

Non-consolidated Financial Results  
for the Fiscal Year Ended March 31, 2022  
(Under Japanese GAAP)

Company name: Matsui Securities Co., Ltd.  
Listing: Tokyo Stock Exchange  
Securities code: 8628  
URL: <https://www.matsui.co.jp/en/>  
Representative: WARITA Akira, President & CEO  
Inquiries: UZAWA Shinichi, Managing Director, Director in charge of Corporate Division  
Telephone: +81-3-5216-0606  
Scheduled date of annual general meeting of shareholders: June 26, 2022  
Scheduled date to commence dividend payments: June 27, 2022  
Scheduled date to file annual securities report: June 20, 2022  
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, 2022 (from April 1, 2021 to March 31, 2022)

(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, 2022	30,616	1.8	29,439	2.7	12,772	-0.4	12,791	-1.0
March 31, 2021	30,082	24.6	28,672	28.3	12,827	44.0	12,919	43.3

	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, 2022	11,439	11.2	44.50	44.44	14.5	1.4	41.7
March 31, 2021	10,283	67.6	40.02	39.96	12.9	1.5	42.6

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

For the fiscal year ended March 31, 2022 None

For the fiscal year ended March 31, 2021 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, 2022	879,394	78,719	8.9	305.27
March 31, 2021	961,791	79,213	8.2	307.23

Reference: Equity

As of March 31, 2022: 78,483 million yen

As of March 31, 2021: 78,947 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, 2022	50,821	67	-50,374	60,312
March 31, 2021	-111,926	-1,607	117,986	59,798

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio	Ratio of dividends to net assets
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended March 31, 2021	Yen —	Yen 20.00	Yen —	Yen 20.00	Yen 40.00	Millions of yen 10,278	% 100.0	% 12.9
Fiscal year ended March 31, 2022	—	20.00	—	20.00	40.00	10,283	89.9	13.1
Fiscal year ending March 31, 2023 (Forecast)	—	—	—	—	—		—	

Note: Forecast of the dividend for the fiscal year ends March 2023 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: Yes
  - 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, 2022	259,264,702 shares
Fiscal Year ended March 31, 2021	259,264,702 shares
  - 2) Number of treasury shares at the end of the period
 

Fiscal Year ended March 31, 2022	2,171,646 shares
Fiscal Year ended March 31, 2021	2,304,946 shares
  - 3) Average number of shares outstanding during the period
 

Fiscal Year ended March 31, 2022	257,047,881 shares
Fiscal Year ended March 31, 2021	256,932,039 shares

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

\*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, 2022).*

*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, 2021)	Current fiscal year (March 31, 2022)
Assets		
Current Assets		
Cash and deposits	56,952	57,300
Segregated deposits	564,012	530,512
Money held in trust	2,846	3,012
Trading products	2,146	2,534
Trading securities and other	24	0
Derivatives	2,121	2,534
Trade date accrual	-	25
Margin transaction assets	282,931	235,567
Margin loans	277,143	231,435
Cash collateral provided for securities borrowed in margin transactions	5,788	4,132
Loans secured by securities	30,353	22,436
Cash collateral provided for securities borrowed	30,353	22,436
Advances paid	65	52
Advances paid for customers	65	52
Other advances paid	0	0
Deposits paid for underwritten offering, etc.	764	763
Short-term guarantee deposits	4,510	9,103
Advance payments	3	38
Prepaid expenses	177	206
Accounts receivable – other	89	79
Accrued revenue	4,480	5,090
Other	-	79
Allowance for doubtful accounts	(107)	(54)
Total current assets	949,221	866,742
Non-current assets		
Property, plant and equipment	1,608	1,264
Buildings, net	273	165
Equipment	901	1,097
Land	434	3
Intangible assets	5,618	6,858
Software	5,618	6,858
Other	0	0
Investments and other assets	5,345	4,529
Investment securities	3,490	2,008
Investments in capital	8	8
Long-term loans receivable	427	398
Guarantee deposits	464	335
Long-term prepaid expenses	65	145
Deferred tax assets	1,011	1,747
Long-term receivables	1,143	1,110
Other	89	87
Allowance for doubtful accounts	(1,353)	(1,307)
Total non-current assets	12,571	12,652
Total assets	961,791	879,394

