

Non-Consolidated Financial Summary under Japanese GAAP  
For the Second Quarter of the Fiscal Year ends March 2021

Date: October 27, 2020  
Company name (Securities code): Matsui Securities Co., Ltd. (8628)  
Stock exchange listing: Tokyo  
(URL <https://www.matsui.co.jp/en/>)  
Representative: Akira WARITA, President & CEO  
Planned date of filing of the quarterly securities report: November 13, 2020  
Planned date of dividend payment: November 24, 2020

Note: All figures are rounded off to the nearest millionth.

1. Non-consolidated financial summary for the second quarter of the fiscal year ends March 2021  
(from April 1, 2020 to September 30, 2020)

(1) Operating results

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit	
	(Millions of Yen)	(Yr/Yr % change)	(Millions of Yen)	(Yr/Yr % change)	(Millions of Yen)	(Yr/Yr % change)	(Millions of Yen)	(Yr/Yr % change)
Second quarter of the fiscal year ends March 2021	14,188	25.9	13,440	29.4	5,869	47.2	5,912	45.4
Second quarter of the fiscal year ended March 2020	11,269	-21.7	10,384	-24.6	3,987	-48.8	4,065	-48.3

	Profit		Basic earnings per share	Diluted earnings per share
	(Millions of Yen)	(Yr/Yr % change)	(Yen)	(Yen)
Second quarter of the fiscal year ends March 2021	5,488	95.6	21.36	21.33
Second quarter of the fiscal year ended March 2020	2,806	-48.6	10.93	10.91

(2) Financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
Second quarter of the fiscal year ends March 2021	841,752	79,720	9.4	309.30
Fiscal year ended March 2020	708,314	80,285	11.3	311.72

Owner's equity:

Second quarter of the fiscal year ends March 2021: 79,474 million yen

Fiscal year ended March 2020: 80,078 million yen

2. Dividends

	Dividend per share				
	First quarter	Second quarter	Third quarter	Year end	Annual
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal year ended March 2020	—	22.50	—	22.50	45.00
Fiscal year ends March 2021	—	20.00			
Fiscal year ends March 2021 (forecast)			—	—	—

Notes:

1) Revision of dividend forecasts from the latest announcement: None

2) Forecast of the total dividend for the fiscal year ends March 2021 is undecided at the time of release of this financial summary.

Notes:

- (1) Accounting treatments specific to quarterly financial statements: None
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies based on revisions of accounting standard: None
  - 2) Changes in accounting policies other than ones based on revisions of accounting standard: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (3) Number of issued and outstanding shares (common stock)
  - 1) Number of issued and outstanding shares (including treasury stock)

Second quarter of the fiscal year ends March 2021	259,264,702	shares
Fiscal year ended March 2020	259,264,702	shares
  - 2) Number of treasury stock

Second quarter of the fiscal year ends March 2021	2,316,746	shares
Fiscal year ended March 2020	2,373,346	shares
  - 3) Average number of shares

Second quarter of the fiscal year ends March 2021	256,910,223	shares
Second quarter of the fiscal year ended March 2020	256,823,689	shares

Note: This quarterly financial summary is not subject to quarterly review procedures by certified public accountants or audit corporations.

Note: Explanation on appropriate use of business forecasts and other remarks

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 Summary ("Kessan Tanshin" dated October 27, 2020).*

*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 Summary.*

*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, 2020)	Second quarter accounting period (September 30, 2020)
<b>Assets</b>		
<b>Current Assets</b>		
Cash and deposits	52,501	60,678
Cash segregated as deposits	449,312	501,612
Money held in trust	2,844	2,846
Trading products	1,877	2,374
Trading securities and other	0	511
Derivatives	1,877	1,863
Trade date accrual	3	-
Margin transaction assets	161,594	227,707
Loans on margin transactions	154,302	217,697
Cash collateral pledged for securities borrowing on margin transactions	7,292	10,011
Loans secured by securities	21,188	26,363
Cash collateral pledged for securities borrowed	21,188	26,363
Advances paid	148	55
Cash paid for offering	354	394
Short-term guarantee deposits	3,378	3,092
Other	4,121	5,160
Allowance for doubtful accounts	(49)	(69)
<b>Total current assets</b>	<b>697,272</b>	<b>830,213</b>
<b>Non-current assets</b>		
Property, plant and equipment	1,410	1,451
Intangible assets	4,410	5,220
Software	4,410	5,220
Other	0	0
Investments and other assets	5,222	4,867
Investment securities	3,874	3,363
Other	2,753	2,927
Allowance for doubtful accounts	(1,405)	(1,423)
<b>Total non-current assets</b>	<b>11,042</b>	<b>11,539</b>
<b>Total assets</b>	<b>708,314</b>	<b>841,752</b>

