
**Quarterly Securities Report
Including Financial Statements
Under Japanese GAAP
For the Nine months
Ended December 31, 2012**

Matsui Securities Co., Ltd.

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

Filed with the Director of the Kanto Local Finance Bureau

On February 13, 2013

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

Part 1 Company Financial Outlook

1 Major Business Indices

		Nine months Ended December 31, 2011	Nine months Ended December 31, 2012	Year Ended March 31, 2012
Operating revenues	(Millions of Yen)	12,900	12,330	17,703
Net operating revenues	(Millions of Yen)	12,208	11,674	16,728
Ordinary income	(Millions of Yen)	5,139	4,734	7,417
Net income	(Millions of Yen)	2,870	3,010	4,257
Comprehensive income	(Millions of Yen)	2,867	—	—
Equity in earnings of affiliates	(Millions of Yen)	—	—	—
Capital stock	(Millions of Yen)	11,945	11,945	11,945
Total shares outstanding	(shares)	269,264,702	269,264,702	269,264,702
Net assets	(Millions of Yen)	74,768	75,221	76,063
Total assets	(Millions of Yen)	371,530	425,816	420,961
Earnings per share	(Yen)	11.18	11.73	16.58
Fully diluted earnings per share	(Yen)	—	—	—
Dividends per share	(Yen)	—	—	15.00
Equity ratio	(%)	20.1	17.7	18.1

		Three months Ended December 31, 2011	Three months Ended December 31, 2012
Earnings per share	(Yen)	2.45	4.75

Note :

1. The Company reports consolidated business indices for the Nine months ended December 31, 2012.
2. Due to the merger with its sole subsidiary on April 1, 2012 the Company will no longer prepare consolidated financial statements beginning with the year ending March 31, 2013, and all interim periods.. Therefore the Company reports non-consolidated business indices for the Nine months ended December 31, 2012 and the year ended March 31, 2012.

2 Company’s Business

The Company merged with its sole subsidiary on April 1, 2012. There have been no other significant changes in the business of the Company.

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 nine months ended December 31, 2012.

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, 2012.

2 Significant Contracts for the Company's Business

There have been no new significant contracts in the three months ended December 31, 2012.

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 December 31, 2012 (End of the quarterly period)	As of February 13, 2013 (Date of filing of this Report)		
Common Stock	269,264,702 shares	269,264,702 shares	Tokyo Stock Exchange (First Section) Osaka 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 October 1, 2012 to December 31, 2012	—	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 December 31, 2012.

(7) Voting Rights

The following tables show the status of voting rights as of September 30, 2012 instead of those as of December 31, 2012 for the Company is not able to settle the list of shareholders as of December 31, 2012

(i) Outstanding shares

(As of September 30, 2012)

	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 256,718,700	2,565,873
Odd lot shares (1 lot = 100 shares)	Common stock 13,102	—
Total number of shares outstanding	269,264,702	—
Total number of voting rights	—	2,565,873

Note:

- 400 shares under the title of Japan Securities Depository Center Inc. and 131,400 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)". 1,314 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 September 30, 2012)

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

Following is the change in the executives' title after June 18, 2012 when the Company filed its Annual Securities report for the year ended March 31, 2012.

New title	Former title	Name	Date of change
Director (General Manager of Business Development Dept.)	Director (General Manager of Business Development Dept. and RTGS Operation Dept.)	Masashi Watanabe	December 1, 2012

3 Operations of Business

(1) Commissions

(Millions of Yen)

	Item	Stocks	Bonds	Beneficiary Certificates	Others	Total
Nine months ended December 31, 2011	Brokerage commissions	6,998	—	70	375	7,444
	Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	1	—	—	—	1
	Fee for offering, secondary distribution and solicitation for selling and others for professional investors	0	—	—	—	0
	Others	363	—	3	434	800
	Total	7,362	—	73	810	8,245
Nine months ended December 31, 2012	Brokerage commissions	6,834	—	69	143	7,046
	Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	6	—	—	—	6
	Fee for offering, secondary distribution and solicitation for selling and others for professional investors	0	—	—	—	0
	Others	380	—	5	340	725
	Total	7,219	—	74	483	7,776

(2) Net Gain on Trading

(Millions of Yen)

	Nine months ended December 31, 2011			Nine months ended December 31, 2012		
	Realized gain and loss	Evaluation gain and loss	Total	Realized gain and loss	Evaluation gain and loss	Total
Net gain on trading of stocks	(17)	0	(17)	(2)	0	(2)
Net gain on trading of bonds and others	(39)	0	(39)	3	0	3
Bonds	—	—	—	—	—	—
Others	(39)	0	(39)	3	0	3
Total	(56)	0	(56)	0	0	0

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

(Millions of Yen)

	Brokerage	Proprietary trading	Total
Nine months ended December 31, 2011	5,619,774	634	5,620,409
Nine months ended December 31, 2012	5,630,421	10	5,630,431

