

**Non-Consolidated Financial Results**  
**For the Fiscal Year ended March, 31 2021**  
**(Under Japanese GAAP)**

Date: April 27, 2021

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

Listing: Tokyo Stock Exchange

Securities code: 8628

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

Representative: WARITA Akira, President & CEO

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Scheduled date of annual general meeting of shareholders: June 27, 2021

Scheduled date to commence dividend payments: June 28, 2021

Scheduled date to file annual securities report: June 21, 2021

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

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

1. Non-consolidated financial results for the Fiscal Year ended March, 31 2021 (from April 1, 2020 to March 31, 2021)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit	
	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)
Fiscal year ended								
March, 31 2021	30,082	24.6	28,672	28.3	12,827	44.0	12,919	43.3
March, 31 2020	24,150	-11.6	22,345	-14.1	8,909	-33.8	9,016	-33.7

	Profit		Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to operating revenue
	(Millions of Yen)	(%)	(Yen)	(Yen)	(%)	(%)	(%)
Fiscal year ended							
March, 31 2021	10,283	67.6	40.02	39.96	12.9	1.5	42.6
March, 31 2020	6,136	-35.8	23.89	23.86	7.0	1.3	36.9

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2021 None

For the fiscal year ended March 31, 2020 None

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
As of				
March, 31 2021	961,791	79,213	8.2	307.23
March, 31 2020	708,314	80,285	11.3	311.72

Reference: Equity

As of March, 31 2021: 78,947 million yen

As of March, 31 2020: 80,078 million yen

(3) Non-consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)
Fiscal Year ended				
March, 31 2021	-111,926	-1,607	117,986	59,798
March, 31 2020	60,195	-2,749	-41,209	55,345

## 2. Cash dividends

	Dividend per share					Annual total	Payout ratio	Dividends per net assets
	First quarter	Second quarter	Third quarter	Year end	Annual			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)	(Millions of Yen)	(%)	(%)
Fiscal year ended March 31, 2020	—	22.50	—	22.50	45.00	11,559	188.4	13.1
Fiscal year ended March 31, 2021	—	20.00	—	20.00	40.00	10,278	100.0	12.9
Fiscal year ending March 31, 2022 (Forecast)	—	—	—	—	—		—	

Note: Forecast of the dividend for the fiscal year ends March 2022 is undecided at the time of filing of this financial results.

### \*Notes

- (1) Changes in accounting policies, changes in accounting estimates, and restatement
  - 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - 2) Changes in accounting policies due to other reasons: None
  - 3) Changes in accounting estimates: None
  - 4) Restatement : None
- (2) Number of issued shares (common shares)
  - 1) Total number of issued shares at the end of the period (including treasury shares)
 

Fiscal Year ended March, 31 2021	259,264,702 shares
Fiscal Year ended March, 31 2020	259,264,702 shares
  - 2) Number of treasury shares at the end of the period
 

Fiscal Year ended March, 31 2021	2,304,946 shares
Fiscal Year ended March, 31 2020	2,373,346 shares
  - 3) Average number of shares outstanding during the period
 

Fiscal Year ended March, 31 2021	256,932,039 shares
Fiscal Year ended March, 31 2020	256,855,048 shares

Note: Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

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 Results ("Kessan Tanshin" dated April 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 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. Financial Statements and Major Notes

### 1. Balance Sheet

	(Millions of Yen)	
	Preceding fiscal year (March 31, 2020)	Current fiscal year (March 31, 2021)
Assets		
Current Assets		
Cash and deposits	52,501	56,952
Segregated deposits	449,312	564,012
Money held in trust	2,844	2,846
Trading products	1,877	2,146
Trading securities and other	0	24
Derivatives	1,877	2,121
Trade date accrual	3	-
Margin transaction assets	161,594	282,931
Margin loans	154,302	277,143
Cash collateral provided for securities borrowed in margin transactions	7,292	5,788
Loans secured by securities	21,188	30,353
Cash collateral provided for securities borrowed	21,188	30,353
Advances paid	148	65
Advances paid for customers	148	65
Other advances paid	0	0
Deposits paid for underwritten offering, etc.	354	764
Short-term guarantee deposits	3,378	4,510
Advance payments	11	3
Prepaid expenses	271	177
Accounts receivable – other	78	89
Accrued income	3,678	4,480
Other	83	-
Allowance for doubtful accounts	(49)	(107)
Total current assets	697,272	949,221
Non-current assets		
Property, plant and equipment	1,410	1,608
Buildings	285	273
Equipment	691	901
Land	434	434
Intangible assets	4,410	5,618
Software	4,410	5,618
Other	0	0
Investments and other assets	5,222	5,345
Investment securities	3,874	3,490
Investments in capital	8	8
Long-term loans receivable	453	427
Guarantee deposits	337	464
Long-term prepaid expenses	39	65
Deferred tax assets	623	1,011
Long-term receivables	1,204	1,143
Other	90	89
Allowance for doubtful accounts	(1,405)	(1,353)
Total non-current assets	11,042	12,571
Total assets	708,314	961,791

