

Results for 1QFY2024
Matsui Securities Co., Ltd.
July 29, 2024

INDEX

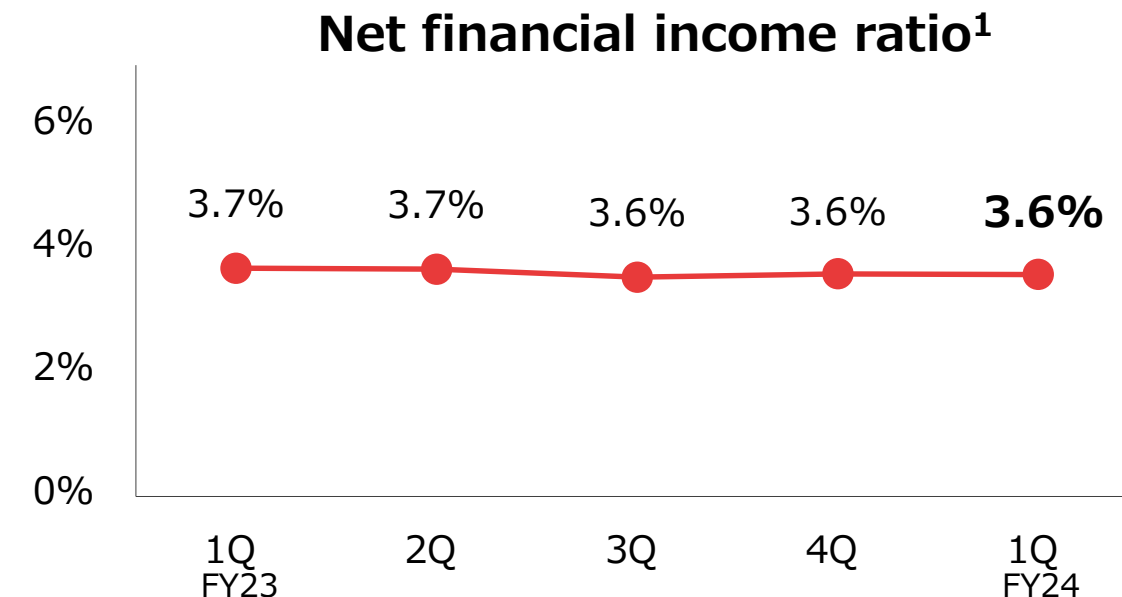
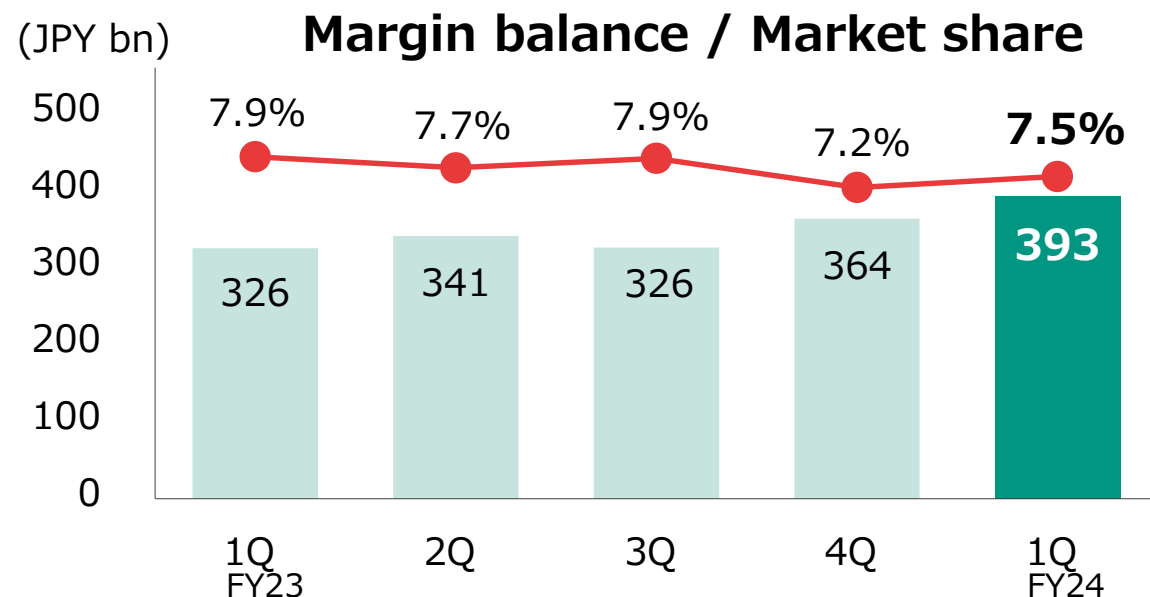
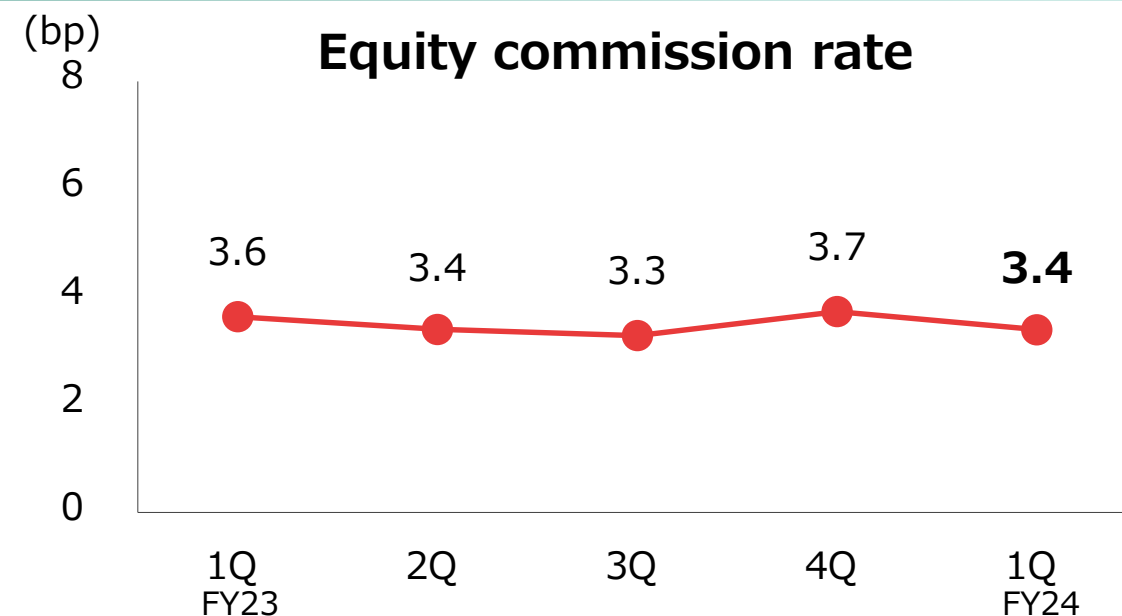
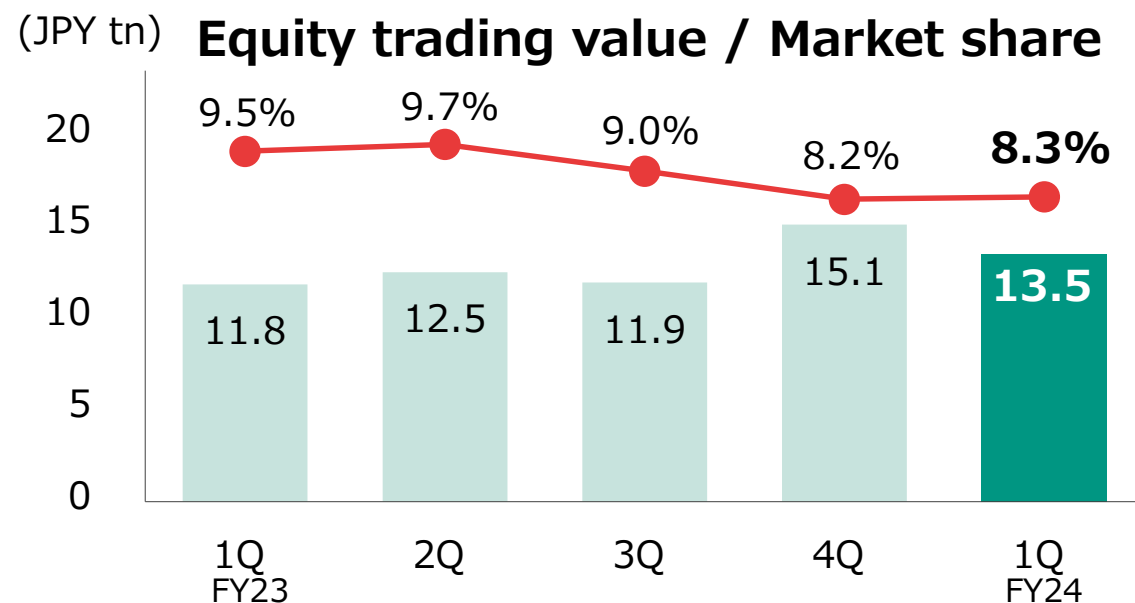
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Business Results

