

Non-consolidated Financial Results
For the Three Months Ended June 30, 2024
(Under Japanese GAAP)

Company name: Matsui Securities Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 8628
URL: <https://www.matsui.co.jp/company/>
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results briefing: Yes

(Yen amounts are rounded to the nearest millions, unless otherwise noted.)

1. Non-consolidated financial results for the Three Months Ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Three months ended								
June 30, 2024	9,895	12.5	9,448	14.8	4,235	17.8	4,225	17.6
June 30, 2023	8,799	-	8,232	20.0	3,596	27.2	3,594	27.9

	Profit		Basic earnings per share	Diluted earnings per share
	Millions of Yen	%	Yen	Yen
Three months ended				
June 30, 2024	2,894	22.6	11.25	11.23
June 30, 2023	2,360	21.3	9.18	9.16

Notes:

“Operating revenue” in the preceding cumulative first quarter period has been reclassified to reflect changes in presentation in the current cumulative first quarter period. In addition, the percentages indicating year-on-year changes of “Operating revenue” in the preceding cumulative first quarter period has not been listed according to the changes in presentation. If any questions arise in this document, please refer to the original Japanese Financial Results. For more details, please refer to (Notes - Changes in presentation) in the attached document.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
As of				
June 30, 2024	1,179,182	74,181	6.3	287.21
March 31, 2024	1,172,667	76,326	6.5	295.59

Reference: Equity

As of June 30, 2024: 73,906 million yen

As of March, 31 2024: 76,054 million yen

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	20.00	—	20.00	40.00
Fiscal year ending March 31, 2025	—				
Fiscal year ending March 31, 2025 (Forecast)		—	—	—	—

Notes:

- 1) Revisions to the forecast of cash dividends most recently announced: None
- 2) Forecast of the dividend for the fiscal year ending March 2025 is undecided at the time of filing of this financial Results.

*Notes

- (1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - 2) Changes in accounting policies due to other reasons: None
 - 3) Changes in accounting estimates: None
 - 4) Restatement: None
- (3) Number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2024	259,264,702 shares
As of March, 31 2024	259,264,702 shares
 - 2) Number of treasury shares at the end of the period

As of June 30, 2024	1,942,609 shares
As of March, 31 2024	1,970,709 shares
 - 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

As of June 30, 2024	257,322,093 shares
As of June 30, 2023	257,204,856 shares

* Review of the Japanese-language originals of the attached quarterly non-consolidated financial statements by certified public accountants or an audit firm: No

*Proper use of earnings forecasts, and other special matters

The Company will undergo a review by an audit firm, and will disclose the quarterly financial results with the review report attached after the completion of the review (scheduled on August 2, 2024).

The business results of securities brokerage companies depend on the market situation considerably, which makes it difficult to forecast the future business results. Accordingly, the Company does not issue such forecast while it discloses its monthly business information instead of such forecasts.

Notice to Readers 1: This document is an English translation of summary information and financial statements with major notes presented in the original Japanese Financial Results ("Kessan Tanshin" dated July 29, 2024).

Notice to Readers 2: This English translation is prepared for reference purposes only and does not constitute any offer or sale of securities or other similar action whether inside or outside Japan. If any questions arise in this document, please refer to the original Japanese Financial Results.

Notice to Readers 3: The accompanying quarterly financial statements are prepared in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards. The financial statements are not intended to present the financial position and results of operations in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

Part 1. Quarterly Financial Statements and Major Notes

1. Quarterly Balance Sheet

	(Millions of Yen)	
	Preceding fiscal year (March 31, 2024)	First quarter accounting period (June 30, 2024)
Assets		
Current Assets		
Cash and deposits	72,280	79,372
Segregated deposits	700,212	657,712
Money held in trust	3,969	4,218
Trading products	4,614	4,809
Trading securities and other	0	0
Derivatives	4,614	4,809
Trade date accrual	20	—
Margin transaction assets	322,388	361,230
Margin loans	311,624	356,605
Cash collateral provided for securities borrowed in margin transactions	10,763	4,625
Loans secured by securities	28,218	25,615
Cash collateral provided for securities borrowed	28,218	25,615
Advances paid	70	523
Deposits paid for underwritten offering, etc.	2,013	2,442
Short-term guarantee deposits	11,585	15,692
Other	7,100	7,769
Allowance for doubtful accounts	(16)	(15)
Total current assets	1,152,453	1,159,368
Non-current assets		
Property, plant and equipment	1,806	1,753
Intangible assets	8,805	8,390
Software	8,805	8,390
Other	0	0
Investments and other assets	9,603	9,672
Investment securities	6,649	6,815
Other	3,847	3,743
Allowance for doubtful accounts	(893)	(886)
Total non-current assets	20,214	19,815
Total assets	1,172,667	1,179,182

