

Quarterly Securities Report for the Third Quarter of the 104th Fiscal Year (From October 1, 2019 to December 31, 2019)

Matsui Securities Co., Ltd.

1-4, Kojimachi, Chiyoda-ku, Tokyo

Representative: Michio MATSUI, President & CEO

Original Japanese Report was filed with the Director of the Kanto Local Finance Bureau on February 13, 2020 based on Article 24-4-7, Paragraph 1 of the Financial Instrument and Exchange Act.

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Notice to Readers 2: The accompanying quarterly 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, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

Notice to Readers 3: The original Report is attached with a quarterly review report by PricewaterhouseCoopers Aarata LLC for the quarterly financial statements for the third quarter accounting period of the current fiscal year (from October 1, 2019 to

December 31, 2019) and the cumulative third quarter period of the current fiscal year (from April 1, 2019 to December 31, 2019) in the original Report.

Part 1. Company Information

1. Overview of Company

1) Summary of Business Results

Fiscal period	Cumulative third quarter period of 103 rd fiscal year	Cumulative third quarter period of 104 th fiscal year	103 rd fiscal year
Accounting Period	From April 1, 2018 to December 31, 2018	From April 1, 2019 to December 31, 2019	From April 1, 2018 to March 31, 2019
Operating revenue (millions of yen)	21,505	17,360	27,313
Net operating revenue (millions of yen)	20,523	15,905	25,999
Ordinary profit (millions of yen)	11,380	6,370	13,592
Profit (millions of yen)	7,882	4,400	9,562
Equity in earnings of affiliates if equity method is applied (millions of yen)	-	-	-
Share capital (millions of yen)	11,945	11,945	11,945
Total number of issued shares (number of shares)	259,264,702	259,264,702	259,264,702
Net assets (millions of yen)	94,649	78,546	96,579
Total assets (millions of yen)	700,666	770,789	695,993
Basic earnings per share (yen)	30.70	17.13	37.24
Diluted earnings per share (yen)	30.66	17.11	37.20
Dividend paid per share(yen)	19.00	22.50	84.00
Equity-to-asset ratio (%)	13.5	10.2	13.9

Fiscal period	Third quarter accounting period of 103 rd fiscal year	Third quarter accounting period of 104 th fiscal year
Accounting Period	From October 1, 2018 to December 31, 2018	From October 1, 2019 to December 31, 2019
Basic earnings per share (Yen)	9.41	6.20

Note 1: Operating revenue does not include consumption tax etc.

Note 2: Equity in earnings of affiliates if equity method is applied is not shown above because the Company does not have affiliates.

Note 3: 84 yen dividend paid per share for the 103rd fiscal year includes 39 yen of commemorative dividend for the 100th anniversary of the Company.

2) Description of Business

There were no significant changes in the description of business of the Company in the cumulative third quarter period of the current fiscal year.

2. Status of Business

1) Business Risks

Commencing from the quarterly securities reports related to the fiscal year ending March 31, 2020, the Company has applied the provisions in footnote (7) stated in Form 4-3 of the “Cabinet Office Order on Disclosure of Corporate Affairs” as amended pursuant to the “Cabinet Office Order Amending a Part of the Cabinet Office Order on Disclosure of Corporate Affairs” (Cabinet Office Order No. 3 of January 31, 2019).

In the cumulative third quarter period of the current fiscal year, of the matters related to status of business and status of accounting etc. as described in this quarterly securities report, there were no major risks which had arisen recognized by management as possibly having a material effect on the financial condition, results of operations, or cash flow conditions of the Company, and there are no material changes to the “Business Risks” described in the securities report for the preceding fiscal year ended March 31, 2019.

2) Management’s Discussion and Analysis of Financial Condition, Results of Operations, and Cash Flow Conditions

Commencing from the quarterly securities reports related to the fiscal year ending March 31, 2020, the Company has applied the provisions in footnote (8) stated in Form 4-3 of the “Cabinet Office Order on Disclosure of Corporate Affairs” as amended pursuant to the “Cabinet Office Order Amending a Part of the Cabinet Office Order on Disclosure of Corporate Affairs” (Cabinet Office Order No. 3 of January 31, 2019).

Management’s discussion and analysis of financial condition and results of operation of the Company is provided below. Since the Company has only one segment which is its online securities brokerage service, description by segment has been omitted.