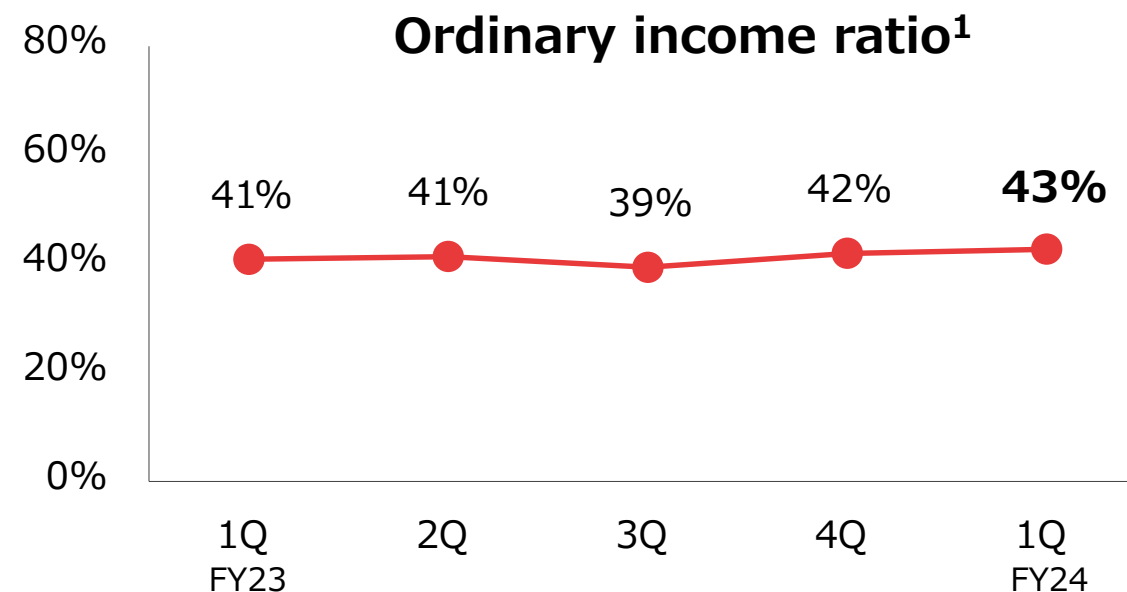
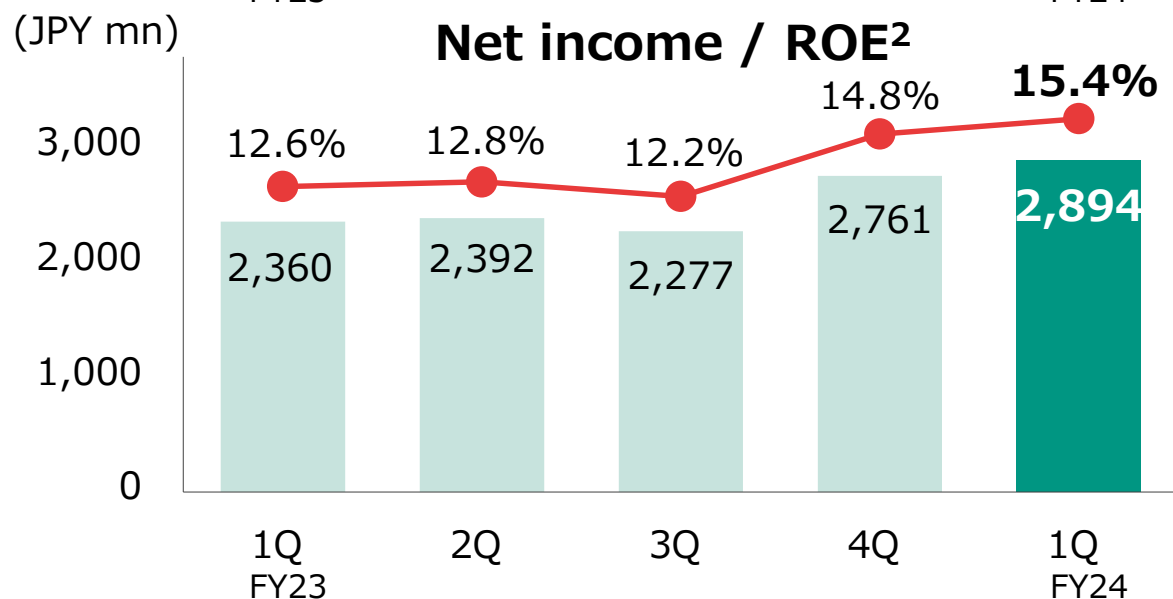
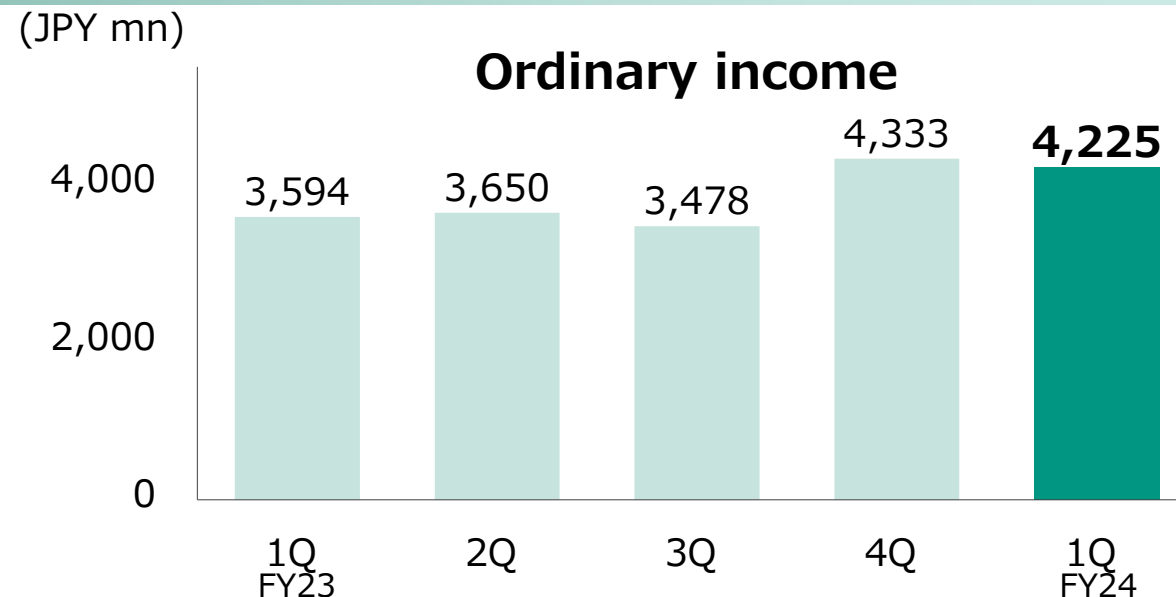
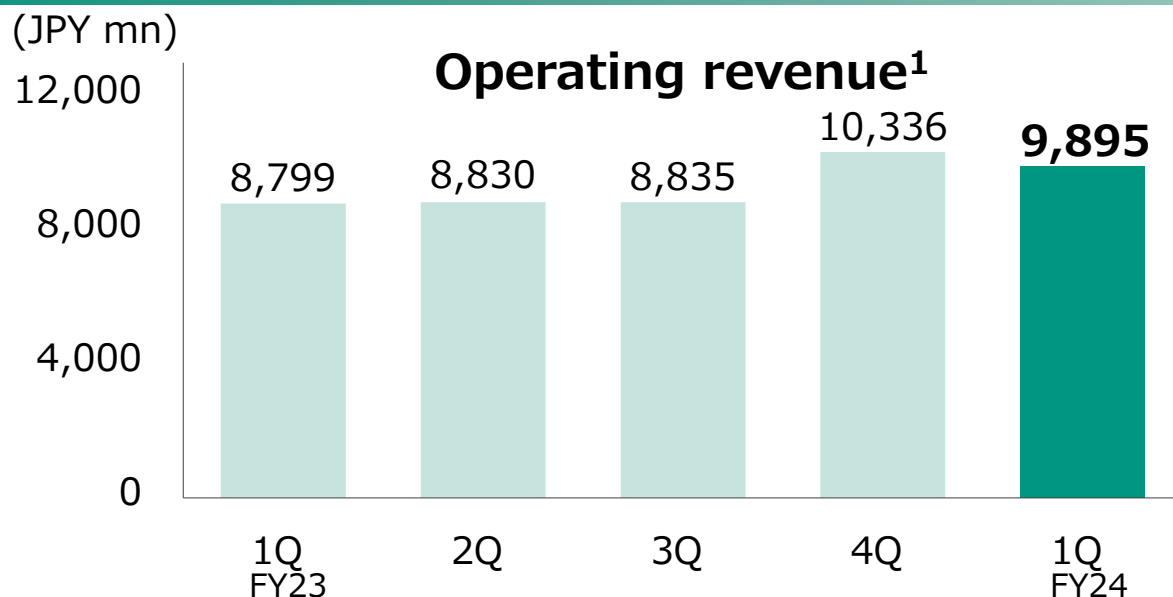


Note 1: FX swap point transactions with customers are included in net trading income from net interest income beginning this fiscal year. The same change is reflected in past periods.

Financial Results

MATSUI

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Note 1: FX swap point transactions with customers are included in net trading income from net interest income beginning this fiscal year. The same change is reflected in past periods.

Note 2: Annualized on each quarter.

Financial Summary

Summary of Financial Results

1Q FY2024

	1Q(Apr.-Jun.) FY2023	1Q(Apr.-Jun.) FY2024	YoY
			(JPY mn)
Operating Revenues ¹	8,799	9,895	12%
Net operating revenues	8,232	9,448	15%
SG&A	4,636	5,213	12%
Operating income	3,596	4,235	18%
Ordinary income	3,594	4,225	18%
Net income	2,360	2,894	23%
Ordinary income ratio	41%	43%	-
Matsui's trading value (JPY tn)	11.8	13.5	14%
Average margin balance (JPY bn)	312	392	26%

Note 1: FX swap point transactions with customers are included in net trading income from net interest income beginning this fiscal year. The same change is reflected in past periods.

Breakdown of Net Operating Revenues

1Q FY2024

(JPY mn)

	1Q(Apr.-Jun.) FY2023	1Q(Apr.-Jun.) FY2024	YoY
Commissions	4,850	5,218	8%
Brokerage	4,611	4,944	7%
Equity & ETF	4,342	4,655	7%
Futures & Options	269	289	8%
Others	208	267	29%
Net trading income ¹	495	695	40%
Net interest income ¹	2,887	3,535	22%
Interest & dividend income ¹	3,453	3,982	15%
Interest expenses ¹	567	447	-21%
Net operating revenues	8,232	9,448	15%

Note 1: FX swap point transactions with customers are included in net trading income from net interest income beginning this fiscal year. The same change is reflected in past periods.

Breakdown of SG&A

1Q FY2024

(JPY mn)

	1Q(Apr.-Jun.) FY2023	1Q(Apr.-Jun.) FY2024	YoY
Trading related expenses	1,468	1,649	12%
Stock exchanges and securities	408	398	-3%
Communications expenses	307	328	7%
Advertisement	489	647	32%
Personnel expenses	870	976	12%
Occupancy & rental	236	267	13%
Data processing & office supplies	1,143	1,287	13%
Depreciation	743	857	15%
Taxes and dues	114	113	-1%
Provision of allowance for doubtful accounts	△ 19	3	-
Others	81	61	-24%
Total SG&A	4,636	5,213	12%

Summary of Financial Results

Quarterly

(JPY mn)

	4QFY2023	1QFY2024	QoQ
Operating Revenues ¹	10,336	9,895	-4%
Net operating revenues	9,949	9,448	-5%
SG & A	5,590	5,213	-7%
Operating income	4,359	4,235	-3%
Ordinary income	4,333	4,225	-3%
Net income	2,761	2,894	5%
Ordinary income ratio	42%	43%	-
Matsui's trading value (JPY tn)	15.1	13.5	-11%
Average margin balance (JPY bn)	350	392	12%

Note 1: FX swap point transactions with customers are included in net trading income from net interest income beginning this fiscal year. The same change is reflected in past periods.

Breakdown of Net Operating Revenues

Quarterly

(JPY mn)

	4QFY2023	1QFY2024	QoQ
Commissions	6,265	5,218	-17%
Brokerage	5,989	4,944	-17%
Equity & ETF	5,704	4,655	-18%
Futures & Options	285	289	2%
Others	267	267	-0%
Net trading income ¹	526	695	32%
Net interest income ¹	3,157	3,535	12%
Interest & dividend income ¹	3,544	3,982	12%
Interest expenses ¹	387	447	16%
Net operating revenues	9,949	9,448	-5%

Note 1: FX swap point transactions with customers are included in net trading income from net interest income beginning this fiscal year. The same change is reflected in past periods.

