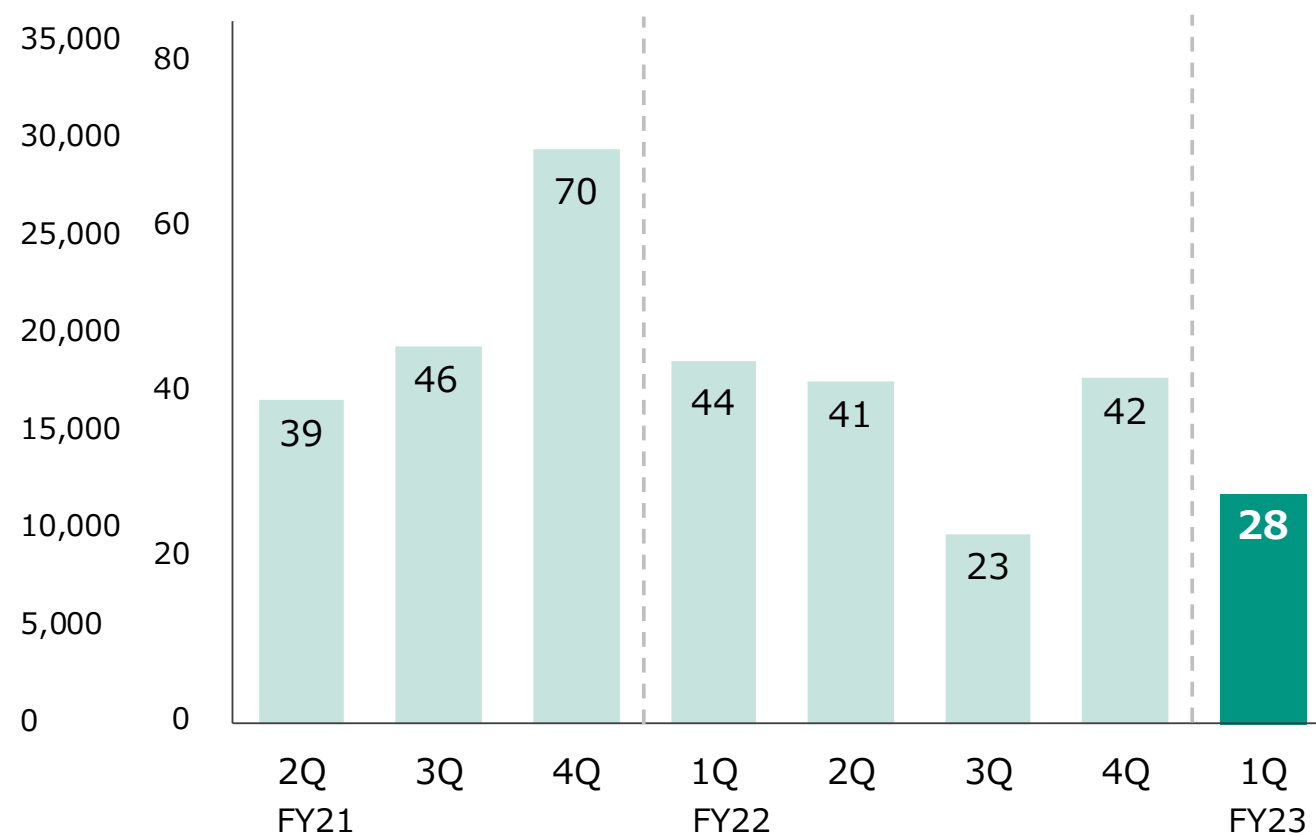


Assets under Customers' Accounts

Assets under Matsui's customers' accounts



Net inflow in cash and stocks²

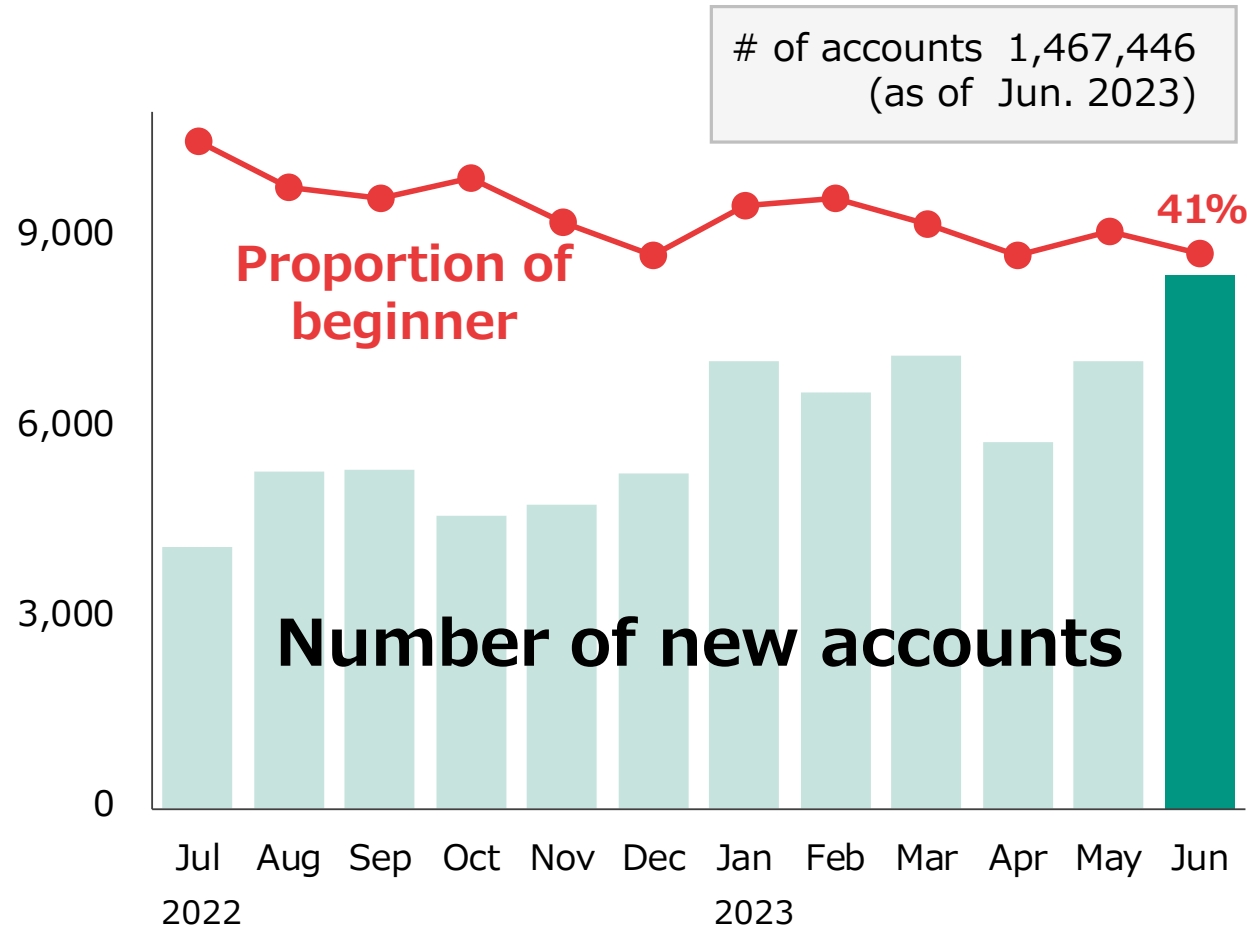


