TSE Code 8511
June 5, 2007

To Shareholders

President Minoru Masubuchi
JAPAN SECURITIES FINANCE CO.,LTD.
1-2-10 Nihonbashi-Kayabacho,Chuo-ku,Tokyo

NOTICE OF THE 97TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

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Dear Shareholders,

You are hereby advised of the convocation of the 97th Ordinary General Meeting of Shareholders of the Company, details of which are indicated below. We hope very much that you will be able to attend this Meeting.

In order to exercise your rights, please review the attached reference materials, indicate your approval or disapproval of the proposals on the enclosed document, then return it or vote on the Internet site (http://www.e-kosi.jp) by 5:20 p.m. Japan Standard Time on 26th June, 2007.

We are pleased to announce you to participate in the ICJ voting platform, improving the voting environment for all our shareholders. ICJ is offering access to the world's most widely used and sophisticated electronic voting platform, ADP's Proxy Edge voting platform.

Details

1. Date and Time: 10:00 a.m., Wednesday, 27th June, 2007

2. Venue: JAPAN SECURITIES FINANCE CO., LTD., Conference Room
1-2-10 Nihonbashi-Kayabacho, Chuo-ku, Tokyo

3. Meeting Agenda

Items to be Reported:

Report 1: Business Reports and the Statutory Report for the 97th term from April 1, 2006 to March 31, 2007.

Report 2: The Consolidated Statutory Report and the Report of the audit of the consolidated accounts by the Independent Auditor and the Board of Auditors for the 97th term from April 1, 2006 to March 31, 2007.

Items to be Resolved:

Agenda 1: Appropriation of Retained Earnings
Agenda 2: Directors' Bonuses
Agenda 3: Election of nine Directors
Agenda 4: Election of two Auditors

Note: This English version is not a legally accurate translation of the original Japanese text.

REFERENCE DOCUMENTS PERTAINING TO EXERCISE OF VOTING RIGHTS

Agenda and Reference Information

Agenda 1: Appropriation of Retained Earnings

The Company is proposing the appropriation of retained earnings in the following manner.

1. Year-end dividends
With respect to dividends for the term, we have determined the rate of dividends in accordance with the company's dividend policy for distributing dividends by taking account of its financial results, while considering its shareholders' equity and appropriate internal reserves as a financial institution.

In view of better business results than those of the last term, the year-end dividends will be 14 yen per share, so the annual dividends will be 26 yen including the interim dividends of 12 yen, which will be increased by 2 yen per share.

(1) Type of dividend asset
Cash
(2) Allocation of dividend assets and total amount of allocation
14 yen per share of common stock
Total amount of payout: 1,390,960,648 yen
(3) Effective date of dividend payment
June 28, 2007

2. Appropriation of other retained earnings
(1) The account and the amount of retained-earnings increased
Special Reserves: 4,000,000,000 yen
(2) The account and the amount of retained-earnings decreased
Retained earnings carried forward: 4,000,000,000 yen

Agenda 2: Directors' Bonuses

In view of better business results than those of the last term, regarding the bonus for directors, 87,590,000 yen is proposed to pay for 5 executive officers of the Board of Directors.

Agenda 3: Election of nine Directors

The term of office of nine Directors will expire at the end of the present Ordinary General Meeting of Shareholders. Therefore, nine new Directors are to be elected and the candidates are as listed below.

No.	Name (Date of birth)	Brief personal history & Representation of other companies		Shares of JSF owned
1	Minoru Masubuchi (Nov. 3, 1943)	May 1993	Adviser to the Governor of Market Operations Dept., BOJ	6,400
		May 1994	Director-General of Financial and Payment System Dept., BOJ	
		Jul. 1998	Executive Director of BOJ	
		Jul. 2002	Standing Adviser of IBM Japan, Ltd.	
		Jun. 2004	President of JSF (to the present)	
		Jun. 2005	Director of JSF Trust and Banking Co.,Ltd. (to the present)	
		Jun 2006	Director of Japan Information Processing Service Co., Ltd. (to the present)	
2	Hiroshi Saito (Apr. 13, 1947)	Jul. 1993	Deputy Governor of Aomori Prefecture	5,900
		Jul. 1995	Superintendent of the Nagoya Customs	
		Jul. 1997	Deputy Director-General's Secretariat for the National Land Agency	
		Jul. 1999	Superintendent of the Tokyo Customs	
		Jul. 2000	Executive Director of Japan Regional Development Corp.	
		Jun. 2004	Executive Vice President of JSF (to the present)	
3	Sadamu Shimomura (Aug. 31, 1947)	Apr. 1970	Joined JSF	10,300
		Jun. 1998	General Manager of Loan Supervision Dept.	
		Jun. 2000	General Manager of Bond Trading Dept.	
		Jun. 2002	Director & General Manager of Margin Loan Dept.	
		Jun. 2005	Auditor of Japan Information Processing Service Co., Ltd. (to the present)	
		Jun. 2005	Managing Director (to the present)	
		Oct. 2006	Auditor of JBIS Holdings Inc. (to the present)	