Breakdown of SG&A

Quarterly

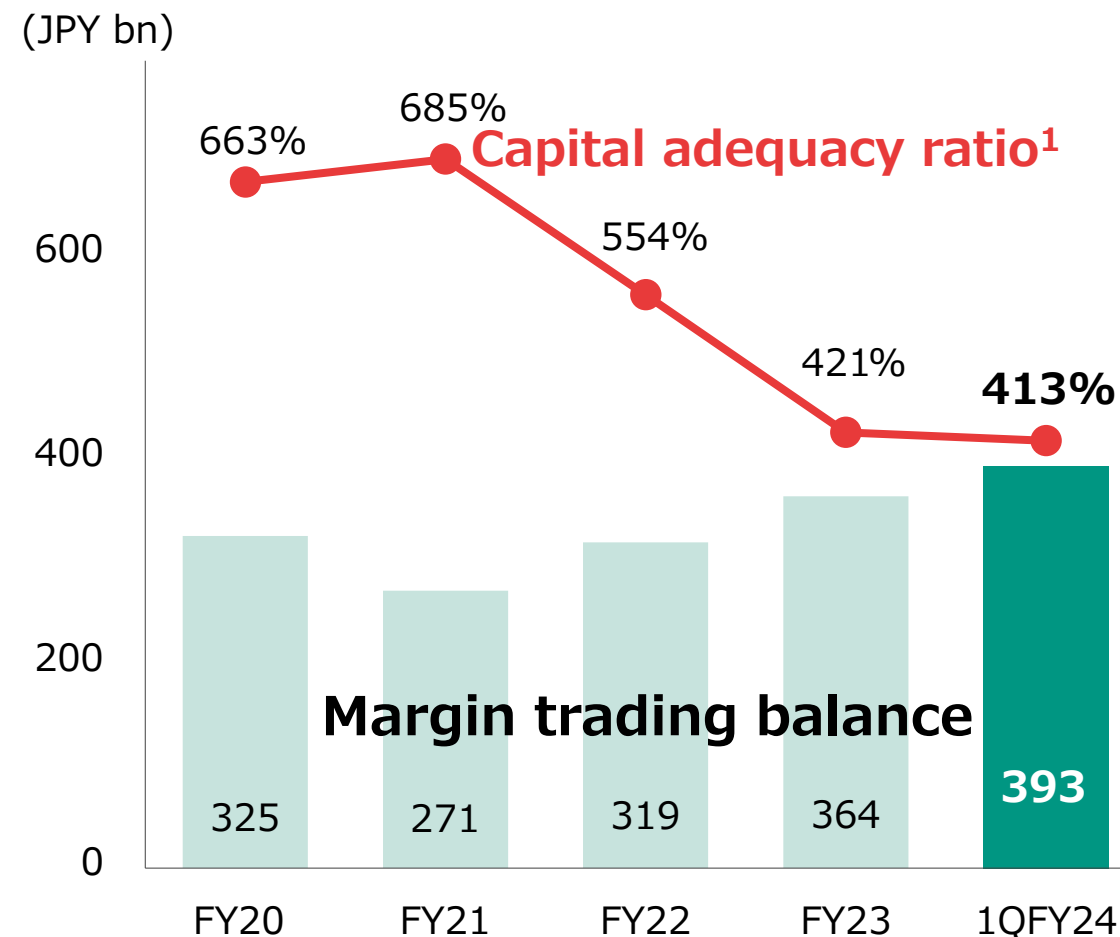
(JPY mn)

	4QFY2023	1QFY2024	QoQ
Trading related expenses	2,108	1,649	-22%
Stock exchanges and securities	429	398	-7%
Communications expenses	346	328	-5%
Advertisement	1,020	647	-37%
Personnel expenses	931	976	5%
Occupancy & rental	245	267	9%
Data processing & office supplies	1,265	1,287	2%
Depreciation	862	857	-1%
Taxes and dues	111	113	2%
Provision of allowance for doubtful accounts	3	3	11%
Others	66	61	-8%
Total SG & A	5,590	5,213	-7%

Capital adequacy ratio (As of June 28, 2024)

(JPY mn)		
Tier 1	(A)	73,434
Tier 2	Net unrealized gain on investment	746
	Statutory reserves	4,191
	Allowance for doubtful accounts	14
	Sub total	(B) 4,951
Assets to be deducted from equity capital	(C)	20,141
Net Capital		
	(A) + (B) - (C)	(D) 58,244
Total risk	Market risk	45
	Counterparty risk	8,727
	Basic risk	5,302
	Total	(E) 14,075
Capital Adequacy ratio		(D)/(E) 413%

Margin trading balance and capital adequacy ratio

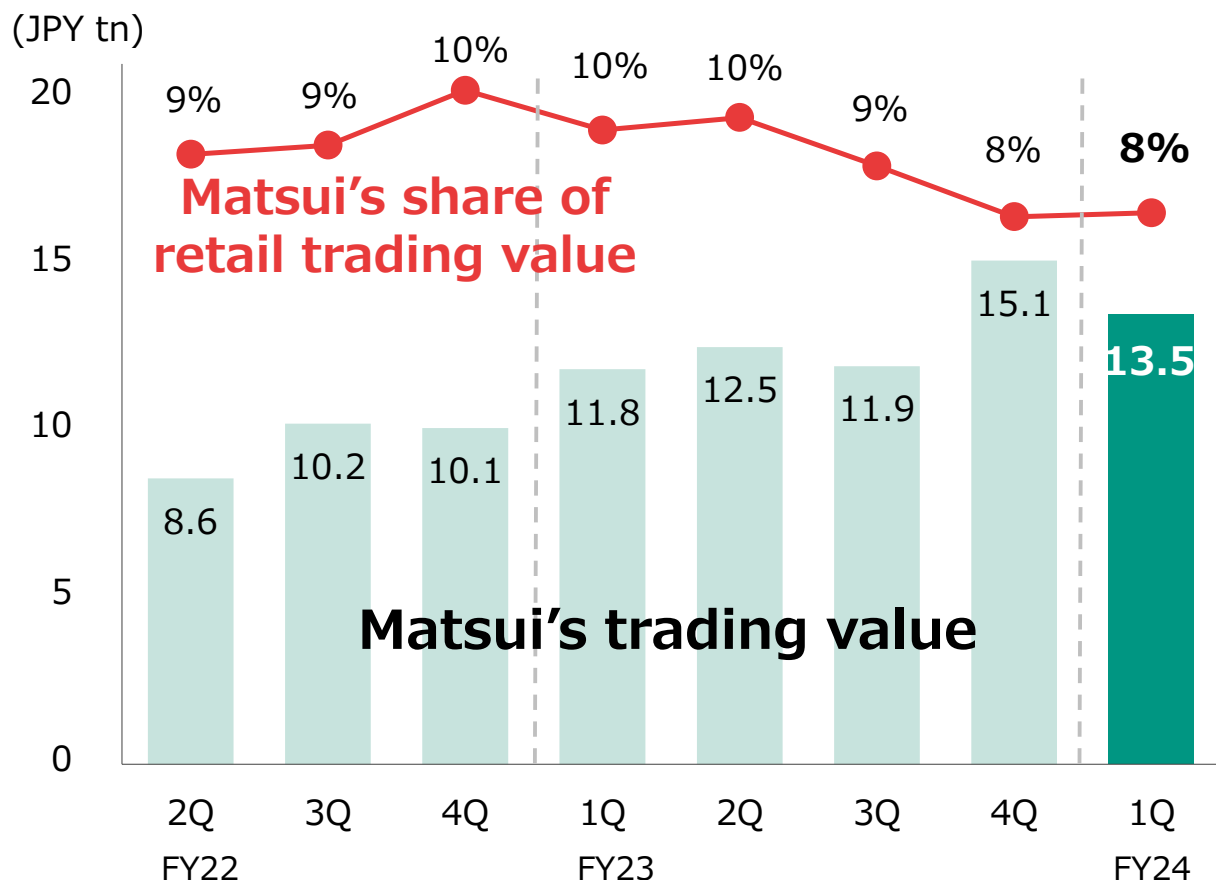


Note 1 : The average of capital adequacy ratio of the five major online brokers is 313%.
(as of Mar. 29, 2024)