	(Millions of yen)	
	Preceding fiscal year (March 31, 2021)	Current fiscal year (March 31, 2022)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trading products	219	508
Derivatives	219	508
Trade date accrual	39	-
Margin transaction liabilities	57,226	47,250
Margin borrowings	9,406	7,347
Cash received for securities sold in margin transactions	47,819	39,903
Borrowings secured by securities	23,160	21,409
Cash collateral received for securities lent	23,160	21,409
Deposits received	335,941	309,469
Deposits from customers	326,112	304,083
Other deposits received	9,829	5,386
Guarantee deposits received	248,255	244,992
Payables for securities to receive over due for delivery	2	28
Short-term borrowings	207,900	167,850
Unearned revenue	18	16
Accounts payable – other	981	1,462
Accrued expenses	1,373	1,284
Income taxes payable	3,658	2,839
Provision for bonuses	253	309
Other	368	5
<b>Total current liabilities</b>	<b>879,393</b>	<b>797,420</b>
<b>Non-current liabilities</b>		
Long-term borrowings	50	-
Other	201	185
<b>Total non-current liabilities</b>	<b>251</b>	<b>185</b>
<b>Reserves under special laws</b>		
Reserve for financial instruments transaction liabilities	2,933	3,070
<b>Total reserves under special laws</b>	<b>2,933</b>	<b>3,070</b>
<b>Total liabilities</b>	<b>882,578</b>	<b>800,675</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	11,945	11,945
<b>Capital surplus</b>		
Legal capital surplus	9,793	9,793
Other capital surplus	6	7
<b>Total capital surplus</b>	<b>9,799</b>	<b>9,799</b>
<b>Retained earnings</b>		
Legal retained earnings	159	159
Other retained earnings		
Retained earnings brought forward	57,046	58,205
<b>Total retained earnings</b>	<b>57,205</b>	<b>58,364</b>
Treasury shares	(1,743)	(1,642)
<b>Total shareholders' equity</b>	<b>77,205</b>	<b>78,466</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	1,741	16
<b>Total valuation and translation adjustments</b>	<b>1,741</b>	<b>16</b>
Share acquisition rights	267	236
<b>Total net assets</b>	<b>79,213</b>	<b>78,719</b>
<b>Total liabilities and net assets</b>	<b>961,791</b>	<b>879,394</b>

## 2. Statement of Income

	(Millions of yen)	
	Preceding fiscal year (From April 1, 2020 to March 31, 2021)	Current fiscal year (From April 1, 2021 to March 31, 2022)
Operating revenue		
Commission received	18,557	17,454
Brokerage commission	17,812	16,639
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	63	77
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	0	0
Other commission received	681	738
Net trading income	828	876
Financial revenue	10,696	12,285
Other operating revenue	2	2
Total operating revenue	30,082	30,616
Financial expenses	1,410	1,177
Net operating revenue	28,672	29,439
Selling, general and administrative expenses		
Trading related expenses	5,930	6,214
Personnel expenses	2,833	3,054
Real estate expenses	1,010	1,052
Office expenses	3,176	3,322
Depreciation	2,121	2,376
Taxes and dues	492	515
Provision of allowance for doubtful accounts	94	(56)
Other	189	189
Total selling, general and administrative expenses	15,845	16,667
Operating profit	12,827	12,772
Non-operating income		
Dividend income	81	47
Gain on investments in investment partnerships	44	8
Other	18	22
Total non-operating income	144	77
Non-operating expenses		
Loss on investments in investment partnerships	48	48
Other	4	10
Total non-operating expenses	52	58
Ordinary profit	12,919	12,791
Extraordinary income		
Gain on sale of non-current assets	-	1,279
Gain on sale of investment securities	1,994	2,590
Total extraordinary income	1,994	3,869
Extraordinary losses		
Loss on sale and retirement of non-current assets	7	52
Provision of reserve for financial instruments transaction liabilities	88	137
Total extraordinary losses	95	189
Profit before income taxes	14,818	16,471
Income taxes – current	4,682	5,006
Income taxes – deferred	(147)	26
Total income taxes	4,535	5,032
Profit	10,283	11,439

### 3. Statement of changes in equity

Preceding 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	Total retained earnings
					Retained earnings brought forward		
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	10,283
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

Current fiscal year (From April 1, 2021 to March 31, 2022)

(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	6	9,799	159	57,046	57,205
Changes during period							
Dividends of surplus						(10,280)	(10,280)
Profit						11,439	11,439
Disposal of treasury shares			1	1			
Net changes in items other than shareholders' equity							
Total changes during period	-	-	1	1	-	1,159	1,159
Balance at end of period	11,945	9,793	7	9,799	159	58,205	58,364

	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	(1,743)	77,205	1,741	1,741	267	79,213
Changes during period						
Dividends of surplus		(10,280)				(10,280)
Profit		11,439				11,439
Disposal of treasury shares	101	102				102
Net changes in items other than shareholders' equity			(1,725)	(1,725)	(30)	(1,755)
Total changes during period	101	1,261	(1,725)	(1,725)	(30)	(494)
Balance at end of period	(1,642)	78,466	16	16	236	78,719