Note 1: Nikkei 225 is the closed price at the end of each quarter

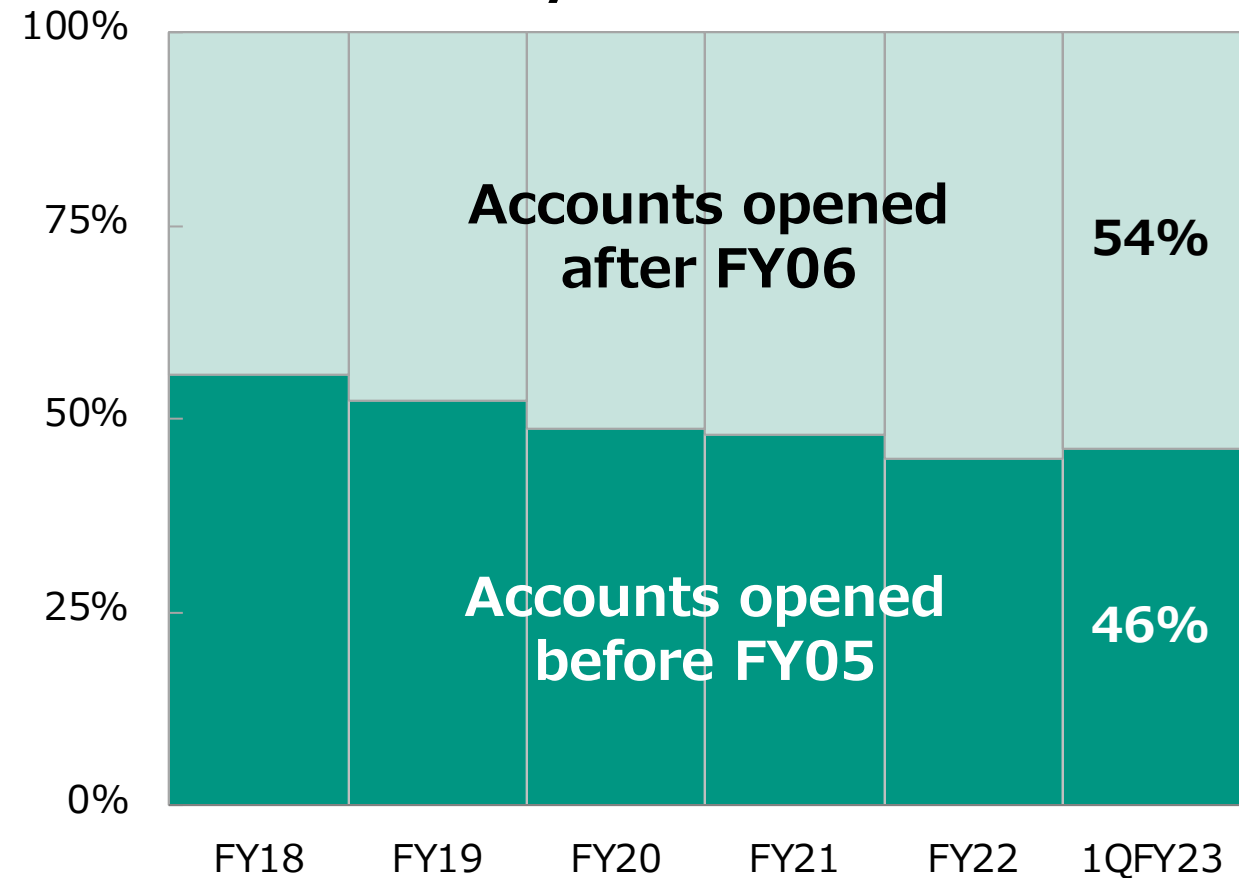
Note 2: Including the net inflow in mutual funds