	(Millions of Yen)	
	Preceding fiscal year (March 31, 2020)	Current fiscal year (March 31, 2021)
<b>Liabilities</b>		
Current liabilities		
Trading products	120	219
Derivatives	120	219
Trade date accrual	-	39
Margin transaction liabilities	44,846	57,226
Margin borrowings	6,369	9,406
Cash received for securities sold in margin transactions	38,477	47,819
Borrowings secured by securities	14,782	23,160
Cash collateral received for securities lent	14,782	23,160
Deposits received	270,003	335,941
Deposits from customers	266,096	326,112
Other deposits received	3,906	9,829
Guarantee deposits received	212,539	248,255
Payables for securities to receive over due for delivery	27	2
Short-term borrowings	78,900	207,900
Unearned revenue	18	18
Accounts payable – other	238	981
Accrued expenses	1,324	1,373
Income taxes payable	1,707	3,658
Provision for bonuses	125	253
Other	-	368
Total current liabilities	624,628	879,393
Non-current liabilities		
Long-term borrowings	150	50
Reserve for retirement bonuses for directors	204	-
Other	202	201
Total non-current liabilities	556	251
Reserves under special laws		
Reserve for financial instruments transaction liabilities	2,845	2,933
Total reserves under special laws	2,845	2,933
Total liabilities	628,029	882,578
<b>Net assets</b>		
Shareholders' equity		
Share capital	11,945	11,945
Capital surplus		
Legal capital surplus	9,793	9,793
Other capital surplus	4	6
Total capital surplus	9,797	9,799
Retained earnings		
Legal retained earnings	159	159
Other retained earnings		
Retained earnings brought forward	57,682	57,046
Total retained earnings	57,841	57,205
Treasury shares	(1,794)	(1,743)
Total shareholders' equity	77,789	77,205
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,290	1,741
Total valuation and translation adjustments	2,290	1,741
Share acquisition rights	206	267
Total net assets	80,285	79,213
Total liabilities and net assets	708,314	961,791

## 2. Statement of Income

	(Millions of Yen)	
	Preceding fiscal year (From April 1, 2019 to March 31, 2020)	Current fiscal year (From April 1, 2020 to March 31, 2021)
Operating revenue		
Commission received	13,490	18,557
Brokerage commission	12,850	17,812
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	10	63
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	36	0
Other commission received	593	681
Net trading income	1,120	828
Financial revenue	9,539	10,696
Other operating revenue	2	2
Total operating revenue	24,150	30,082
Financial expenses	1,805	1,410
Net operating revenue	22,345	28,672
Selling, general and administrative expenses		
Trading related expenses	4,566	5,930
Personnel expenses	2,607	2,833
Real estate expenses	1,134	1,010
Office expenses	2,747	3,176
Depreciation	1,923	2,121
Taxes and dues	296	492
Provision of allowance for doubtful accounts	(28)	94
Other	192	189
Total selling, general and administrative expenses	13,436	15,845
Operating profit	8,909	12,827
Non-operating income		
Dividend income	121	81
Gain on investments in investment partnerships	-	44
Other	12	18
Total non-operating income	133	144
Non-operating expenses		
Loss on investments in investment partnerships	23	48
Other	2	4
Total non-operating expenses	25	52
Ordinary profit	9,016	12,919
Extraordinary income		
Gain on sale of investment securities	-	1,994
Total extraordinary income	-	1,994
Extraordinary losses		
Loss on sale and retirement of non-current assets	11	7
Loss on valuation of investment securities	160	-
Provision of reserve for financial instruments transaction liabilities	2	88
Total extraordinary losses	173	95
Profit before income taxes	8,843	14,818
Income taxes – current	2,735	4,682
Income taxes – deferred	(28)	(147)
Total income taxes	2,707	4,535
Profit	6,136	10,283

### 3. Statement of changes in equity

Preceding fiscal year (From April 1, 2019 to March 31, 2020)

(Millions of Yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other Retained earnings	Total retained earnings
					Retained earnings brought forward		
Balance at beginning of period	11,945	9,793	3	9,796	159	74,019	74,177
Changes during period							
Dividends of surplus						(22,472)	(22,472)
Profit						6,136	6,136
Purchase of treasury shares							
Disposal of treasury shares			1	1			
Net changes in items other than shareholders' equity							
Total changes during period	-	-	1	1	-	(16,336)	(16,336)
Balance at end of period	11,945	9,793	4	9,797	159	57,682	57,841

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(1,856)	94,061	2,358	2,358	160	96,579
Changes during period						
Dividends of surplus		(22,472)				(22,472)
Profit		6,136				6,136
Purchase of treasury shares	(0)	(0)				(0)
Disposal of treasury shares	62	64				64
Net changes in items other than shareholders' equity			(69)	(69)	47	(22)
Total changes during period	62	(16,273)	(69)	(69)	47	(16,294)
Balance at end of period	(1,794)	77,789	2,290	2,290	206	80,285

