# Non-consolidated Financial Results For the Six Months Ended September 30, 2021 (Under Japanese GAAP)

Company name: Matsui Securities Co., Ltd.

Listing: Tokyo Stock Exchange

Securities code: 8628

URL: https://www.matsui.co.jp/en/

Representative: WARITA Akira, President & CEO

Inquiries: UZAWA Shinichi, Managing Director, Director in charge of Corporate Division

Telephone: +81-3-5216-0606

Scheduled date to file quarterly securities report: November 12, 2021 Scheduled date to commence dividend payments: November 22, 2021 Preparation of supplementary material on quarterly financial results: Yes

Holding of quarterly financial results briefing: Yes

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

1. Non-consolidated financial results for the Six Months ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

### (1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating	revenue	Net operating	g revenue	Operatin	g profit	Ordinary	profit
Six months ended	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
September 30, 2021	15,316	8.0	14,747	9.7	6,624	12.9	6,647	12.4
September 30, 2020	14,188	25.9	13,440	29.4	5,869	47.2	5,912	45.4

	Prof	ît	Basic earnings per share	Diluted earnings per share
Six months ended	Millions of Yen	%	Yen	Yen
September 30, 2021	6,397	16.6	24.89	24.85
September 30, 2020	5,488	95.6	21.36	21.33

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of Yen	Millions of Yen	%	Yen
September 30, 2021	943,815	78,839	8.3	305.81
March 31, 2021	961,791	79,213	8.2	307.23

Reference: Equity

As of September 30, 2021: 78,611 million yen As of March, 31 2021: 78,947 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, 2021	_	20.00	_	20.00	40.00	
Fiscal year ending March 31, 2022	_	20.00				
Fiscal year ending March 31, 2022 (Forecast)			_	_	_	

Notes:

<sup>1)</sup> Revisions to the forecast of cash dividends most recently announced: None

<sup>2)</sup> Forecast of the dividend for the fiscal year ends March 2022 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: Yes
  - 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 September 30, 2021 259,264,702 shares As of March, 31 2021 259,264,702 shares

2) Number of treasury shares at the end of the period

As of September 30, 2021 2,209,146 shares As of March, 31 2021 2,304,946 shares

3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

As of September 30, 2021 257,009,606 shares As of September 30, 2020 256,910,223 shares

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 Results information and financial statements with major notes presented in the original Japanese Financial Results ("Kessan Tanshin" dated October 27, 2021).

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.

<sup>\*</sup>Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

<sup>\*</sup>Proper use of earnings forecasts, and other special matters

## Part 1. Quarterly Financial Statements and Major Notes

## 1. Quarterly Balance Sheet

		(Millions of Yen)
	Preceding fiscal year (March 31, 2021)	Second quarter accounting period (September 30, 2021)
Assets		
Current Assets		
Cash and deposits	56,952	51,106
Segregated deposits	564,012	557,912
Money held in trust	2,846	2,934
Trading products	2,146	2,131
Trading securities and other	24	0
Derivatives	2,121	2,131
Trade date accrual	-	10
Margin transaction assets	282,931	285,841
Margin loans	277,143	280,818
Cash collateral provided for securities borrowed in margin transactions	5,788	5,023
Loans secured by securities	30,353	21,226
Cash collateral provided for securities borrowed	30,353	21,226
Advances paid	65	84
Deposits paid for underwritten offering, etc.	764	705
Short-term guarantee deposits	4,510	5,258
Other	4,749	5,704
Allowance for doubtful accounts	(107)	(74)
Total current assets	949,221	932,837
Non-current assets		
Property, plant and equipment	1,608	1,644
Intangible assets	5,618	5,745
Software	5,618	5,745
Other	0	0
Investments and other assets	5,345	3,589
Investment securities	3,490	1,258
Other	3,208	3,677
Allowance for doubtful accounts	(1,353)	(1,347)
Total non-current assets	12,571	10,978
Total assets	961,791	943,815