(1) Status and analysis of results of operations

The domestic stock market in the cumulative third quarter period started with the Nikkei Average trading slightly above 21,500 yen at the beginning of the period, which remained strong due to favorable U.S. economic indicators and the increase in crude oil prices. However, entering into May, the stock market entered a downturn trend given the U.S. government’s announcement of increasing the retaliatory tariffs against China, and in the beginning of June, the Nikkei Average temporarily fell below 20,300 yen. Thereafter, stock prices recovered against the background of speculations that the U.S. would lower interest rates; however, in August, due to the U.S. announcement that it would impose additional tariffs against China etc., the Nikkei Average fell again and remained at the level of around 20,500 yen. Going into September, stock prices began to rise again due to the announcement that the U.S-China ministerial-level meeting would recommence, as well as the news of the ECB and FRB deciding on a monetary easing policy, and in mid-September the Nikkei Average recovered to 22,000 yen. Thereafter, based on heightened expectations towards progress of U.S.-China negotiations, and under the background of retreat of risk of a no-deal EU Brexit, stock prices entered a rising trend and in mid-December the Nikkei Average rose to above 24,000 yen for the first time since October 2018, and ended December trading at slightly above 23,600 yen.

Under such market environment, total stocks etc. trading value in the two markets (Tokyo Stock Exchange and Nagoya Stock Exchange) decreased by 17% compared to the cumulative third quarter period of the preceding year. Individual investors who are our main customer base generally refrained from active trading given the uncertainty in the direction of stock markets, and total stock etc. brokerage trading value by individuals in the two markets also decreased by 17% compared to the cumulative third quarter period of the preceding year. As a result, the percentage of the stock etc. brokerage trading value by individual investors in the two markets was 17% in the cumulative third quarter period, the same level as in the same period in the preceding year. The aggregate stock etc. brokerage trading value of our company was sluggish, declining by 19% compared to the same period in the preceding year.

As new initiatives taken by our company in the cumulative third quarter period, we have revised fees and interest rates etc., expanded the scope of small-amount investments which may be made free of charge, and reduced interest rates and stock lending fees for our day-trade specific margin trading service “One Day Margin Trading”. Furthermore, we also made efforts to expand our services by implementing a full renewal of our customer website “Net-stock Smart”, and expand stock lending service, and with respect to stocks and investment trusts, we started providing a new service of bearing all transfer fees which arise when transferring them from accounts at other brokerage firms to an account opened at our firm. Furthermore, in addition to making sales fees for investment trusts free of charge, with respect to futures transactions, transaction fee levels were reduced to the lowest fee level in the industry. Also, our FX services were fully renewed, trading channels on PCs and smartphones were revamped, and other efforts were made to enhance our services such as by expanding transaction currency pairs and reducing the monetary units for currency transactions.

Under the above background, in the cumulative third quarter period of the current fiscal year, due to a decrease in the stocks etc. brokerage trading value, commissions received was 9,374 million yen (20.3% decrease from the cumulative third quarter period of the preceding fiscal year). Furthermore, due to a decrease in the average balance of customers’ long positions of margin transactions, net financial revenue was 5,698 million yen (26.8% decrease compared to the same period of the preceding fiscal year).

As a result, operating revenue was 17,360 million yen (19.3% decrease from the same period of the preceding fiscal year), and net operating revenue was 15,905 million yen (22.5% decrease from the same period of the preceding fiscal year). Furthermore, operating profit was 6,249 million yen (44.4% decrease from the same period of the preceding fiscal year), ordinary profit was 6,370 million yen (44.0% decrease from the same period of the preceding fiscal year), and third-quarter net profit was 4,400 million yen (44.2% decrease from the same period of the preceding fiscal year).

Revenue and expense items are as described below.

(Commissions received)

Commissions received was 9,374 million yen (20.3% decrease from the same period of the preceding fiscal year). Of this figure, brokerage commission was 8,886 million yen (20.9% decrease from the same period of the preceding fiscal year), mainly due to a 19% decrease compared to the same period of the preceding fiscal year in the stocks etc. brokerage trading value.

(Net trading income)

Net trading income was recorded a profit of 832 million yen, mainly due to FX trading profits.

(Net financial revenue)

Net financial revenue derived from subtracting financial expenses from financial revenues was 5,698 million yen (26.8% decrease from the same period of the preceding fiscal year). This was mainly due to a decrease in the average balance of customers' long positions of margin transactions.