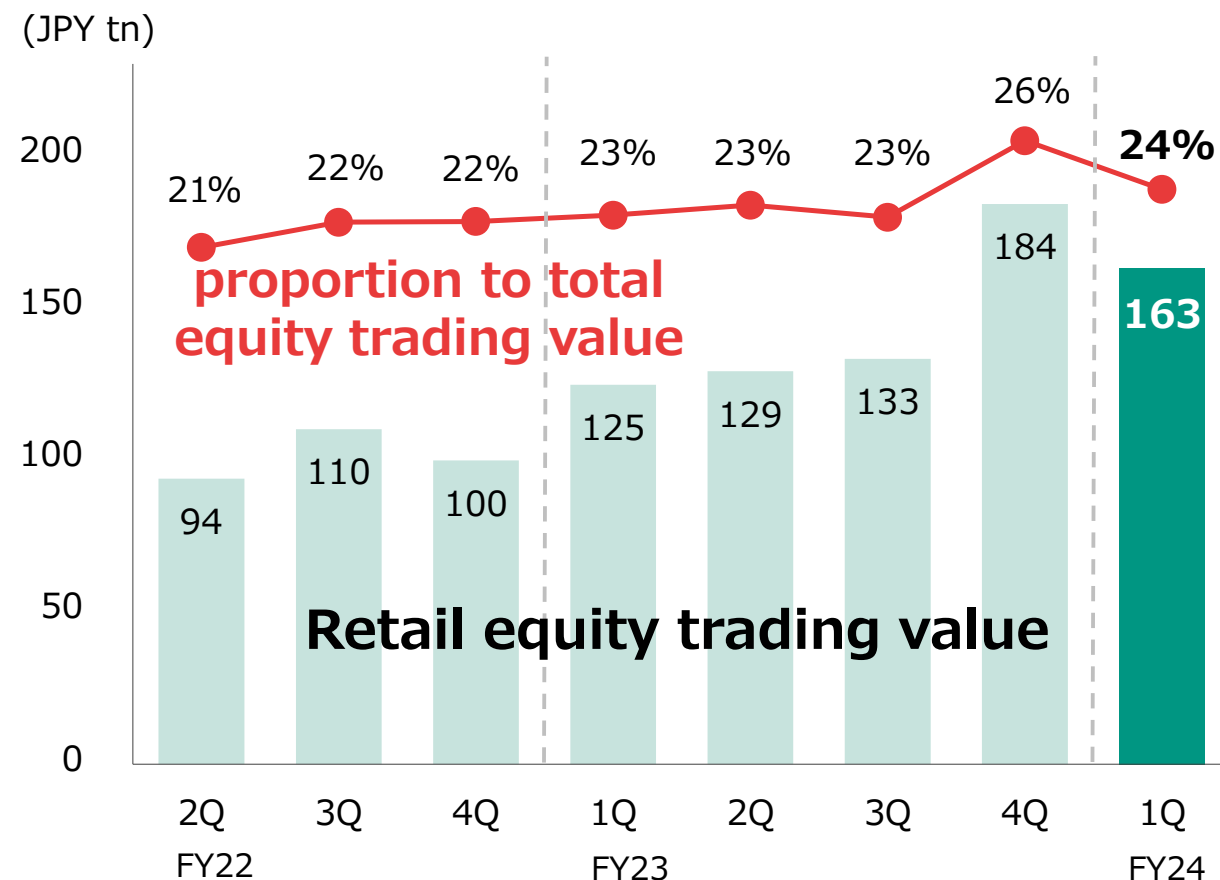
Business Results

Equity Trading Value

Matsui's equity trading value and its market share¹



Retail equity trading value¹ and proportion to total equity trading value

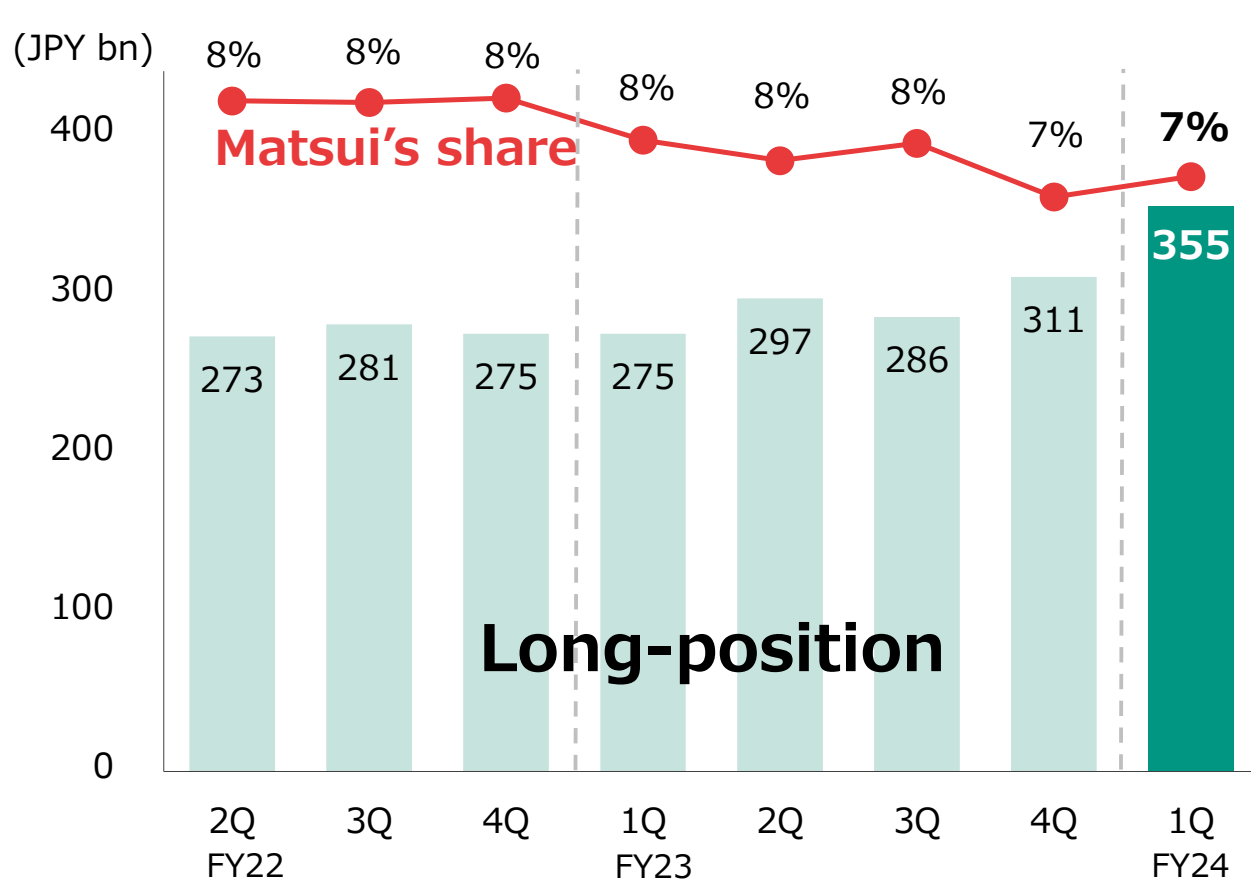


Source: TSE

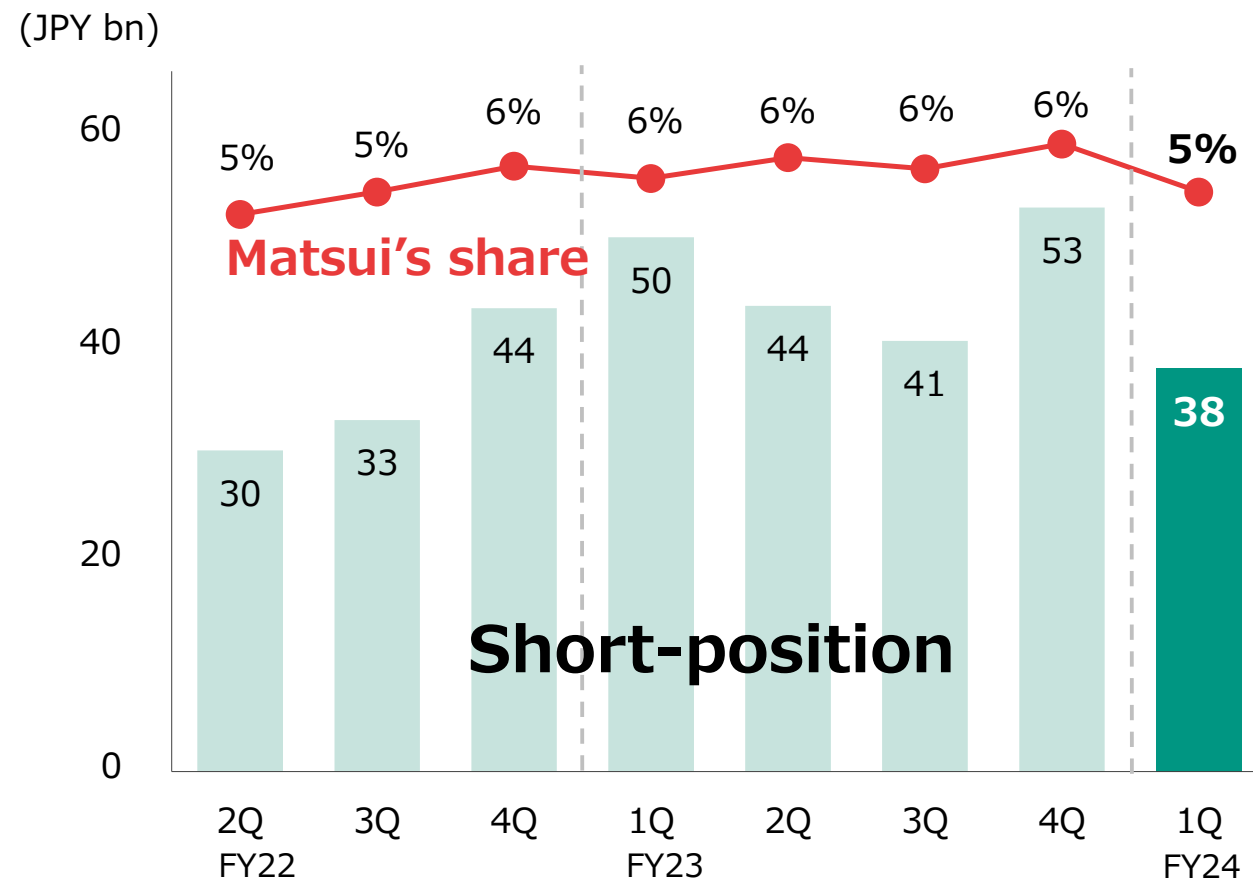
Note 1: Sum of the retail equity trading value on 2 major stock exchanges

