

Consolidated Financial Summary under Japanese GAAP
For the Year Ended March 31, 2011

Date: April 26, 2011
 Company name (code number): Matsui Securities Co., Ltd. (8628)
 Stock exchange listing: Tokyo
 (URL <http://www.matsui.co.jp/ir/en/index.html>)
 Representative: Michio Matsui: President and Chief Executive Officer
 Planned date of ordinary general meeting of shareholders: June 26, 2011
 Planned date of dividends payment: June 27, 2011
 Planned date of filing of the annual securities report: June 20, 2011

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

1. Consolidated financial summary for the year ended March 31, 2011

(1) Operating results

	Operating revenues		Net operating revenues		Operating income		Ordinary income	
	(Millions of Yen)	Yr/Yr (% change)	(Millions of Yen)	Yr/Yr (% change)	(Millions of Yen)	Yr/Yr (% change)	(Millions of Yen)	Yr/Yr (% change)
Year ended March 31, 2011	22,091	(9.3)	21,320	(8.4)	8,450	(25.8)	8,479	(26.6)
Year ended March 31, 2010	24,346	(8.9)	23,276	(4.9)	11,385	14.5	11,545	15.5

Comprehensive income: Year ended March 31, 2011 5,398 million yen Year ended March 31, 2010 None

	Net income		Earnings/share	Fully diluted earnings/share	Return on equity	Ordinary income/total assets	Operating income/Operating revenues
	(Millions of Yen)	Yr/Yr (% change)	(Yen)	(Yen)	(%)	(%)	(%)
Year ended March 31, 2011	5,410	(29.4)	21.07	19.86	7.2	1.9	38.3
Year ended March 31, 2010	7,661	10.7	29.84	26.97	10.7	2.5	46.8

Investment gain and loss on equity method: Year ended March 31, 2011 None Year ended March 31, 2010 None

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets /share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
As of March 31, 2011	431,729	75,752	17.5	295.06
As of March 31, 2010	466,089	74,203	15.9	289.03

Net assets - (new-share purchase rights + minority interests):

As of March 31, 2011 75,752 million yen As of March 31, 2010 74,203 million yen

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalent at the end of period
	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)
Year ended March 31, 2011	8,639	(1,272)	(5,310)	25,448
Year ended March 31, 2010	(44,912)	(3,272)	(3,265)	23,391

2. Dividends

	Dividends per share					Annual total	Dividends payout ratio	Dividends per net assets
	First quarter	Second quarter	Third quarter	Fourth quarter	Fiscal			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)	(Millions of Yen)	(%)	(%)
Year ended March 31, 2010	—	0.00	—	15.00	15.00	3,851	50.3	5.4
Year ended March 31, 2011	—	0.00	—	15.00	15.00	3,851	71.2	5.1
Year ends March 31, 2012 (estimation)	—	—	—	—	—		—	

3. Forecast of business results

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.

4. Other information

(1) Changes in scope of consolidation: None

(2) Changes in accounting principles, procedures and reclassifications for the consolidated financial statements (such changes to be noted in "Significant change in accounting policies for the consolidated financial statements")

1) Changes due to amendment of accounting standards: 1

2) Changes due to other changes than above: 1

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding including treasury stock

As of March 31, 2011 269,264,702 shares

As of March 31, 2010 269,260,202 shares

2) Number of treasury stock

As of March 31, 2011 12,532,844 shares

As of March 31, 2010 12,532,777 shares

3) Average number of shares outstanding

For the year ended March 31, 2011 256,730,771 shares

For the year ended March 31, 2010 256,727,448 shares

Note:

Audit procedure on the annual financial results by the Independent Auditor has not been completed.

Notice to readers:

The financial summary of the Company is based on the consolidated financial statements prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

1. Consolidated financial statements

(1) Consolidated Balance Sheets

(Millions of Yen)

	March 31, 2010	March 31, 2011
Assets		
Current Assets		
Cash and bank deposits	15,191	17,882
Cash segregated as deposits	246,018	237,094
Cash in trust	22,450	8,766
Trading assets:	1,823	1,802
Trading securities and others	32	0
Derivatives	1,791	1,802
Net receivables arising from pre-settlement date trades	24	47
Margin account assets:	156,429	142,281
Loans receivable from customers	146,634	138,217
Cash deposited as collateral for securities borrowed from securities finance companies	9,795	4,064
Receivables on collateralized securities transactions:	5,143	4,827
Cash deposits collateral for securities borrowed	5,143	4,827
Receivables	35	76
Receivables from customers	35	76
Receivables from others	0	0
Short-term guarantee deposits	4,148	6,191
Advances paid	1	2
Prepaid expenses	231	289
Accrued income	3,494	3,212
Deferred income taxes	355	225
Others	2,721	544
Allowance for doubtful accounts	(249)	(28)
Total current assets	457,814	423,210
Fixed assets		
Tangible fixed assets	1,115	1,160
Buildings	309	294
Equipment and instruments	313	431
Land	435	434
Others	60	—
Intangible assets	5,247	4,529
Software	5,237	4,521
Telephone subscription rights	6	6
Others	3	2
Investments and others	1,912	2,830
Investment securities	302	262
Investment in partnership	2	2
Long-term loans receivable	217	199
Long-term guarantee deposits	268	286
Long-term prepaid expenses	5	4
Deferred income taxes	1,154	1,939
Long-term receivables	—	3,497
Others	796	71
Allowance for doubtful accounts	(831)	(3,430)
Total fixed assets	8,275	8,519
Total assets	466,089	431,729