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

(Millions of Yen)

	Brokerage	Proprietary trading	Total
Nine months ended December 31, 2011	3,417,519	149	3,417,667
Nine months ended December 31, 2012	3,455,209	—	3,455,209

ii) Bonds

(Millions of Yen)

	Brokerage	Proprietary trading	Total
Nine months ended December 31, 2011	—	—	—
Nine months ended December 31, 2012	—	—	—

iii) Beneficiary Certificates

(Millions of Yen)

	Brokerage	Proprietary trading	Total
Nine months ended December 31, 2011	74,526	249	74,775
Nine months ended December 31, 2012	72,075	—	72,075

iv) Others

(Millions of Yen)

				Total
	New-share purchase rights	Commercial paper	Others	
Nine months ended December 31, 2011	—	—	10,014	10,014
Nine months ended December 31, 2012	2	—	4,040	4,042

※"Others" 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)

				Total
	New-share purchase rights	Commercial paper	Others	
Nine months ended December 31, 2011	—	—	10,014	10,014
Nine months ended December 31, 2012	2	—	4,040	4,042

※"Others" 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	
Nine months ended December 31, 2011	7,919,716	—	15,597,899	204	23,517,819
Nine months ended December 31, 2012	12,841,918	—	22,167,139	—	35,009,057

ii) Bond-based

(Millions of Yen)

	Futures trading		Option trading		Total
	Brokerage	Proprietary trading	Brokerage	Proprietary trading	
Nine months ended December 31, 2011	—	—	—	—	—
Nine months ended December 31, 2012	—	—	—	—	—

[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
Nine months ended December 31, 2011	13	13	—	8	—	—	—
Nine months ended December 31, 2012	301	301	—	4	—	—	—

ii) Bonds

(Millions of Yen)

	Item	Underwriting	Selling	Underwriting and selling for professional investors	Subscription	Distribution	Private offerings	Subscription and distribution for professional investors
Nine months ended December 31, 2011	Government Bonds	—	—	—	—	—	—	—
	Municipal Bonds	—	—	—	—	—	—	—
	Special Bonds	—	—	—	—	—	—	—
	Corporate Bonds	—	—	—	—	—	—	—
	Foreign Bonds	—	—	—	—	—	—	—
	Total	—	—	—	—	—	—	—
Nine months ended December 31, 2012	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
Nine months ended December 31, 2011	—	—	—	1,287	—	—	—
Nine months ended December 31, 2012	—	—	—	722	—	—	—

iv) Others

(Millions of Yen)

	Item	Underwriting	Selling	Underwriting and selling for professional investors	Subscription	Distribution	Private offerings	Subscription and distribution for professional investors
Nine months ended December 31, 2011	Commercial Paper	—	—	—	—	—	—	—
	Foreign certificates	—	—	—	—	—	—	—
	Others	—	—	—	—	—	—	—
Nine months ended December 31, 2012	Commercial Paper	—	—	—	—	—	—	—
	Foreign certificates	—	—	—	—	—	—	—
	Others	—	—	—	—	—	—	—

(4) Capital Adequacy Ratio

(Millions of Yen)

		As of December 31, 2011	As of December 31, 2012
Tier I Capital ①		74,670	75,221
Tier II Capital	Net unrealized gain on investment	—	—
	Reserve for financial products transaction liabilities	1,108	1,067
	General allowance for doubtful accounts	13	5
	Long-term Subordinated debts	—	—
	Short-term Subordinated debts	—	—
	Total ②	1,121	1,072
Assets to be deducted from equity capital ③		8,231	6,521
Equity capital after deduction ① + ② - ③ (A)		67,560	69,772
Risk	Market risk	0	0
	Counterparty risk	3,322	3,386
	Basic risk	2,178	2,028
	Total (B)	5,501	5,415
Capital adequacy ratio (A) / (B)×100		1,228.0%	1,288.4%

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

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”.

As described in “3 Consolidated Financial Statements” the Company no longer prepares consolidated financial statements starting with the nine months ended December 31, 2012.

2 Audit Report

The quarterly consolidated financial statements for the three months ended December 31, 2012 (from October 1, 2012 to December 31, 2012) and nine months ended December 31, 2012 (from April 1, 2012 to December 31, 2012) 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 no longer prepared starting with the nine months ended December 31, 2012 due to the merger with its sole subsidiary on April 1, 2012.