Liabilities         Preceding fiscal year (March 31, 2021)         Second quarter ascending period (September 30, 2021)           Current liabilities         219         190           Trading products         219         190           Derivatives         219         190           Trade date accrual         39         -           Margin transaction liabilities         57,226         42,082           Margin borrowings         9,406         3,553           Cash received for securities sold in margin transactions         47,819         38,529           Borrowings secured by securities         23,160         25,669           Cash collateral received for securities lent         23,160         25,669           Deposits received         355,41         342,218           Guarantee deposits received secretice over due for delivery         20         190           Payables for securities to receive over due for delivery         20         190           Reserve for financial listitude         87,933         861,813           Non-current liabilities         879,393         861,813           Non-current liabilities         2,933         2,974           Long-term borrowing         5         2           Other         2,91         2,974			(Millions of Yen)
Liabilities           Current liabilities         219         190           Derivatives         219         190           Trade date accrual         39         -           Margin transaction liabilities         57,226         42,082           Margin borrowings         9,406         3,533           Cash received for securities sold in margin transactions         47,819         38,529           Borrowings secured by securities lent         23,160         25,669           Cash collateral received for securities lent         23,160         25,669           Deposits received         335,941         342,218           Guarantee deposits receive dor escurities lent         23,160         25,669           Deposits received         335,941         342,218           Guarantee deposits receive dor escurities lent         28,255         249,003           Payables for securities to receive over due for delivery         2         2           Short-term borrowings         207,900         196,900           Income taxes payable         3,658         2,865           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         2,931         2,94 <th></th> <th></th> <th></th>			
Trading products         219         190           Derivatives         219         190           Trade date accrual         39         -           Margin transaction liabilities         57,226         42,082           Margin transaction froscurities sold in margin transactions         9,406         3,553           Cash received for securities sold in margin transactions         47,819         38,259           Borrowings secured by securities         23,160         25,669           Cash collateral received for securities lent         23,160         25,669           Deposits received         335,941         342,218           Guarantee deposits received over due for delivery         2         -           Payables for securities to receive over due for delivery         2         -           Payables for securities to receive over due for delivery         2         -           Short-term borrowings         3,658         2,865           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         879,393         861,813           Non-current liabilities         251         189           Reserves under special laws         2,931         2,974	Liabilities		
Derivatives         219         190           Trade date accrual         39         -           Margin transaction liabilities         57,226         42,082           Margin borrowings         9,406         3,533           Cash received for securities sold in margin transactions         47,819         38,529           Borrowings secured by securities         23,160         25,669           Cash collateral received for securities lent         23,160         25,669           Cash collateral received for securities lent         23,160         25,669           Deposits received         335,941         342,218           Guarantee deposits received         248,255         249,003           Payables for securities to receive over due for delivery         2         -           Short-term borrowings         207,000         196,000           Income taxes payable         3,658         2,865           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         350         -           Long-term borrowings         50         -           Other         201         189           Reserve for financial instruments transaction liabilities         2,9	Current liabilities		
Trade date accrual         39         4.2,082           Margin transaction liabilities         57,226         42,082           Margin borrowings         9,406         3,553           Cash received for securities sold in margin transactions         47,819         38,529           Borrowings secured by securities         23,160         25,669           Cash collateral received for securities lent         23,160         25,669           Deposits received         248,255         249,903           Payables for securities to receive over due for delivery         2         2           Short-term borrowings         207,900         196,900           Income taxes payable         3,658         2,855           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         879,393         861,813           Non-current liabilities         251         189           Reserves under special laws         251         189           Reserves under special laws         29,33         2,974           Total reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total reserves under spec	Trading products	219	190
Margin transaction liabilities         57,226         42,082           Margin borrowings         9,406         3,533           Cash received for securities sold in margin transactions         47,819         38,529           Borrowings secured by securities         23,160         25,669           Cash collateral received for securities lent         23,160         25,669           Deposits received         335,941         342,218           Guarantee deposits received         248,255         249,903           Payables for securities to receive over due for delivery         2         c           Short-term borrowings         207,900         196,900           Income taxes payable         3,658         2,865           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         879,393         861,813           Non-current liabilities         251         189           Reserve for financial instruments transaction liabilities         2,931         2,974           Total non-current liabilities         2,933         2,974           Reserve for financial instruments transaction liabilities         2,933         2,974           Total liabilities         82,578         864,976<	Derivatives	219	190
Margin borrowings         9,406         3,553           Cash received for securities sold in margin transactions         47,819         38,529           Borrowings secured by securities         23,160         25,669           Cash collateral received for securities lent         23,160         25,669           Deposits received         335,941         342,218           Guarantee deposits received         248,255         249,903           Payables for securities to receive over due for delivery         2         -           Short-term borrowings         207,900         196,900           Income taxes payable         3,658         2,865           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         87,939         861,813           Non-current liabilities         201         189           Total non-current liabilities         251         189           Reserves under special laws         2933         2,974           Total reserves under special laws         2,933         2,974           Total liabilities         2,933         2,974           Net assets         2         35,265           Share capital         11,945         <	Trade date accrual	39	-
Cash received for securities sold in margin transactions         47,819         38,529           Borrowings secured by securities         23,160         25,669           Cash collateral received for securities lent         23,160         25,669           Deposits received         335,941         342,218           Guarantee deposits received         248,255         249,003           Payables for securities to receive over due for delivery         2         -           Short-term borrowings         207,000         196,000           Income taxes payable         3,658         2,865           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         879,393         861,813           Non-current liabilities         201         189           Total non-current liabilities         2,91         189           Reserve under special laws         2,933         2,974           Reserve for financial instruments transaction liabilities         2,933         2,974           Total labilities         2,933         2,974           Net assets           Share capital         11,945         11,945           Capital surplus         9,799         9,799     <	Margin transaction liabilities	57,226	42,082