Margin Trading Balance

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



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

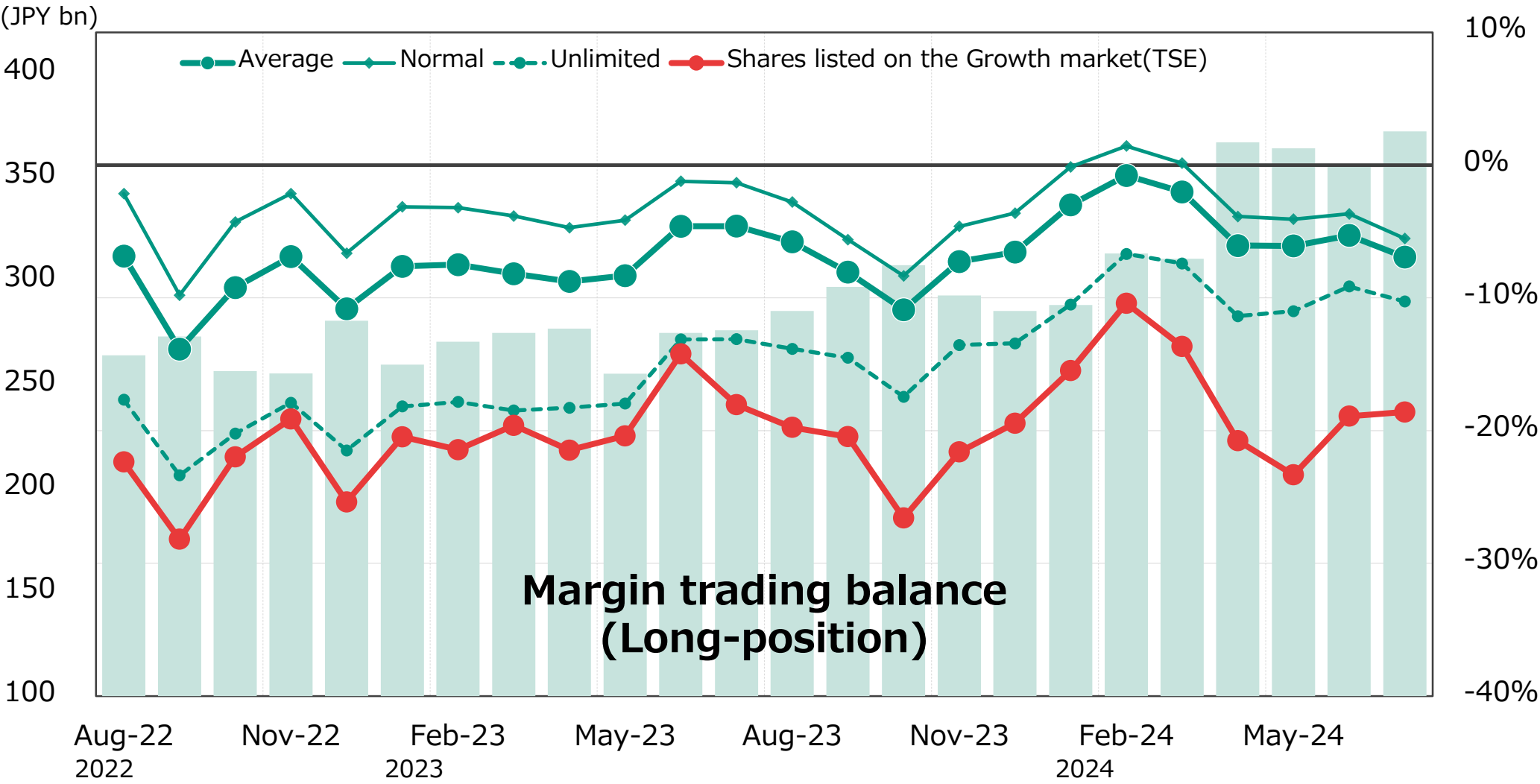


Source: TSE, Company Websites

Note1 : Balance as of the end of each quarter

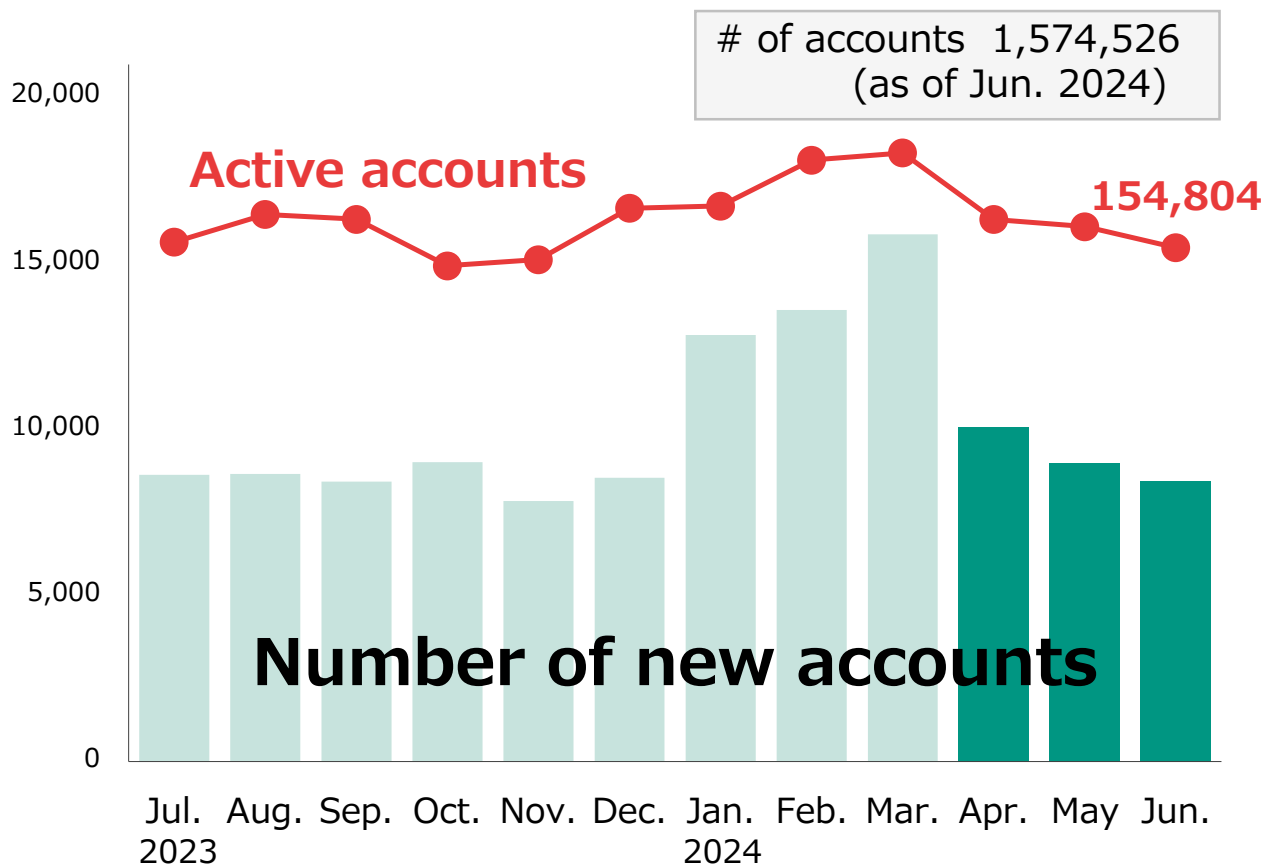
Note2 : Total market share in 2 major stock exchanges

Unrealized Losses (Long-position)