No.	Name (Date of birth)	Brief personal history & Representation of other companies		Shares of JSF owned
4	Yasuhisa Hashimoto (Feb. 27, 1951)	May 1996	General Manager of Naha Branch, BOJ	3,000
		May 1998	Director-General, Senior Secretary to the Governor of BOJ	
		Feb. 2002	Director-General of Secretariat of the Policy Board Dept., BOJ	
		May 2003	Director-General of Currency Issue Dept., BOJ	
		Feb. 2005	Personal and Corporate Affairs Dept., BOJ	
		May 2005	Adviser of JSF	
		Jun. 2005	Managing Director of JSF (to the present)	
		Jun. 2006	Director of Japan Securities Agents, Ltd. (to the present)	
5	Hiroshi Nasuno (Jan. 12, 1950)	Apr. 1973	Joined JSF	17,800
		Jun. 2000	General Manager of Securities Custody Dept.	
		Jun. 2002	General Manager of Settlement & Custody Dept.	
		Jun. 2005	Auditor of Japan Securities Agents, Ltd. (to the present)	
		Jun. 2005	Director & General Manager of Treasury Dept.	
		Jun. 2006	Executive Officer & General Manager of Treasury Dept. (to the present)	
		Oct. 2006	Auditor of JBIS Holdings Inc. (to the present)	
6	Kunio Kojima (Dec. 15, 1937)	May 1989	Director-General of Market Operations Dept., BOJ	24,100
		May 1990	Director-General of Policy Planning Dept., BOJ	
		Feb. 1992	Executive Director of BOJ	
		Aug. 1996	Adviser of the Industrial Bank of Japan, Ltd.	
		Jun. 1998	President of JSF	
		Jun. 2003	Director of Mitsui O. S. K. Lines, Ltd. (to the present)	
		Jun. 2004	Chairman of JSF	
		Jun. 2004	Director of Nihon Building Co., Ltd.	
		Jun. 2005	Director of Japan Information Processing Service Co., Ltd.	
		Jun. 2005	Director of Resona Holdings, Inc. (to the present)	
		Apr. 2006	Vice-Chairman & President of Keizai Doyukai (Japan Association of Corporate Executives) (to the present)	
		Jun. 2006	Executive Adviser of JSF (to the present)	
		Oct. 2006	Director of JBIS Holdings Inc. (to the present)	

No.	Name (Date of birth)	Brief personal history & Representation of other companies		Shares of JSF owned
7	Takashi Imai (Dec. 23, 1929)	Jun. 1993	President of Nippon Steel Corp.	4,000
		Apr. 1998	Chairman of Nippon Steel Corp.	
		May 1998	Chairman of Nippon Keidanren (Japan Business Federation)	
		May 2002	Honorary Chairman of Nippon Keidanren (to the present)	
		Jun. 2002	Director of JSF (to the present)	
		Apr. 2003	Director & Senior Adviser / Honorary Chairman of Nippon Steel Corp.	
		Jun. 2003	Senior Adviser / Honorary Chairman of Nippon Steel Corp. (to the present)	
8	Akira Kanno (Dec. 1, 1932)	Dec. 1986	Executive Director of BOJ	12,800
		May 1992	Deputy Governor of Export-Import Bank of Japan	
		May 1994	Vice-Chairman & Senior Managing Governor of the Federation of Bankers Associations of Japan	
		Apr. 1999	Vice-Chairman & Senior Managing Governor of the Japanese Bankers Association (renamed)	
		Jun. 2003	Director of JSF (to the present)	
		Dec. 2004	Chairman of Japan Electric Power Exchange (to the present)	
9	Eiichiro Okumoto (Mar. 4, 1934)	Dec. 1986	Vice President of Daiwa Securities Co., Ltd.	1,900
		Jun. 1989	Adviser of Daiwa Computer Service Co., Ltd.	
		Aug. 1989	President of Daiwa Institute of Research Ltd.	
		Oct. 1996	Chairman of Daiwa Institute of Research Ltd.	
		Jun. 2000	Standing Adviser of Daiwa Institute of Research Ltd.	
		Jul. 2000	Chairman of Japan Securities Dealers Association	
		Jun. 2004	Adviser of Daiwa Institute of Research Ltd. (to the present)	
		Jun. 2004	Director of JSF (to the present)	

Note 1: JSF has no conflict of interest with each candidate.