Borrowings secured by securities         23,160         25,669           Cash collateral received for securities lent         23,160         25,669           Deposits received         335,941         342,218           Guarantee deposits received         248,255         249,903           Payables for securities to receive over due for delivery         2         -           Short-term borrowings         207,900         196,900           Income taxes payable         3,658         2,865           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         879,393         861,813           Non-current liabilities         251         189           Cother         201         189           Other         201         189           Total non-current liabilities         2,933         2,974           Reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total reserves under special laws         882,578         864,976           Net assets           Share capital         11,945         11,945           Capital surplus         9,799	Margin borrowings	9,406	3,553
Cash collateral received for securities lent         23,160         25,669           Deposits received         335,941         342,218           Guarantee deposits received         248,255         249,903           Payables for securities to receive over due for delivery         2         -           Short-term borrowings         207,900         196,900           Income taxes payable         3,658         2,865           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         879,393         861,813           Non-current liabilities         50         -           Other         201         189           Total non-current liabilities         2,931         2,974           Reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total serves under special laws         2,933         2,974           Total serves under special laws         2,933         2,974           Total serves under special laws         3,524         862,975           Share capital         11,945 <t< td=""><td>Cash received for securities sold in margin transactions</td><td>47,819</td><td>38,529</td></t<>	Cash received for securities sold in margin transactions	47,819	38,529
Deposits received         335,941         342,218           Guarantee deposits received         248,255         249,003           Payables for securities to receive over due for delivery         2         -           Short-term borrowings         207,900         196,900           Income taxes payable         3,658         2,865           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         879,393         861,813           Non-current liabilities         50         -           Other         201         189           Total non-current liabilities         251         189           Reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total reserves under special laws         882,578         864,976           Net assets           Share capital         11,945         11,945           Capital surplus         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536	Borrowings secured by securities	23,160	25,669
Guarantee deposits received         248,255         249,003           Payables for securities to receive over due for delivery         2         -           Short-term borrowings         207,900         196,900           Income taxes payable         3,658         2,865           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         879,393         861,813           Non-current liabilities         201         189           Other         201         189           Other         201         189           Total non-current liabilities         251         189           Reserves under special laws         2,933         2,974           Reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Net assets         882,578         864,976           Net assets         Share capital         11,945         11,945           Share capital         11,945         11,945         11,945           Capital surplus         9,799         9,799         9,799         9,799         9,799         9,799         9,799         9,799	Cash collateral received for securities lent	23,160	25,669
Payables for securities to receive over due for delivery         2           Short-term borrowings         207,900         196,900           Income taxes payable         3,658         2,865           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         879,393         861,813           Non-current liabilities         30         -           Other         201         188           Total non-current liabilities         251         189           Reserve under special laws         2,933         2,974           Reserves under special laws         2,933         2,974           Total iabilities         2,933         2,974           Total sesves under special laws         2,933         2,974           Total liabilities         882,578         864,976           Net assets         Share capital         11,945         11,945           Share capital         11,945         11,945         11,945           Capital surplus         9,799         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,1743)         (1,670) <th< td=""><td>Deposits received</td><td>335,941</td><td>342,218</td></th<>	Deposits received	335,941	342,218
Short-term borrowings         207,900         196,900           Income taxes payable         3,658         2,865           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         879,393         861,813           Non-current liabilities         50         -           Cother         201         189           Total non-current liabilities         251         189           Reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total liabilities         82,578         864,976           Net assets         82,578         864,976           Net assets         82,578         1,945           Share capital         11,945         11,945           Capital surplus         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Valuation difference on available-for-sale securities         1,	Guarantee deposits received	248,255	249,903
Income taxes payable         3,658         2,865           Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         879,393         861,813           Non-current liabilities         -           Long-term borrowings         50         -           Other         201         189           Total non-current liabilities         251         189           Reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total liabilities         882,578         864,976           Net assets         882,578         864,976           Share capital         11,945         11,945           Capital surplus         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Valuation difference on available-for-sale securities         1,741         75           Share acquisition rights         267         22	Payables for securities to receive over due for delivery	2	-
Provision for bonuses         253         109           Other         2,740         1,877           Total current liabilities         879,393         861,813           Non-current liabilities         879,393         861,813           Long-term borrowings         50         -           Other         201         189           Total non-current liabilities         201         189           Reserve for financial instruments transaction liabilities         2,933         2,974           Total reserves under special laws         2,933         2,974           Total liabilities         882,578         864,976           Net assets         882,578         864,976           Share capital         11,945         11,945           Capital surplus         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Total valuation and translation adjustments         1,741         75           Share acquisition rights         267         228           Total net asse	Short-term borrowings	207,900	196,900
Other         2,740         1,877           Total current liabilities         879,393         861,813           Non-current liabilities         30         -           Other         201         189           Total non-current liabilities         251         189           Reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total liabilities         882,578         864,976           Net assets         882,578         864,976           Share capital         11,945         11,945           Capital surplus         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Valuation difference on available-for-sale securities         1,741         75           Total valuation and translation adjustments         1,741         75           Share acquisition rights         267         228           To	Income taxes payable	3,658	2,865
Total current liabilities         879,393         861,813           Non-current liabilities         50         -           Other         201         189           Total non-current liabilities         251         189           Reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total liabilities         882,578         864,976           Net assets         Share capital         11,945         11,945           Capital surplus         9,799         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Valuation difference on available-for-sale securities         1,741         75           Share acquisition rights         267         228           Total net assets         79,213         78,839	Provision for bonuses	253	109