(Millions of Yen)

	Preceding fiscal year (March 31, 2024)	First quarter accounting period (June 30, 2024)
Liabilities		
Current liabilities		
Trading products	979	1,341
Derivatives	979	1,341
Trade date accrual	—	121
Margin transaction liabilities	96,026	53,769
Margin borrowings	42,861	15,748
Cash received for securities sold in margin transactions	53,164	38,022
Borrowings secured by securities	38,106	41,724
Cash collateral received for securities lent	38,106	41,724
Deposits received	425,836	419,632
Guarantee deposits received	285,297	293,334
Short-term borrowings	238,900	285,900
Income taxes payable	3,144	1,178
Provision for bonuses	325	96
Other	3,265	3,384
Total current liabilities	1,091,878	1,100,480
Non-current liabilities		
Long-term borrowings	50	50
Other	281	281
Total non-current liabilities	331	331
Reserves under special laws		
Reserve for financial instruments transaction liabilities	4,133	4,191
Total reserves under special laws	4,133	4,191
Total liabilities	1,096,342	1,105,002
Net assets		
Shareholders' equity		
Share capital	11,945	11,945
Capital surplus	9,805	9,807
Retained earnings	55,403	53,151
Treasury shares	(1,490)	(1,469)
Total shareholders' equity	75,663	73,434
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	391	471
Total valuation and translation adjustments	391	471
Share acquisition rights	271	275
Total net assets	76,326	74,181
Total liabilities and net assets	1,172,667	1,179,182

2. Quarterly Statement of Income

1) Cumulative first quarter period

	(Millions of Yen)	
	Cumulative first quarter period of the preceding fiscal year (From April 1, 2023 to June 30, 2023)	Cumulative first quarter period of the current fiscal year (From April 1, 2024 to June 30, 2024)
Operating revenue		
Commission received	4,850	5,218
Brokerage commission	4,611	4,944
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	32	6
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	0	—
Other commission received	208	267
Net trading income	495	695
Financial revenue	3,453	3,982
Total operating revenue	8,799	9,895
Financial expenses	567	447
Net operating revenue	8,232	9,448
Selling, general and administrative expenses		
Trading related expenses	1,468	1,649
Personnel expenses	870	976
Real estate expenses	236	267
Office expenses	1,143	1,287
Depreciation	743	857
Taxes and dues	114	113
Provision of allowance for doubtful accounts	(19)	3
Other	81	61
Total selling, general and administrative expenses	4,636	5,213
Operating profit	3,596	4,235
Non-operating income		
Dividend income	7	8
Gain on investments in investment partnerships	18	21
Other	3	4
Total non-operating income	28	33
Non-operating expenses		
Loss on investments in investment partnerships	28	39
Other	3	4
Total non-operating expenses	31	43
Ordinary profit	3,594	4,225
Extraordinary losses		
Provision of reserve for financial instruments transaction liabilities	188	58
Loss on sale and retirement of non-current assets	3	—
Total extraordinary losses	191	58
Profit before income taxes	3,402	4,167
Income taxes – current	946	1,095
Income taxes – deferred	97	178
Total income taxes	1,042	1,273
Profit	2,360	2,894

3. Notes on quarterly Financial Statements

1) (Notes - Uncertainties of entity's ability to continue as going concern)

Not applicable.

2) (Notes - Changes in presentation)

In the cumulative first quarter period of the current fiscal year, the presentation of revenue and expense arising from payments and receipts of swap points to and from customers concerning FX (Foreign Exchange Margin Trading) was changed from accounting as “Financial revenue” and “Financial expenses” to accounting as “Net trading income”.

Although we have been accounting receipts of swap points from customers as “Financial revenue” and payments of them to customers as “Financial expenses”, we have come to a conclusion that accounting them as “Net trading income” which includes net dealing revenue arising from cover trades and marry trades would contribute an enhancement of value of financial statements considering the expansion of our FX business.

As a result of this, “Financial revenue” and “Financial expenses” decreased by 725 million yen and 672 million yen respectively, while “Net trading income” increased by 53 million yen which is the equivalent of the discrepancy of them. “Operating revenue” decreased by 672 million yen as a result of the decrease of “Financial revenue” and the increase of “Net trading income”. “Net operating revenue”, “Operating profit”, “Ordinary profit”, “Profit before income taxes” and “Profit” stay unchanged.