(Selling, general and administrative expenses)

Selling, general and administrative expenses increased by 4.1% compared to the same period of the preceding fiscal year to 9,656 million yen. This was mainly due to an increase in office cost (15.5% increase compared to the same period of the preceding fiscal year) resulting from an increase of administrative outsourcing expenses, an increase in real estate expenses (32.9% increase compared to the same period of the preceding fiscal year) resulting from an increase in maintenance fee related to a data center, and an increase in depreciation expenses (15.0% increase compared to the same period of the preceding fiscal year) resulting from early depreciation of some of the assets etc.

(Non-operating income and expenses)

Net non-operating income totaled 122 million yen. This was mainly due to dividend income of 121 million yen.

(2) Factors which have a material impact on results of operations

The main business of our company is stocks etc. brokerage trading business targeting individual investors, and of the revenue items, commissions received and in particular brokerage commission relating to the trading of stocks etc. have a material impact on the business performance of our company. Furthermore, financial revenue arising mainly from margin transactions is a factor having a material impact on the business performance of our company. However, the level of such revenues is largely affected by the stock market environment.

(3) Status and analysis of financial conditions

As of the end of the third quarter accounting period of the current fiscal year, total assets was 770,789 million yen, a 10.7% increase from the end of the preceding fiscal year. This was mainly due to a 14.4% increase in cash segregated as deposits compared to the end of the preceding fiscal year to 485,712 million yen resulting from increases in deposits received and guarantee deposits received etc.

Total liabilities was 692,243 million yen, a 15.5% increase from the end of the preceding fiscal year. This was mainly due to a 25.8% increase in deposits received compared to the end of the preceding fiscal year to 300,466 million yen.

Total net assets was 78,546 million yen, an 18.7% decrease from the end of the preceding fiscal year. In the cumulative third quarter period of the current fiscal year, the sum of the year-end dividends for the fiscal year ended March 2019

including commemorative dividend for the 100th anniversary of the Company and the interim dividend for the fiscal year ending March 2020, which is 22,472 million yen was recorded. At the same time a quarterly profit of 4,400 million yen was recorded.

The main assets of the Company are cash segregated as deposits for customers (included in cash segregated as deposits) where deposits received and guarantee deposits received etc. from customers are entrusted to trust banks, and margin transaction assets mainly comprised of loans on margin transactions. On the other hand, funds are being procured through short-term borrowings etc. for the purpose of allocating to loans on margin transactions. The main liabilities of our company are deposits received, guarantee deposits received and short-term borrowings.

As of the end of the third quarter accounting period of the current fiscal year, deposits received was 300,466 million yen, a 25.8% increase from the end of the preceding fiscal year, and guarantee deposits received was 209,885 million yen, a 3.7% increase from the end of the preceding fiscal year. As a result, cash segregated as deposits increased by 14.4% from the end of the preceding fiscal year to 485,712 million yen. Furthermore, loans on margin transactions decreased by 4.4% from the end of the preceding fiscal year to 185,563 million yen, and on the other hand, short-term borrowings increased by 5.2% from the end of the preceding fiscal year to 102,900 million yen.

(4) Analyses of sources of capital and liquidity of funds

The Company's fund procurements are conducted mainly to respond to increase in loans on margin transactions, recurring loans on margin transactions are funded mainly by increase and decrease in short-term borrowings procured from financial institutions such as banks etc. In order to prepare for situations where loans on margin transactions increase significantly, the Company has made shelf registration so that it may flexibly procure funds through bond issues. However, as of the end of the third quarter accounting period of the current fiscal year, taking into account the levels of loans on margin transactions and internal reserves, a major portion of funds procurement was conducted by short-term borrowings including call money.

(5) Management policy and management strategy etc.

In the cumulative third quarter period of the current fiscal year, there were no material changes to our management policy and management strategy.

(6) Business issues and financial issues to be addressed with priority

In the cumulative third quarter period of the current fiscal year, there were no material changes to our company's business issues and financial issues to be addressed with priority, and no new business issues or financial issues have arisen.

(7) Research and Development (R&D) activities

Not applicable.

3) Critical Contracts for Operation

Not applicable.

3. Information about Reporting Company

1) Information about Shares etc.

(1) Total number of shares etc.

