

Non-consolidated Financial Results
For the Nine Months Ended December 31, 2023
(Under Japanese GAAP)

Company name: Matsui Securities Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 8628
URL: <https://www.matsui.co.jp/company/>
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Scheduled date to file quarterly securities report: February 13, 2024
Scheduled date to commence dividend payments: -
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results briefing: Yes

(Yen amounts are rounded to millions, unless otherwise noted.)

1. Non-consolidated financial results for the Nine Months Ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Nine months ended								
December 31, 2023	28,899	25.9	25,296	19.2	10,806	24.7	10,721	24.8
December 31, 2022	22,957	-1.0	21,228	-5.0	8,666	-12.9	8,591	-13.9

	Profit		Basic earnings per share	Diluted earnings per share
	Millions of Yen	%	Yen	Yen
Nine months ended				
December 31, 2023	7,029	18.7	27.33	27.28
December 31, 2022	5,924	-31.7	23.04	23.00

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
As of				
December 31, 2023	1,070,234	73,410	6.8	284.35
March 31, 2023	976,026	76,353	7.8	295.93

Reference: Equity

As of December 31, 2023: 73,159 million yen

As of March, 31 2023: 76,115 million yen

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	—	20.00	—	20.00	40.00
Fiscal year ending March 31, 2024	—	20.00	—		
Fiscal year ending March 31, 2024 (Forecast)				20.00	40.00

Notes: Revisions to the forecast of cash dividends most recently announced: Yes

*Notes

- (1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - 2) Changes in accounting policies due to other reasons: None
 - 3) Changes in accounting estimates: None
 - 4) Restatement: None
- (3) Number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2023	259,264,702 shares
As of March, 31 2023	259,264,702 shares
 - 2) Number of treasury shares at the end of the period

As of December 31, 2023	1,977,646 shares
As of March, 31 2023	2,059,846 shares
 - 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

As of December 31, 2023	257,240,345 shares
As of December 31, 2022	257,123,645 shares

*Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

*Proper use of earnings forecasts, and other special matters

The business results of securities brokerage companies depend on the market situation considerably, which makes it difficult to forecast the future business results. Accordingly, the Company does not issue such forecasts while it discloses its monthly business information instead of such forecasts.

Notice to Readers 1: This document is an English translation of summary information and financial statements with major notes presented in the original Japanese Financial Results ("Kessan Tanshin" dated January 26, 2024).

Notice to Readers 2: This English translation is prepared for reference purposes only and does not constitute any offer or sale of securities or other similar action whether inside or outside Japan. If any questions arise in this document, please refer to the original Japanese Financial Results.

Notice to Readers 3: The accompanying 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 and results of operations in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

Part 1. Quarterly Financial Statements and Major Notes

1. Quarterly Balance Sheet

	(Millions of Yen)	
	Preceding fiscal year (March 31, 2023)	Third quarter accounting period (December 31, 2023)
Assets		
Current Assets		
Cash and deposits	79,331	62,049
Segregated deposits	553,312	640,112
Money held in trust	3,096	3,641
Trading products	4,034	4,957
Trading securities and other	0	0
Derivatives	4,034	4,957
Trade date accrual	15	33
Margin transaction assets	280,058	293,933
Margin loans	275,075	285,912
Cash collateral provided for securities borrowed in margin transactions	4,983	8,021
Loans secured by securities	25,905	25,774
Cash collateral provided for securities borrowed	25,905	25,774
Advances paid	80	123
Deposits paid for underwritten offering, etc.	453	1,417
Short-term guarantee deposits	8,109	11,861
Other	6,875	7,168
Allowance for doubtful accounts	(23)	(15)
Total current assets	961,244	1,051,053
Non-current assets		
Property, plant and equipment	1,365	1,640
Intangible assets	7,882	8,561
Software	7,882	8,561
Other	0	0
Investments and other assets	5,535	8,980
Investment securities	2,886	6,358
Other	3,767	3,552
Allowance for doubtful accounts	(1,118)	(930)
Total non-current assets	14,782	19,181
Total assets	976,026	1,070,234

