

Non-Consolidated Financial Summary under Japanese GAAP
For the Year Ended March 31, 2014

Date: April 25, 2014
 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 22, 2014
 Planned date of dividends payment: June 23, 2014
 Planned date of filing of the annual securities report: June 16, 2014.

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

1. Non-Consolidated financial summary for the year ended March 31, 2014

(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, 2014	39,883	91.8	38,738	94.5	27,090	165.7	27,175	165.2
Year ended March 31, 2013	20,799	17.5	19,915	19.0	10,195	38.5	10,245	38.1

	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, 2014	16,300	153.6	63.49	—	19.6	4.2	67.9
Year ended March 31, 2013	6,427	51.0	25.03	—	8.2	2.0	49.0

Investment gain and loss on equity method: Year ended March 31, 2014 None Year ended March 31, 2013 None

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets /share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
As of March 31, 2014	688,353	85,365	12.4	332.51
As of March 31, 2013	610,804	80,841	13.2	314.89

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

As of March 31, 2014 85,365 million yen As of March 31, 2013 80,841 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, 2014	(18,060)	(1,142)	25,910	33,333
Year ended March 31, 2013	(74,775)	(791)	77,102	26,624

2. Dividends

	Dividends per share					Annual total (Millions of Yen)	Dividends payout ratio (%)	Dividends per net assets (%)
	First quarter (Yen)	Second quarter (Yen)	Third quarter (Yen)	Fourth quarter (Yen)	Fiscal (Yen)			
Year ended March 31, 2013	—	0.00	—	20.00	20.00	5,135	79.9	6.5
Year ended March 31, 2014	—	30.00	—	20.00	50.00	12,837	78.8	15.4
Year ends March 31, 2015 (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 accounting policies, accounting estimates and restatement of corrections for the consolidated financial statements

- 1) Changes due to amendment of accounting standards: None
- 2) Changes due to other changes than above: None
- 3) Changes in accounting estimates: None
- 4) Restatement of corrections: None

(2) Number of shares outstanding (common stock)

- 1) Number of shares outstanding including treasury stock

As of March 31, 2014	269,264,702 shares
As of March 31, 2013	269,264,702 shares
- 2) Number of treasury stock

As of March 31, 2014	12,533,093 shares
As of March 31, 2013	12,532,947 shares
- 3) Average number of shares outstanding

For the year ended March 31, 2014	256,731,680 shares
For the year ended March 31, 2013	256,731,770 shares

Note:

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

Notice to readers:

The accompanying non-consolidated financial statements of the Company are 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. Non-Consolidated financial statements

(1) Non-Consolidated balance sheets

(Millions of Yen)

	March 31, 2013	March 31, 2014
Assets		
Current Assets		
Cash and bank deposits	8,857	12,166
Cash segregated as deposits	300,116	341,812
Cash in trust	19,067	21,867
Trading assets:	1,402	1,307
Trading securities and others	0	0
Derivatives	1,402	1,307
Net receivables arising from pre-settlement date trades	—	139
Margin account assets:	252,751	282,225
Loans receivable from customers	248,476	279,353
Cash deposited as collateral for securities borrowed from securities finance companies	4,275	2,872
Receivables on collateralized securities transactions:	12,225	9,636
Cash deposits collateral for securities borrowed	12,225	9,636
Receivables	20	86
Receivables from customers	20	86
Receivables from others	0	0
Short-term guarantee deposits	3,749	4,122
Advances paid	2	1
Prepaid expenses	208	209
Accounts receivable	—	4
Accrued income	3,762	4,142
Deferred income taxes	267	733
Others	41	307
Allowance for doubtful accounts	(20)	(14)
Total current assets	602,447	678,743
Fixed assets		
Tangible fixed assets	927	998
Buildings	253	232
Equipment and instruments	240	331
Land	434	434
Intangible assets	3,271	2,726
Software	3,266	2,726
Others	5	1
Investments and others	4,158	5,886
Investment securities	3,562	5,201
Investment in partnership	8	8
Long-term loans receivable	425	438
Long-term guarantee deposits	256	257
Long-term prepaid expenses	3	6
Long-term receivables	1,767	1,251
Others	97	97
Allowance for doubtful accounts	(1,959)	(1,372)
Total fixed assets	8,357	9,610
Total assets	610,804	688,353

(Millions of Yen)