[1] Total number of shares

Class	Total shares authorized (number of shares)
Common stock	1,050,000,000
Total	1,050,000,000

[2] Issued shares

Class	Total number of issued shares at the end of third quarter accounting period of the current fiscal year (December 31, 2019)	Number of shares at the date of filing of this Report (February 13, 2020)	Name of stock exchange where shares are listed at or certified securities dealers association by which shares are registered	Contents
Common stock	259,264,702	259,264,702	Tokyo stock exchange (1 st section)	1 unit consists of 100 shares
Total	259,264,702	259,264,702	-	-

Note: Total number of issued shares at the date of filing of this Report does not include shares issued upon exercise of share acquisition rights from February 1, 2020 to the date of filing of this Report.

(2) Share acquisition rights

[1] Details of share option program

Not applicable.

[2] Other information about share acquisition rights

Not applicable.

(3) Exercises etc. of moving strike convertible bonds etc.

Not applicable.

(4) Changes in number of issued shares, stated capital etc.

Date	Change in number of outstanding shares	Total number of issued shares	Change in amount of share capital (millions of yen)	Balance of share capital (millions of yen)	Change in amount of legal capital surplus (millions of yen)	Balance of legal capital surplus (millions of yen)
From October 1, 2019 to December 31, 2019	-	259,264,702	-	11,945	-	9,793

(5) Major shareholders

Information of major shareholders is omitted because this quarterly accounting period is the third one for the current fiscal year.

(6) Voting rights

The following tables show the status of voting rights as of September 30, 2019, which is the latest date of record, because the Company is not able to settle and show the list of shareholders as of December 31, 2019.

[1] Issued shares

(As of September 30, 2019)

Classification	Number of shares	Number of voting rights	Content
Shares without voting rights	-	-	-
Shares with limited voting rights (Treasury shares etc.)	-	-	-
Shares with limited voting rights (Other)	-	-	-
Shares with full voting rights (Treasury shares etc.)	(Shares held by the Company) Common stock: 2,411,900	-	-
Shares with full voting rights (Other)	Common stock: 256,831,000	2,567,211	-
Shares less than 1 unit of shares	Common stock: 21,802	-	-
Total number of issued shares	259,264,702	-	-
Voting rights of all shareholders	-	2,567,211	-

Note 1: 400 shares under the title of Japan Securities Depository Center Inc. and 109,900 shares of securities bought by customers using money loaned from the Company's own fund are included in common stock of "Shares with full voting rights (Other)." 4 voting rights under the title of Japan Securities Depository Center Inc. are included in "Number of voting rights." 1,099 voting rights of securities bought by customers using money loaned from the Company's own fund are not included in "Number of voting rights."

Note 2: 46 treasury shares held by the Company are included in "Shares less than 1 unit of shares".

[2] Treasury shares etc.

(As of September 30, 2019)

Name of shareholders	Address of shareholders	Treasury shares held by the Company's own name	Treasury shares held by other person's name	Total number of shares held	Ratio of number of shares held to total number of outstanding shares (%)
(Treasury shares held by the Company) Matsui Securities Co., Ltd.	1-4, Kojimachi, Chiyoda-ku, Tokyo	2,411,900	-	2,411,900	0.93
Total	-	2,411,900	-	2,411,900	0.93

2) Information about officers

There were no changes to the Company's officers in the cumulative third quarter period of the current fiscal year, after the date of the filing of the Annual Securities Report for the preceding fiscal year, excluding those described in the Annual Securities Report.

4. Financial information

1) Prefaces

(1) About preparation method of quarterly financial statements

Quarterly financial statements of the Company are prepared in accordance with the “Regulations of Quarterly Financial Statements” (Cabinet Office Ordinance No. 63, 2007) and, based on the Article 54 and 73 of the “Regulations of Quarterly Financial Statements”, also in accordance with the “Cabinet Office Order Concerning Financial Instruments Business” (Cabinet Office Order 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).

(2) About certification by accounting auditors

Quarterly financial statements for the third quarter accounting period (from October 1, 2019 to December 31, 2019) and the cumulative third quarter period of the current fiscal year (from April 1, 2019 to December 31, 2019) were reviewed by PricewaterhouseCoopers Aarata LLC based on the Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

(3) About consolidated quarterly financial statements

Consolidated quarterly financial statements of the Company are not prepared because the Company has no subsidiaries.

2) Quarterly Financial Statements etc.

