

Quarterly Securities Report
Including Financial Statements
Under Japanese GAAP
For the Three Months
Ended June 30, 2013

Matsui Securities Co., Ltd.

1-4, Kojimachi, Chiyoda-ku, Tokyo, Japan

Filed with the Director of the Kanto Local Finance Bureau

On August 13, 2013

1 Information on Matsui Securities Co., Ltd. (“Company”)

Part 1 Company Financial Outlook

1 Major Business Indices

	Three months Ended June 30, 2012	Three months Ended June 30, 2013	Year Ended March 31, 2013
Operating revenues (Millions of Yen)	3,999	13,152	20,799
Net operating revenues (Millions of Yen)	3,783	12,800	19,915
Ordinary income (Millions of Yen)	1,405	9,625	10,245
Net income (Millions of Yen)	974	5,802	6,427
Equity in earnings of affiliates (Millions of Yen)	—	—	—
Capital stock (Millions of Yen)	11,945	11,945	11,945
Total shares outstanding (share)	269,264,702	269,264,702	269,264,702
Net assets (Millions of Yen)	73,184	81,889	80,841
Total assets (Millions of Yen)	390,260	702,861	610,804
Earnings per share (Yen)	3.79	22.60	25.03
Fully diluted earnings per share (Yen)	—	—	—
Dividends per share (Yen)	—	—	20.00
Equity ratio (%)	18.8	11.7	13.2

2 Company’s Business

There have been no significant changes in the business of the Company in the three months ended June 30, 2013.

Part 2 Business Outlook of the Company

1 Risk of the Company's Business

There have been no unusual changes in financial position, result of operations and cash flows of the Company in the three months ended June 30, 2013.

There have been no significant changes in the risk of the Company's business described in the Annual Securities Report of the Company as of March 31, 2013.

2 Significant Contracts for the Company's Business

There have been no new significant contracts in the three months ended June 30, 2013.

Part 3 Corporate Profiles

1 Number of Shares

(1) Total Number of Shares

Number of Shares Authorized	
Common Stock	1,050,000,000 shares
Total	1,050,000,000 shares

	Number of Shares Outstanding		Stock Exchange(s) Listed at	Details
	As of June 30, 2013 (End of the quarterly period)	As of August 13, 2013 (Date of filing of this Report)		
Common Stock	269,264,702 shares	269,264,702 shares	Tokyo Stock Exchange (First Section)	1 unit consists of 100shares
Total	269,264,702 shares	269,264,702 shares	—	—

(2) New-Share Purchase Rights

No relevant items.

(3) Exercise of Moving Strike Convertible Bonds

No relevant items.

(4) Rights Plan

No relevant items.

(5) Total Number of Shares Outstanding and Capital Stock

	Shares Outstanding		Capital Stock		Additional Paid in Capital	
	Change (share)	Shares outstanding (share)	Change (Millions of Yen)	Outstanding Balance (Millions of Yen)	Change (Millions of Yen)	Outstanding Balance (Millions of Yen)
From April 1, 2013 to June 30, 2013	—	269,264,702	—	11,945	—	9,793

(6) Principal Shareholders

Information on the changes in principal shareholders has been omitted for the three months ended June 30, 2013.

(7) Voting Rights

The following tables show the status of voting rights as of March 31, 2013 instead of those as of June 30, 2013 for the Company is not able to settle the list of shareholders as of June 30, 2013.

(i) Outstanding shares

(As of March 31, 2013)

	Number of shares	Number of voting rights
Shares without voting rights	—	—
Shares with limited voting rights (Treasury stock)	—	—
Shares with limited voting rights (Other than treasury stock)	—	—
Shares with full voting rights (Treasury stock)	(Treasury stock) Common stock 12,532,900	—
Shares with full voting rights (Other than treasury stock)	Common stock 256,718,400	2,565,655
Odd lot shares (1 lot = 100 shares)	Common stock 13,402	—
Total number of shares outstanding	269,264,702	—
Total number of voting rights	—	2,565, 655

Note:

- 400 shares under the title of Japan Securities Depository Center Inc. and 152,900 shares of securities bought by customers using money loaned from the Company's own fund are included in "Shares with full voting rights (Other than treasury stock)." 4 voting rights under the title of Japan Securities Depository Center Inc. are included in "Shares with full voting rights (Other than treasury stock)". 1,529 voting rights of securities bought by customers using money loaned from the Company's own fund are not included in "Shares with full voting rights (Other than treasury stock)".
- 47 treasury shares are included in odd-lot shares.

