

**Quarterly Securities Report
Including Financial Statements
Under Japanese GAAP
For the Six months
Ended September 30, 2011**

Matsui Securities Co., Ltd.

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

Filed with the Director of the Kanto Local Finance Bureau

On November 11, 2011

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

Part 1 Company Financial Outlook

1 Major Business Indices

		Six months Ended September 30, 2010	Six months Ended September 30, 2011	Year Ended March 31, 2011
Operating revenues	(Millions of Yen)	11,026	8,976	22,091
Net operating revenues	(Millions of Yen)	10,651	8,495	21,320
Ordinary income	(Millions of Yen)	5,288	3,771	8,479
Net income	(Millions of Yen)	3,305	2,240	5,410
Comprehensive income	(Millions of Yen)	3,297	2,238	5,398
Net assets	(Millions of Yen)	73,651	74,139	75,752
Total assets	(Millions of Yen)	433,173	371,797	431,729
Earnings per share	(Yen)	12.87	8.73	21.07
Fully diluted earnings per share	(Yen)	12.03	—	19.86
Equity ratio	(%)	17.0	19.9	17.5
Cash flows from operating activities	(Millions of Yen)	(6,808)	(762)	8,639
Cash flows from investing activities	(Millions of Yen)	(707)	(428)	(1,272)
Cash flows from financing activities	(Millions of Yen)	6,295	(7,762)	(5,310)
Cash and cash equivalents at end of period	(Millions of Yen)	22,171	16,496	25,448

		Three months Ended September 30, 2010	Three months Ended September 30, 2011
Earnings per share	(Yen)	4.98	4.52

Note :

1. The company does not report non-consolidated business indices, as the Company prepares consolidated financial statements.
2. The company does not report fully diluted earnings per share for the six months ended September 30, 2011, as there are no residual securities.
3. The Company has retroactively applied “Accounting Standard for Presentation of Comprehensive Income” (Accounting Standard Board of Japan, Statement No. 25, September 30, 2010), to calculate Comprehensive income for the six months ended September 30, 2010.

2 Company’s Business

There have been no significant changes in the business of the Company’s group or the Company’s major affiliates in the six months ended September 30, 2011.

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 six months ended September 30, 2011.

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, 2011.

2 Significant Contracts for the Company's Business

There have been no new significant contracts in the three months ended September 30, 2011.

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 September 30, 2011 (End of the quarterly period)	As of November 11, 2011 (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 (Thousands of shares)	Shares outstanding (Thousands of shares)	Change (Millions of Yen)	Outstanding Balance (Millions of Yen)	Change (Millions of Yen)	Outstanding Balance (Millions of Yen)
From July 1, 2011 to September 30, 2011	—	269,265	—	11,945	—	9,793

(6) Principal Shareholders

(As of September 30, 2011)

Name	Address	Shares in possession (Thousands of shares)	Percentage of shares in possession to the total shares outstanding (%)
Chizuko Matsui	Bunkyo-ku, Tokyo, Japan	57,142	21.22
Maruroku Ltd.	2-4-2, Nishikata, Bunkyo-ku, Tokyo, Japan	33,866	12.58
Shokosha Ltd.	2-4-2, Nishikata, Bunkyo-ku, Tokyo, Japan	27,522	10.22
Japan Trustee Services Bank, Ltd. (Trust account)	1-8-11, Harumi, Chuo-ku, Tokyo, Japan	9,929	3.69
The Master Trust Bank of Japan, Ltd. (Trust account)	2-11-3, Hamamatsucho, Minato-ku, Tokyo, Japan	8,236	3.06
Michio Matsui	Bunkyo-ku, Tokyo, Japan	8,001	2.97
Michitaro Matsui	Bunkyo-ku, Tokyo, Japan	7,762	2.88
Chiaki Matsui	Bunkyo-ku, Tokyo, Japan	7,762	2.88
Yuma Matsui	Bunkyo-ku, Tokyo, Japan	7,762	2.88
Trust & Custody Services Bank, Ltd. (Security investment trust account)	Tower Z, Harumi Island Triton Square, 1-8-12 Harumi, Chuo-ku, Tokyo, Japan	3,187	1.18
Total	—	171,168	63.57

Note:

- (1) 12,533 thousands of treasury stock (4.65%) are not included above.
- (2) Because the Company was not able to verify the number of shares held by Japan Trustee Services Bank, Ltd. (Trust account), The Master Trust Bank of Japan, Ltd. (Trust account), and Trust & Custody Services Bank, Ltd. (Security investment trust account) for their trustee businesses, the Company does not show these numbers.