(1) Quarterly financial statements

[1] Quarterly balance sheet

	(Millions of Yen)	
	Preceding fiscal year (March 31, 2019)	Third quarter accounting period (December 31, 2019)
Assets		
Current assets		
Cash and deposits	36,120	39,060
Cash segregated as deposits	424,512	485,712
Money held in trust	2,988	2,844
Trading products	1,260	1,369
Trading securities and other	0	0
Derivatives	1,260	1,369
Trade date accrual	5	33
Margin transaction assets	202,490	202,693
Loans on margin transactions	194,027	185,563
Cash collateral pledged for securities borrowing on margin transactions	8,463	17,130
Loans secured by securities	9,507	18,832
Cash collateral pledged for securities borrowed	9,507	18,832
Advances paid	44	47
Cash paid for offering	84	75
Short-term guarantee deposits	3,329	3,407
Other	5,065	5,565
Allowance for doubtful account	(129)	(40)
Total current assets	685,275	759,597
Non-current assets		
Property, plant and equipment	1,255	1,421
Intangible assets	4,514	4,607
Software	4,514	4,607
Other	0	0
Investments and other assets	4,948	5,164
Investment securities	3,710	3,928
Other	2,619	2,601
Allowance for doubtful accounts	(1,381)	(1,365)
Total non-current assets	10,718	11,192
Total assets	695,993	770,789

	(Millions of yen)	
	Preceding fiscal year (March 31, 2019)	Third quarter accounting period (December 31, 2019)
Liabilities		
Current liabilities		
Trading products	164	154
Derivatives	164	154
Margin transaction liabilities	45,488	53,478
Borrowings on margin transactions	4,016	2,975
Cash received for securities lending on margin transactions	41,473	50,502
Borrowings secured by securities	7,878	19,528
Cash received on debt credit transaction of securities	7,878	19,528
Deposits received	238,794	300,466
Guarantee deposits received	202,329	209,885
Accounts for non-received securities	0	-
Short-term borrowings	97,800	102,900
Income taxes payable	1,832	736
Provision for bonuses	178	87
Other	1,723	1,563
Total current liabilities	596,188	688,795
Non-current liabilities		
Long-term borrowings	-	200
Reserve for retirement bonuses for directors	204	204
Other	179	202
Total non-current liabilities	383	606
Reserves under special laws		
Reserve for financial instruments transaction liabilities	2,843	2,843
Total reserves under special laws	2,843	2,843
Total liabilities	599,414	692,243
Net assets		
Shareholders' equity		
Share capital	11,945	11,945
Capital surplus	9,796	9,797
Retained earnings	74,177	56,105
Treasury shares	(1,856)	(1,802)
Total shareholders' equity	94,061	76,045
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,358	2,305
Total valuation and translation adjustments	2,358	2,305
Share acquisition rights	160	196
Total net assets	96,579	78,546
Total liabilities and net assets	695,993	770,789

[2] Quarterly Statement of income

i. Cumulative third quarter period

	(Millions of yen)	
	Cumulative third quarter period of the preceding fiscal year (From April 1, 2018 to December 31, 2018)	Cumulative third quarter period of the current fiscal year (From April 1, 2019 to December 31, 2019)
Operating revenue		
Commission received	11,756	9,374
Brokerage commission	11,231	8,886
Commission for underwriting, secondary distribution and solicitation for selling and others for professional	18	9
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	22	36
Other fees received	484	442
Net trading income	980	832
Financial revenue	8,768	7,153
Other operating revenue	1	1
Total operating revenue	<u>21,505</u>	<u>17,360</u>
Financial expenses	<u>982</u>	<u>1,455</u>
Net operating revenue	<u>20,523</u>	<u>15,905</u>
Selling, general and administrative expenses		
Trading related expenses	3,243	3,119
Personnel expenses	2,025	1,974
Real estate expenses	638	848
Office cost	1,745	2,016
Depreciation	1,265	1,455
Taxes and dues	273	217
Provision of allowance for doubtful accounts	(13)	(87)
Other	103	114
Total selling, general and administrative expenses	<u>9,278</u>	<u>9,656</u>
Operating profit	<u>11,245</u>	<u>6,249</u>
Non-operating income		
Dividend income	126	121
Other	11	14
Total non-operating income	<u>137</u>	<u>135</u>
Non-operating expenses		
Other	2	13
Total non-operating expenses	<u>2</u>	<u>13</u>
Ordinary profit	<u>11,380</u>	<u>6,370</u>
Extraordinary losses		
Loss on sales and retirement of non-current assets	9	11
Loss on valuation of investment securities	-	20
Total extraordinary losses	<u>9</u>	<u>31</u>
Profit before income taxes	<u>11,370</u>	<u>6,339</u>
Income taxes – current	3,341	1,833
Income taxes – deferred	147	106
Total income taxes	<u>3,488</u>	<u>1,939</u>
Profit	<u>7,882</u>	<u>4,400</u>