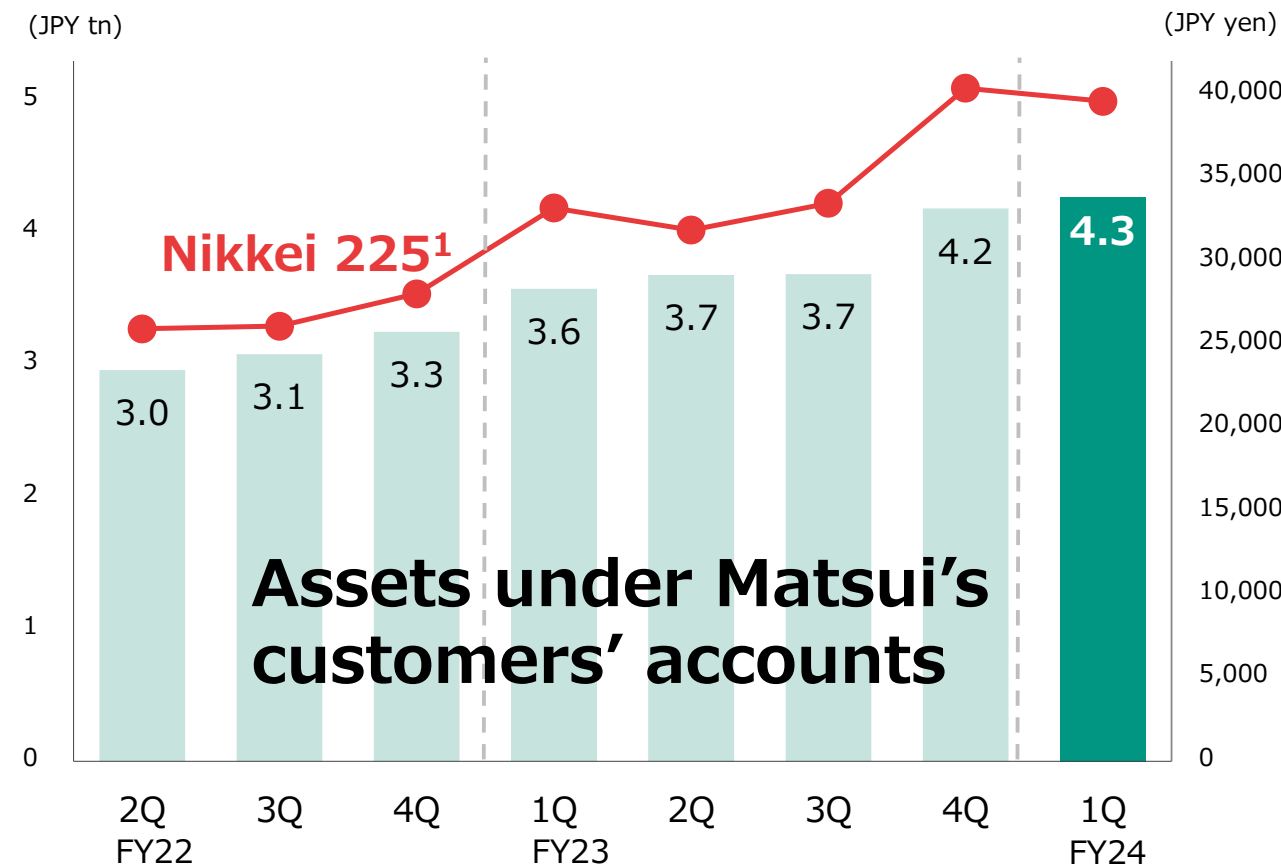


Number of Accounts

Number of new and active accounts

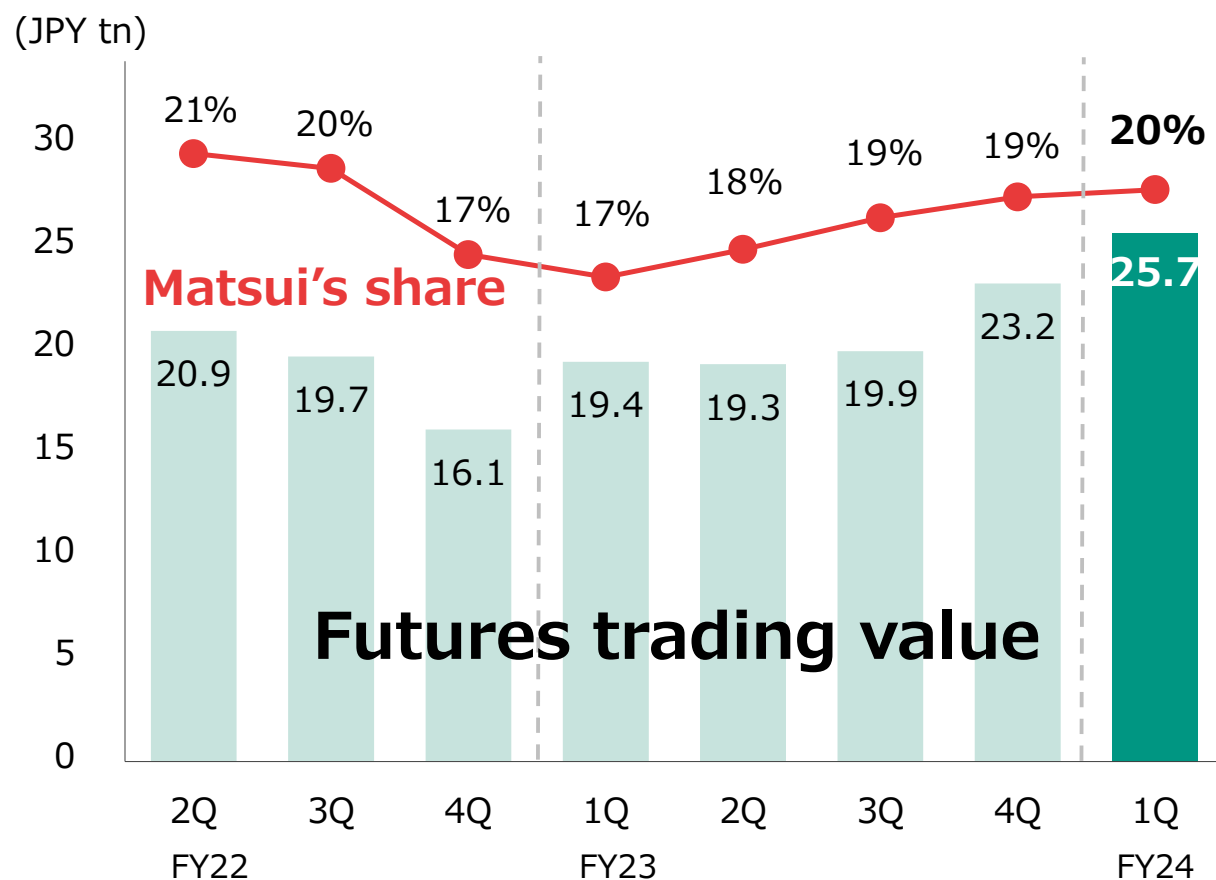


Assets under Matsui's customers' accounts



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

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

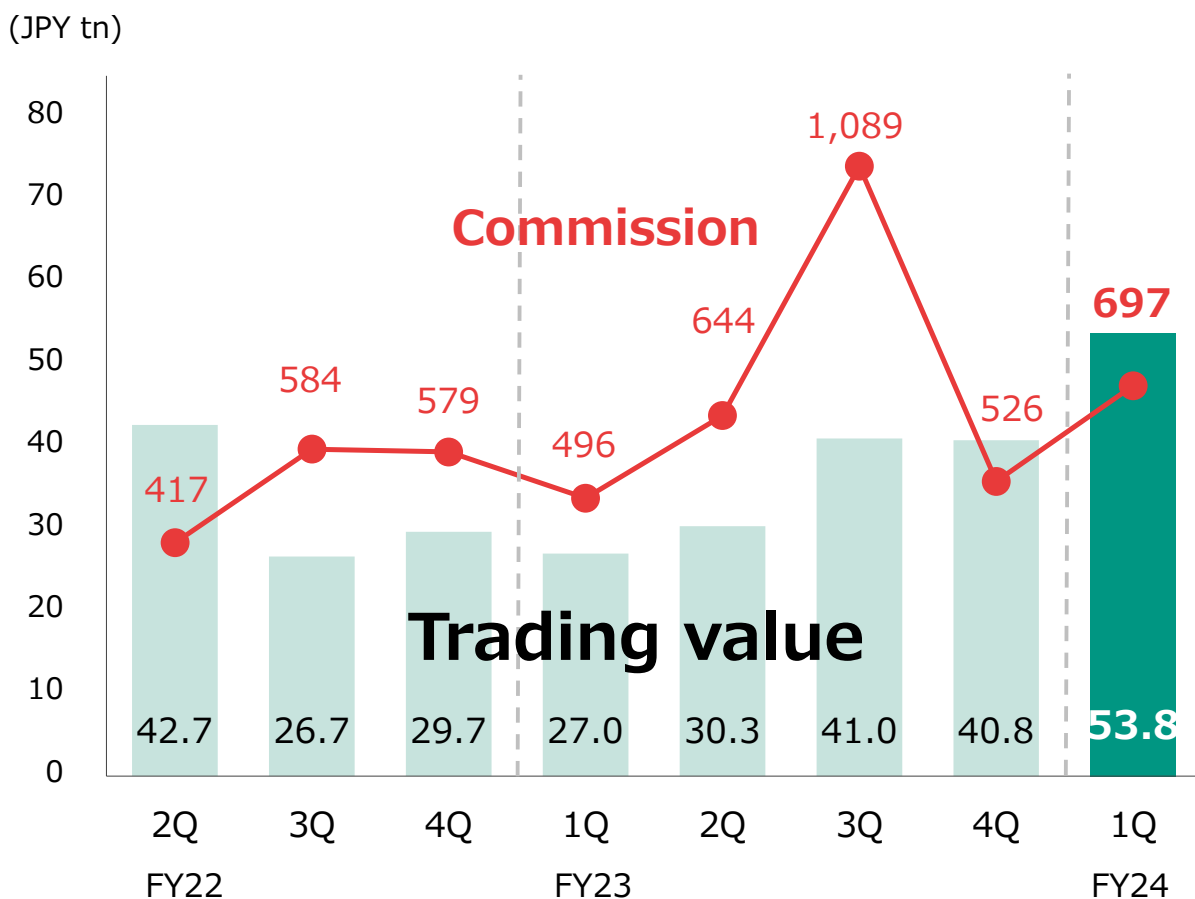


Commissions of Futures and Options

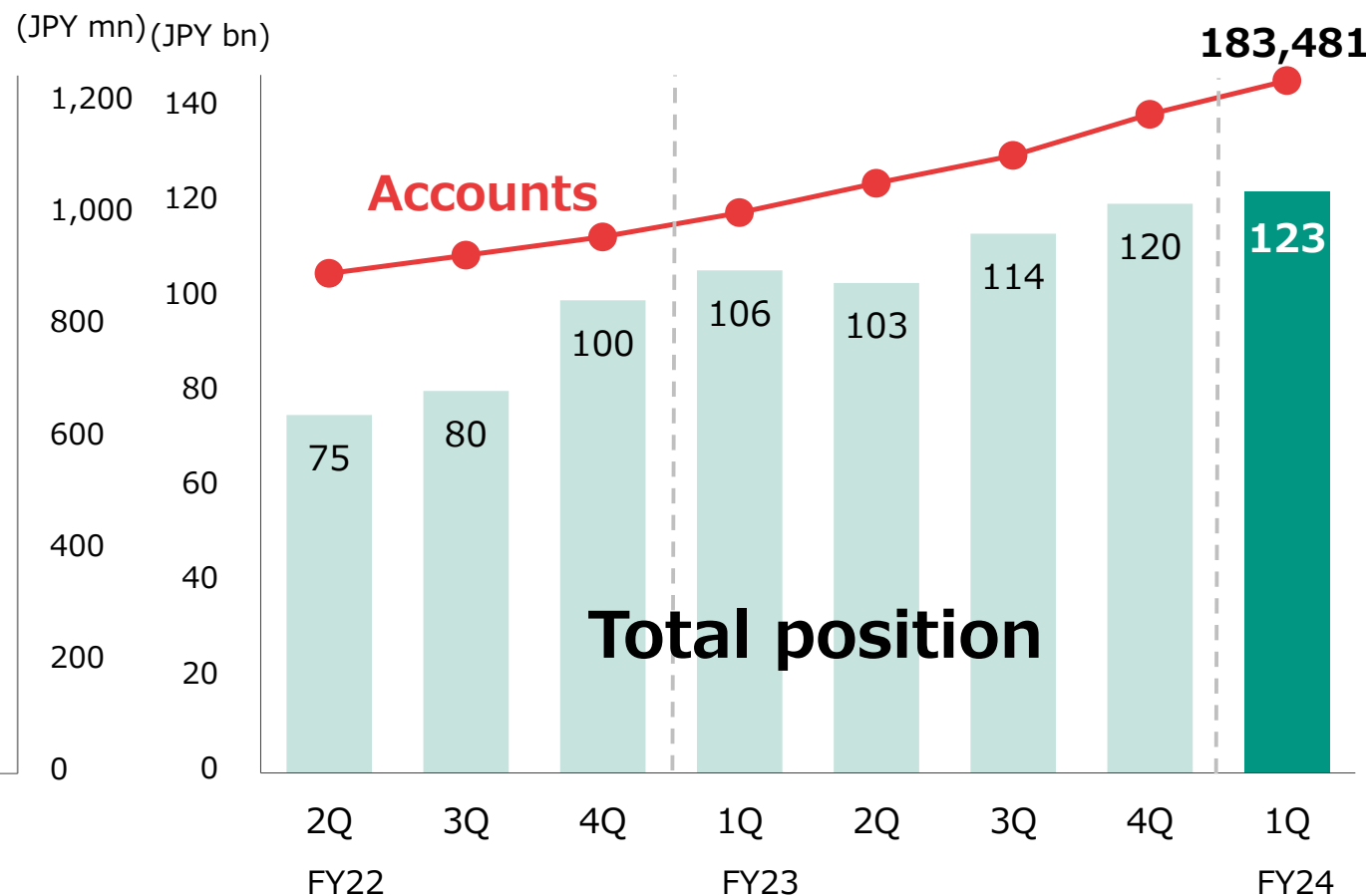


Forex Margin Trading

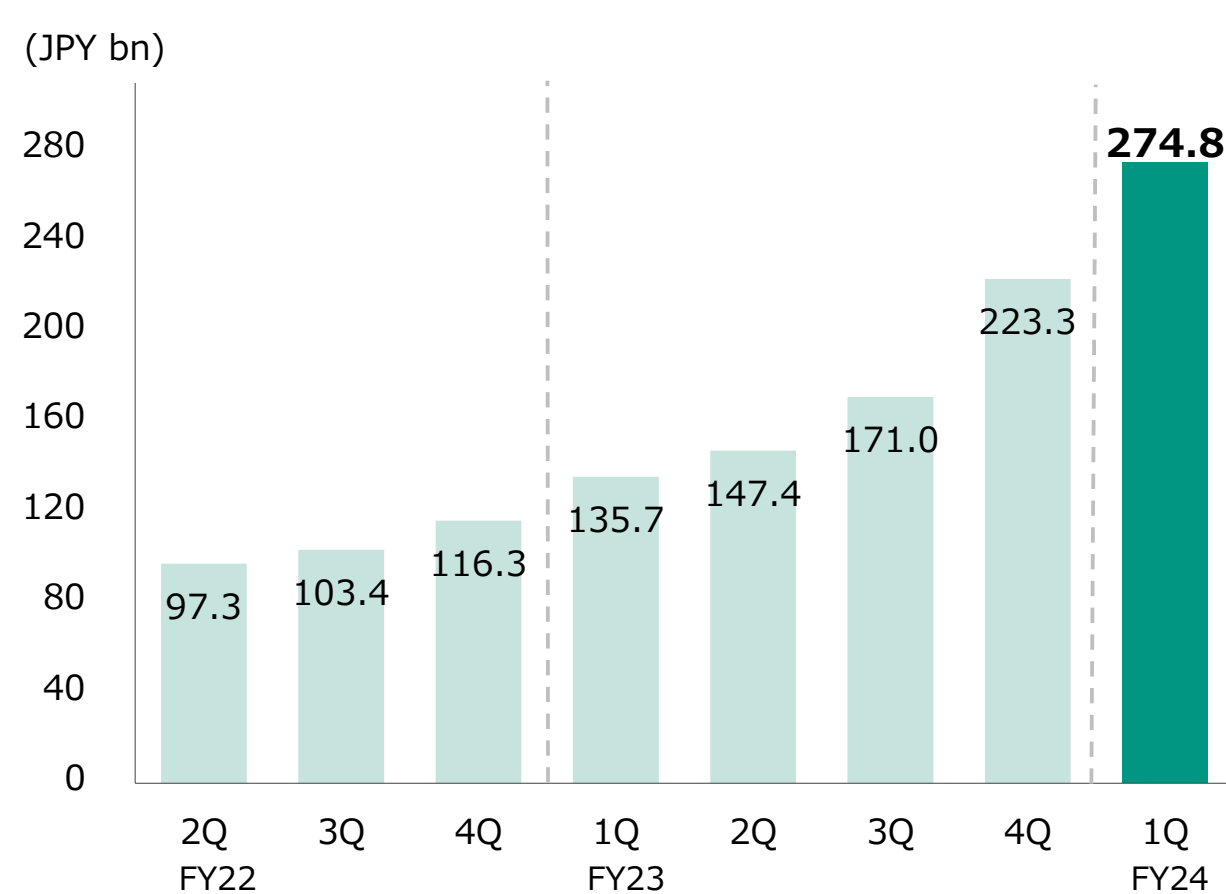
Trading value and commission



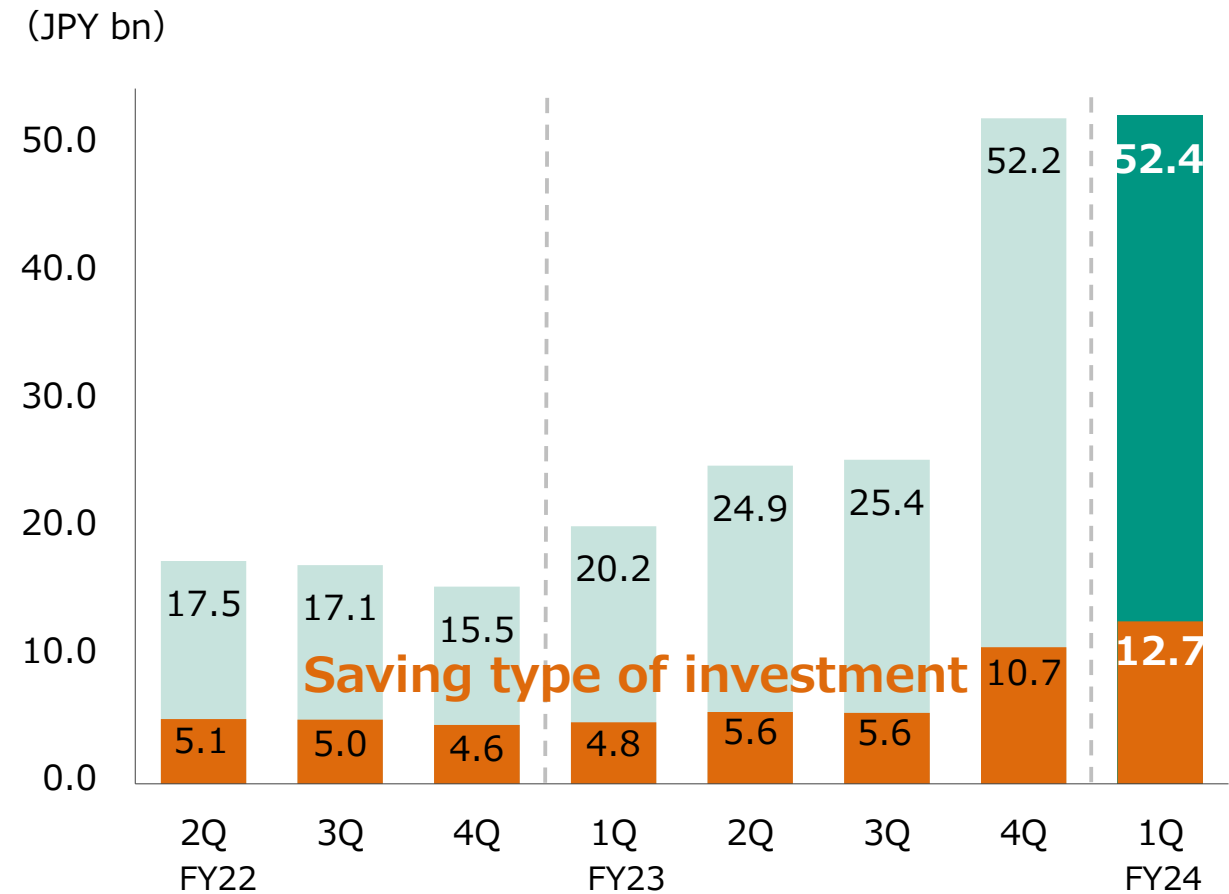
Total position and accounts



Matsui's AUM of mutual fund



Matsui's mutual fund sales



Management Strategy

Recent Developments

Company's Recognition

Continued branding, ranked 3rd in the industry

■ Airing commercials

- ✓ Broadcast in multiple media on TV, transportation, etc.
- ✓ Promoting our brand to a wide range of customers



■ Ranking

No.	Company	Ratio
1	Rakuten	72%
2	SBI	67%
3	Matsui	58%
4	Monex	44%
5	au Kabucom	40%

Note: Survey conducted by Matsui Securities, April 2024.