Number of Accounts

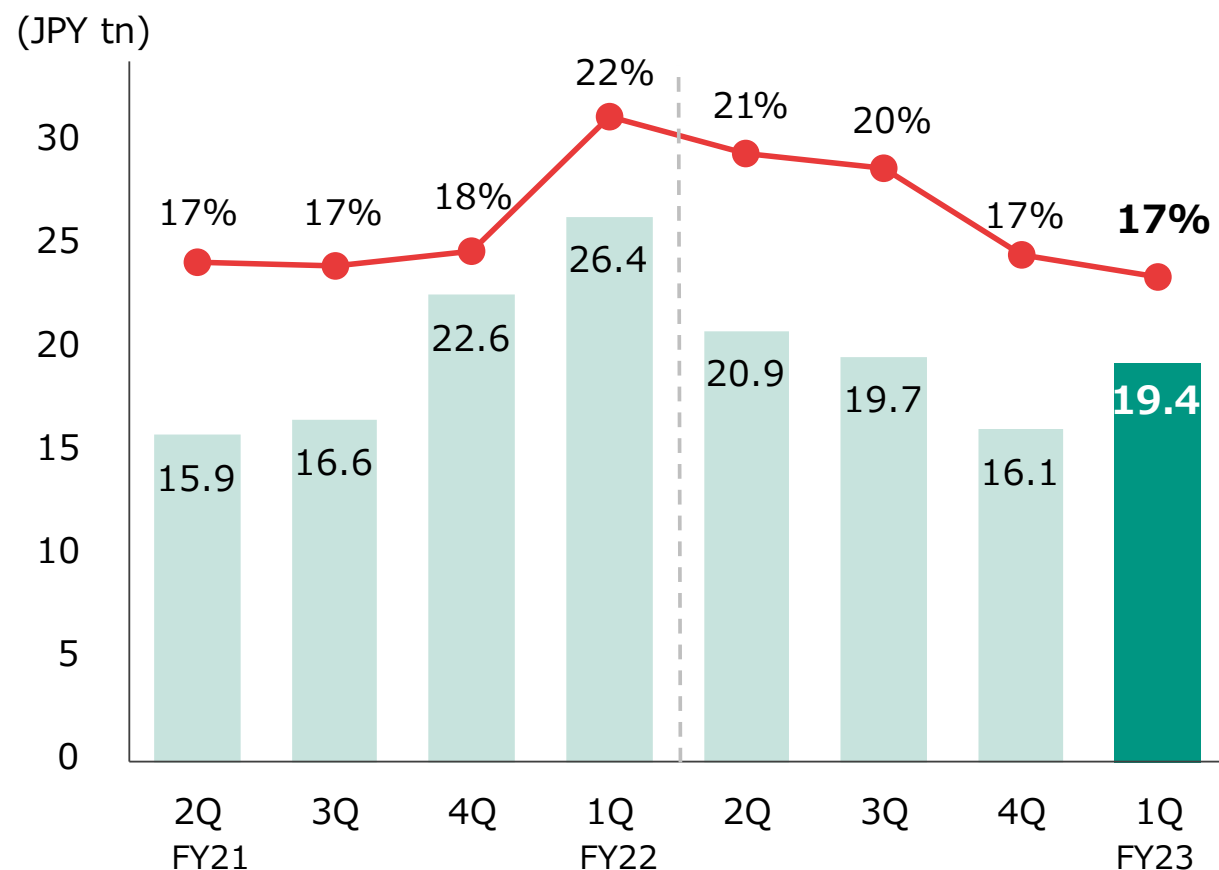
Number of accounts at Matsui



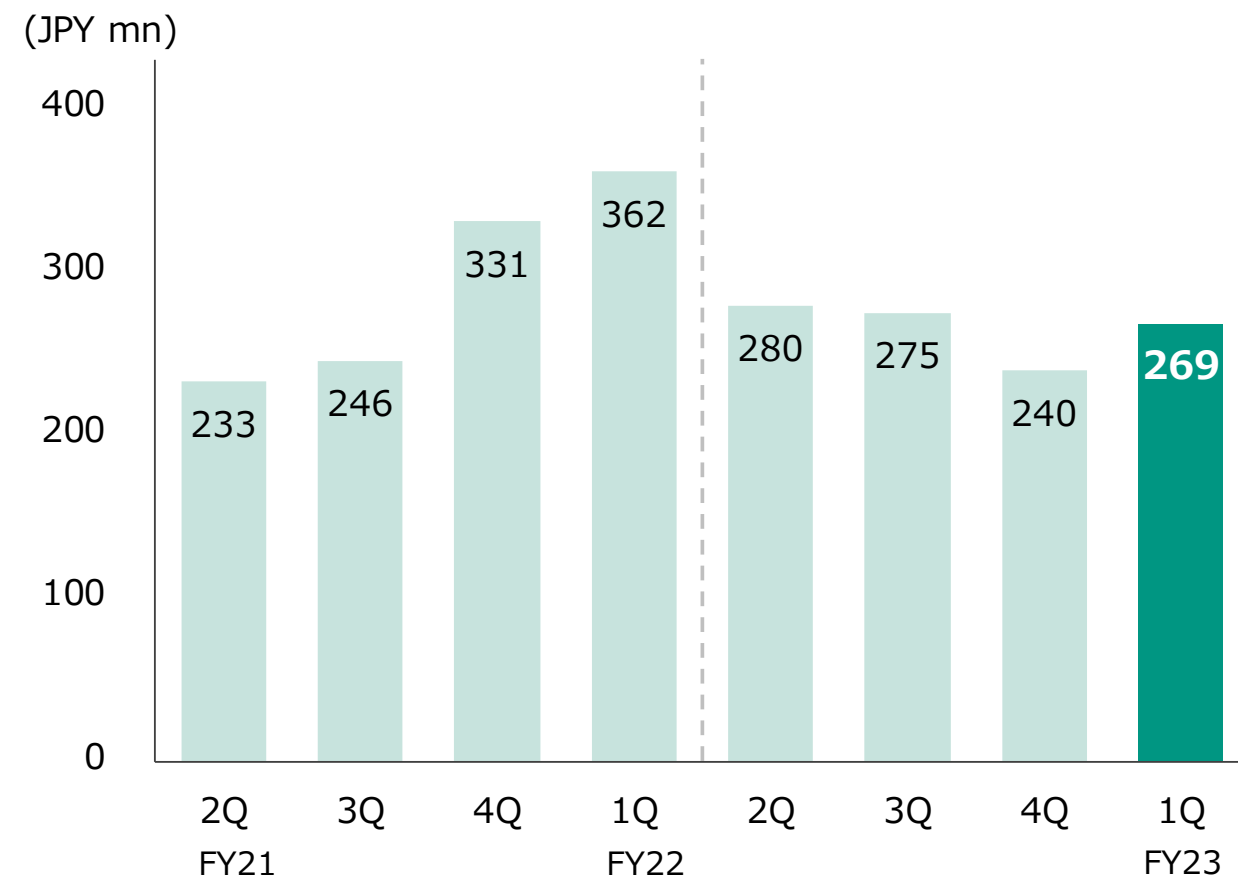
Breakdown of trading value¹ by customers opening the accounts in each fiscal year