	March 31, 2013	March 31, 2014
Liabilities		
Current liabilities		
Trading liabilities:	611	699
Trading securities and others	0	0
Derivatives	611	699
Net receivables arising from pre-settlement date trades	71	—
Margin account liabilities:	47,790	32,025
Loans from securities finance companies	3,360	2,798
Proceeds of securities sold on customers' account	44,431	29,228
Payables on collateralized securities transactions:	36,598	25,498
Cash deposits as collateral for securities loaned	36,598	25,498
Deposits received	151,654	178,071
Deposits received from customers	146,087	173,874
Others	5,567	4,197
Guarantee money received	149,923	176,619
Suspense account for undelivered securities	7	11
Short-term borrowings	137,525	176,100
Advances received	0	0
Deferred revenue	33	16
Accounts payable	308	785
Accrued expenses	821	892
Accrued income taxes	2,976	9,037
Accrued bonuses	112	305
Total current liabilities	528,430	600,058
Long-term liabilities		
Long-term borrowings	—	150
Deferred tax liability	226	651
Reserve for retirement bonuses for directors and auditors	204	204
Others	3	3
Total long-term liabilities	433	1,009
Statutory reserves		
Reserve for financial products transaction liabilities	1,100	1,922
Total statutory reserves	1,100	1,922
Total liabilities	529,963	602,988

(Millions of Yen)

	March 31, 2013	March 31, 2014
Net assets		
Shareholders' equity		
Common stock	11,945	11,945
Capital surplus		
Additional paid-in capital	9,793	9,793
Total Capital surplus	9,793	9,793
Earned surplus		
Earned surplus reserves	159	159
Other earned surplus		
Special purpose reserves	4,250	4,250
Earned surplus carried forward	61,970	65,433
Total earned surplus	66,378	69,841
Treasury stock	(9,475)	(9,475)
Total shareholders' equity	78,641	82,104
Valuation and translation adjustments		
Net unrealized gain (loss) on investment securities, net of taxes	2,200	3,260
Total valuation and translation adjustments	2,200	3,260
Total net assets	80,841	85,365
Total liabilities and net assets	610,804	688,353

(2) Non-Consolidated Statements of Income

(Millions of Yen)

	Year ended March 31, 2013	Year ended March 31, 2014
Operating revenues		
Commissions	14,165	27,349
Brokerage commissions	13,072	26,180
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	6	5
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	0	0
Others	1,088	1,164
Net gain (loss) on trading	(26)	11
Interest and dividend income	6,654	12,519
Other operating revenues	5	5
Total operating revenues	20,799	39,883
Interest expenses	884	1,145
Net operating revenues	19,915	38,738
Selling, general and administrative expenses		
Transaction related expenses	3,356	4,957
Employees' compensation and benefits	1,832	2,075
Occupancy and rental	925	905
Data processing and office supplies	1,625	1,745
Depreciation	1,788	1,635
Duties and taxes other than income taxes	116	226
Provision of allowance for doubtful accounts	(36)	(68)
Others	114	173
Total selling, general and administrative expenses	9,719	11,648
Operating income	10,195	27,090
Non-operating income		
Dividend income	26	68
Others	24	19
Total non-operating income	50	87
Non-operating expenses		
Others	0	3
Total non-operating expenses	0	3
Ordinary income	10,245	27,175
Special profits		
Gain on sales of investment securities	20	0
Gain on extinguishment of tie-in shares	98	—
Total special profits	118	0
Special losses		
Loss on sales and disposals of property and equipment	5	5
Provision for statutory reserves	33	822
Loss on sales of investment securities	43	—
Total special losses	81	827
Income before income taxes	10,282	26,348
Income taxes - current	3,753	10,676
Income taxes - deferred	102	(628)
Income taxes	3,855	10,048
Net income	6,427	16,300

(3) Non-Consolidated Statements of Changes in Net Assets

Year ended March 31, 2013

(Millions of Yen)

	Shareholders' equity						
	Common stock	Capital surplus		Earned surplus			
		Additional paid-in capital	Total Capital surplus	Earned surplus reserves	Other earned surplus		Total earned surplus
					Special purpose reserves	Earned surplus carried forward	
Balance at the beginning of current period	11,945	9,793	9,793	159	4,250	59,394	63,802
Changes in the current term							
Dividends from capital and earned surplus						(3,851)	(3,851)
Net income						6,427	6,427
Purchase of treasury stock							
Net change of items other than shareholders' equity							
Total changes of items in the current term	—	—	—	—	—	2,576	2,576
Balance at the end of current period	11,945	9,793	9,793	159	4,250	61,970	66,378

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gain (loss) on investment securities, net of taxes	Total valuation and translation adjustments	
Balance at the beginning of current period	(9,475)	76,065	(2)	(2)	76,063
Changes in the current term					
Dividends from capital and earned surplus		(3,851)			(3,851)
Net income		6,427			6,427
Purchase of treasury stock	(0)	(0)			(0)
Net change of items other than shareholders' equity			2,202	2,202	2,202
Total changes of items in the current term	(0)	2,576	2,202	2,202	4,778
Balance at the end of current period	(9,475)	78,641	2,200	2,200	80,841

Year ended March 31, 2014

(Millions of Yen)