(7) Voting Rights

(i) Outstanding shares

(As of September 30, 2011)

	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 12,532,800	—
Shares with full voting rights (Other than treasury stock)	Common stock 256,718,100	2,556,327
Odd lot shares (1 lot = 100 shares)	Common stock 13,802	—
Total number of shares outstanding	269,264,702	—
Total number of voting rights	—	2,556,327

Note:

1. 400 shares under the title of Japan Securities Depository Center Inc. and 1,085,400 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)". 10,854 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)".
2. 87 treasury shares are included in odd-lot shares.

(ii) Treasury Stock

(As of September 30, 2011)

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	12,532,800	—	12,532,800	4.65
Total	—	12,532,800	—	12,532,800	4.65

2 Executives

Following is the change in the executives' title after June 20, 2011 when the Company filed its Annual Securities report for the year ended March 31, 2011.

New title	Former title	Name	Date of change
Managing Director (General Manager of CEO Office and Marketing Dept., Managing Director of Business Development Dept. and Customer Support Dept.)	Managing Director (General Manager of CEO Office and Marketing Dept., Managing Director of Business Development Dept., RTGS Operation Dept. and Customer Support Dept.)	Akira Warita	September 26, 2011
Director (General Manager of Business Development Dept.)	Director (General Manager of Business Development Dept. and RTGS Operation Dept.)	Masashi Watanabe	September 26, 2011

3 Operations of Business

(1) Commissions

(Millions of Yen)

	Item	Stocks	Bonds	Beneficiary Certificates	Others	Total
Six months ended September 30, 2010	Brokerage commissions	6,145	—	56	143	6,344
	Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	0	—	—	—	0
	Fee for offering, secondary distribution and solicitation for selling and others for professional investors	0	—	—	—	0
	Others	280	—	2	651	933
	Total	6,426	—	57	794	7,277
Six months ended September 30, 2011	Brokerage commissions	4,906	—	48	285	5,239
	Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	0	—	—	—	0
	Fee for offering, secondary distribution and solicitation for selling and others for professional investors	0	—	—	—	0
	Others	255	—	2	279	536
	Total	5,161	—	50	564	5,775

(2) Net Gain on Trading

(Millions of Yen)

	Six months ended September 30, 2010			Six months ended September 30, 2011		
	Realized gain and loss	Evaluation gain and loss	Total	Realized gain and loss	Evaluation gain and loss	Total
Net gain on trading of stocks	(0)	0	(0)	(17)	(0)	(17)
Net gain on trading of bonds and others	2	0	2	(39)	0	(39)
Bonds	—	—	—	—	—	—
Others	2	0	2	(39)	0	(39)
Total	2	0	2	(56)	(0)	(57)

(3) Operations of Securities Trading
[1] Trading of securities excluding futures

i) Stocks

(Millions of Yen)

	Brokerage	Proprietary trading	Total
Six months ended September 30, 2010	4,777,654	387	4,778,041
Six months ended September 30, 2011	3,969,377	515	3,969,892

Margin trading transactions included in the “stocks” above are as follows:

(Millions of Yen)

	Brokerage	Proprietary trading	Total
Six months ended September 30, 2010	3,012,374	186	3,012,561
Six months ended September 30, 2011	2,381,719	149	2,381,867

ii) Bonds

(Millions of Yen)

	Brokerage	Proprietary trading	Total
Six months ended September 30, 2010	—	—	—
Six months ended September 30, 2011	—	—	—

iii) Beneficiary Certificates

(Millions of Yen)

	Brokerage	Proprietary trading	Total
Six months ended September 30, 2010	50,115	—	50,115
Six months ended September 30, 2011	52,226	249	52,476

※”Beneficiary securities issued by beneficiary securities trusts defined under the trust law” had been included in “iii) Beneficiary Certificates” in six months ended September 30, 2010. It has been reclassified and included in “iv) Others” in six months ended September 30, 2011.

iv) Others

(Millions of Yen)

	New-share purchase rights	Commercial paper	Others	Total
	Six months ended September 30, 2010	11	—	944
Six months ended September 30, 2011	—	—	7,709	7,709

※"Others" in six months ended September 30, 2010 are covered warrants. "Others" in six months ended September 30, 2011 are beneficiary securities issued by beneficiary securities trusts defined under the trust law.