	(Millions of Yen)	
	Preceding fiscal year (March 31, 2020)	Second quarter accounting period (September 30, 2020)
<b>Liabilities</b>		
Current liabilities		
Trading products	120	113
Derivatives	120	113
Trade date accrual	-	480
Margin transaction liabilities	44,846	50,875
Borrowings on margin transactions	6,369	3,259
Cash received for securities lending on margin transactions	38,477	47,616
Borrowings secured by securities	14,782	22,387
Cash received on debt credit transaction of securities	14,782	22,387
Deposits received	270,003	293,538
Guarantee deposits received	212,539	234,417
Accounts for non-received securities and others	27	-
Short-term borrowings	78,900	152,900
Income taxes payable	1,707	2,554
Provision for bonuses	125	84
Other	1,580	1,538
Total current liabilities	624,628	758,885
Non-current liabilities		
Long-term borrowings	150	100
Reserve for retirement bonuses for directors	204	-
Other	202	201
Total non-current liabilities	556	301
Reserves under special laws		
Reserve for financial instruments transaction liabilities	2,845	2,845
Total reserves under special laws	2,845	2,845
Total liabilities	628,029	762,032
<b>Net assets</b>		
Shareholders' equity		
Share capital	11,945	11,945
Capital surplus	9,797	9,798
Retained earnings	57,841	57,549
Treasury shares	(1,794)	(1,752)
Total shareholders' equity	77,789	77,541
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,290	1,933
Total valuation and translation adjustments	2,290	1,933
Share acquisition rights	206	246
Total net assets	80,285	79,720
Total liabilities and net assets	708,314	841,752

## 2. Quarterly Statement of Income

### 1) Cumulative second quarter period

	(Millions of Yen)	
	Cumulative Second quarter period of the preceding fiscal year (From April 1, 2019 to September 30, 2019)	Cumulative Second quarter period of the current fiscal year (From April 1, 2020 to September 30, 2020)
Operating revenue		
Commission received	6,015	8,789
Brokerage commission	5,681	8,425
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	6	26
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	28	-
Other fees received	301	338
Net trading income	602	414
Financial revenue	4,651	4,984
Other operating revenue	1	1
Total operating revenue	11,269	14,188
Financial expenses	885	749
Net operating revenue	10,384	13,440
Selling, general and administrative expenses		
Trading related expenses	2,052	2,684
Personnel expenses	1,333	1,356
Real estate expenses	564	513
Office expenses	1,316	1,566
Depreciation	992	1,042
Taxes and dues	145	261
Provision of allowance for doubtful accounts	(83)	59
Other	78	90
Total selling, general and administrative expenses	6,397	7,570
Operating profit	3,987	5,869
Non-operating income		
Dividend income	79	56
Other	11	7
Total non-operating income	90	63
Non-operating expenses		
Other	13	21
Total non-operating expenses	13	21
Ordinary profit	4,065	5,912
Extraordinary income		
Gain on sales of investment securities	-	1,994
Total extraordinary income	-	1,994
Extraordinary losses		
Loss on sales and retirement of non-current assets	2	0
Loss on valuation of investment securities	20	-
Total extraordinary losses	22	0
Profit before income taxes	4,043	7,906
Income taxes – current	1,151	2,399
Income taxes – deferred	85	19
Total income taxes	1,236	2,417
Profit	2,806	5,488

### 3. Notes on quarterly Financial Statements

- 1) (Notes - Uncertainties of entity's ability to continue as going concern)  
Not applicable.
  
- 2) (Notes when there are significant changes in amounts of shareholders' equity)  
Not applicable.
  
- 3) (Notes - Accounting treatments specific to quarterly financial statements)  
Not applicable.
  
- 4) (Notes - Changes in accounting policies, accounting estimates and retrospective restatement)  
Not applicable.