

**Non-Consolidated Financial Summary under Japanese GAAP**  
**For the Year Ended March 31, 2016**

Date: April 27, 2016  
 Company name (Stock code): 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, 2016  
 Planned date of dividends payment: June 27, 2016  
 Planned date of filing of the annual securities report: June 20, 2016

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, 2016**

**(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, 2016	34,435	0.4	33,003	0.3	21,745	(1.5)	21,833	(1.7)
Year ended March 31, 2015	34,306	(14.0)	32,893	(15.1)	22,087	(18.5)	22,202	(18.3)

	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, 2016	14,763	(5.2)	57.50	57.49	16.2	2.9	63.1
Year ended March 31, 2015	15,571	(4.5)	60.65	60.64	17.8	2.9	64.4

Investment gain and loss on equity method: Year ended March 31, 2016 None Year ended March 31, 2015 None

**(2) Financial position**

	Total assets	Net assets	Equity ratio	Net assets / Share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
As of March 31, 2016	663,425	92,718	14.0	361.01
As of March 31, 2015	817,183	90,029	11.0	350.63

Net assets - Stock acquisition rights:

As of March 31, 2016 92,681 million yen As of March 31, 2015 90,018 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, 2016	43,431	(824)	(48,147)	29,865
Year ended March 31, 2015	21,871	2,068	(21,867)	35,406

## 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, 2015	—	20.00	—	20.00	40.00	10,269	66.0	11.7
Year ended March 31, 2016	—	25.00	—	20.00	45.00	11,553	78.3	12.6
Year ends March 31, 2017 (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, 2016	259,264,702 shares
As of March 31, 2015	269,264,702 shares
- 2) Number of treasury stock
 

As of March 31, 2016	2,533,314 shares
As of March 31, 2015	12,533,245 shares
- 3) Average number of shares outstanding
 

For the year ended March 31, 2016	256,731,423 shares
For the year ended March 31, 2015	256,731,565 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.

Non-Consolidated Financial Statements

## (1) Non-Consolidated Balance Sheets

(Millions of Yen)

	March 31, 2015	March 31, 2016
<b>Assets</b>		
Current assets		
Cash and bank deposits	15,717	26,569
Cash segregated as deposits	462,912	375,812
Cash in trust	20,889	4,596
Trading assets:	1,538	1,817
Trading securities and others	0	0
Derivatives	1,538	1,817
Net receivables arising from pre-settlement date trades	185	17
Margin account assets:	284,207	232,043
Loans receivable from customers	277,246	228,152
Cash deposited as collateral for securities borrowed from securities finance companies	6,961	3,890
Receivables on collateralized securities transactions:	12,080	7,869
Cash deposits collateral for securities borrowed	12,080	7,869
Receivables:	27	23
Receivables from customers	27	23
Receivables from others	0	0
Short-term guarantee deposits	5,736	2,166
Advances paid	2	1
Prepaid expenses	195	189
Accounts receivable	1	1
Accrued income	4,569	3,807
Deferred income taxes	481	314
Others	1	—
Allowance for doubtful accounts	(11)	(7)
<b>Total current assets</b>	<b>808,528</b>	<b>655,217</b>
Fixed assets		
Tangible fixed assets:	1,039	953
Buildings	211	197
Equipment and instruments	394	321
Land	434	434
Intangible assets:	2,850	2,999
Software	2,850	2,999
Others	0	0
Investments and others:	4,765	4,256
Investment securities	3,975	3,119
Investment in partnership	8	8
Long-term loans receivable	534	507
Long-term guarantee deposits	258	261
Long-term prepaid expenses	7	7
Deferred income taxes	16	587
Long-term receivables	1,038	1,021
Others	95	95
Allowance for doubtful accounts	(1,165)	(1,348)
<b>Total fixed assets</b>	<b>8,655</b>	<b>8,208</b>
<b>Total assets</b>	<b>817,183</b>	<b>663,425</b>

(Millions of Yen)