Non-current liabilities         50         -           Other         201         189           Total non-current liabilities         251         189           Reserves under special laws         251         189           Reserve for financial instruments transaction liabilities         2,933         2,974           Total reserves under special laws         2,933         2,974           Total liabilities         882,578         864,976           Net assets         882,578         864,976           Net assets         Share capital         11,945         11,945           Capital surplus         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Valuation difference on available-for-sale securities         1,741         75           Total valuation and translation adjustments         1,741         75           Share acquisition rights         267         228           Total net assets         79,213         78,839	Other	2,740	1,877
Long-term borrowings         50         -           Other         201         189           Total non-current liabilities         251         189           Reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total liabilities         882,578         864,976           Net assets         882,578         864,976           Net assets         5         11,945         11,945           Capital surplus         9,799         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Total valuation and translation adjustments         1,741         75           Share acquisition rights         267         228           Total net assets         79,213         78,839	Total current liabilities	879,393	861,813
Other         201         189           Total non-current liabilities         251         189           Reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total liabilities         882,578         864,976           Net assets         882,578         864,976           Net assets         11,945         11,945           Share capital         11,945         11,945           Capital surplus         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Valuation difference on available-for-sale securities         1,741         75           Total valuation and translation adjustments         1,741         75           Share acquisition rights         267         228           Total net assets         79,213         78,839	Non-current liabilities		
Total non-current liabilities         251         189           Reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total liabilities         882,578         864,976           Net assets         882,578         864,976           Net assets         Share capital         11,945         11,945           Capital surplus         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Valuation and translation adjustments         1,741         75           Share acquisition rights         267         228           Total net assets         79,213         78,839	Long-term borrowings	50	-
Reserves under special laws         2,933         2,974           Total reserves under special laws         2,933         2,974           Total liabilities         882,578         864,976           Net assets         Shareholders' equity           Share capital         11,945         11,945           Capital surplus         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Total valuation and translation adjustments         1,741         75           Share acquisition rights         267         228           Total net assets         79,213         78,839	Other	201	189
Reserve for financial instruments transaction liabilities         2,933         2,974           Total reserves under special laws         2,933         2,974           Total liabilities         882,578         864,976           Net assets         Shareholders' equity           Share capital         11,945         11,945           Capital surplus         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Total valuation and translation adjustments         1,741         75           Share acquisition rights         267         228           Total net assets         79,213         78,839	Total non-current liabilities	251	189
Total reserves under special laws         2,933         2,974           Total liabilities         882,578         864,976           Net assets         Shareholders' equity           Share capital         11,945         11,945           Capital surplus         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Total valuation and translation adjustments         1,741         75           Share acquisition rights         267         228           Total net assets         79,213         78,839	Reserves under special laws		
Total liabilities         882,578         864,976           Net assets         Shareholders' equity           Share capital         11,945         11,945           Capital surplus         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Total valuation and translation adjustments         1,741         75           Share acquisition rights         267         228           Total net assets         79,213         78,839	Reserve for financial instruments transaction liabilities	2,933	2,974
Net assets           Share holders' equity           Share capital         11,945         11,945           Capital surplus         9,799         9,799           Retained earnings         57,205         58,462           Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Total valuation and translation adjustments         1,741         75           Share acquisition rights         267         228           Total net assets         79,213         78,839	Total reserves under special laws	2,933	2,974
Shareholders' equity       11,945       11,945         Capital surplus       9,799       9,799         Retained earnings       57,205       58,462         Treasury shares       (1,743)       (1,670)         Total shareholders' equity       77,205       78,536         Valuation and translation adjustments       1,741       75         Total valuation and translation adjustments       1,741       75         Share acquisition rights       267       228         Total net assets       79,213       78,839	Total liabilities	882,578	864,976
Share capital       11,945       11,945         Capital surplus       9,799       9,799         Retained earnings       57,205       58,462         Treasury shares       (1,743)       (1,670)         Total shareholders' equity       77,205       78,536         Valuation and translation adjustments       1,741       75         Total valuation and translation adjustments       1,741       75         Share acquisition rights       267       228         Total net assets       79,213       78,839	Net assets		_
Capital surplus       9,799       9,799         Retained earnings       57,205       58,462         Treasury shares       (1,743)       (1,670)         Total shareholders' equity       77,205       78,536         Valuation and translation adjustments         Valuation difference on available-for-sale securities       1,741       75         Total valuation and translation adjustments       1,741       75         Share acquisition rights       267       228         Total net assets       79,213       78,839	Shareholders' equity		
Retained earnings       57,205       58,462         Treasury shares       (1,743)       (1,670)         Total shareholders' equity       77,205       78,536         Valuation and translation adjustments       1,741       75         Total valuation and translation adjustments       1,741       75         Share acquisition rights       267       228         Total net assets       79,213       78,839	Share capital	11,945	11,945
Treasury shares         (1,743)         (1,670)           Total shareholders' equity         77,205         78,536           Valuation and translation adjustments         1,741         75           Valuation difference on available-for-sale securities         1,741         75           Total valuation and translation adjustments         1,741         75           Share acquisition rights         267         228           Total net assets         79,213         78,839	Capital surplus	9,799	9,799
Total shareholders' equity 77,205 78,536  Valuation and translation adjustments  Valuation difference on available-for-sale securities 1,741 75  Total valuation and translation adjustments 1,741 75  Share acquisition rights 267 228  Total net assets 79,213 78,839	Retained earnings	57,205	58,462
Valuation and translation adjustmentsValuation difference on available-for-sale securities1,74175Total valuation and translation adjustments1,74175Share acquisition rights267228Total net assets79,21378,839	Treasury shares	(1,743)	(1,670)
Valuation difference on available-for-sale securities1,74175Total valuation and translation adjustments1,74175Share acquisition rights267228Total net assets79,21378,839	Total shareholders' equity	77,205	78,536
Total valuation and translation adjustments1,74175Share acquisition rights267228Total net assets79,21378,839	Valuation and translation adjustments		
Share acquisition rights         267         228           Total net assets         79,213         78,839	Valuation difference on available-for-sale securities	1,741	75
Total net assets 79,213 78,839	Total valuation and translation adjustments	1,741	75
Total net assets 79,213 78,839	Share acquisition rights	267	228
		79,213	78,839
	Total liabilities and net assets	961,791	943,815