(Millions of Yen)

	March 31, 2010	March 31, 2011
Liabilities		
Current liabilities		
Trading liabilities:	294	229
Trading securities and others	32	0
Derivatives	262	229
Margin account liabilities:	45,819	40,417
Loans from securities finance companies	4,154	13,043
Proceeds of securities sold on customers' account	41,665	27,374
Payables on collateralized securities transactions:	9,393	5,818
Cash deposits as collateral for securities loaned	9,393	5,818
Deposits received	132,559	119,354
Guarantee money received	131,584	118,017
Guarantee money received from customers	975	1,337
Guarantee money received from others	133,458	122,989
Suspense account for undelivered securities	—	0
Short-term borrowings	37,032	62,020
Convertible bonds due within one year	26,506	—
Advances received	0	0
Deferred revenue	43	38
Accounts payable	692	547
Accrued expenses	821	806
Accrued income taxes	3,236	2,344
Accrued bonuses	104	98
Others	39	—
Total current liabilities	389,997	354,662
Long-term liabilities		
Long-term borrowings	20	—
Reserve for retirement bonuses for directors and auditors	204	204
Others	0	3
Total long-term liabilities	225	207
Statutory reserves		
Reserve for financial products transaction liabilities	1,665	1,108
Total statutory reserves	1,665	1,108
Total liabilities	391,886	355,977
Net assets		
Shareholders' equity		
Common stock	11,944	11,945
Capital surplus	9,792	9,793
Earned surplus	61,929	63,488
Treasury stock	(9,474)	(9,475)
Total shareholders' equity	74,190	75,751
Accumulated other comprehensive income		
Net unrealized gain (loss) on investment securities, net of taxes	13	1
Total accumulated other comprehensive income	13	1
Total net assets	74,203	75,752
Total liabilities and net assets	466,089	431,729

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Millions of Yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Operating revenues		
Commissions	17,282	15,037
Brokerage commissions	15,424	13,455
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	11	4
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	0	0
Others	1,846	1,579
Net gain (loss) on trading	4	0
Interest and dividend income	7,060	7,053
Total operating revenues	24,346	22,091
Interest expenses	1,069	770
Net operating revenues	23,276	21,320
Selling, general and administrative expenses		
Transaction related expenses	3,630	3,365
Employees' compensation and benefits	1,930	1,974
Occupancy and rental	1,040	1,128
Data processing and office supplies	3,139	1,931
Depreciation	1,775	1,825
Duties and taxes other than income taxes	143	118
Provision of allowance for doubtful accounts	124	2,378
Others	109	151
Total selling, general and administrative expenses	11,891	12,870
Operating income	11,385	8,450
Non-operating income		
Compensation income for damages	13	0
Dividend income	9	11
Insurance premiums refunded cancellation	140	0
Others	27	23
Total non-operating income	190	34
Non-operating expenses		
Others	30	5
Total non-operating expenses	30	5
Ordinary income	11,545	8,479
Special profits		
Gain on sales of investment securities	—	7
Gain on cancellation of convertible bonds	641	82
Reversal of reserve for financial products transaction liabilities	618	557
Total Special profits	1,259	646
Special losses		
Loss on sales and disposals of property and equipment	2	4
Devaluation loss on investment securities	20	10
Loss on sales of investment securities	—	1
Total Special losses	22	15
Income before income taxes	12,782	9,111
Income taxes - current	5,008	4,346
Income taxes - deferred	113	(646)
Income taxes	5,121	3,700
Income before minority interests	—	5,410
Net income	7,661	5,410

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Income before minority interests	—	5,410
Other comprehensive income		
Net unrealized gain (loss) on investment securities	—	(12)
Total other comprehensive income	—	(12)
Comprehensive income	—	5,398
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	—	5,398
Comprehensive income attributable to minority interests	—	—

(3) Consolidated Statements of Changes in Net Assets

(Millions of Yen)