3) (Notes - Quarterly statement of cash flows)

The Company does not prepare the quarterly statement of cash flows for the cumulative first quarter period of the current fiscal year. Depreciation expenses (including the amortization of intangible assets) for the cumulative first quarter periods are as follows.

	Cumulative first quarter period of the preceding fiscal year (From April 1, 2023 to June 30, 2023)	Cumulative first quarter period of the current fiscal year (From April 1, 2024 to June 30, 2024)
Depreciation	743 million yen	857 million yen

4) (Notes - Equity)

- i) Cumulative first quarter period of the preceding fiscal year (From April 1, 2023 to June 30, 2023)

(i) Dividend payment

Resolution	Class of shares	Total amount of dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
Ordinary general meeting of shareholders held on June 25, 2023	Common stock	5,144	20.00	March 31, 2023	June 26, 2023	Retained earnings

- (ii) Dividends whose date of record is in the cumulative first quarter period of the current fiscal year and whose effective date is after the end of the first quarter accounting period of the current fiscal year

Not applicable.

- ii) Cumulative first quarter period of the current fiscal year (From April 1, 2024 to June 30, 2024)

(i) Dividend payment

Resolution	Class of shares	Total amount of dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
Ordinary general meeting of shareholders held on June 23, 2024	Common stock	5,146	20.00	March 31, 2024	June 24, 2024	Retained earnings

- (ii) Dividends whose date of record is in the cumulative first quarter period of the current fiscal year and whose effective date is after the end of the first quarter accounting period of the current fiscal year

Not applicable.

5) (Notes when there are significant changes in amounts of equity)

Not applicable.

6) (Notes - Segment information etc.)

- i) Segment information

Disclosures on segment information are omitted since the Company is a provider of on-line securities trading service comprising a single segment.

7) (Notes - Financial instruments)

Not applicable.

8) (Notes - Securities)

Not applicable.

9) (Notes - Derivatives)

Not applicable.

10) (Notes - Revenue recognition)

Disclosures on segment information have been omitted since the Company is a provider of on-line securities trading service comprising a single segment. The following tables provide information on the breakdown of revenue generated from contracts with customers.

- i) Cumulative first quarter period of the preceding fiscal year (From April 1, 2023 to June 30, 2023)

(Millions of yen)

	On-line securities trading service
Revenue generated from contracts with customers	4,850
Commission received	4,850
Brokerage commission	4,611
Equity & ETF, etc.	4,342
Futures & Options	269
Other	240
Other revenue	3,949
Financial revenue	3,453
Net trading income	495
Total operating revenue	8,799

- ii) Cumulative first quarter period of the current fiscal year (From April 1, 2024 to June 30, 2024)

(Millions of yen)

	On-line securities trading service
Revenue generated from contracts with customers	5,218
Commission received	5,218
Brokerage commission	4,944
Equity & ETF, etc.	4,655
Futures & Options	289
Other	274
Other revenue	4,677
Financial revenue	3,982
Net trading income	695
Total operating revenue	9,895

“Financial revenue”, “Net trading income”, and “Total operating revenue” in the preceding cumulative first quarter period have been reclassified to reflect changes in presentation in the current cumulative first quarter period. For more details, please refer to (Notes - Changes in presentation).

11) (Notes - Per share information)

Basic earnings per share and diluted earnings per share with their respective bases of calculation are as follows.

Item	Cumulative first quarter period of the preceding fiscal year (From April 1, 2023 to June 30, 2023)	Cumulative first quarter period of the current fiscal year (From April 1, 2024 to June 30, 2024)
(1)Basic earnings per share (yen)	9.18	11.25
(Calculation basis)		
Net profit (millions of yen)	2,360	2,894
Net profit not attributed to common stock(millions of yen)	-	-
Net profit attributed to common stock (millions of yen)	2,360	2,894
Average number of common stock outstanding (number of shares)	257,204,856	257,322,093
(2)Diluted earnings per share (yen)	9.16	11.23
(Calculation basis)		
Adjustment to the net profit (millions of yen)	-	-
Increase in common stock (number of shares)	407,986	471,302
Overview of significant changes from the end of the preceding fiscal year in the share acquisition rights or others without dilution effects which are not considered in the calculation of diluted earnings per share	-	-

Part 2. Other Information

Not applicable.