Matsui's OSE Nikkei 225 Futures trading value¹ and its market share¹

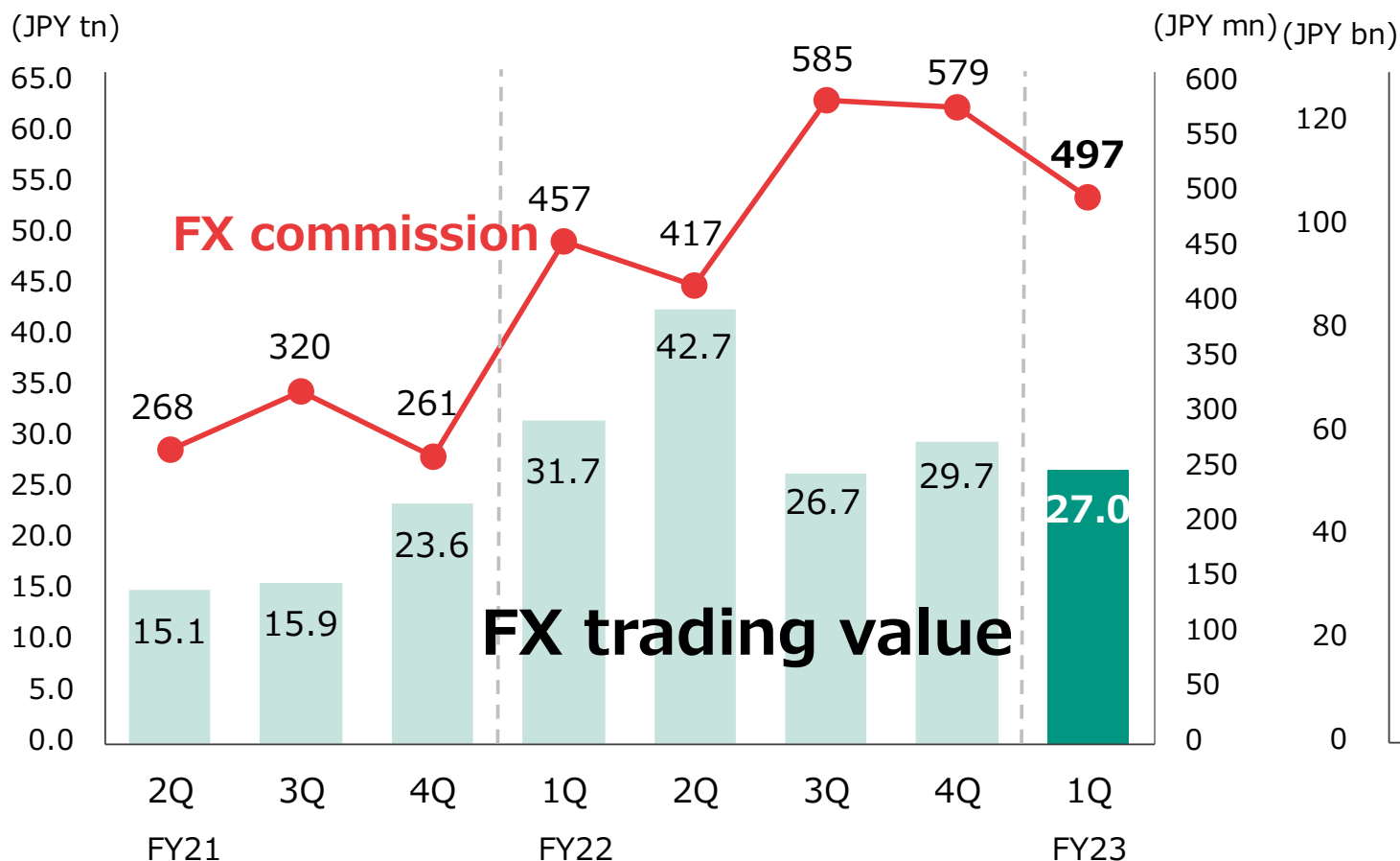


Commissions of Futures and Options

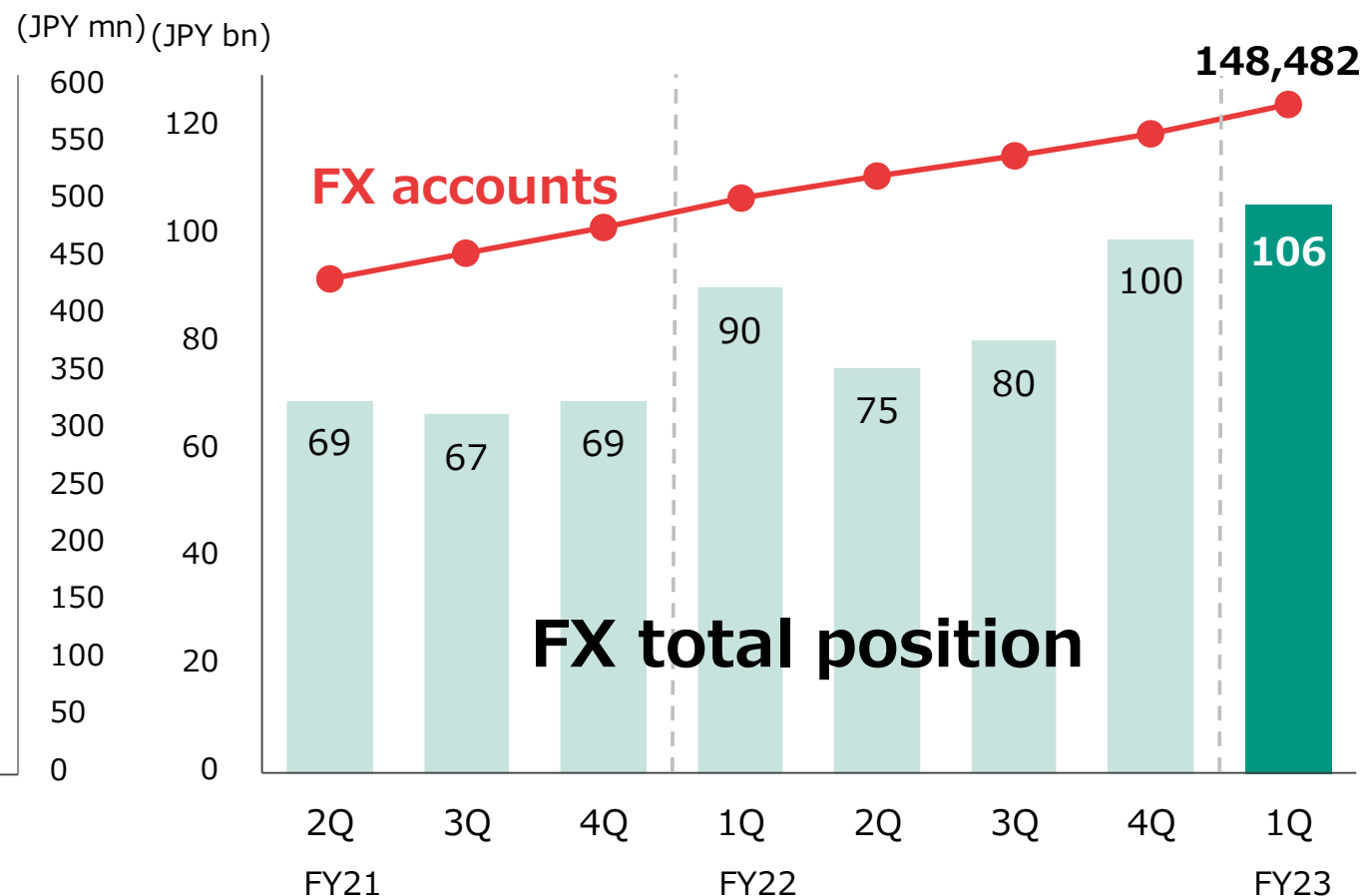


FX Margin Trading

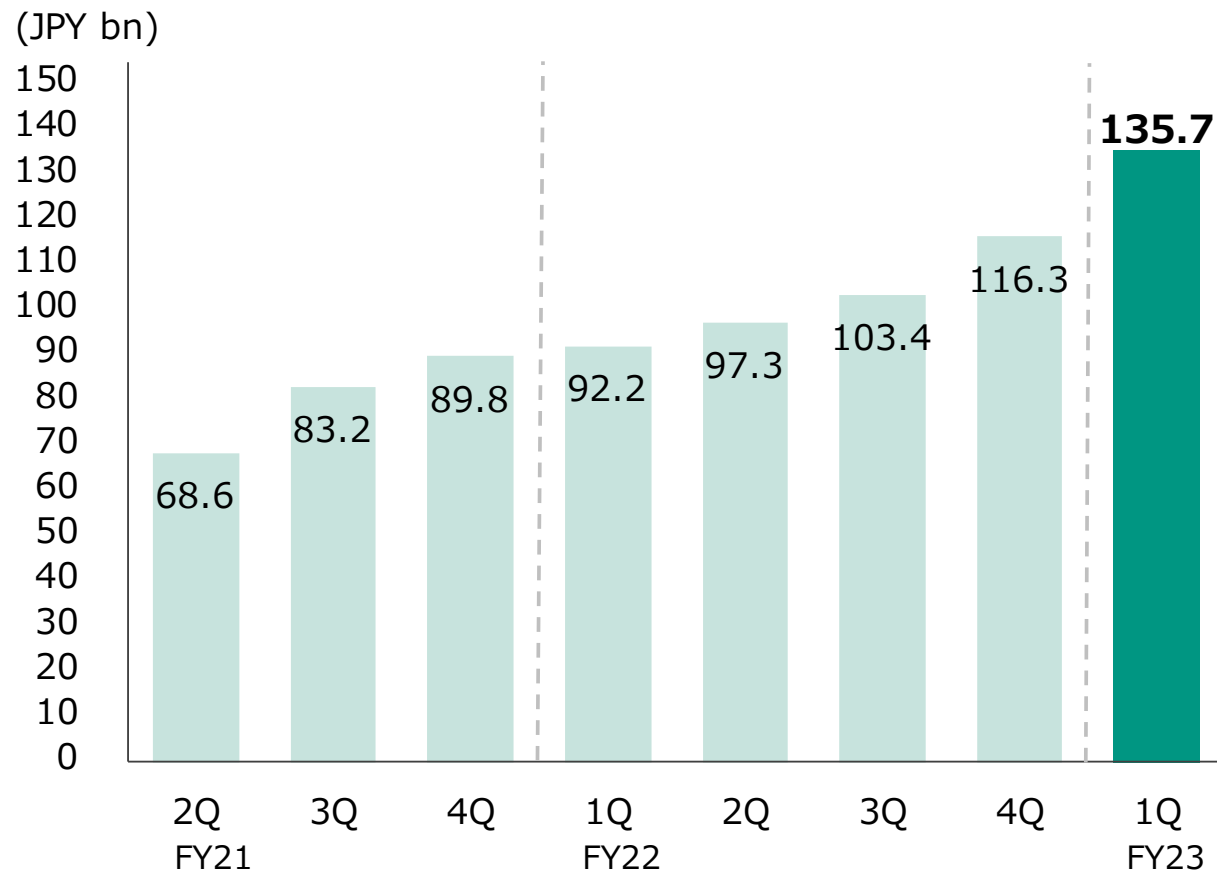
FX trading value and commission



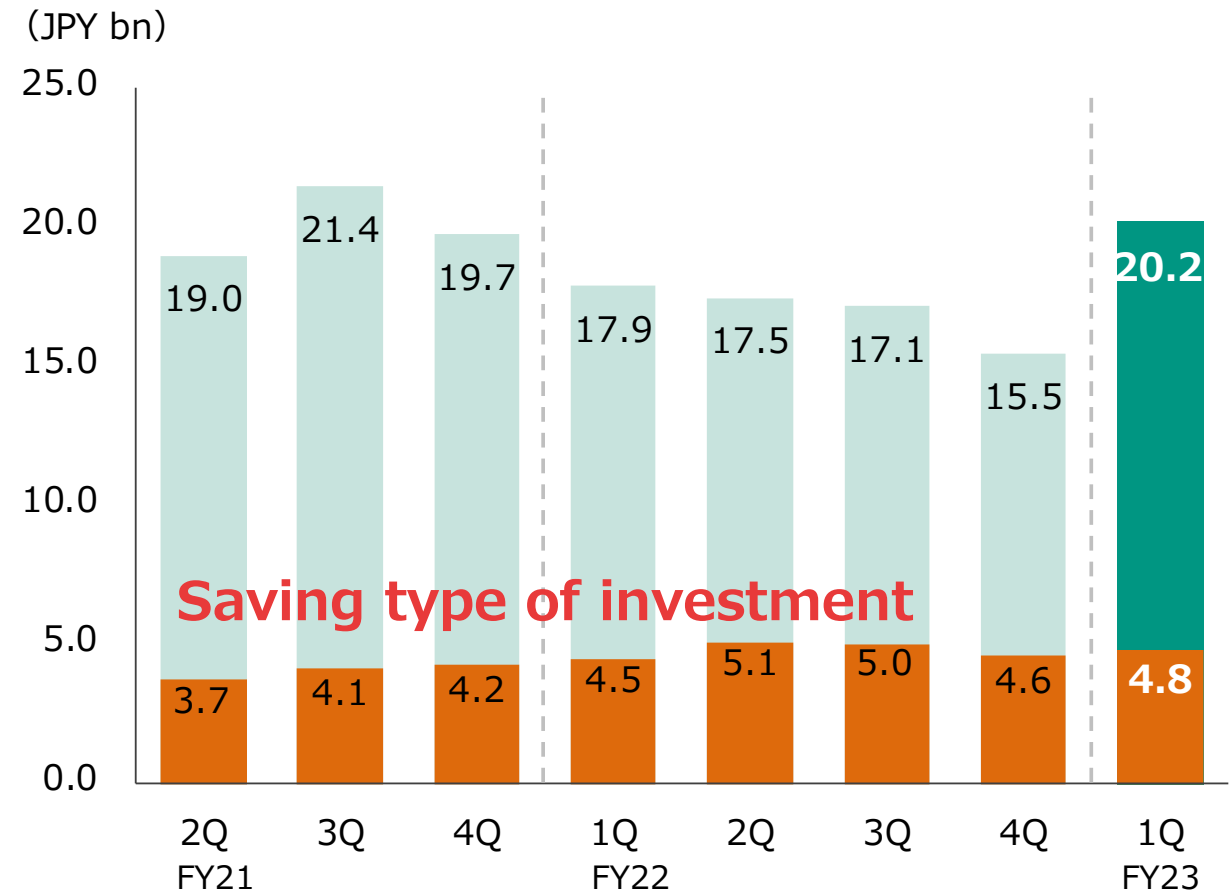
FX total position and accounts



Matsui's AUM of mutual fund



Matsui's mutual fund sales



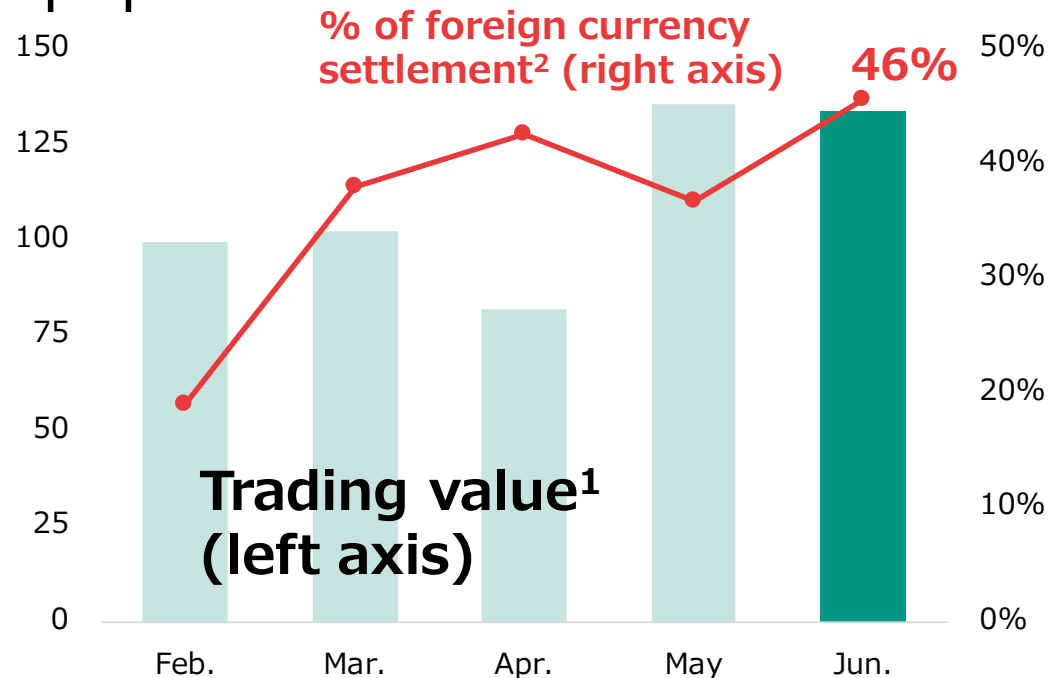
Management Strategy

Recent Developments

Expand services to make a new source of revenue

■ U.S. Stock Trading

- ✓ Monthly trading value increased
- ✓ Foreign currency settlement is popular



Note:1 : Trading value in Feb. 2023 is shown as 100

Note:2 : Usage percentage for total monthly trading value of U.S. stock