	March 31, 2015	March 31, 2016
<b>Liabilities</b>		
Current liabilities		
Trading liabilities:	1,379	458
Trading securities and others	7	—
Derivatives	1,371	458
Margin account liabilities:	56,398	35,793
Loans from securities finance companies	3,774	5,452
Proceeds of securities sold on customers' account	52,624	30,341
Payables on collateralized securities transactions:	25,558	14,838
Cash deposits as collateral for securities loaned	25,558	14,838
Deposits received:	261,516	200,271
Deposits received from customers	254,377	197,048
Others	7,138	3,222
Guarantee money received	207,098	182,641
Suspense account for undelivered securities	12	44
Short-term borrowings	164,600	128,050
Advances received	0	0
Deferred revenue	37	35
Accounts payable	973	379
Accrued expenses	947	844
Accrued income taxes	5,442	3,551
Accrued bonuses	277	248
Total current liabilities	<u>724,237</u>	<u>567,151</u>
Long-term liabilities		
Long-term borrowings	50	—
Reserve for retirement bonuses for directors and auditors	204	204
Others	3	3
Total long-term liabilities	<u>257</u>	<u>208</u>
Statutory reserves		
Reserve for financial products transaction liabilities	2,660	3,349
Total statutory reserves	<u>2,660</u>	<u>3,349</u>
<b>Total liabilities</b>	<u><u>727,155</u></u>	<u><u>570,707</u></u>

(Millions of Yen)

	March 31, 2015	March 31, 2016
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	70,734	66,384
Total earned surplus	75,143	70,793
Treasury stock	(9,475)	(1,915)
Total shareholders' equity	87,406	90,616
Valuation and translation adjustments		
Net unrealized gain (loss) on investment securities, net of taxes	2,613	2,066
Total valuation and translation adjustments	2,613	2,066
Stock acquisition rights	10	37
Total net assets	90,029	92,718
Total liabilities and net assets	817,183	663,425

## (2) Non-Consolidated Statements of Income

(Millions of Yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Operating revenues		
Commissions	21,167	21,742
Brokerage commissions	20,025	20,414
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	—	50
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	3	0
Others	1,139	1,278
Net gain (loss) on trading	8	6
Interest and dividend income	13,126	12,682
Other operating revenues	5	5
Total operating revenues	34,306	34,435
Interest expenses	1,413	1,431
Net operating revenues	32,893	33,003
Selling, general and administrative expenses		
Transaction related expenses	4,719	4,674
Employees' compensation and benefits	2,030	2,178
Occupancy and rental	878	890
Data processing and office supplies	1,677	1,713
Depreciation	1,246	1,175
Duties and taxes other than income taxes	194	288
Provision of allowance for doubtful accounts	(77)	216
Others	138	123
Total selling, general and administrative expenses	10,806	11,258
Operating income	22,087	21,745
Non-operating income		
Dividend income	94	76
Others	24	14
Total non-operating income	118	90
Non-operating expenses		
Others	3	2
Total non-operating expenses	3	2
Ordinary income	22,202	21,833
Special profits		
Gain on sales of investment securities	2,912	1,012
Total special profits	2,912	1,012
Special losses		
Provision for statutory reserves	738	689
Loss on sales and disposals of property and equipment	48	6
Total special losses	786	695
Income before income taxes	24,327	22,151
Income taxes - current	8,615	7,455
Income taxes - deferred	142	(67)
Income taxes	8,757	7,388
Net income	15,571	14,763

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

Year ended March 31, 2015

(Millions of Yen)

	Shareholders' equity						
	Common stock	Capital surplus		Earned surplus			Total earned surplus
		Additional paid-in capital	Total capital surplus	Earned surplus reserves	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	65,433	69,841
Changes in the current term							
Dividends from capital and earned surplus						(10,269)	(10,269)
Net income						15,571	15,571
Purchase of treasury stock							
Net change of items other than shareholders' equity							
Total changes of items in the current term	—	—	—	—	—	5,301	5,301
Balance at the end of current period	11,945	9,793	9,793	159	4,250	70,734	75,143

	Shareholders' equity		Valuation and translation adjustments		Stock acquisition rights	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)	82,104	3,260	3,260	—	85,365
Changes in the current term						
Dividends from capital and earned surplus		(10,269)				(10,269)
Net income		15,571				15,571
Purchase of treasury stock	(0)	(0)				(0)
Net change of items other than shareholders' equity			(648)	(648)	10	(637)
Total changes of items in the current term	(0)	5,301	(648)	(648)	10	4,664
Balance at the end of current period	(9,475)	87,406	2,613	2,613	10	90,029

Year ended March 31, 2016

(Millions of Yen)