Note 2: Mr. Takashi Imai, Mr. Akira Kanno and Mr. Eiichiro Okumoto are candidates for Outside Directors.

Note 3: Reasons for recommending them as candidates for Outside Directors.

(1) Mr. Imai has been engaged in management of Nippon Steel Corporation and acted as a Chairman of Japan Federation of Economic Organizations. JSF ask for his election in expectation of advises or surveillance with his abundant experience and wide judgment in economic circles. He has been our outside director since June 2002 and acted for 5 years as of the end of this meeting.

(2) Mr. Kanno held as an Executive Director of BOJ, a Deputy Governor of Export-Import Bank of Japan and a Vice-chairman & Senior Managing Governor of the Federation of Bankers Association of Japan. JSF ask for his election in expectation of advises or surveillance with his abundant experience and wide judgment in financial circles. He has been our outside director since June 2003 and acted for 4 years as of the end of this meeting.

(3) Mr. Okumoto has been engaged in management of Daiwa Securities and Daiwa Institute of Research and held as Chairman of Japan Securities Dealers Association. JSF ask for his election in expectation of advises or surveillance with his abundant experience and wide judgment in securities circles. He has been our outside director since June 2004 and acted for 3 years as of the end of this meeting.

Agenda 4: Election of two Auditors

The term of office of two Auditors will expire at the end of the present Ordinary General Meeting of Shareholders. Therefore, two new Auditors are to be elected and the candidates are as listed below.

No.	Name (Date of birth)	Brief personal history & Representation of other companies		Shares of JSF owned
1	Shigeru Awashima (Jun. 21, 1952)	Apr. 1976	Joined JSF	6,000
		Jun. 2000	Deputy General Manager of Treasury Dept.	
		Jun. 2003	General Manager of Research Dept.	
		Apr. 2006	General Manager of Risk Management Dept.	
		Jun. 2006	Executive Officer & General Manager of Risk Management Dept. (to the present)	
2	Toshio Kamiyama (Nov. 18, 1941)	Feb. 1969	Registered certified public accountants	3,800
		Feb. 1969	Representative of Kamiyama CPA Office (to the present)	
		Apr. 1969	Registered certified tax accountants	
		Jul. 1992	Director of the Japanese Institute of Certified Public Accountants	
		Feb. 1995	Representative President of Japanese Accountants School (to the present)	
		Aug. 2001	Commissioner of JICPA for objection inquiry	
		Aug. 2001	Commissioner of CPA examination	
		Jun. 2003	Auditor of JSF (to the present)	
		Jul. 2004	Auditor of JICPA (to the present)	

Note 1: JSF has no conflict of interest with each candidate.

Note 2: Mr. Kamiyama is a candidate for Outside Auditor.

JSF ask for his election in expectation of his special knowledge and abundant experience as Certificated Public Accountant and Certified Tax Accountant. He has been our outside auditor since June 2003 and acted for 4 years as of the end of this meeting.

NON-CONSOLIDATED BALANCE SHEETS

As of March 31,2007	*Millions of Yen*
ASSETS	
Current assets:	
Cash	3,367
Call loans	87,200
Securities	360,517
Loan for margin transactions	1,634,700
Bond financing	27
General loans	79,832
Other loans	7,500
Stocks lent for margin transactions	702,702
Bonds lent for bond loan transactions	5,000
Other securities lent	5,593
Securities in custody	161,317
Securities in deposit	1,114,258
Prepaid expenses	178
Deferred tax assets	441
Collateral money for securities borrowed	1,606,454
Accrued revenue	1,004
Other current assets	1,257
Allowance for doubtful receivables	(256)
Total current assets	**5,771,067**
Non-current assets:	
Tangible non-current assets:	
Buildings and structures	926
Tools, furniture and fixtures	250
Land	840
Construction in progress	2
	2,020
Intangible non-current assets:	
Software	2,710
Other intangible non-current assets	15
	2,725
Investments and other assets:	
Investments in securities	312,381
Shares in affiliates	19,374
Investments in capital	61
Guaranty money deposited	312
In-house loan	448
Deferred tax assets	3,340
Other investments and other assets	32
Allowance for doubtful receivables	(34)
	335,916
Total non-current assets	**340,662**
Total Assets	**6,111,729**