## 2. Quarterly Statement of Income

## 1) Cumulative second quarter period

Financial expenses 749		Cumulative second quarter period of the preceding fiscal year (From April 1, 2020 to September 30, 2020)	(Millions of Yen) Cumulative second quarter period of the current fiscal year (From April 1, 2021 to September 30, 2021)
Brokerage commission   8,425	•		
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors   Ceses for offering, secondary distribution and solicitation for selling and others for professional investors   Ceses for offering, secondary distribution and solicitation for selling and others for professional investors   Ceses for for professional investors   Ceses for fire financial revenue   Ceses fire financial revenue   Ceses fire financial revenue   Ceses fire fire fire fire fire fire fire fire	Commission received		
solicitation for selling and others for professional investors Fees for offering, secondary distribution and solicitation for selling and others for professional investors Other commission received 338 Net trading income 414 Financial revenue 4,984 Other operating revenue 1 1 Total operating revenue 1 1,4188 Financial expenses 749 Net operating revenue 1 1,3440 Selling, general and administrative expenses Trading related expenses Frading related expenses 1,356 Real estate expenses 1,356 Real estate expenses 1,356 Real estate expenses 1,566 Depreciation 1,042 Taxes and dues Provision of allowance for doubtful accounts Other 90 Total selling, general and administrative expenses 7,570 Operating profit Non-operating income Dividend income Dividend income Dividend income Dividend income Dividend income Other Total non-operating income Binon-operating expenses Loss on investments in investment partnerships Other 2 Total non-operating expenses Loss on investments in investment partnerships Other Gain on sale of non-current assets Gain on sale of non-current assets Gain on sale of investment securities Total extraordinary income Extraordinary income Extraordinary losses Loss on sale and retirement of non-current assets Orborovition of server for financial instruments transaction liabilities Total extraordinary losses  Loss on sale and retirement of non-current assets Total extraordinary losses Total extraordinary losses  Loss on sale and retirement of non-current assets Financial instruments transaction liabilities Total extraordinary losses		8,425	8,309
Selling and others for professional investors	solicitation for selling and others for professional investors	26	
Net trading income         4,984           Financial revenue         4,984           Other operating revenue         1           Total operating revenue         14,188           Financial expenses         749           Net operating revenue         13,440           Selling, general and administrative expenses         2,684           Personnel expenses         2,684           Personnel expenses         1,356           Real estate expenses         513           Office expenses         1,566           Depreciation         1,042           Taxes and dues         261           Provision of allowance for doubtful accounts         59           Other         90           Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Orber         7           Total non-operating income         56           Other         7           Total non-operating expenses         21           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Los on investment securit		-	0
Financial revenue         4,984           Other operating revenue         1           Total operating revenue         14,188           Financial expenses         749           Net operating revenue         13,440           Selling, general and administrative expenses         2,684           Personnel expenses         1,356           Real estate expenses         513           Office expenses         1,566           Depreciation         1,042           Taxes and dues         261           Provision of allowance for doubtful accounts         59           Other         90           Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Dividend income         56           Other         7           Total non-operating income         63           Non-operating expenses         19           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Ordinary profit         5,912           Extraordinary income         1,994           Extraordinary income<	Other commission received	338	369
Other operating revenue         14,188           Financial expenses         749           Net operating revenue         13,440           Selling, general and administrative expenses         2,684           Personnel expenses         1,356           Real estate expenses         1513           Office expenses         1,566           Depreciation         1,042           Taxes and dues         261           Provision of allowance for doubtful accounts         59           Other         90           Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Other         7           Total non-operating income         63           Non-operating expenses         21           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Cordinary profit         5,912           Extraordinary income         1,994 <t< td=""><td>Net trading income</td><td>414</td><td>374</td></t<>	Net trading income	414	374
Total operating revenue	Financial revenue	4,984	6,222
Financial expenses         749           Net operating revenue         13,440           Selling, general and administrative expenses         2,684           Personnel expenses         1,356           Real estate expenses         1,566           Depreciation         1,042           Taxes and dues         261           Provision of allowance for doubtful accounts         59           Other         90           Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Other         7           Total non-operating income         63           Non-operating expenses         2           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Cordinary profit         5,912           Extraordinary income         1,994           Gain on sale of non-current assets         -           Gain on sale of investment securities         1,994           Total extraordinary losses         0           Loss on sale and retirement of non-current assets         0           Provision of reserve for financi	Other operating revenue	1	1
Net operating revenue   13,440	Total operating revenue	14,188	15,316
Net operating revenue         13,440           Selling, general and administrative expenses         2,684           Personnel expenses         1,356           Real estate expenses         513           Office expenses         1,566           Depreciation         1,042           Taxes and dues         261           Provision of allowance for doubtful accounts         59           Other         90           Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Dividend income         56           Other         7           Total non-operating income         63           Non-operating expenses         2           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Ordinary profit         5,912           Extraordinary profit         5,912           Extraordinary income         1,994           Gain on sale of investment securities         1,994           Total extraordinary income         1,994           Extraordinary losses         0 <td< td=""><td>Financial expenses</td><td>749</td><td>569</td></td<>	Financial expenses	749	569