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, 2012	December 31, 2012
Assets		
Current Assets		
Cash and bank deposits	16,204	7,973
Cash segregated as deposits	227,911	244,532
Cash in trust	9,608	11,168
Trading assets:	1,687	1,453
Trading securities and others	0	0
Derivatives	1,687	1,453
Net receivables arising from pre-settlement date trades	1	75
Margin account assets:	135,011	138,951
Loans receivable from customers	126,087	131,560
Cash deposited as collateral for securities borrowed from securities finance companies	8,924	7,391
Receivables on collateralized securities transactions:	14,689	6,101
Cash deposits collateral for securities borrowed	14,689	6,101
Receivables from customers and others	21	34
Short-term guarantee deposits	3,337	5,088
Others	5,077	4,265
Allowance for doubtful accounts	(13)	(5)
Total current assets	413,532	419,635
Fixed assets		
Tangible fixed assets	771	952
Intangible assets	4,018	3,402
Software	4,012	3,397
Others	6	5
Investments and others	2,640	1,827
Investment securities	214	162
Shares of affiliated companies	450	—
Others	4,269	3,656
Allowance for doubtful accounts	(2,293)	(1,990)
Total fixed assets	7,429	6,181
Total assets	420,961	425,816

(Millions of Yen)

	March 31, 2012	December 31, 2012
Liabilities		
Current liabilities		
Trading liabilities:	286	434
Trading securities and others	0	—
Derivatives	286	434
Margin account liabilities:	47,425	38,129
Loans from securities finance companies	2,148	1,342
Proceeds of securities sold on customers' account	45,277	36,788
Payables on collateralized securities transactions:	5,735	6,743
Cash deposits as collateral for securities loaned	5,735	6,743
Deposits received	117,813	136,418
Guarantee money received	113,646	124,629
Short-term borrowings	56,550	41,050
Accrued income taxes	1,129	743
Accrued bonuses	93	66
Others	922	1,109
Total current liabilities	343,600	349,321
Long-term liabilities		
Long-term borrowings	25	—
Reserve for retirement bonuses for directors and auditors	204	204
Others	2	3
Total long-term liabilities	231	207
Statutory reserves		
Reserve for financial products transaction liabilities	1,067	1,067
Total statutory reserves	1,067	1,067
Total liabilities	344,898	350,595
Net assets		
Shareholders' equity		
Common stock	11,945	11,945
Capital surplus	9,793	9,793
Earned surplus	63,802	62,962
Treasury stock	(9,475)	(9,475)
Total shareholders' equity	76,065	75,225
Valuation and translation adjustments		
Net unrealized gain (loss) on investment securities, net of taxes	(2)	(4)
Total valuation and translation adjustments	(2)	(4)
Total net assets	76,063	75,221
Total liabilities and net assets	420,961	425,816

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

(Millions of Yen)

	Nine months ended December 31, 2012
Operating revenues	
Commissions	7,776
Brokerage commissions	7,046
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	6
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	0
Others	725
Net gain (loss) on trading	0
Interest and dividend income	4,550
Other operating revenue	4
Total operating revenues	<u>12,330</u>
Interest expenses	<u>656</u>
Net operating revenues	<u>11,674</u>
Selling, general and administrative expenses	
Transaction related expenses	2,243
Employees' compensation and benefits	1,366
Occupancy and rental	696
Data processing and office supplies	1,229
Depreciation	1,336
Duties and taxes other than income taxes	76
Provision of allowance for doubtful accounts	(56)
Others	88
Total selling, general and administrative expenses	<u>6,977</u>
Operating income	<u>4,697</u>
Non-operating income	
Dividend income	26
Others	12
Total non-operating income	<u>38</u>
Non-operating expenses	
Others	<u>0</u>
Total non-operating expenses	<u>0</u>
Ordinary income	<u>4,734</u>
Special profits	
Gain on extinguishment of tie-in shares	98
Total Special profits	<u>98</u>
Special losses	
Loss on sales and disposals of investment securities	43
Loss on sales and disposals of fixed assets	5
Total Special losses	<u>48</u>
Income before income taxes	<u>4,785</u>
Income taxes - current	1,555
Income taxes - deferred	219
Income taxes	<u>1,774</u>
Net income	<u>3,010</u>

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 nine months ended December 31, 2012. Depreciation including the intangible assets of nine months ended December 31, 2012 are as follows.

Nine months ended December 31, 2012	
Depreciation	1,336million yen

Notes Concerning Net Assets

(Nine months ended December 31, 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 December 31, 2012

No relevant items.

3. Significant changes in net assets

No relevant items.

Financial Instruments

There have been no significant changes in financial instruments during the nine months ended December 31, 2012 compared to fiscal year ended March 31, 2012.

Securities

Shares of affiliated companies totaling 450 million yen, which were included as assets on the non-consolidated balance sheet as of March 31, 2012, are not included as of December 31, 2012 due to the merger of the Company's sole subsidiary.

Derivative Transactions

No relevant items.

Segment Information

(Nine months ended December 31, 2012)

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

Per Share Information

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

Items	Nine months ended December 31, 2012
Earnings per share (Yen)	11.73
(Calculation basis)	
Net income on the statements of income (Millions of Yen)	3,010
Net income not attributed to common stock (Millions of Yen)	—
Net income attributed to common stock (Millions of Yen)	3,010
Average number of common stock outstanding (shares)	256,731,775

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 consolidated financial statements for the three months ended December 31, 2012 and for the nine months ended December 31, 2012.