

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

Date: January 28, 2021

Company name (Securities code): Matsui Securities Co., Ltd. (8628)

Stock exchange listing: Tokyo

(URL <https://www.matsui.co.jp/en/>)

Representative: WARITA Akira, President & CEO

Planned date of filing of the quarterly securities report: February 12, 2021

Planned date of dividend payment: -

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

1. Non-consolidated financial summary for the third quarter of the fiscal year ends March 2021 (from April 1, 2020 to December 31, 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)
Third quarter of the fiscal year ends March 2021	21,570	24.2	20,482	28.8	9,101	45.6	9,172	44.0
Third quarter of the fiscal year ended March 2020	17,360	-19.3	15,905	-22.5	6,249	-44.4	6,370	-44.0

	Profit		Basic earnings per share	Diluted earnings per share
	(Millions of Yen)	(Yr/Yr % change)	(Yen)	(Yen)
Third quarter of the fiscal year ends March 2021	7,747	76.1	30.15	30.11
Third quarter of the fiscal year ended March 2020	4,400	-44.2	17.13	17.11

(2) Financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
Third quarter of the fiscal year ends March 2021	872,496	76,656	8.8	297.32
Fiscal year ended March 2020	708,314	80,285	11.3	311.72

Owner's equity:

Third quarter of the fiscal year ends March 2021: 76,395 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)				20.00	40.00

Notes:

1) Revision of dividend forecasts from the latest announcement: Yes

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)

Third 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

Third 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

Third quarter of the fiscal year ends March 2021	256,922,800	shares
Third quarter of the fiscal year ended March 2020	256,842,945	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 January 28, 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 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)	Third quarter accounting period (December 31, 2020)
<b>Assets</b>		
<b>Current Assets</b>		
Cash and deposits	52,501	46,980
Cash segregated as deposits	449,312	540,712
Money held in trust	2,844	2,846
Trading products	1,877	2,258
Trading securities and other	0	215
Derivatives	1,877	2,044
Trade date accrual	3	-
Margin transaction assets	161,594	229,881
Loans on margin transactions	154,302	220,517
Cash collateral pledged for securities borrowing on margin transactions	7,292	9,364
Loans secured by securities	21,188	29,875
Cash collateral pledged for securities borrowed	21,188	29,875
Advances paid	148	93
Cash paid for offering	354	346
Short-term guarantee deposits	3,378	3,384
Other	4,121	4,762
Allowance for doubtful accounts	(49)	(67)
<b>Total current assets</b>	<b>697,272</b>	<b>861,071</b>
<b>Non-current assets</b>		
Property, plant and equipment	1,410	1,425
Intangible assets	4,410	4,970
Software	4,410	4,970
Other	0	0
Investments and other assets	5,222	5,031
Investment securities	3,874	3,357
Other	2,753	3,024
Allowance for doubtful accounts	(1,405)	(1,350)
<b>Total non-current assets</b>	<b>11,042</b>	<b>11,426</b>
<b>Total assets</b>	<b>708,314</b>	<b>872,496</b>

	(Millions of Yen)	
	Preceding fiscal year (March 31, 2020)	Third quarter accounting period (December 31, 2020)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trading products	120	151
Derivatives	120	151
Trade date accrual	-	33
Margin transaction liabilities	44,846	52,502
Borrowings on margin transactions	6,369	6,425
Cash received for securities lending on margin transactions	38,477	46,077
Borrowings secured by securities	14,782	22,905
Cash received on debt credit transaction of securities	14,782	22,905
Deposits received	270,003	331,297
Guarantee deposits received	212,539	241,753
Accounts for non-received securities and others	27	-
Short-term borrowings	78,900	139,900
Income taxes payable	1,707	2,293
Provision for bonuses	125	135
Other	1,580	1,725
<b>Total current liabilities</b>	<b>624,628</b>	<b>792,694</b>
<b>Non-current liabilities</b>		
Long-term borrowings	150	100
Reserve for retirement bonuses for directors	204	-
Other	202	201
<b>Total non-current liabilities</b>	<b>556</b>	<b>301</b>
<b>Reserves under special laws</b>		
Reserve for financial instruments transaction liabilities	2,845	2,845
<b>Total reserves under special laws</b>	<b>2,845</b>	<b>2,845</b>
<b>Total liabilities</b>	<b>628,029</b>	<b>795,840</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	11,945	11,945
Capital surplus	9,797	9,798
Retained earnings	57,841	54,669
Treasury shares	(1,794)	(1,752)
<b>Total shareholders' equity</b>	<b>77,789</b>	<b>74,660</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	2,290	1,735
<b>Total valuation and translation adjustments</b>	<b>2,290</b>	<b>1,735</b>
Share acquisition rights	206	261
<b>Total net assets</b>	<b>80,285</b>	<b>76,656</b>
<b>Total liabilities and net assets</b>	<b>708,314</b>	<b>872,496</b>

## 2. Quarterly Statement of Income

### 1) Cumulative third quarter period

	(Millions of Yen)	
	Cumulative Third quarter period of the preceding fiscal year (From April 1, 2019 to December 31, 2019)	Cumulative Third quarter period of the current fiscal year (From April 1, 2020 to December 31, 2020)
Operating revenue		
Commission received	9,374	13,210
Brokerage commission	8,886	12,665
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	9	51
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	36	0
Other fees received	442	494
Net trading income	832	611
Financial revenue	7,153	7,747
Other operating revenue	1	1
Total operating revenue	<u>17,360</u>	<u>21,570</u>
Financial expenses	<u>1,455</u>	<u>1,088</u>
Net operating revenue	<u>15,905</u>	<u>20,482</u>
Selling, general and administrative expenses		
Trading related expenses	3,119	4,102
Personnel expenses	1,974	2,033
Real estate expenses	848	755
Office expenses	2,016	2,344
Depreciation	1,455	1,576
Taxes and dues	217	374
Provision of allowance for doubtful accounts	(87)	52
Other	114	144
Total selling, general and administrative expenses	<u>9,656</u>	<u>11,381</u>
Operating profit	<u>6,249</u>	<u>9,101</u>
Non-operating income		
Dividend income	121	81
Other	14	11
Total non-operating income	<u>135</u>	<u>92</u>
Non-operating expenses		
Other	13	21
Total non-operating expenses	<u>13</u>	<u>21</u>
Ordinary profit	<u>6,370</u>	<u>9,172</u>
Extraordinary income		
Gain on sales of investment securities	-	1,994
Total extraordinary income	<u>-</u>	<u>1,994</u>
Extraordinary losses		
Loss on sales and retirement of non-current assets	11	4
Loss on valuation of investment securities	20	-
Total extraordinary losses	<u>31</u>	<u>4</u>
Profit before income taxes	<u>6,339</u>	<u>11,162</u>
Income taxes – current	1,833	3,400
Income taxes – deferred	106	15
Total income taxes	<u>1,939</u>	<u>3,415</u>
Profit	<u>4,400</u>	<u>7,747</u>

### 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.