Trading related expenses         2,684           Personnel expenses         1,356           Real estate expenses         513           Office expenses         1,566           Depreciation         1,042           Taxes and dues         261           Provision of allowance for doubtful accounts         59           Other         90           Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Other         7           Total non-operating income         63           Non-operating expenses         19           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Cordinary profit         5,912           Extraordinary income         -           Gain on sale of non-current assets         -           Gain on sale of investment securities         1,994           Extraordinary losses         0           Loss on sale and retirement of non-current assets         0           Provision of reserve for financial instruments transaction liabilities         0           Total extraordinary	_	13,440	14,747
Trading related expenses         2,684           Personnel expenses         1,356           Real estate expenses         513           Office expenses         1,566           Depreciation         1,042           Taxes and dues         261           Provision of allowance for doubtful accounts         59           Other         90           Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Other         7           Total non-operating income         63           Non-operating expenses         19           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Cordinary profit         5,912           Extraordinary income         -           Gain on sale of non-current assets         -           Gain on sale of investment securities         1,994           Extraordinary losses         0           Loss on sale and retirement of non-current assets         0           Provision of reserve for financial instruments transaction liabilities         0           Total extraordinary			·
Personnel expenses         1,356           Real estate expenses         513           Office expenses         1,566           Depreciation         1,042           Taxes and dues         261           Provision of allowance for doubtful accounts         59           Other         90           Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Dividend income         56           Other         7           Total non-operating income         63           Non-operating expenses         19           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Ordinary profit         5,912           Extraordinary income         1,994           Gain on sale of investment securities         -           Total extraordinary income         1,994           Extraordinary losses         0           Loss on sale and retirement of non-current assets         0           Provision of reserve for financial instruments transaction liabilities         -           Total extraordinary losses		2.684	3,064
Real estate expenses         513           Office expenses         1,566           Depreciation         1,042           Taxes and dues         261           Provision of allowance for doubtful accounts         59           Other         90           Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Other         7           Total non-operating income         63           Non-operating expenses         2           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Ordinary profit         5,912           Extraordinary income         1,994           Gain on sale of non-current assets         -           Gain on sale of investment securities         1,994           Total extraordinary income         1,994           Extraordinary losses         0           Loss on sale and retirement of non-current assets         0           Provision of reserve for financial instruments transaction liabilities         -           Total extraordinary losses         0           Profit befor	-		
Office expenses         1,566           Depreciation         1,042           Taxes and dues         261           Provision of allowance for doubtful accounts         59           Other         90           Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Other         7           Total non-operating income         63           Non-operating expenses         8           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Ordinary profit         5,912           Extraordinary income         -           Gain on sale of non-current assets         -           Gain on sale of investment securities         1,994           Total extraordinary income         1,994           Extraordinary losses         0           Loss on sale and retirement of non-current assets         0           Provision of reserve for financial instruments transaction liabilities         -           Total extraordinary losses         0           Profit before income taxes         7,906           Income t			
Depreciation	-		
Taxes and dues         261           Provision of allowance for doubtful accounts         59           Other         90           Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Other         7           Total non-operating income         63           Non-operating expenses         19           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Ordinary profit         5,912           Extraordinary income         -           Gain on sale of non-current assets         -           Gain on sale of investment securities         1,994           Total extraordinary income         1,994           Extraordinary losses         0           Loss on sale and retirement of non-current assets         0           Provision of reserve for financial instruments transaction liabilities         -           Total extraordinary losses         0           Profit before income taxes         7,906           Income taxes – current         2,399           Income taxes – deferred         19	-		
Provision of allowance for doubtful accounts         59           Other         90           Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Dividend income         56           Other         7           Total non-operating income         63           Non-operating expenses         19           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Ordinary profit         5,912           Extraordinary income         -           Gain on sale of non-current assets         -           Gain on sale of investment securities         1,994           Total extraordinary income         1,994           Extraordinary losses         0           Loss on sale and retirement of non-current assets         0           Provision of reserve for financial instruments transaction liabilities         -           Total extraordinary losses         0           Profit before income taxes         7,906           Income taxes – current         2,399           Income taxes – deferred         19	-		
Other         90           Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Dividend income         56           Other         7           Total non-operating income         63           Non-operating expenses         19           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Ordinary profit         5,912           Extraordinary income         -           Gain on sale of non-current assets         -           Gain on sale of investment securities         1,994           Total extraordinary income         1,994           Extraordinary losses         0           Loss on sale and retirement of non-current assets         0           Provision of reserve for financial instruments transaction liabilities         -           Total extraordinary losses         0           Profit before income taxes         7,906           Income taxes – current         2,399           Income taxes – deferred         19			