	Shareholders' equity						
	Common stock	Capital surplus		Earned surplus reserves	Earned surplus		Total earned surplus
		Additional paid-in capital	Total capital surplus		Special purpose reserves	Earned surplus carried forward	
Balance at the beginning of current period	11,945	9,793	9,793	159	4,250	70,734	75,143
Changes in the current term							
Dividends from capital and earned surplus						(11,553)	(11,553)
Net income						14,763	14,763
Purchase of treasury stock							
Cancellation of treasury stock						(7,560)	(7,560)
Net change of items other than shareholders' equity							
Total changes of items in the current term	—	—	—	—	—	(4,350)	(4,350)
Balance at the end of current period	11,945	9,793	9,793	159	4,250	66,384	70,793

	Shareholders' equity		Valuation and translation adjustments		Stock acquisition rights	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)	87,406	2,613	2,613	10	90,029
Changes in the current term						
Dividends from capital and earned surplus		(11,553)				(11,553)
Net income		14,763				14,763
Purchase of treasury stock	(0)	(0)				(0)
Cancellation of treasury stock	7,560	—				—
Net change of items other than shareholders' equity			(547)	(547)	27	(520)
Total changes of items in the current term	7,560	3,210	(547)	(547)	27	2,690
Balance at the end of current period	(1,915)	90,616	2,066	2,066	37	92,718

## (4) Non-Consolidated Statements of Cash Flows

(Millions of Yen)

	Year ended march 31, 2015	Year ended march 31, 2016
Cash flows from operating activities		
Income before income taxes	24,327	22,151
Depreciation and amortization	1,246	1,175
Net change in allowance for doubtful accounts	(209)	179
Net change in accrued bonuses	(27)	(29)
Net change in reserve for financial products transaction liabilities	738	689
Interest and dividend income	(12,797)	(12,269)
Interest expenses	992	997
Gain or loss on sales and disposals of fixed assets	48	6
Gain or loss on sales of investment securities	(2,912)	(1,012)
Net change in cash segregated as deposits	(121,100)	87,100
Net change in cash in trust	(500)	(100)
Net change in trading assets and liabilities	449	(1,200)
Net change in net receivables and payables arising from pre-settlement date trades	(46)	167
Net change in margin assets and liabilities	22,390	31,560
Net change in receivables on collateralized securities transactions	(2,444)	4,211
Net change in deposits received and receivables from customers and others	83,503	(61,241)
Net change in payables on collateralized securities transactions	61	(10,721)
Net change in guarantee money received	30,480	(24,457)
Net change in short-term guarantee deposits	(1,615)	3,570
Others	(105)	247
Sub total	22,480	41,022
Interest and dividend received	12,525	12,846
Interest paid	(961)	(1,030)
Income taxes paid	(12,173)	(9,407)
Net cash flows from operating activities	21,871	43,431
Cash flows from investing activities		
Payments for purchases of property and equipment	(9)	(169)
Payments for purchases of intangible assets	(865)	(1,635)
Payments for purchases of investment securities	—	(40)
Proceeds from sales of investment securities	2,925	1,016
Others	17	4
Net cash flows from investing activities	2,068	(824)
Cash flows from financing activities		
Net change in short-term borrowings	(11,500)	(36,500)
Repayments of long-term borrowings	(100)	(100)
Payments for purchase of treasury stock	(0)	(0)
Dividends paid	(10,266)	(11,547)
Net cash flows from financing activities	(21,867)	(48,147)
Translation difference of cash and cash equivalent	0	(0)
Net change in cash and cash equivalent	2,073	(5,540)
Cash and cash equivalents at beginning of period	33,333	35,406
Cash and cash equivalents at end of period	35,406	29,865

(5) Notes on Non-Consolidated Financial Statements

(Notes on Going-Concern Uncertainties)

No relevant items.

(Segment Information)

(Year ended March 31, 2016)

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

(Equity in Net Income of Affiliates)

No relevant items.

## (Per Share Information)

Year ended March 31, 2016	
Net assets per share	361.01 Yen
Earnings per share	57.50 Yen
Fully diluted earnings per share	57.49 Yen

Note: Calculation basis of net income per share information

## Net income and fully diluted earnings per share

Items	Year ended March 31,2016
Net income per share	
Net income (Millions of Yen)	14,763
Net income not attributed to common stock (Millions of Yen)	—
Net income attributed to common stock (Millions of Yen)	14,763
Average number of common stock outstanding (Shares)	256,731,423
Fully diluted earnings per share	
Increase of common stock (Shares)	64,922
(Stock acquisition rights (Shares))	(64,922)
The residual securities which are not considered in the calculation of fully diluted earnings per share	—

## (Subsequent Events)

No relevant items.