(ii) Treasury Stock

(As of March 31, 2013)

Name of shareholders	Address	Treasury stock held by the Company's own name	Treasury stock held by other person's name	Total Number of shares held	Percentage of shares to the total number of outstanding shares (%)
(Treasury stock held by the Company) Matsui Securities Co., Ltd.	1-4, Kojimachi, Chiyoda-ku, Tokyo, Japan	12,532,900	—	12,532,900	4.65
Total	—	12,532,900	—	12,532,900	4.65

2 Executives

There have been no changes to the Company's executives' from when the Company filed its Annual Securities Report on June 17, 2013 up until the three months ended June 30, 2013.

Part 4 Financial Status

1 Presentation of Quarterly Financial Statements

Pursuant to Article 54 and 73 of the “Regulations of Quarterly Financial Statements” (Cabinet Office Ordinance No. 63, 2007), the quarterly financial statements of the Company are prepared in accordance with the “Cabinet Office Ordinance concerning Financial Instruments Business” (Cabinet Office Ordinance No. 52, 2007) and the “Uniform Accounting Standards of Securities Business” (set by the board of directors of the Japan Securities Dealers’ Association, November 14, 1974) along with the “Regulations of Quarterly Financial Statements”.

2 Audit Report

The quarterly financial statements for the three months ended June 30, 2013 (from April 1, 2013 to June 30, 2013) were reviewed by PricewaterhouseCoopers Aarata in accordance with the Article 193-2-1 of Financial Instruments and Exchange Law.

3 Consolidated Financial Statements

The consolidated financial statements of the Company are not prepared for three months ended June 30, 2013 Because there is not a subsidiary.

Notice to readers:

The accompanying quarterly consolidated financial statements were prepared in accordance with the provision set forth in the Corporations Law of Japan, the Financial Instruments and Exchange Law, and in conformity with accounting principles and practices generally accepted in Japan, which are different from International Financial Reporting Standards in certain aspects of application and disclosure requirements.

The quarterly consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries or jurisdictions other than Japan.

1 Quarterly Non-Consolidated Financial Statements

[1] Quarterly Non-Consolidated Balance Sheets

(Millions of Yen)

	March 31, 2013	June 30, 2013
Assets		
Current Assets		
Cash and bank deposits	8,857	11,623
Cash segregated as deposits	300,116	348,635
Cash in trust	19,067	22,414
Trading assets:	1,402	1,512
Trading securities and others	0	0
Derivatives	1,402	1,512
Net receivables arising from pre-settlement date trades	—	282
Margin account assets:	252,751	298,685
Loans receivable from customers	248,476	297,793
Cash deposited as collateral for securities borrowed from securities finance companies	4,275	892
Receivables on collateralized securities transactions:	12,225	2,081
Cash deposits collateral for securities borrowed	12,225	2,081
Receivables from customers and others	20	38
Advance paid for subscription	—	2
Short-term guarantee deposits	3,749	4,336
Others	4,280	4,526
Allowance for doubtful accounts	(20)	(15)
Total current assets	602,447	694,119
Fixed assets		
Tangible fixed assets	927	949
Intangible assets	3,271	2,972
Software	3,266	2,967
Others	5	5
Investments and others	4,158	4,821
Investment securities	3,562	4,151
Others	2,556	2,649
Allowance for doubtful accounts	(1,959)	(1,979)
Total fixed assets	8,357	8,742
Total assets	610,804	702,861

(Millions of Yen)

	March 31, 2013	June 30, 2013
Liabilities		
Current liabilities		
Trading liabilities:	611	560
Trading securities and others	0	0
Derivatives	611	560
Net receivables arising from pre-settlement date trades	71	—
Margin account liabilities:	47,790	22,223
Loans from securities finance companies	3,360	1,973
Proceeds of securities sold on customers' account	44,431	20,250
Payables on collateralized securities transactions:	36,598	24,108
Cash deposits as collateral for securities loaned	36,598	24,108
Deposits received	151,654	192,928
Guarantee money received	149,923	190,723
Suspense account for undelivered securities	7	—
Short-term borrowings	137,525	183,025
Accrued income taxes	2,976	3,784
Accrued bonuses	112	56
Others	1,161	1,693
Total current liabilities	528,430	619,099
Long-term liabilities		
Deferred tax liabilities	226	287
Reserve for retirement bonuses for directors and auditors	204	204
Others	3	3
Total long-term liabilities	433	494
Statutory reserves		
Reserve for financial products transaction liabilities	1,100	1,378
Total statutory reserves	1,100	1,378
Total liabilities	529,963	620,972
Net assets		
Shareholders' equity		
Common stock	11,945	11,945
Capital surplus	9,793	9,793
Earned surplus	66,378	67,046
Treasury stock	(9,475)	(9,475)
Total shareholders' equity	78,641	79,309
Valuation and translation adjustments		
Net unrealized gain (loss) on investment securities, net of taxes	2,200	2,580
Total valuation and translation adjustments	2,200	2,580
Total net assets	80,841	81,889
Total liabilities and net assets	610,804	702,861