Total selling, general and administrative expenses         7,570           Operating profit         5,869           Non-operating income         56           Other         7           Total non-operating income         63           Non-operating expenses         19           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Ordinary profit         5,912           Extraordinary income         -           Gain on sale of non-current assets         -           Gain on sale of investment securities         1,994           Total extraordinary income         1,994           Extraordinary losses         0           Loss on sale and retirement of non-current assets         0           Provision of reserve for financial instruments transaction liabilities         -           Total extraordinary losses         0           Profit before income taxes         7,906           Income taxes – current         2,399           Income taxes – deferred         19			( ' )
Operating profit         5,869           Non-operating income         56           Other         7           Total non-operating income         63           Non-operating expenses         19           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Ordinary profit         5,912           Extraordinary income         -           Gain on sale of non-current assets         -           Gain on sale of investment securities         1,994           Total extraordinary income         1,994           Extraordinary losses         0           Loss on sale and retirement of non-current assets         0           Provision of reserve for financial instruments transaction liabilities         -           Total extraordinary losses         0           Profit before income taxes         7,906           Income taxes – current         2,399           Income taxes – deferred         19			
Non-operating income Dividend income Total non-operating income Solution Non-operating expenses Loss on investments in investment partnerships Divident	* *	<del></del>	
Dividend income         56           Other         7           Total non-operating income         63           Non-operating expenses		3,007	0,024
Other         7           Total non-operating income         63           Non-operating expenses         19           Loss on investments in investment partnerships         19           Other         2           Total non-operating expenses         21           Ordinary profit         5,912           Extraordinary income         -           Gain on sale of non-current assets         -           Gain on sale of investment securities         1,994           Total extraordinary income         1,994           Extraordinary losses         0           Loss on sale and retirement of non-current assets         0           Provision of reserve for financial instruments transaction liabilities         -           Total extraordinary losses         0           Profit before income taxes         7,906           Income taxes – current         2,399           Income taxes – deferred         19	•	56	47
Total non-operating income   63			
Non-operating expenses Loss on investments in investment partnerships Other 2 Total non-operating expenses Ordinary profit 5,912  Extraordinary income Gain on sale of non-current assets Gain on sale of investment securities 1,994 Total extraordinary income Extraordinary losses Loss on sale and retirement of non-current assets Provision of reserve for financial instruments transaction liabilities Total extraordinary losses  Profit before income taxes 1,996 Income taxes – current 2,399 Income taxes – deferred 19		·	
Loss on investments in investment partnerships Other Other 2 Total non-operating expenses Ordinary profit 5,912  Extraordinary income Gain on sale of non-current assets Gain on sale of investment securities 1,994 Total extraordinary income 1,994  Extraordinary losses Loss on sale and retirement of non-current assets Provision of reserve for financial instruments transaction liabilities Total extraordinary losses O Profit before income taxes Income taxes – current 1,994  2,399 Income taxes – deferred			36
Other2Total non-operating expenses21Ordinary profit5,912Extraordinary incomeGain on sale of non-current assetsGain on sale of investment securities1,994Total extraordinary income1,994Extraordinary lossesLoss on sale and retirement of non-current assets0Provision of reserve for financial instruments transaction liabilities-Total extraordinary losses0Profit before income taxes7,906Income taxes – current2,399Income taxes – deferred19		10	20
Total non-operating expenses  Ordinary profit  Extraordinary income  Gain on sale of non-current assets  Gain on sale of investment securities  Total extraordinary income  Extraordinary losses  Loss on sale and retirement of non-current assets  Provision of reserve for financial instruments transaction liabilities  Total extraordinary losses  O  Profit before income taxes  Income taxes – current  19	• •		
Ordinary profit 5,912  Extraordinary income Gain on sale of non-current assets Gain on sale of investment securities Total extraordinary income  Extraordinary losses Loss on sale and retirement of non-current assets Provision of reserve for financial instruments transaction liabilities Total extraordinary losses  Profit before income taxes Total extraordinary losses			
Extraordinary income Gain on sale of non-current assets Gain on sale of investment securities 1,994  Total extraordinary income 1,994  Extraordinary losses Loss on sale and retirement of non-current assets Provision of reserve for financial instruments transaction liabilities Total extraordinary losses  Profit before income taxes  Total extraordinary losses  Profit before income taxes  Total extraordinary losses  10  Profit before income taxes  7,906  Income taxes – current 2,399  Income taxes – deferred 19			
Gain on sale of non-current assets Gain on sale of investment securities 1,994  Total extraordinary income 1,994  Extraordinary losses Loss on sale and retirement of non-current assets Provision of reserve for financial instruments transaction liabilities Total extraordinary losses  Profit before income taxes 7,906  Income taxes – current 2,399  Income taxes – deferred 19	· ·	5,912	6,647
Gain on sale of investment securities Total extraordinary income 1,994  Extraordinary losses Loss on sale and retirement of non-current assets Provision of reserve for financial instruments transaction liabilities Total extraordinary losses  Profit before income taxes Total extraordinary losses 10  Profit before income taxes 7,906  Income taxes – current 2,399  Income taxes – deferred 19	•		
Total extraordinary income  Extraordinary losses  Loss on sale and retirement of non-current assets  Provision of reserve for financial instruments transaction liabilities  Total extraordinary losses  Profit before income taxes  Total extraordinary losses  Profit before income taxes  Total extraordinary losses  10  2,399  Income taxes – deferred  19		<del>-</del>	22
Extraordinary losses  Loss on sale and retirement of non-current assets  Provision of reserve for financial instruments transaction liabilities  Total extraordinary losses  O  Profit before income taxes  7,906  Income taxes – current  2,399  Income taxes – deferred  19			
Loss on sale and retirement of non-current assets  Provision of reserve for financial instruments transaction liabilities  Total extraordinary losses  Profit before income taxes  Income taxes – current  Income taxes – deferred  Total extraordinary losses  Total extraordinary losses		1,994	2,612
Provision of reserve for financial instruments transaction liabilities  Total extraordinary losses  0  Profit before income taxes  Income taxes – current  2,399  Income taxes – deferred  19	-		
liabilities Total extraordinary losses  Profit before income taxes Income taxes – current Income taxes – deferred  2,399 Income taxes – deferred  19		0	3
Profit before income taxes 7,906 Income taxes – current 2,399 Income taxes – deferred 19	liabilities		41
Income taxes – current 2,399 Income taxes – deferred 19		·	
Income taxes – deferred 19	Profit before income taxes		
<del></del>	Income taxes – current	2,399	2,697
Total income taxes 2,417	Income taxes – deferred	19	122
	Total income taxes	2,417	2,819
Profit 5,488	Profit	-	