■ Expand # of tradable stocks

- ✓ More than 2,500 brands
- ✓ 362 ETFs, the largest number in the industry

**Margin trading is
scheduled for launch
in this fall**

**Include U.S. stock in
Matsui's NISA service**

Enhance services and increase an awareness among a wide range of generations

■ Expand automatic trading function

- ✓ Popular for the easiness of trading from as little as 100 yen
- ✓ Available on a smartphone (from July in 2023)

<https://www.matsui.co.jp/fx/auto-trading/>

■ Sponsorship of popular e-sports tournaments



VAROLANT CHALLENGERS <https://valorantesports.Tokyo/>

IPO Underwriting Business

Participation rate achieved over 80%

■ **Rise to 2nd place in the ranking among the industry**

			NO.	Participation Ratio
1	(1)	SBI	26	96%
2	(3)	MATSUI	22	81%
3	(4)	MONEX	17	63%
4	(2)	RAKUTEN	16	59%
5	(7)	SMBC NIKKO	14	52%
6	(-)	NOMURA	13	48%
7	(5)	MIZUHO	12	44%
8	(8)	OKASAN	11	41%
9	(6)	DAIWA	10	37%

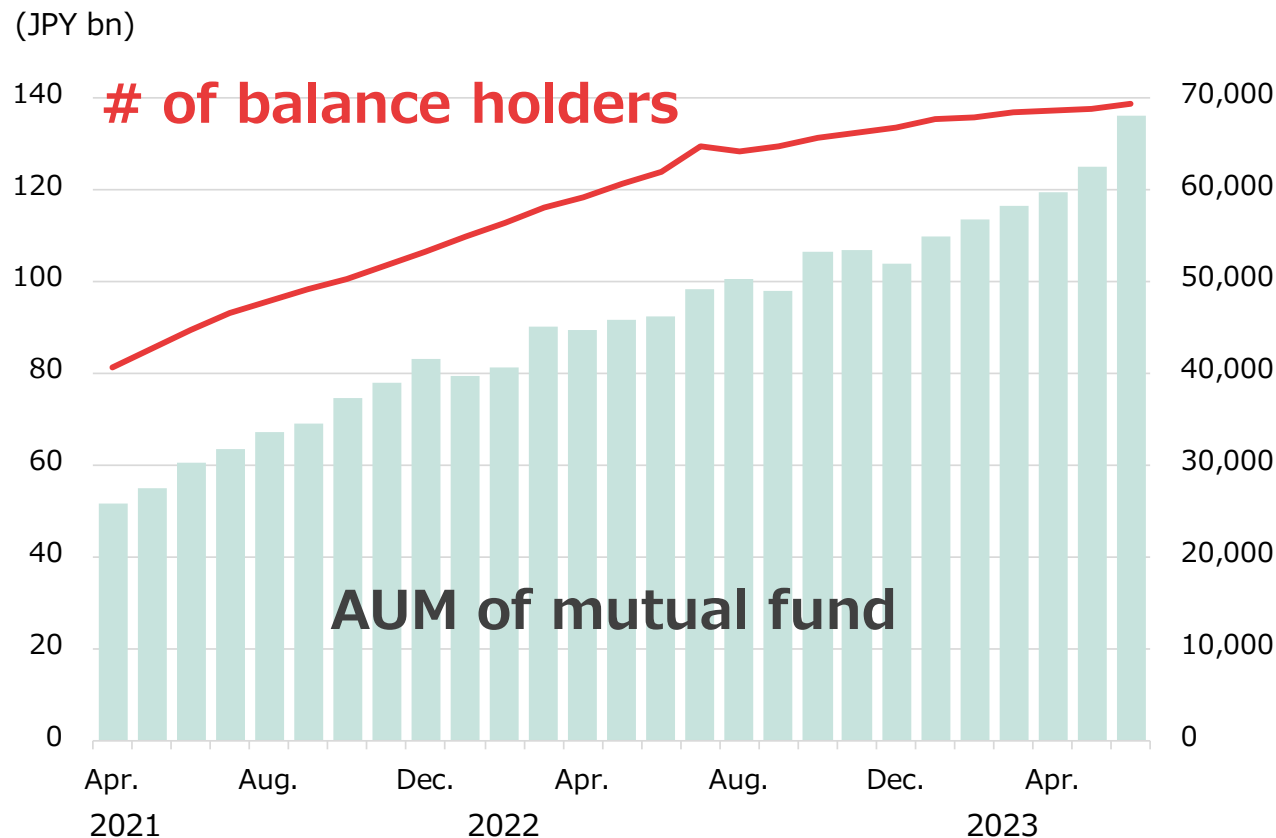


Note: Results for Apr. 2023- Jun. 2023, FY2022 ranking in parentheses

Continue efforts to increase balances and customers

■ Increase in balance and number of holders

■ Promote transactions with campaigns



<https://www.matsui.co.jp/event/point03/>

Create a Trigger for Investment

Provide useful ideas and information for investment to improve customer experience value

■ Provide various information on website specialized for video contents

- ✓ Upload special programs that alert to sudden market changes and support decision-making for investment

■ Reached the second largest YouTube channel among the industry

- ✓ Continuously provide new programs

	Mar-23	Jul-23
MATSUI	159,000	185,000
RAKUTEN	185,000	191,000

※As of July 18, 2023

Expand disclosure in response to social requests

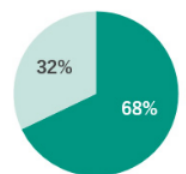
■ Expansion of disclosure on human capital

	FY2022	FY2023
Ratio of female directors	7%	13%
Ratio of female managers	11%	16%
Ratio of mid-career in management	27%	40%

Diversity of Directors and Employees

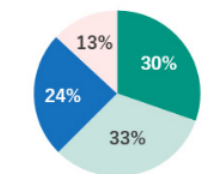
The Company believes that it is important to diversify our directors and employees and create an organization that makes the most of their individuality. Regardless of age, gender, nationality, work history, etc., we fully assess the abilities and aptitudes of each individual and hire the necessary human resources.