Current fiscal year (From April 1, 2020 to March 31, 2021)

(Millions of Yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other Retained earnings brought forward	Total retained earnings
Balance at beginning of period	11,945	9,793	4	9,797	159	57,682	57,841
Changes during period							
Dividends of surplus						(10,919)	(10,919)
Profit						10,283	10,281
Disposal of treasury shares			1	1			
Net changes in items other than shareholders' equity							
Total changes during period	-	-	1	1	-	(636)	(636)
Balance at end of period	11,945	9,793	6	9,799	159	57,046	57,205

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(1,794)	77,789	2,290	2,290	206	80,285
Changes during period						
Dividends of surplus		(10,919)				(10,919)
Profit		10,283				10,283
Disposal of treasury shares	52	53				53
Net changes in items other than shareholders' equity			(549)	(549)	60	(488)
Total changes during period	52	(583)	(549)	(549)	60	(1,071)
Balance at end of period	(1,743)	77,205	1,741	1,741	267	79,213

## 4. Statement of Cash Flows

	(Millions of Yen)	
	Preceding fiscal year (From April 1, 2019 to March 31, 2020)	Current fiscal year (From April 1, 2020 to March 31, 2021)
Cash flows from operating activities		
Profit (loss) before income taxes	8,843	14,818
Depreciation	1,923	2,121
Increase (decrease) in allowance for doubtful accounts	(56)	6
Increase (decrease) in provision for bonuses	(53)	128
Increase (decrease) in reserve for financial instruments transaction liabilities	2	88
Interest and dividend income	(9,602)	(10,705)
Interest expenses	1,748	1,336
Loss (gain) on sale and retirement of non-current assets	11	7
Loss (gain) on sale of investment securities	-	(1,994)
Loss (gain) on valuation of investment securities	160	-
Decrease (increase) in segregated deposits	(24,800)	(114,700)
Decrease (increase) in trading products - assets (liabilities)	(661)	(170)
Decrease (increase) in trade date accrual	2	43
Decrease/increase in margin transaction assets/liabilities	40,254	(108,957)
Decrease (increase) in loans secured by securities	(11,681)	(9,164)
Decrease/increase in advance paid/deposits received	31,104	66,021
Increase (decrease) in borrowings secured by securities	6,904	8,377
Increase (decrease) in guarantee deposits received	10,210	35,716
Decrease (increase) in short-term guarantee deposits	(49)	(1,131)
Other, net	191	351
Subtotal	54,450	(117,808)
Interest and dividends received	10,410	10,074
Interest paid	(1,808)	(1,397)
Income taxes paid	(2,857)	(2,794)
Net cash provided by (used in) operating activities	60,195	(111,926)
Cash flows from investing activities		
Purchase of property, plant and equipment	(276)	(429)
Purchase of intangible assets	(2,028)	(2,638)
Purchase of investment securities	(449)	(468)
Proceeds from sale of investment securities	-	2,000
Other, net	4	(72)
Net cash provided by (used in) investing activities	(2,749)	(1,607)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(18,950)	129,000
Proceeds from long-term borrowings	300	-
Repayments of long-term borrowings	(100)	(100)
Purchase of treasury shares	(0)	-
Proceeds from exercise of employee share options	0	0
Dividends paid	(22,459)	(10,914)
Net cash provided by (used in) financing activities	(41,209)	117,986
Effect of exchange rate change on cash and cash equivalents	(0)	(0)
Net increase (decrease) in cash and cash equivalents	16,237	4,453
Cash and cash equivalents at beginning of period	39,108	55,345
Cash and cash equivalents at end of period	55,345	59,798



## 5. Notes on Financial Statements

### 1) (Notes - Uncertainties of entity's ability to continue as going concern)

Not applicable.

### 2) (Notes - Segment information)

Disclosures on segment information are omitted since the Company is a provider of on-line securities trading service comprising a single segment.

### 3) (Notes - Equity in earnings (losses) of affiliates if equity method is applied)

Not applicable.

### 4) (Notes - Per share information)

Current fiscal year (From April 1, 2020 to March 31, 2021)	
Net assets per share	307.23 Yen
Basic earnings per share	40.02 Yen
Diluted earnings per share	39.96 Yen

Note: Calculation basis

Basic earnings per share and diluted earnings per share

Items	Current fiscal year (From April 1, 2020 to March 31, 2021)
Basic earnings per share	
Profit (Millions of Yen)	10,283
Profit not attributed to common stock (Millions of Yen)	-
Profit attributed to common stock (Millions of Yen)	10,283
Average number of shares of common stock outstanding (Shares)	256,932,039
Diluted earnings per share	
Increase of common stock (Shares)	381,089
(Of the above, subscription right to shares (Shares))	(381,089)
Outline of share acquisition rights or others without dilution effects which are not considered in the calculation of diluted earnings per share	-

### 5) (Notes - Significant events after reporting period)

Not applicable.