Brokerage trading transactions included in "Others" above are as follows:

(Millions of Yen)

	New-share purchase rights	Commercial paper	Others	Total
	Six months ended September 30, 2010	11	—	944
Six months ended September 30, 2011	—	—	7,709	7,709

※"Others" in six months ended September 30, 2010 are covered warrants. "Others" in six months ended September 30, 2011 are beneficiary securities issued by beneficiary securities trusts defined under the trust law.

[2] Futures Trading

i) Stock-based

(Millions of Yen)

	Futures trading		Option trading		Total
	Brokerage	Proprietary trading	Brokerage	Proprietary trading	
Six months ended September 30, 2010	9,804,855	—	24,563,673	—	34,368,528
Six months ended September 30, 2011	5,160,893	—	9,598,414	204	14,759,511

ii) Bond-based

(Millions of Yen)

	Futures trading		Option trading		Total
	Brokerage	Proprietary trading	Brokerage	Proprietary trading	
Six months ended September 30, 2010	—	—	—	—	—
Six months ended September 30, 2011	—	—	—	—	—

[3] Underwriting and selling, underwriting and selling for professional investors, subscription and distribution, private offering, and subscription and distribution for professional investors

i) Stocks

(Millions of Yen)

	Underwriting	Selling	Underwriting and selling for professional investors	Subscription	Distribution	Private offerings	Subscription and distribution for professional investors
Six months ended September 30, 2010	3	3	—	0	—	—	—
Six months ended September 30, 2011	7	7	—	3	—	—	—

ii) Bonds

(Millions of Yen)

	Item	Underwriting	Selling	Underwriting and selling for professional investors	Subscription	Distribution	Private offerings	Subscription and distribution for professional investors
Six months ended September 30, 2010	Government Bonds	—	—	—	—	—	—	—
	Municipal Bonds	—	—	—	—	—	—	—
	Special Bonds	—	—	—	—	—	—	—
	Corporate Bonds	—	—	—	—	—	—	—
	Foreign Bonds	—	—	—	—	—	—	—
	Total	—	—	—	—	—	—	—
Six months ended September 30, 2011	Government Bonds	—	—	—	—	—	—	—
	Municipal Bonds	—	—	—	—	—	—	—
	Special Bonds	—	—	—	—	—	—	—
	Corporate Bonds	—	—	—	—	—	—	—
	Foreign Bonds	—	—	—	—	—	—	—
	Total	—	—	—	—	—	—	—

iii) Beneficiary certificates

(Millions of Yen)

	Underwriting	Selling	Underwriting and selling for professional investors	Subscription	Distribution	Private offerings	Subscription and distribution for professional investors
Six months ended September 30, 2010	—	—	—	734	—	—	—
Six months ended September 30, 2011	—	—	—	1,177	—	—	—

iv) Others

(Millions of Yen)

	Item	Underwriting	Selling	Underwriting and selling for professional investors	Subscription	Distribution	Private offerings	Subscription and distribution for professional investors
Six months ended September 30, 2010	Commercial Paper	—	—	—	—	—	—	—
	Foreign certificates	—	—	—	—	—	—	—
	Others	—	—	—	—	—	—	—
Six months ended September 30, 2011	Commercial Paper	—	—	—	—	—	—	—
	Foreign certificates	—	—	—	—	—	—	—
	Others	—	—	—	—	—	—	—

(4) Capital Adequacy Ratio

(Millions of Yen)

		As of September 30, 2010	As of September 30, 2011
Tier I Capital	①	73,557	74,043
Tier II Capital	Net unrealized gain on investment	4	—
	Reserve for financial products transaction liabilities	1,665	1,108
	General allowance for doubtful accounts	38	13
	Long-term Subordinated debts	—	—
	Short-term Subordinated debts	—	—
	Total ②	1,708	1,121
Assets to be deducted from equity capital	③	8,377	8,189
Equity capital after deduction	① + ② - ③ (A)	66,888	66,975
Risk	Market risk	1	0
	Counterparty risk	3,799	3,365
	Basic risk	2,372	2,157
	Total (B)	6,172	5,523
Capital adequacy ratio	(A) / (B) × 100	1,083.6%	1,212.5%

Note: Values are rounded down to the nearest million yen.

