

May 11, 2017

To whom it may concern

Japan Securities Finance Co., Ltd.

Announcement concerning Dividends of Surplus

Japan Securities Finance Co., Ltd. (herein after "JSF") today announced that its Board of Directors on May 11, 2017 approved to submit the proposal of dividend of surplus at the 107th Ordinary General Meeting of Shareholders to be held on June 23, 2017, as detailed below.

1. Details of Dividends

	Dividend for FY2016	Recent dividend forecast (published on Feb. 6, 2017)	Dividend for FY2015
Record date	March 31, 2017	March 31, 2017	March 31, 2016
Dividend per share	10 yen	8 yen	8 yen
Total amount of dividends	968 million yen	—	774 million yen
Effective date	June 26, 2017	—	June 27, 2016
Source of dividend	Retained earnings	—	Retained earnings

2. Reason

JSF considers the stable return of profits to shareholders to be among its most important management tasks and therefore has a basic guideline of paying dividends according to results after provisioning the capital and internal reserves that it requires as a financial institution. Our policy is that the consolidated payout ratio, as a standard that reflects our business performance, shall not fall below the 60% level and that we shall return profits to shareholders while taking into account the consolidated dividend on equity ratio.

Based on this policy, JSF approved to submit the proposal to increase dividend by 2 yen per share from the recent forecasts to 10 yen per share, in view of the FY2016's financial results.

[Notes]

Details of Dividends through the fiscal year

Record date	Dividend per share		
	Interim	Year-end	Total
FY 2016	8 yen	10 yen	18 yen
FY 2015	8 yen	8 yen	16 yen

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