Establishing the No. 1 brand in the industry, a way to get to know Matsui Securities

■ Investing × Entertainment ■ Most subscribed channel

✓ New favorable series



https://youtu.be/mls_eZqAjBo?si=5Vra1eficheuGciu

Company	Subscribers
Matsui	339k
Rakuten	277k
Monex	134k
SBI	130k
au Kabucom	50k

Note: Number of registrants as of the last business day of June 2024.

Provision of ideas for investment

Videos released daily to meet the needs of investors

■ Highly breaking news

- ✓ Topical contents well-received
- ✓ Covering high-profile events

■ Noted expert commentary

- ✓ Clear explanation of difficult topics favored by investors



Special: NVIDIA leaps to No. 1 in market capitalization



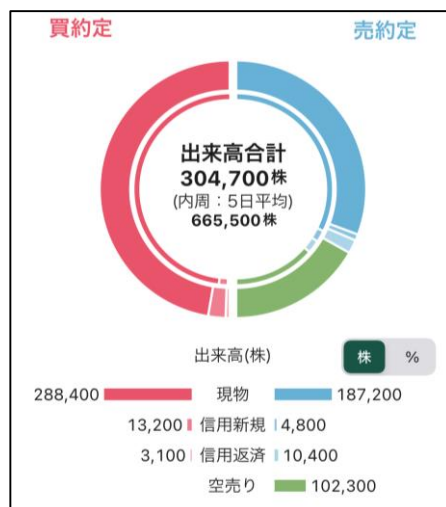
Economist, Emin's Monthly Stock Market Outlook for June

Equity Trading Business

Offering services suited to the needs of customers enjoying investment

■ New industry first feature

- ✓ Enabling to analyze volume, trading value, supply/demand for all stocks



■ Top-ranked in popular IPO

No.		Company	Cases	Participation ratio
1	(1)	SBI	16	89%
2	(9)	NOMURA	13	72%
2	(3)	SMBC NIKKO	13	72%
4	(4)	RAKUTEN	11	61%
4	(7)	MIZUHO	11	61%
6	(2)	MATSUI	10	56%
7	(8)	DAIWA	8	44%
7	(5)	MONEX	8	44%
7	(13)	TOKAI TOKYO	8	44%

Note: results for Apr. 2024 – Jun. 2024, FY23 ranking in parentheses

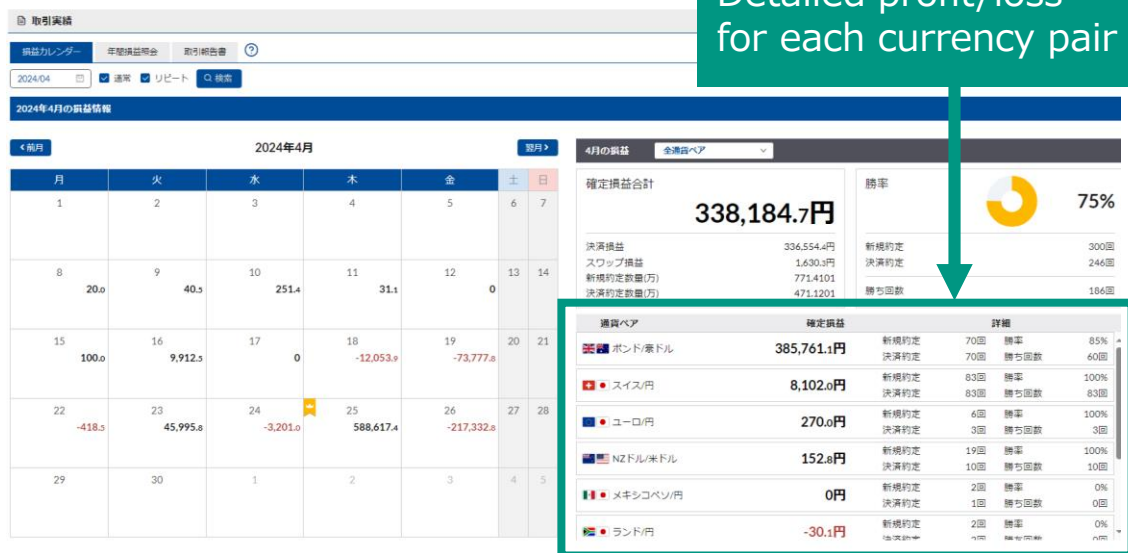
Steady growth through service expansion and convenience improvements

■ Profit/Loss check calendar

- ✓ Daily trading results at a glance
- ✓ Fulfillment of many customers' requests

■ Forex dedicated account

- ✓ Possible trading from the day of opening at earliest
- ✓ Opening procedures can be completed online



Steady business growth through promotion

■ Promotion

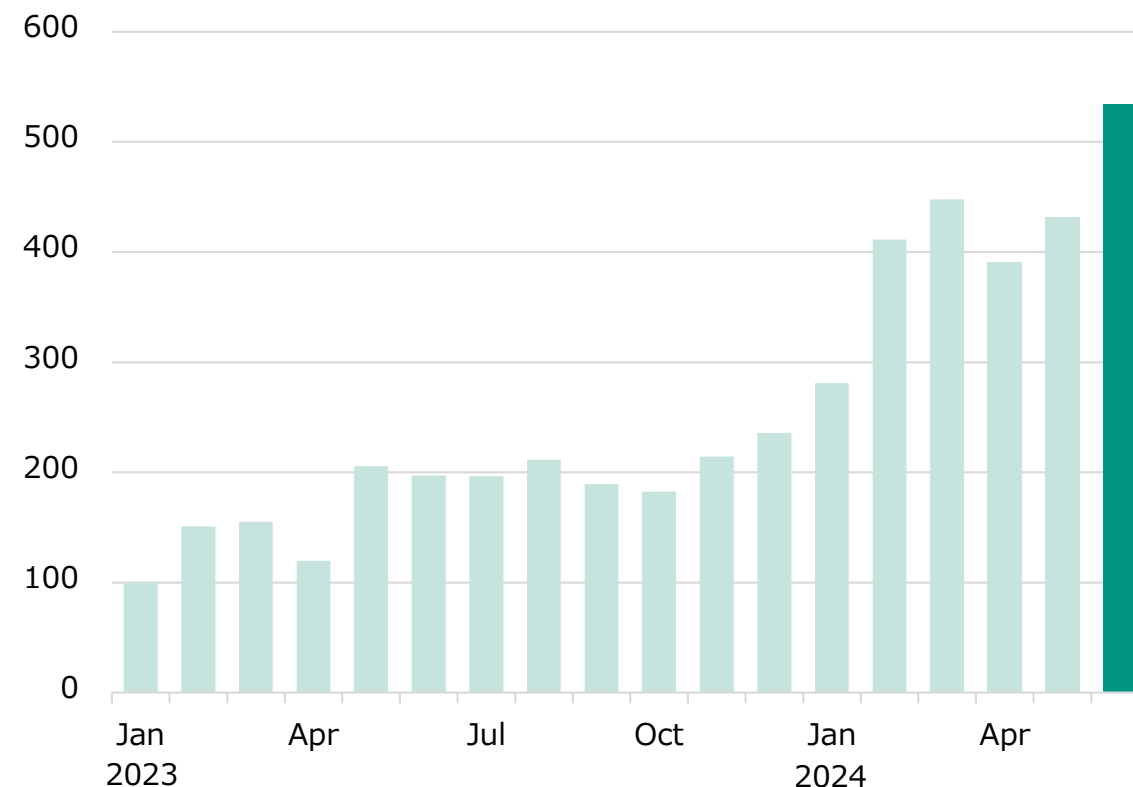
- ✓ Handbook of U.S. stocks
for customers new to trading

今年、投資信託からステップアップ！
米国会社四季報で
米国株チャレンジキャンペーン!
米国会社四季報 2024年春夏号
条件達成者全員に**プレゼント!**
好評につき延長! 2024年4月24日(水)～5月31日(金)まで



■ Trading value

- ✓ Increased fivefold in 18 months



Note: Rebased at 100 as Jan. 2023

Banking Service "MATSUI Bank"

Easier to trade with high interest rate

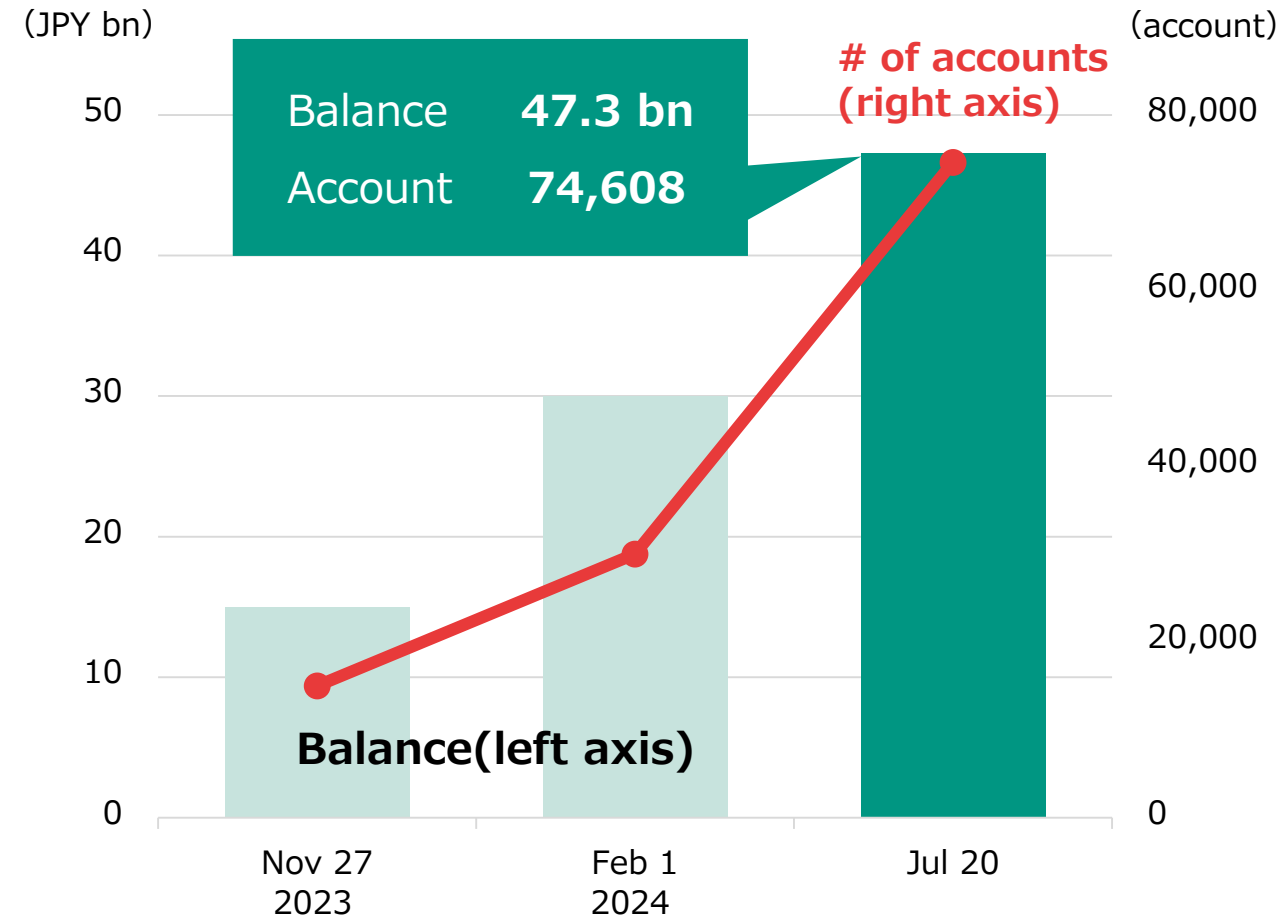
■ USD deposit interest rate

- ✓ Raised to industry-leading annual rate : 2.0% (1.59% after-tax)
- ✓ JPY deposit interest rate : 0.2% (0.159% after-tax)