Part 4 Financial Status

1 Presentation of Quarterly Consolidated Financial Statements

Pursuant to Article 61 and 82 of the “Regulations of Quarterly Consolidated Financial Statements” (Cabinet Office Ordinance No. 64, 2007), the quarterly consolidated 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 Consolidated Financial Statements”.

2 Audit Report

The quarterly consolidated financial statements for the three months ended September 30, 2011 (from July 1, 2011 to September 30, 2011) and six months ended September 30, 2011 (from April 1, 2011 to September 30, 2011) were reviewed by PricewaterhouseCoopers Aarata in accordance with the Article 193-2-1 of Financial Instruments and Exchange Law.

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 Consolidated Financial Statements

[1] Quarterly Consolidated Balance Sheets

(Millions of Yen)

	March 31, 2011	September 30, 2011
Assets		
Current Assets		
Cash and bank deposits	17,882	7,287
Cash segregated as deposits	237,094	193,407
Cash in trust	8,766	10,208
Trading assets:	1,802	3,466
Trading securities and others	0	0
Derivatives	1,802	3,466
Net receivables arising from pre-settlement date trades	47	42
Margin account assets:	142,281	137,097
Loans receivable from customers	138,217	133,946
Cash deposited as collateral for securities borrowed from securities finance companies	4,064	3,151
Receivables on collateralized securities transactions:	4,827	4,688
Cash deposit collateral for securities borrowed	4,827	4,688
Receivables from customers and others	76	79
Short-term guarantee deposits	6,191	2,042
Others	4,271	5,977
Allowance for doubtful accounts	(28)	(14)
Total current assets	423,210	364,281
Fixed assets		
Tangible fixed assets	1,160	1,108
Intangible assets	4,529	3,871
Software	4,521	3,864
Others	8	7
Investments and others	2,830	2,537
Investment securities	262	220
Others	5,999	5,450
Allowance for doubtful accounts	(3,430)	(3,133)
Total fixed assets	8,519	7,516
Total assets	431,729	371,797

(Millions of Yen)

	March 31, 2011	September 30, 2011
Liabilities		
Current liabilities		
Trading liabilities:	229	44
Trading securities and others	0	2
Derivatives	229	42
Margin account liabilities:	40,417	22,128
Loans from securities finance companies	13,043	1,243
Proceeds of securities sold on customers' account	27,374	20,885
Payables on collateralized securities transactions:	5,818	4,920
Cash deposits as collateral for securities loaned	5,818	4,920
Deposits received	119,354	95,944
Guarantee money received	122,989	112,951
Suspense account for undelivered securities	0	—
Short-term borrowings	62,020	58,050
Accrued income taxes	2,344	1,322
Accrued bonuses	98	46
Others	1,391	889
Total current liabilities	354,662	296,293
Long-term liabilities		
Long-term borrowings	—	50
Reserve for retirement bonuses for directors and auditors	204	204
Others	3	3
Total long-term liabilities	207	257
Statutory reserves		
Reserve for financial products transaction liabilities	1,108	1,108
Total statutory reserves	1,108	1,108
Total liabilities	355,977	297,659
Net assets		
Shareholders' equity		
Common stock	11,945	11,945
Capital surplus	9,793	9,793
Earned surplus	63,488	61,877
Treasury stock	(9,475)	(9,475)
Total shareholders' equity	75,751	74,141
Valuation and translation adjustments		
Net unrealized gain (loss) on investment securities, net of taxes	1	(2)
Total valuation and translation adjustments	1	(2)
Total net assets	75,752	74,139
Total liabilities and net assets	431,729	371,797

[2] Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated statements of income