## 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 equity)

  Not applicable.
- 3) (Notes Accounting treatments specific to quarterly financial statements)

  Not applicable.
- 4) (Notes Changes in accounting policies)

-Application of the Accounting Standard for Revenue Recognition etc.

The "Accounting Standard for Revenue Recognition" (Accounting Standards Board of Japan ("ASBJ") Statement No. 29, March 31, 2020; hereinafter referred to as the "Revenue Recognition Accounting Standard"), etc. has been applied from the beginning of the first quarter accounting period of the current fiscal year. As a result, the accounting treatment of some of the consideration payments made to customers, such as cash refunds, which were previously recorded as Selling, General and Administrative (SGA) expenses, has been changed to deduction from transaction prices.

Furthermore, in applying the Revenue Recognition Accounting Standard etc., the Company has adopted the transitional treatment which is set forth in the proviso of Paragraph 84 of the Revenue Recognition Accounting Standard, which requires that the cumulative impact amount is calculated on the assumption that the new accounting policy is retrospectively applied to the accounting periods prior to the beginning of the first quarter accounting period of the current fiscal year, and such amount is to be added to or deducted from the amount of Retained Earnings of the beginning of the first quarter accounting period of the current fiscal year. The Company has adopted and applied this new accounting policy from the beginning balance of retained earnings of the current fiscal year. There is no impact amount effecting the beginning balance of retained earnings. Furthermore, the impact on commissions received and SGA expenses for the cumulative second quarter period of the current fiscal year due to the application of the Revenue Recognition Accounting Standard etc. is negligible.

-Application of the Accounting Standard for Fair Value Measurement etc.

The Company has applied the "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as "Fair Value Measurement Accounting Standard"), etc. from the beginning of the first quarter accounting period of the current fiscal year. In accordance with the transitional treatment prescribed in Paragraph 19 of the Fair Value Measurement Accounting Standard and Paragraph 44-2 of the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019), a new accounting policy prescribed by the Fair Value Measurement Accounting Standard, etc. is applied prospectively. There is no impact on the quarterly financial statements.

5) (Notes - Changes in accounting estimates and restatement)

Not applicable.