	Shareholders' equity						
	Common stock	Capital surplus		Earned surplus reserves	Earned surplus		Total earned surplus
		Additional paid-in capital	Total Capital surplus		Other earned surplus		
					Special purpose reserves	Earned surplus carried forward	
Balance at the beginning of current period	11,945	9,793	9,793	159	4,250	61,970	66,378
Changes in the current term							
Dividends from capital and earned surplus						(12,837)	(12,837)
Net income						16,300	16,300
Purchase of treasury stock							
Net change of items other than shareholders' equity							
Total changes of items in the current term	—	—	—	—	—	3,463	3,463
Balance at the end of current period	11,945	9,793	9,793	159	4,250	65,433	69,841

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gain (loss) on investment securities, net of taxes	Total valuation and translation adjustments	
Balance at the beginning of current period	(9,475)	78,641	2,200	2,200	80,841
Changes in the current term					
Dividends from capital and earned surplus		(12,837)			(12,837)
Net income		16,300			16,300
Purchase of treasury stock	(0)	(0)			(0)
Net change of items other than shareholders' equity			1,061	1,061	1,061
Total changes of items in the current term	(0)	3,463	1,061	1,061	4,524
Balance at the end of current period	(9,475)	82,104	3,260	3,260	85,365

(4) Non-Consolidated Statements of Cash Flows

(Millions of Yen)

	Year ended march 31, 2013	Year ended march 31, 2014
Cash flows from operating activities		
Income before income taxes	10,282	26,348
Depreciation and amortization	1,788	1,635
Net change in allowance for doubtful accounts	(326)	(593)
Net change in accrued bonuses	19	192
Net change in reserve for financial products transaction liabilities	33	822
Interest and dividend income	(6,281)	(12,228)
Interest expenses	568	837
Loss (gain) on extinguishment of tie-in shares	(98)	—
Gain or loss on sales and disposals of fixed assets	5	5
Gain or loss on sales of investment securities	23	(0)
Net change in cash segregated as deposits	(72,199)	(41,700)
Net change in cash in trust	(300)	600
Net change in trading assets and liabilities	610	182
Net change in net receivables and payables arising from pre-settlement date trades	72	(211)
Net change in margin assets and liabilities	(117,375)	(45,239)
Net change in receivables on collateralized securities transactions	2,463	2,590
Net change in deposits received and receivables from customers and others	33,840	26,352
Net change in payables on collateralized securities transactions	30,863	(11,100)
Net change in guarantee money received	36,278	26,695
Net change in short-term guarantee deposits	(411)	(373)
Others	1,519	907
Sub total	(78,629)	(24,281)
Interest and dividend received	6,343	11,734
Interest paid	(558)	(826)
Income taxes paid	(1,930)	(4,687)
Net cash flows from operating activities	(74,775)	(18,060)
Cash flows from investing activities		
Payments for purchases of property and equipment	(8)	(221)
Payments for purchases of intangible assets	(852)	(940)
Proceeds from sales of investment securities	43	2
Others	26	18
Net cash flows from investing activities	(791)	(1,142)
Cash flows from financing activities		
Net change in short-term borrowings	81,000	38,500
Proceeds from long-term borrowings	—	300
Repayments of long-term borrowings	(50)	(75)
Payments for purchase of treasury stock	(0)	(0)
Dividends paid	(3,848)	(12,815)
Net cash flows from financing activities	77,102	25,910
Translation difference of cash and cash equivalent	0	(0)
Net change in cash and cash equivalent	1,537	6,709
Cash and cash equivalents at beginning of period	24,812	26,624
Increase in cash and cash equivalents resulting from merger	275	—
Cash and cash equivalents at end of period	26,624	33,333

(5) Notes on Non-Consolidated balance sheets

(Notes on Going-Concern Uncertainties)

No relevant items.

(Segment information)

(Year ended March 31, 2014)

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

(Per Share Information)

Year ended March 31, 2014	
Net assets per share	332.51 Yen
Earnings/share	63.49 Yen
The company does not report fully diluted earnings per share for the year ended March 31, 2014, as there are no residual securities.	

Note: Calculation basis of net assets per share information

1. Net asset per share

Items	Year ended March 31, 2014
Total net assets on the balance sheets (Millions of Yen)	85,365
Net assets attributed to common stock (Millions of Yen)	85,365
Breakdown of difference (Millions of Yen)	—
Number of common stock outstanding (share)	269,264,702
Number of common stock held in treasury (share)	12,533,093
Number of common stock included in the calculation of net assets per share (share)	256,731,609

2. Net income and fully diluted earnings per share

Items	Year ended March 31, 2014
Net income on the statements of income (Millions of Yen)	16,300
Net income attributed to common stock (Millions of Yen)	16,300
Net income not attributed to common stock (Millions of Yen)	—
Average number of common stock outstanding (share)	256,731,680

(Subsequent Events)

No relevant items.