As of March 31,2007	*Millions of Yen*
LIABILITIES AND NET ASSETS	
Current liabilities:	
Call money	1,521,800
Short-term borrowings	277,300
Commercial paper	110,000
Payables under repurchase agreements	89,961
Accrued expenses	419
Accrued income taxes	2,718
Allowance for bonus (Employees)	349
Allowance for bonus (Directors & Executive Officers)	141
Collateral money received for margin transactions	47,675
Collateral money received for securities lent	1,959,445
Deposit received	754
Collateral securities deposited	1,634,700
Securities borrowed	349,644
Securities lent offsetting account	4,525
Advanced received profit	189
Other current liabilities	148
Total current liabilities	**5,999,775**
Non-current liabilities:	
Long-term borrowings	6,500
Deferred tax liabilities for land revaluation	98
Allowance for employees retirement benefits	2,278
Allowance for officers retirement rewards	388
Total non-current liabilities	**9,265**
Total liabilities	**6,009,040**
Net assets:	
Shareholders' equity	
Common stock	**10,000**
Capital surplus	**5,181**
Capital reserve	5,181
Retained earnings	**90,791**
Earned surplus reserve	2,278
Reserve for dividends	2,030
General reserve	78,030
Earned surplus carried forward	8,453
Treasury stock	**(288)**
Total Shareholders' equity	**105,684**
Valuation and translation adjustments	
Net unrealized loss on other securities	**(3,139)**
Gain on revaluation of land	**143**
Total valuation and translation adjustments	**(2,996)**
Total net assets	**102,688**
Total liabilities and net assets	**6,111,729**

NON-CONSOLIDATED STATEMENTS OF INCOME

For the year ended March 31,2007	*Millions of Yen*
Operating revenues	**35,010**
Operating expenses	**18,709**
Operating profit	**16,300**
General and administrative expenses	7,216
Operating income	**9,084**
Non-operating revenues	
Interest received and dividends received	789
Miscellaneous revenues	77
	867
Non-operating expenses	
Miscellaneous expenses	0
	0
Recurring income	**9,951**
Extraordinary profit	
Reversal of allowance for doubtful receivables	790
Profit on sale of securities of affiliate	306
	1,097
Extraordinary loss	
Loss on retirement of non-current assets	11
Loss on revision of the gain and loss of prior year	0
Loss on devaluation of investments in securities	8
	20
Income before income taxes	**11,028**
Income taxes	
Current	3,865
Deferred	378
	4,243
Net income	**6,785**

NON-CONSOLIDATED STATEMENTS OF CHANGED SHAREHOLDERS' EQUITY

(Millions of Yen)

	Shareholders' equity								
		Capital surplus	Retained earnings						
				Other retained earnings					
	Common stock	Capital reserves	Earned reserves	Reserve for dividends	Special reserves	Earned surplus carried forward	Total retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2006	10,000	5,181	2,278	2,030	74,230	8,148	86,686	(277)	101,590
Amount of change									
Dividends						(2,583)	(2,583)		(2,583)
Bonuses of directors and auditors						(96)	(96)		(96)
Special reserves					3,800	(3,800)	—		—
Net income						6,785	6,785		6,785
Disposal of treasury stock								(11)	(11)
Other changes in non-shareholders' equity items during the term (net)									
Total amount of change	—	—	—	—	3,800	305	4,105	(11)	4.093
Balance as of March 31, 2007	10,000	5,181	2,278	2,030	78,030	8,453	90,791	(288)	105,684

	Valuation and translation adjustments			
	Net unrealized gain or loss on securities	Gain on revaluation of land	Total valuation and translation adjustments	Total net assets
Balance as of March 31, 2006	(6,056)	143	(5,912)	95,677
Amount of change				
Dividends				(2,583)
Bonuses of directors and auditors				(96)
Special reserves				—
Net income				6,785
Disposal of treasury stock				(11)
Other changes in non-shareholders' equity items during the term (net)	2,916	—	2,916	2,916
Total amount of change	2,916	—	2,916	7,010
Balance as of March 31, 2007	(3,139)	143	(2,996)	102,688