	(Millions of Yen)	
	Preceding fiscal year (March 31, 2023)	Third quarter accounting period (December 31, 2023)
Liabilities		
Current liabilities		
Trading products	334	489
Derivatives	334	489
Margin transaction liabilities	53,937	47,218
Margin borrowings	10,260	6,632
Cash received for securities sold in margin transactions	43,677	40,586
Borrowings secured by securities	39,452	32,481
Cash collateral received for securities lent	39,452	32,481
Deposits received	326,031	415,625
Guarantee deposits received	250,827	276,076
Payables for securities to receive over due for delivery	11	—
Short-term borrowings	219,900	215,900
Income taxes payable	1,858	1,660
Provision for bonuses	304	220
Other	3,535	3,098
Total current liabilities	896,189	992,767
Non-current liabilities		
Long-term borrowings	150	100
Other	236	250
Total non-current liabilities	386	350
Reserves under special laws		
Reserve for financial instruments transaction liabilities	3,098	3,707
Total reserves under special laws	3,098	3,707
Total liabilities	899,673	996,824
Net assets		
Shareholders' equity		
Share capital	11,945	11,945
Capital surplus	9,803	9,805
Retained earnings	55,902	52,642
Treasury shares	(1,557)	(1,495)
Total shareholders' equity	76,092	72,896
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	23	262
Total valuation and translation adjustments	23	262
Share acquisition rights	238	251
Total net assets	76,353	73,410
Total liabilities and net assets	976,026	1,070,234

2. Quarterly Statement of Income

1) Cumulative Third quarter period

	(Millions of Yen)	
	Cumulative Third quarter period of the preceding fiscal year (From April 1, 2022 to December 31, 2022)	Cumulative Third quarter period of the current fiscal year (From April 1, 2023 to December 31, 2023)
Operating revenue		
Commission received	12,076	14,125
Brokerage commission	11,414	13,379
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	35	61
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	0	0
Other commission received	627	685
Net trading income	1,657	2,453
Financial revenue	9,225	12,321
Total operating revenue	22,957	28,899
Financial expenses	1,729	3,602
Net operating revenue	21,228	25,296
Selling, general and administrative expenses		
Trading related expenses	4,183	4,574
Personnel expenses	2,371	2,658
Real estate expenses	672	746
Office expenses	3,045	3,661
Depreciation	1,862	2,332
Taxes and dues	272	332
Provision of allowance for doubtful accounts	(29)	(12)
Other	186	199
Total selling, general and administrative expenses	12,562	14,490
Operating profit	8,666	10,806
Non-operating income		
Dividend income	7	7
Gain on investments in investment partnerships	4	13
Other	22	18
Total non-operating income	33	38
Non-operating expenses		
Loss on investments in investment partnerships	96	115
Other	12	8
Total non-operating expenses	108	123
Ordinary profit	8,591	10,721
Extraordinary income		
Gain on sale of non-current assets	—	0
Gain on sale of investment securities	—	35
Gain on redemption of investment securities	18	—
Total extraordinary income	18	35
Extraordinary losses		
Loss on sale and retirement of non-current assets	30	10
Provision of reserve for financial instruments transaction liabilities	33	609
Total extraordinary losses	63	619
Profit before income taxes	8,545	10,136
Income taxes – current	2,409	3,199
Income taxes – deferred	212	(91)
Total income taxes	2,621	3,107
Profit	5,924	7,029

3. Notes on quarterly Financial Statements

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

Not applicable.

- 2) (Notes when there are significant changes in amounts of equity)

Not applicable.

- 3) (Notes - Accounting treatments specific to quarterly financial statements)

Not applicable.

- 4) (Notes - Changes in accounting policies, changes in accounting estimates and restatement)

Not applicable.