[3] Notes

i. Notes – Quarterly statement of cash flows

The Company does not prepare the quarterly statement of cash flows for the cumulative third quarter period of the current fiscal year. Depreciation expenses including the amortization of intangible assets for the cumulative third quarter periods is as follows.

	Cumulative third quarter period of the preceding fiscal year (From April 1, 2018 to December 31, 2018)	Cumulative third quarter period of the current fiscal year (From April 1, 2019 to December 31, 2019)
Depreciation	1,265 million yen	1,455 million yen

ii. Notes – Equity

i) Cumulative third quarter period of the preceding fiscal year (From April 1, 2018 to December 31, 2018)

(i) Dividend payment

Resolution	Class of shares	Total amount of dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
Ordinary general meeting of shareholders held on June 24, 2018	Common stock	6,932	27.00	March 31, 2018	June 25, 2018	Retained earnings
Board of directors' meeting held on October 26, 2018	Common stock	4,879	19.00	September 30, 2018	November 22, 2018	Retained earnings

(ii) Dividends whose date of record is in the cumulative third quarter period of the current fiscal year and whose effective date is after the end of the third quarter accounting period of the current fiscal year
Not applicable.

ii) Cumulative third quarter period of the current fiscal year (From April 1, 2019 to December 31, 2019)

(i) Dividend payment

Resolution	Class of shares	Total amount of dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
Ordinary general meeting of shareholders held on June 23, 2019	Common stock	16,693	65.00	March 31, 2019	June 24, 2019	Retained earnings
Board of directors'	Common stock	5,779	22.50	September 30, 2019	November 22, 2019	Retained earnings

Resolution	Class of shares	Total amount of dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
meeting held on October 28, 2019						

Note: Dividend per share resolved by the ordinary general meeting of shareholders held on June 23, 2019 includes 39 yen of commemorative dividend for the 100th anniversary of the Company.

- (ii) Dividends whose date of record is in the cumulative third quarter period of the current fiscal year and whose effective date is after the end of the third quarter accounting period of the current fiscal year

Not applicable.

iii. Notes – Segment information etc.

i) Segment information

Since the Company has only one segment which is its online securities brokerage service, disclosures on segment information has been omitted.

iv. Notes – Financial instruments

Not applicable.

v. Notes – Securities

Not applicable.

vi. Notes – Derivatives

Not applicable.

vii. Notes – Per share information

Basic earnings per share and diluted earnings per share with their respective bases of calculation are as follows.

Item	Cumulative third quarter period of the preceding fiscal year (From April 1, 2018 to December 31, 2018)	Cumulative third quarter period of the current fiscal year (From April 1, 2019 to December 31, 2019)
(1)Basic earnings per share (yen) (Calculation basis)	30.70	17.13
Net Profit (millions of yen)	7,882	4,400
Net Profit not attributed to common stock(millions of yen)	-	-
Net Profit attributed to common stock (millions of yen)	7,882	4,400
Average number of common stock outstanding (number of shares)	256,777,368	256,842,945
(2)Diluted earnings per share (yen) (Calculation basis)	30.66	17.11
Adjustment to the Net Profit (millions of yen)	-	-
Increase in common stock (number of shares)	272,460	311,089
Overview of significant changes from the end of the preceding fiscal year in the share acquisition rights	-	-

Item	Cumulative third quarter period of the preceding fiscal year (From April 1, 2018 to December 31, 2018)	Cumulative third quarter period of the current fiscal year (From April 1, 2019 to December 31, 2019)
or others without dilution effects which are not considered in the calculation of diluted earnings per share		

3) Notes - Other

At the meeting held on October 28, 2019, the board of directors of the Company resolved to distribute interim dividends for shareholders recorded on September 30, 2019. The details are as follows.

Amount of dividend payment	5,779 million yen
Dividend paid per share	22.50 yen
Effective date	November 22, 2019

Part 2. Information about Company which Provides

Guarantee to Reporting Company

Not Applicable.