CONSOLIDATED BALANCE SHEETS

As of March 31,2007	*Millions of Yen*
ASSETS	
Current assets:	
Cash	4,857
Call loans	130,200
Short-term investment securities	898,761
Short-term loans receivable	2,028,633
Securities lent	713,295
Securities in custody	161,317
Securities in deposit	1,114,258
Deferred tax assets	696
Collateral money for securities borrowed	1,919,194
Other current assets	30,777
Allowance for doubtful receivables	(734)
Total current assets	**7,001,258**
Non-current assets:	
Tangible non-current assets:	
Buildings and structures	3,558
Tools, furniture and fixtures	338
Land	3,315
Construction in progress	2
	7,215
Intangible non-current assets:	
Software	2,740
Other intangible non-current assets	56
	2,796
Investments and other assets:	
Investment in securities	404,884
In-house loan	448
Deferred tax assets	4,377
Other investments and other assets	2,234
Allowance for doubtful receivables	(34)
	411,909
Total fixed assets	**421,921**
Total Assets	**7,423,179**

As of March 31,2007	*Millions of Yen*
LIABILITIES AND NET ASSETS	
Current liabilities:	
Call money	2,191,400
Short-term borrowings	802,530
Commercial paper	110,000
Payables under repurchase agreements	96,738
Accrued income taxes	2,945
Allowance for bonus (Employees)	424
Allowance for bonus (Directors & Executive Officers)	155
Collateral money received for securities lent	1,949,168
Collateral securities deposited	1,634,700
Securities borrowed	349,644
Securities lent offsetting account	4,525
Other current liabilities	94,044
Total current liabilities	**7,236,278**
Non-current liabilities:	
Long-term borrowings	60,000
Deferred tax liabilities	187
Deferred tax liabilities for land revaluation	98
Allowance for employees retirement benefits	2,397
Allowance for officers retirement rewards	593
Other non-current liabilities	747
Total non-current liabilities	**64,024**
Total liabilities	**7,300,303**
Net assets:	
Shareholders' equity:	
Common stock	**10,000**
Capital surplus	**5,181**
Retained earnings	**111,251**
Treasury stock	**(456)**
Total Shareholders' equity	**125,976**
Valuation and translation adjustments:	
Net unrealized loss on other securities	**(3,244)**
Gain on revaluation of land	**143**
Total valuation and translation adjustments	**(3,100)**
Total net assets	**122,876**
Total liabilities and net assets	**7,423,179**

CONSOLIDATED STATEMENTS OF INCOME

For the year ended March 31,2007	*Millions of Yen*
Operating revenues	**43,523**
Operating expenses	**24,922**
Operating profit	**18,601**
General and administrative expenses	8,959
Operating income	**9,642**
Non-operating revenues:	
Interest received and dividends received	110
Rental fees	47
Miscellaneous revenue	93
	251
Non-operating expenses:	
Interest on borrowing	1
Equity in losses of affiliates	431
Miscellaneous expenses	13
	446
Recurring income	**9,447**
Extraordinary profit:	
Reversal of allowance for bad debt	576
Profit on sale of securities of affiliate	9
	585
Extraordinary loss:	
Loss on revision of the gain and loss of prior year	0
Loss on retirement of non-current assets	21
Loss on devaluation of investments in securities	8
Restructuring charges	92
Dilution loss from changes in equity interest	1,276
	1,399
Income before income taxes	**8,633**
Income taxes	
Current	4,316
Deferred	160
	4,477
Net income	**4,155**

CONSOLIDATED STATEMENTS OF CHANGED SHAREHOLDERS' EQUITY

(Millions of Yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2006	10,000	5,181	109,871	(484)	124,569
Amount of change					
Dividends			(2,583)		(2,583)
Bonuses of directors and auditors			(122)		(122)
Net income			4,155		4,155
Increased earnings of spin-off			394		394
Decreased earnings of excluded consolidated company			(464)		(464)
Acquired treasury stock				(11)	(11)
Decreased treasury stock of equity method affiliates				39	39
Other changes in non-shareholders' equity items during the term (net)					
Total amount of change	–	–	1,379	27	1,407
Balance as of March 31, 2007	10,000	5,181	111,251	(456)	125,976

	Valuation and translation adjustments			
	Net unrealized gain or loss on securities	Gain on revaluation of land	Total valuation and translation adjustments	Total net assets
Balance as of March 31, 2006	(5,751)	143	(5,607)	118,961
Amount of change				
Dividends				(2,583)
Bonuses of directors and auditors				(122)
Net income				4,155
Increased earnings of spin-off				394
Decreased earnings of excluded consolidated company				(464)
Acquired treasury stock				(11)
Decreased treasury stock of equity method affiliates				39
Other changes in non-shareholders' equity items during the term (net)	2,506	–	2,506	2,506
Total amount of change	2,506	–	2,506	3,914
Balance as of March 31, 2007	(3,244)	143	(3,100)	122,876