	Year ended march 31, 2010	Year ended march 31, 2011
Shareholders' equity		
Common stock		
Balance at the end of previous period	11,944	11,944
Changes in the current term		
Issuance of new shares	—	1
Total changes of items in the current term	—	1
Balance at the end of current period	11,944	11,945
Capital surplus		
Balance at the end of previous period	9,792	9,792
Changes in the current term		
Issuance of new shares	—	1
Total changes of items in the current term	—	1
Balance at the end of current period	9,792	9,793
Earned surplus		
Balance at the end of previous period	56,835	61,929
Changes in the current term		
Dividends from capital and earned surplus	(2,567)	(3,851)
Net income	7,661	5,410
Total changes of items in the current term	5,094	1,559
Balance at the end of the current term	61,929	63,488
Treasury stock		
Balance at the end of previous period	(9,474)	(9,474)
Changes in the current term		
Purchase of treasury stock	(0)	(0)
Total changes of items in the current term	(0)	(0)
Balance at the end of current period	(9,474)	(9,475)
Total shareholders' equity		
Balance at the end of previous period	69,096	74,190
Changes in the current term		
Issuance of new shares	—	3
Dividends from capital and earned surplus	(2,567)	(3,851)
Net income	7,661	5,410
Purchase of treasury stock	(0)	(0)
Total changes of items in the current term	5,094	1,562
Balance at the end of current period	74,190	75,751

(Millions of Yen)

	Year ended march 31, 2010	Year ended march 31, 2011
Accumulated other comprehensive income		
Net unrealized gain (loss) on investment securities		
Balance at the end of previous period	(6)	13
Changes in the current term		
Net change of items other than shareholders' equity	19	(12)
Total changes of items in the current term	19	(12)
Balance at the end of current period	13	1
Total accumulated other comprehensive income		
Balance at the end of previous period	(6)	13
Changes in the current term		
Net change of items other than shareholders' equity	19	(12)
Total changes of items in the current term	19	(12)
Balance at the end of current period	13	1
Total net assets		
Balance at the end of previous period	69,090	74,203
Changes in the current term		
Issuance of new shares	—	3
Dividends from capital and earned surplus	(2,567)	(3,851)
Net income	7,661	5,410
Purchase of treasury stock	(0)	(0)
Net change of items other than shareholders' equity	19	(12)
Total changes of items in the current term	5,113	1,549
Balance at the end of current period	74,203	75,752

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Cash flows from operating activities		
Income before income taxes	12,782	9,111
Depreciation and amortization	1,775	1,825
Net change in allowance for doubtful accounts	79	2,377
Net change in accrued bonuses	18	(6)
Net change in reserve for financial products transaction liabilities	(618)	(557)
Interest and dividend income	(7,821)	(7,909)
Interest expenses	1,021	725
Gain or loss on sales and disposals of property and equipment	2	4
Gain or loss on sales of investment securities	—	(6)
Devaluation loss on investment securities	20	10
Gain on cancellation of convertible bonds	(641)	(82)
Net change in cash segregated as deposits	(8,013)	8,913
Net change in cash in trust	2,500	13,050
Net change in long-term receivables	—	(2,773)
Net change in trading assets and liabilities	260	(44)
Net change in net receivables and payables arising from pre-settlement date trades	25	(23)
Net change in margin assets and liabilities	(52,416)	8,746
Net change in receivables on collateralized securities transactions	(2,034)	316
Net change in deposits received and receivables from customers and others	7,923	(13,247)
Net change in payables on collateralized securities transactions	1,846	(3,575)
Net change in guarantee money received	(1,654)	(10,469)
Net change in short-term guarantee deposits	(2,006)	(2,076)
Others	(971)	2,163
Sub total	(47,923)	6,473
Interest and dividend received	7,349	8,115
Interest paid	(1,190)	(738)
Income taxes paid	(3,148)	(5,210)
Net cash flows from operating activities	(44,912)	8,639

(Millions of Yen)

	Year ended march 31, 2010	Year ended march 31, 2011
Cash flows from investing activities		
Payments for purchases of property and equipment	(58)	(204)
Payments for purchases of intangible assets	(3,239)	(1,093)
Proceeds from sales of investment securities	—	16
Others	25	9
Net cash flows from investing activities	(3,272)	(1,272)
Cash flows from financing activities		
Net change in short-term borrowings	37,000	25,000
Proceeds from long-term borrowings	(5,032)	(32)
Repayment for corporate bonds	(20,000)	—
Repayment for convertible bonds	—	(15,576)
Payments for repurchase of convertible bonds	(12,653)	(10,848)
Proceeds from issuance of shares on the exercise of new-share purchase rights	—	3
Payments for purchase of treasury stock	(0)	(0)
Dividends paid	(2,579)	(3,857)
Net cash flows from financing activities	(3,265)	(5,310)
Translation difference of cash and cash equivalent	(0)	(0)
Net change in cash and cash equivalent	(51,449)	2,057
Cash and cash equivalents at beginning of period	74,840	23,391
Cash and cash equivalents at end of period	23,391	25,448

- (5) Notes on Going-Concern Uncertainties
No relevant items.