Note: The above "MATSUI Bank" interest rates are for JPY and foreign currency savings deposits as of May. 27, 2024. For individual customers, interest will be withheld at a tax rate of 20.315% (national tax 15.315% (including special income tax for reconstruction) and local tax 5%) (separate withholding tax). MaruYu is not available. The interest rate on Yen savings deposits is a floating rate. Matsui Securities operates as a bank agent for SBI Sumishin Net Bank.

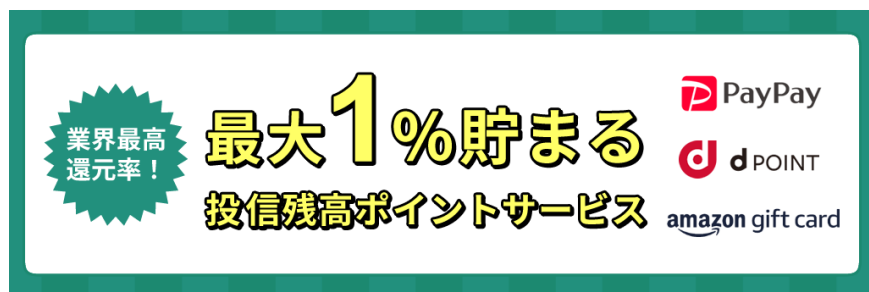
■ Results after launched



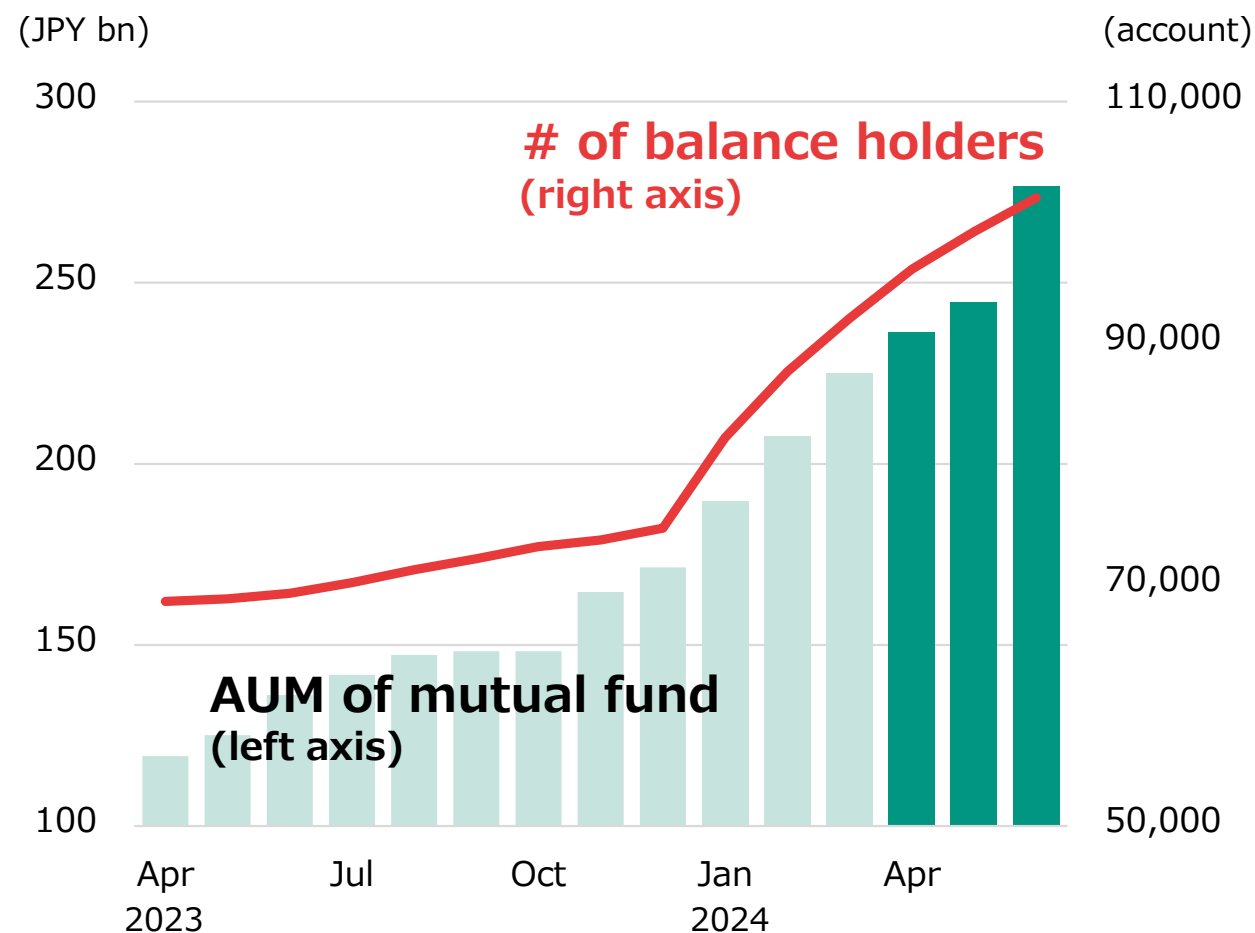
Holders exceed 100,000, balance steadily increasing

■ Popular point reward

- ✓ Up to 1% per year, monthly reward points
- ✓ Available to change points of other brands and savings of mutual funds



■ Balance and holders



Plans to Offer Credit Card Savings

Supporting asset building with easy and affordable saving investments

■ Business partnership

- ✓ Signed a basic agreement with JCB, a major credit card brand

■ Planned service

- ✓ Aiming for the industry's highest rate of reward with points earned on purchase and balance

投資をまじめに、おもしろく。

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×

JCB

世界にひとつ。あなたにひとつ。

Reliable Online Brokerage Firm

Relief and close support to always be connected

■ Extensive support system

- ✓ Staff with extensive knowledge of trading carefully assist customers with their transaction

Company	Accounts	Certified staff [*] /account
Matsui	1.55M	100
Monex	2.6M	66
SBI	12.45M	55
au Kabucom	1.7M	54
Rakuten	10.9M	41

Note: Compiled by Matsui Securities based on data published by each company.
Rebased at 100 as certified staff's ratio per 1million accounts of Matsui Securities.

■ Stock trading helpline

- ✓ Support customer decision making
- ✓ Dedicated staff respond
- ✓ Offering a counter for Japanese and U.S. equities



■ Building a strong **corporate brand**

- ✓ Raise recognition
- ✓ Growth of customer base

■ Expanding **product lineup**, offering **distinctive services with our uniqueness**

- ✓ Forex (continuous service improvement)
- ✓ U.S. Equity (expand information for investment)
- ✓ MATSUI Bank (Further enhance convenience)

■ Enhancing **service quality**

- ✓ Enhance UI/UX
- ✓ Comprehensive customer service

Appendix

Summary of Financial Results

(JPY mn)

	FY2022			FY2023				FY2024
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Operating Revenues	7,668	8,037	8,114	8,799	8,830	8,835	10,336	9,895
Net operating revenues	7,083	7,286	7,187	8,232	8,498	8,566	9,949	9,448
SG & A	4,249	4,281	4,505	4,636	4,818	5,035	5,590	5,213
Operating income	2,834	3,006	2,682	3,596	3,680	3,530	4,359	4,235
Ordinary income	2,785	2,995	2,662	3,594	3,650	3,478	4,333	4,225
Net income	1,914	2,064	1,899	2,360	2,392	2,277	2,761	2,894
Ordinary income ratio	36%	37%	33%	41%	41%	39%	42%	43%
Matsui's trading value (JPY tn)	8.6	10.2	10.1	11.8	12.5	11.9	15.1	13.5
Average margin balance (JPY bn)	293	297	306	312	331	338	350	392

Breakdown of Net Operating Revenues

(JPY mn)

	FY2022			FY2023				FY2024
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Commissions	4,109	4,033	3,992	4,850	4,805	4,470	6,265	5,218
Brokerage	3,875	3,806	3,743	4,611	4,544	4,224	5,989	4,944
Equity & ETF	3,595	3,531	3,504	4,342	4,295	3,961	5,704	4,655
Futures & Options	280	275	240	269	249	262	285	289
Others	229	203	230	208	244	234	267	267
Net trading income	455	748	688	495	645	1,089	526	695
Net interest income	2,519	2,505	2,508	2,887	3,049	3,007	3,157	3,535
Interest & dividend income	3,103	3,256	3,434	3,453	3,381	3,277	3,544	3,982
Interest expenses	585	751	926	567	332	270	387	447
Net operating revenues	7,083	7,286	7,187	8,232	8,498	8,566	9,949	9,448

Note 1: FX swap point transactions with customers are included in net trading income from net interest income beginning this fiscal year. The same change is reflected in each period from FY2023.

Breakdown of SG&A

(JPY mn)

	FY2022			FY2023				FY2024
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Trading related expenses	1,396	1,421	1,453	1,468	1,506	1,600	2,108	1,649
Stock exchanges and securities	329	364	366	408	376	362	429	398
Communications expenses	498	300	313	307	310	319	346	328
Advertisement	333	513	522	489	553	643	1,020	647
Personnel expenses	800	794	867	870	889	899	931	976
Occupancy & rental	226	222	257	236	242	268	245	267
Data processing & office supplies	1,025	1,118	1,096	1,143	1,225	1,293	1,265	1,287
Depreciation	612	642	678	743	761	827	862	857
Taxes and dues	129	28	88	114	108	110	111	113
Provision of allowance for doubtful accounts	△ 2	6	17	△ 19	26	△ 19	3	3
Others	65	49	48	81	61	57	66	61
Total SG & A	4,249	4,281	4,505	4,636	4,818	5,035	5,590	5,213

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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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【Contact information】

Matsui Securities Co., Ltd. URL: <https://www.matsui.co.jp/company/>

Investor Relations Tel: +81-3-5216-0784 Mail: ir@matsui.co.jp