	(Millions of Yen)	
	Six months ended September 30, 2010	Six months ended September 30, 2011
Operating revenues		
Commissions	7,277	5,775
Brokerage commissions	6,344	5,239
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	0	0
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	0	0
Others	933	536
Net gain/(loss) on trading	2	(57)
Interest and dividend income	3,747	3,258
Total operating revenues	<u>11,026</u>	<u>8,976</u>
Interest expenses	<u>375</u>	<u>482</u>
Net operating revenues	<u>10,651</u>	<u>8,495</u>
Selling, general and administrative expenses		
Transaction related expenses	1,691	1,509
Employees' compensation and benefits	1,002	917
Occupancy and rental	552	578
Data processing and office supplies	1,023	882
Depreciation	937	861
Duties and taxes other than income taxes	64	55
Provision of allowance for doubtful accounts	—	(118)
Others	106	76
Total selling, general and administrative expenses	<u>5,376</u>	<u>4,759</u>
Operating income	<u>5,275</u>	<u>3,736</u>
Non-operating income		
Dividend income	11	29
Others	7	10
Total non-operating income	<u>18</u>	<u>39</u>
Non-operating expenses		
Others	5	4
Total non-operating expenses	<u>5</u>	<u>4</u>
Ordinary income	<u>5,288</u>	<u>3,771</u>
Special profits		
Gain on sales of investment securities	7	—
Gain on cancellation of convertible bonds	82	—
Reversal of allowance for doubtful accounts	189	—
Gain on sales of fixed assets	—	1
Total special profits	<u>278</u>	<u>1</u>
Special losses		
Loss on sales and disposals of fixed assets	0	0
loss on sales of investment securities	—	2
Total special losses	<u>0</u>	<u>2</u>
Income before income taxes	<u>5,565</u>	<u>3,769</u>
Income taxes - current	2,045	1,296
Income taxes - deferred	215	233
Income taxes	<u>2,260</u>	<u>1,529</u>
Income before minority interests	<u>3,305</u>	<u>2,240</u>
Net income	<u>3,305</u>	<u>2,240</u>

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Six months ended September 30, 2010	Six months ended September 30, 2011
Income before minority interests	3,305	2,240
Other comprehensive income		
Net unrealized loss on investment securities	(8)	(3)
Total other comprehensive income	(8)	(3)
Comprehensive income	3,297	2,238
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	3,297	2,238
Comprehensive income attributable to minority interests	—	—

[3] Quarterly Consolidated Statements of Cash Flows

(Millions of Yen)

	Six months ended September 30, 2010	Six months ended September 30, 2011
Cash flows from operating activities		
Income before income taxes	5,565	3,769
Depreciation and amortization	937	861
Net change in allowance for doubtful accounts	(189)	(311)
Net change in accrued bonuses	(50)	(52)
Interest and dividend income	(4,130)	(3,413)
Interest expenses	349	281
Gain or loss on sales and disposals of fixed assets	0	(1)
Gain or loss on sales of investment securities	(7)	2
Gain on cancellation of convertible bonds	(82)	—
Net change in cash segregated as deposits	22,759	43,685
Net change in cash in trust	13,250	200
Net change in trading assets and liabilities	(1,187)	(1,850)
Net change in net receivables and payables arising from pre-settlement date trades	119	5
Net change in margin assets and liabilities	(13,976)	(13,105)
Net change in receivables on collateralized securities transactions	2,519	139
Net change in deposits received and receivables from customers and others	(21,680)	(23,413)
Net change in payables on collateralized securities transactions	(3,501)	(899)
Net change in guarantee money received	(5,339)	(10,038)
Net change in short-term guarantee deposits	(1,437)	4,149
Others	(559)	(1,376)
Sub total	(6,638)	(1,365)
Interest and dividend received	3,344	3,191
Interest paid	(347)	(280)
Income taxes paid	(3,167)	(2,307)
Net cash flows from operating activities	(6,808)	(762)
Cash flows from investing activities		
Payments for purchases of property and equipment	(20)	(9)
Payments for purchases of intangible assets	(706)	(457)
Proceeds from sales of investment securities	14	36
Others	5	2
Net cash flows from investing activities	(707)	(428)
Cash flows from financing activities		
Net change in short-term borrowings	21,000	(4,000)
Proceeds from long-term borrowings	—	100
Repayments of long-term borrowings	(16)	(20)
Payments for repurchase of convertible bonds	(10,848)	—
Proceeds from issuance of shares on the exercise of new-share purchase rights	3	—
Payments for purchase of treasury stock	(0)	(0)
Dividends paid	(3,843)	(3,842)
Net cash flows from financing activities	6,295	(7,762)
Translation difference of cash and cash equivalent	(0)	(0)
Net change in cash and cash equivalent	(1,220)	(8,952)
Cash and cash equivalents at beginning of period	23,391	25,448
Cash and cash equivalents at end of period	※1 22,171	※1 16,496