[2] Quarterly Non-Consolidated Statements of Income
Non-Consolidated Statements of income

(Millions of Yen)

	Three months ended June 30, 2012	Three months ended June 30, 2013
Operating revenues		
Commissions	2,428	9,925
Brokerage commissions	2,191	9,634
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	0	0
Others	237	291
Net gain (loss) on trading	(1)	6
Interest and dividend income	1,570	3,220
Other operating revenue	1	1
Total operating revenues	3,999	13,152
Interest expenses	216	352
Net operating revenues	3,783	12,800
Selling, general and administrative expenses		
Transaction related expenses	773	1,406
Employees' compensation and benefits	457	506
Occupancy and rental	236	228
Data processing and office supplies	422	438
Depreciation	448	428
Duties and taxes other than income taxes	35	74
Provision of allowance for doubtful accounts	(9)	84
Others	46	48
Total selling, general and administrative expenses	2,407	3,213
Operating income	1,376	9,587
Non-operating income		
Dividend income	26	36
Others	3	2
Total non-operating income	29	38
Non-operating expenses		
Others	0	0
Total non-operating expenses	0	0
Ordinary income	1,405	9,625
Special profits		
Gain on extinguishment of tie-in shares	98	—
Total Special profits	98	—
Special losses		
Loss on sales and disposals of fixed assets	1	—
Provision for statutory reserves	—	278
Total Special losses	1	278
Income before income taxes	1,502	9,347
Income taxes – current	363	3,733
Income taxes – deferred	165	(188)
Income taxes	528	3,545
Net income	974	5,802

Notes to Quarterly Non-Consolidated Financial Statements

Notes to Quarterly Non-Consolidated Statements of Cash Flows

The Company does not prepare the statement of cash flows for the three months ended June 30, 2013.
Depreciation including the intangible assets of three months ended June 30, 2013 are as follows.

	Three months ended June 30, 2012	Three months ended June 30, 2013
Depreciation	448 million yen	428 million yen

Notes Concerning Net Assets

(Three months ended June 30, 2012)

1. Dividends

Dividend payment

Date of resolution	Ordinary General Meeting of Shareholders held on June 24, 2012
Type of Shares	Common stock
Amount of dividend payment	3,851 million yen
Dividends per share	15 yen
Date of record for dividends	March 31, 2012
Effective date	June 25, 2012
Source of dividends	Earned surplus

2. Dividends for which effective date is after June 30, 2012

No relevant items.

(Three months ended June 30, 2013)

1. Dividends

Dividend payment

Date of resolution	Ordinary General Meeting of Shareholders held on June 23, 2013
Type of Shares	Common stock
Amount of dividend payment	5,135 million yen
Dividends per share	20 yen
Date of record for dividends	March 31, 2013
Effective date	June 24, 2013
Source of dividends	Earned surplus

2. Dividends for which effective date is after June 30, 2013

No relevant items.

Segment Information

(Three months ended June 30, 2013)

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

Financial Instruments

There have been no significant changes in financial instruments during the three months ended June 30, 2013 compared to fiscal year ended March 31, 2013.

Securities

No relevant items.

Derivative Transactions

No relevant items.

Per Share Information

Earnings per share and it's basis of calculation information is as follows:

Items	Three months ended June 30, 2012	Three months ended June 30, 2013
Earnings per share (Yen)	3.79	22.60
(Calculation basis)		
Net income on the statements of income (Millions of Yen)	974	5,802
Net income not attributed to common stock (Millions of Yen)	—	—
Net income attributed to common stock (Millions of Yen)	974	5,802
Average number of common stock outstanding (share)	256,731,815	256,731,704

Note: Fully diluted earnings per share has been omitted, as there are no residual securities.

Subsequent Events

No relevant items.

2 Others

No relevant items.

2 Information on the Surety of the Company

No relevant items.

Note: The Original Quarterly Securities Report includes the quarterly review by PricewaterhouseCoopers Aarata for the quarterly financial statements for the three months ended June 30, 2013.