(6) Change in Significant Accounting Policies for the Consolidated Financial Statements

Year ended March 31, 2011
The Company has adopted "Accounting Standard for Asset Retirement Obligations" (Accounting Standard Board of Japan, Statement No. 18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (Accounting Standard Board of Japan, Guidance No. 21, March 31, 2008)" from this fiscal year. The impact of this change on the consolidated financial statements is immaterial.

Reclassification

Year ended March 31, 2011
(Notes to Consolidated Balance Sheets)
1 Fiduciary assets relating to the customers' foreign derivative transactions had been classified as "Cash in trust" but were reclassified as "Cash segregated as deposits" from this fiscal year in order to comply with the newly-introduced legislative obligation on securities brokers to segregate these deposits from their own assets. Fiduciary assets relating to the customers' foreign exchange margin transactions had been classified as "Cash in trust" but were also reclassified as "Cash segregated as deposits" from this fiscal year. The segregation of guarantee money received for the foreign exchange margin transactions is also required by law. "Cash in trust" as of March 31, 2010 includes: (1) Fiduciary assets relating to the customers' foreign derivative transactions 950 Millions of Yen (2) Fiduciary assets relating to the customers' foreign exchange margin transactions 12,300 Millions of Yen
2 "Long-term receivables" in the Investments and others which has been classified as "Others" is stated separately in the current fiscal year. The amount of "Long-term receivables" included in "Others" in the consolidated balance sheet for the year ended March 31, 2010 was 723 million yen.
(Notes to Consolidated Statements of Income)
"Income before minority interests" is newly represented in the income statements from the year ended March 31, 2011 to adopt the "Cabinet Office Ordinance Partially Revising Regulations on Terminology, Forms and Preparation of Financial Statement" (Cabinet Office Ordinance No. 5, March 24, 2009) based on the "Accounting Standards for Consolidated Financial Statements" (Accounting Standard Board of Japan Statement No. 22, December 26, 2008).

Year ended March 31, 2011

(Notes to Consolidated Statements of Cash Flows)

"Net change in long-term receivables" in the Cash flows from operating activities which has been classified as "Others" is stated separately in the current fiscal year. The amount of "Net change in long-term receivables" included in "Others" in the consolidated statement of cash flows for the year ended March 31, 2010 was 112 million yen.

Additional Information

Year ended March 31, 2011

The Company has adopted "Accounting Standard for Presentation of Comprehensive Income" (Accounting Standard Board of Japan, Statement No. 25, June 30, 2010) from this fiscal year.

The amount of "Accumulated other comprehensive income" and "Total accumulated other comprehensive income" for the year ended March 31, 2010 represents the amount of "Valuation and translation adjustments" and "Total valuation and translation adjustments", respectively.

(Segment information)

(Additional Information)

The Company has adopted "Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (Accounting Standard Board of Japan, Statement No. 17, March 27, 2009) and "Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (Accounting Standard Board of Japan, Statement No. 20, March 21, 2008)" from the year ended March 31, 2011.

(Year ended March 31, 2011)

Disclosures on segment information have been omitted, as the business of the Company and its consolidated subsidiary consists of only a single segment of online brokerage service.

(Per Share Information)

Year ended March 31, 2011	
Net assets per share	295.06 Yen
Earnings/share	21.07 Yen
Fully diluted earnings/share	19.86 Yen

Note: Calculation basis of net assets per share information

1. Net asset per share

Items	Year ended March 31, 2011
Total net assets on the balance sheets (Millions of Yen)	75,752
Net assets attributed to common stock (Millions of Yen)	75,752
Breakdown of difference (Millions of Yen)	—
Number of common stock outstanding (Thousands of shares)	269,265
Number of common stock held in treasury (Thousands of shares)	12,533
Number of common stock included in the calculation of net assets per share (Thousands of shares)	256,732

2. Net income and fully diluted earnings per share

Items	Year ended March 31,2011
Net income on the statements of income (Millions of Yen)	5,410
Net income attributed to common stock (Millions of Yen)	5,410
Net income not attributed to common stock (Millions of Yen)	—
Average number of common stock outstanding (Thousands of shares)	256,731
Breakdown of increase of common stock considered in the calculation of fully diluted earnings per share (Thousands of shares)	
New-share purchase rights (Thousands of shares)	15,753
Increase of common stock (thousands of shares)	15,753
Number of new-share purchase rights or others without dilution effects which are not considered in the calculation of fully diluted earnings per share	—

(Subsequent Events)

No relevant items.