Additional Information

Six months ended September 30, 2011

For the changes and corrections made after the beginning of the year ending March 31, 2012, the Company has adopted "Accounting Standard for Accounting Changes and Error Corrections" (Accounting Standard Board of Japan, Statement No. 24, December 4, 2009) and "Guidance on Accounting Standard for Accounting Changes and Error Corrections" (Accounting Standard Board of Japan, Guidance No. 24, December 4, 2009)"

Notes to Quarterly Consolidated Financial Statements

Notes to Quarterly Consolidated Statements of Cash Flows

Six months ended September 30, 2010	Six months ended September 30, 2011
※1 The reconciliation between cash and cash equivalents and the balance of cash in hand and at banks presented in the quarterly consolidated balance sheet is as follows. (As of September 30, 2010) (Millions of Yen)	※1 The reconciliation between cash and cash equivalents and the balance of cash in hand and at banks presented in the quarterly consolidated balance sheet is as follows. (As of September 30, 2011) (Millions of Yen)
Cash and bank deposits 12,506	Cash and bank deposits 7,287
Cash in trust 10,665	Cash in trust 10,208
Cash in trust which is held to segregate guarantee money (1,000)	Cash in trust which is held to segregate guarantee money (1,000)
<u>Cash and cash equivalents 22,171</u>	<u>Cash and cash equivalents 16,496</u>

Notes Concerning Net Assets

(Six months ended September 30, 2010)

1. Dividends

Dividend payment

Date of resolution	Ordinary General Meeting of Shareholders held on June 27, 2010
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, 2010
Effective date	June 28, 2010
Source of dividends	Earned surplus

2. Dividends for which effective date is after September 30, 2010

No relevant items.

3. Significant changes in net assets

No relevant items.

(Six months ended September 30, 2011)

1. Dividends

Dividend payment

Date of resolution	Ordinary General Meeting of Shareholders held on June 26, 2011
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, 2011
Effective date	June 27, 2011
Source of dividends	Earned surplus

2. Dividends for which effective date is after September 30, 2011

No relevant items.

3. Significant changes in net assets

No relevant items.

Segment Information

(Six months ended September 30, 2010 and Six months ended September 30, 2011)

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

Financial Instruments

There have been no significant changes in financial instruments during the six months ended September 30, 2011 compared to fiscal year ended March 31, 2011.

Securities

There have been no significant changes in securities during the six months ended September 30, 2011 compared to fiscal year ended March 31, 2011.

Derivative Transactions

No relevant items.

Per Share Information

Earnings per share, its basis of calculation and fully diluted earnings per share information is as follows:

Items	Six months ended September 30, 2010	Six months ended September 30, 2011
(1)Earnings per share (Yen)	12.87	8.73
(Calculation basis)		
Net income on the statements of income (Millions of Yen)	3,305	2,240
Net income not attributed to common stock (Millions of Yen)	—	—
Net income attributed to common stock (Millions of Yen)	3,305	2,240
Average number of common stock outstanding (Thousands of shares)	256,730	256,732
(2)Fully diluted earnings per share (Yen)	12.03	—
(Calculation basis)		
Increase of common stock considered in the calculation of fully diluted earnings per share (Thousands of shares)	18,105	—
Significant changes in the residual securities which are not considered in the calculation of fully diluted earnings per share	—	—

Note: Fully diluted earnings per share during the six months ended September 30, 2011 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 consolidated financial statements for the three months ended September 30, 2011 and for the six months ended September 30, 2011.