男女比率/Male・Female



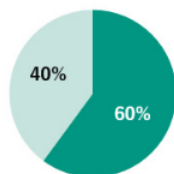
■ 男性/Male ■ 女性/Female

年齢比率/Age



■ 20代/20s ■ 30代/30s
■ 40代/40s ■ 50代以上/Over 50s

中途入社比率/Mid-career hiring



■ 新卒入社/Proper ■ 中途入社/Mid-career

■ Annual Securities Report

2 【サステナビリティに関する考え方及び取組】

文中の将来に関する事項は、当事業年度末（2023年3月31日）現在において、当社が判断したものであります。

(1) サステナビリティ全般に関する取組

当社のサステナビリティに関する考え方及び取組は以下の通りです。

① ガバナンス

当社は、サステナビリティに関する重要な事項について、取締役会が監督する体制としています。取締役会は、中長期的な企業価値向上に実質的な影響を及ぼすマテリアリティ（優先的に取り組むべき重要課題）を踏まえて、個別の施策の状況を監督しておりますが、マテリアリティは事業環境等の変化に応じて見直しを行うこととしております。また、経営企画担当部署が、サステナビリティを推進する事務局の役割を担っております。

② リスク管理

当社においては、マテリアリティの特定を通じて、サステナビリティに関して当社が直面するリスクと機会の影響度合いを把握し、評価することとしております。マテリアリティの特定は、経営企画担当部署が事務局となり策定した原案をもとに、取締役会において審議を行い、その結果を受けて内容を確定しております。マテリアリティの特定プロセスは以下の通りです。

Publish an integrated report to respond investors' needs in this fiscal year

- **Expand the lineup of products and services**
 - ✓ **FX (automatic trading service)**
 - ✓ **U.S. stocks (expand # of tradable stocks, margin transaction)**
 - ✓ **Provide banking services**

- **Improve the service quality continuously**
 - ✓ **Expand investment information**
 - ✓ **Enhance UI/UX**

- **Enhance our communication with customers**
 - ✓ **Add video contents**
 - ✓ **Enhance the way of investment consultation**

Appendix

Summary of Financial Results

(JPY mn)

	FY2021			FY2022				FY2023
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Operating Revenues	7,840	7,865	7,435	7,252	7,668	8,037	8,114	9,472
Net operating revenues	7,566	7,594	7,098	6,858	7,083	7,286	7,187	8,232
SG & A	4,002	4,265	4,279	4,032	4,249	4,281	4,505	4,636
Operating income	3,564	3,329	2,819	2,826	2,834	3,006	2,682	3,596
Ordinary income	3,545	3,333	2,810	2,810	2,785	2,995	2,662	3,594
Net income	2,443	2,280	2,763	1,945	1,914	2,064	1,899	2,360
Ordinary income ratio	45%	42%	38%	39%	36%	37%	33%	38%
Matsui's trading value (JPY tn)	9.7	9.8	9.8	8.6	8.6	10.2	10.1	11.8
Average margin balance (JPY bn)	322	322	293	281	293	297	306	312

Breakdown of Net Operating Revenues

(JPY mn)

	FY2021			FY2022				FY2023
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Commissions	4,470	4,410	4,325	3,933	4,109	4,033	3,992	4,850
Brokerage	4,247	4,199	4,131	3,734	3,875	3,806	3,743	4,611
Equity & ETF	4,014	3,953	3,800	3,372	3,595	3,531	3,504	4,342
Futures & Options	233	246	331	362	280	275	240	269
Others	192	175	194	195	229	203	230	208
Net trading income	237	284	218	454	455	748	688	443
Net interest income	2,858	2,900	2,555	2,471	2,519	2,505	2,508	2,939
Interest & dividend income	3,132	3,171	2,892	2,865	3,103	3,256	3,434	4,178
Interest expenses	274	271	337	394	585	751	926	1,239
Net operating revenues	7,566	7,594	7,098	6,858	7,083	7,286	7,187	8,232

Breakdown of SG&A

(JPY mn)

	FY2021			FY2022				FY2023
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Trading related expenses	1,500	1,649	1,501	1,366	1,396	1,421	1,453	1,468
Stock exchanges and securities	359	370	376	351	329	364	366	408
Communications expenses	466	488	492	479	498	300	313	307
Advertisement	450	563	399	304	333	513	522	489
Personnel expenses	733	765	850	778	800	794	867	870
Occupancy & rental	240	239	318	224	226	222	257	236
Data processing & office supplies	777	864	876	902	1,025	1,118	1,096	1,143
Depreciation	592	588	609	609	612	642	678	743
Taxes and dues	124	125	103	114	129	28	88	114
Provision of allowance for doubtful accounts	△ 5	△ 9	△ 19	△ 33	△ 2	6	17	△ 19
Others	41	44	42	72	65	49	48	81
Total SG & A	4,002	4,265	4,279	4,032	4,249	4,281	4,505	4,636

投資をまじめに、おもしろく。

MATSUI

松井証券

The information contained in this document is based on our views at the time of its preparation. We do not guarantee or promise the accuracy or completeness of the information, and it is subject to change without notice. Please note that we assume no responsibility for any omissions or errors in the data and expressions used in this report.

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