## 4. Statement of Cash Flows

	(Millions of yen)	
	Preceding fiscal year (From April 1, 2020 to March 31, 2021)	Current fiscal year (From April 1, 2021 to March 31, 2022)
Cash flows from operating activities		
Profit (loss) before income taxes	14,818	16,471
Depreciation	2,121	2,376
Increase (decrease) in allowance for doubtful accounts	6	(98)
Increase (decrease) in provision for bonuses	128	56
Increase (decrease) in reserve for financial instruments transaction liabilities	88	137
Interest and dividend income	(10,705)	(12,241)
Interest expenses	1,336	1,110
Loss (gain) on sale and retirement of non-current assets	7	(1,227)
Loss (gain) on sale of investment securities	(1,994)	(2,590)
Decrease (increase) in segregated deposits	(114,700)	33,500
Decrease (increase) in trading products - assets (liabilities)	(170)	(100)
Decrease (increase) in trade date accrual	43	(64)
Decrease/increase in margin transaction assets/liabilities	(108,957)	37,388
Decrease (increase) in loans secured by securities	(9,164)	7,917
Decrease/increase in advance paid/deposits received	66,021	(26,459)
Increase (decrease) in borrowings secured by securities	8,377	(1,750)
Increase (decrease) in guarantee deposits received	35,716	(3,263)
Decrease (increase) in short-term guarantee deposits	(1,131)	(4,593)
Other, net	351	(420)
Subtotal	(117,808)	46,150
Interest and dividends received	10,074	11,629
Interest paid	(1,397)	(1,150)
Income taxes paid	(2,794)	(5,807)
Net cash provided by (used in) operating activities	(111,926)	50,821
Cash flows from investing activities		
Purchase of property, plant and equipment	(429)	(308)
Proceeds from sale of property, plant and equipment	-	1,774
Purchase of intangible assets	(2,638)	(2,999)
Purchase of investment securities	(468)	(1,090)
Proceeds from sale of investment securities	2,000	2,597
Other, net	(72)	93
Net cash provided by (used in) investing activities	(1,607)	67
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	129,000	(40,000)
Repayments of long-term borrowings	(100)	(100)
Proceeds from exercise of employee share options	0	0
Dividends paid	(10,914)	(10,274)
Net cash provided by (used in) financing activities	117,986	(50,374)
Effect of exchange rate change on cash and cash equivalents	(0)	(0)
Net increase (decrease) in cash and cash equivalents	4,453	514
Cash and cash equivalents at beginning of period	55,345	59,798
Cash and cash equivalents at end of period	59,798	60,312



## 5. Notes on Financial Statements

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

Not applicable.

### 2) (Notes - Changes in accounting policies)

-Application of the Accounting Standard for Revenue Recognition etc.

The "Accounting Standard for Revenue Recognition" (Accounting Standards Board of Japan ("ASBJ") Statement No. 29, March 31, 2020; hereinafter referred to as the "Revenue Recognition Accounting Standard"), etc. has been applied from the beginning of the current fiscal year. As a result, the accounting treatment of some of the consideration payments made to customers, such as cash refunds, which were previously recorded as Selling, General and Administrative (SGA) expenses, has been changed to deduction from transaction prices.

Furthermore, in applying the Revenue Recognition Accounting Standard etc., the Company has adopted the transitional treatment which is set forth in the proviso of Paragraph 84 of the Revenue Recognition Accounting Standard, which requires that the cumulative impact amount is calculated on the assumption that the new accounting policy is retrospectively applied to the accounting periods prior to the beginning of the current fiscal year, and such amount is to be added to or deducted from the amount of Retained Earnings of the beginning of the current fiscal year. The Company has adopted and applied this new accounting policy from the beginning balance of retained earnings of the current fiscal year. There is no impact amount effecting the beginning balance of retained earnings. Furthermore, the impact on commissions received and SGA expenses for the current fiscal year due to the application of the Revenue Recognition Accounting Standard etc. is negligible.

-Application of the Accounting Standard for Fair Value Measurement etc.

The Company has applied the "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as "Fair Value Measurement Accounting Standard"), etc. from the beginning of the current fiscal year. In accordance with the transitional treatment prescribed in Paragraph 19 of the Fair Value Measurement Accounting Standard and Paragraph 44-2 of the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019), a new accounting policy prescribed by the Fair Value Measurement Accounting Standard, etc. is applied prospectively. There is no impact on the financial statements.

### 3) (Notes - Segment information)

(Segment information)

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

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

Not applicable.

## 5) (Notes - Per share information)

Current fiscal year (From April 1, 2021 to March 31, 2022)	
Net assets per share	305.27 Yen
Basic earnings per share	44.50 Yen
Diluted earnings per share	44.44 Yen

\*Note: Calculation basis

Basic earnings per share and diluted earnings per share

Items	Current fiscal year (From April 1, 2021 to March 31, 2022)
Basic earnings per share	
Profit (Millions of yen)	11,439
Profit not attributed to common stock (Millions of yen)	-
Profit attributed to common stock (Millions of yen)	11,439
Average number of shares of common stock outstanding (Shares)	257,047,881
Diluted earnings per share	
Increase of common stock (Shares)	375,943
(Of the above, subscription right to shares (Shares))	(375,943)
Outline of share acquisition rights or others without dilution effects which are not considered in the calculation of diluted earnings per share	-

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

Not applicable.