

Japan Securities Finance Co.,Ltd.

Consolidated Financial Results for Fiscal 2001

Name : Japan Securities Finance Co.,Ltd.

Listing : First Section, Tokyo Stock Exchange

Stock code number : 8511

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1. Financial results for fiscal 2001(April 1, 2001-March 31, 2002)

(1) Results of operations

(Millions of yen, except per-share figures, rounded down to nearest million)

	Operating revenue		Operating profit		Ordinary profit	
	(% change from previous year)		(% change)		(% change)	
Fiscal 2001	31,686	0.4	2,308	△22.1	3,804	△7.2
Fiscal 2000	31,568	23.4	2,964	△29.3	4,098	△23.3

	Net income		Net income per share	Net income per share (fully diluted)	Return on equity	Ordinary profit/ Total assets	Ordinary profit/ Operating revenue
	(% change)						
Fiscal 2001	2,989	5.4	26.75	-	2.5	0.1	12.0
Fiscal 2000	2,837	△14.7	24.17	-	2.4	0.1	13.0

Notes:1. Gain/loss on investments based on equity method:¥1,049million(fiscal2000:¥505million)

2. Average number of shares outstanding(consolidated):111,750,660(fiscal2000:117,389,650)

3. Changes in accounting method:Not applicable

4:Percentage figures shown in the operating revenue, operating profit, ordinary profit and net income columns indicate year-on-year changes for those items.

(2) Financial position(year-end)

(Millions of yen, except per-share figures, rounded down to nearest million)

	Total assets	Shareholders' equity	Equity ratio	Equity per share(Yen)
Fiscal 2001	6,878,309	117,103	3.0	1,089.27
Fiscal 2000	8,257,653	118,582	2.6	1,045.03

Notes: Number of shares outstanding at year-end(consolidated):107,506,693(fiscal2000:113,473,378)

(3) Cash flows

(Millions of yen, except per-share figures, rounded down to nearest million)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
Fiscal 2001	13,588	1,482	△3,321	21,975
Fiscal 2000	2,029	4,399	△3,007	10,226

(4) Included in scope of consolidation or applicable under equity method

Consolidated subsidiaries : 3
 Nonconsolidated subsidiaries : 0
 Affiliates : 2

(5) Changes in scope of consolidation or equity method

Consolidated subsidiaries
 Newly included : 0
 Newly exempted : 0
 Affiliates (based on equity method)
 Newly included : 0
 Newly exempted : 0

2. Forecast for fiscal 2002 (April 1, 2002—March 31, 2003)

(Millions of yen, except per-share figures, rounded down to nearest million)

	Operating Revenue	Ordinary Profit	Net income
Interim	14,000	1,900	1,300
Full-year	29,000	3,900	2,600

Note : Forecast net income per share : ¥24.18

Consolidated Balance Sheets

[Assets]	<i>Fiscal 2001</i> <i>Mar.31,2002</i>		<i>Fiscal 2000</i> <i>Mar.31,2001</i>	
	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)
Current Asset	6,575,435	95.6	8,138,745	98.6
Cash and Bank Deposits	22,013		10,264	
Call Loans	291,400		335,000	
Securities	606,781		440,884	
Loans	920,927		1,322,003	
Securities Lent	2,250,092		2,428,340	
Securities in Custody	162,972		535,230	
Securities on Deposit	602,236		654,554	
Deferred Tax Assets	247		304	
Collateral Money for Securities Borrowed	1,717,327		2,411,734	
Other Current Assets	1,674		1,544	
Less : Allowance for Bad Debts	913		1,919	
Fixed Assets	302,873	4.4	118,907	1.4
Tangible Fixed Assets	7,004		6,045	
Intangible Fixed Assets	1,599		948	
Investments, etc.	294,358		112,013	
Less : Allowance for Bad Debts	88		99	
Total Assets	6,878,309	100.0	8,257,653	100.0

[Liabilities and Shareholders' Equity]	<i>Fiscal 2001 Mar.31,2002</i>		<i>Fiscal 2000 Mar.31,2001</i>	
	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)
Current Liabilities	6,754,178	98.2	8,133,899	98.5
Call Money	768,000		950,100	
Short-Term Borrowing	577,651		443,016	
Commercial Paper	53,000		181,500	
Collateral Money for Securities Lent	2,070,994		2,450,336	
Collateral Securities Deposited	1,008,677		1,055,021	
Securities Borrowed	1,908,624		2,500,579	
Other Liabilities	367,231		553,345	
Fixed Liabilities	7,026	0.1	5,171	0.1
Deferred Income Tax Liabilities	-		250	
Allowance for Employees Retirement Benefits	3,423		3,459	
Other Fixed Liabilities	3,603		1,460	
Total Liabilities	6,761,205	98.3	8,139,070	98.6
Shareholders' Equity				
Capital Stock	10,000	0.1	10,000	0.1
Capital Reserve	5,181	0.1	5,181	0.1
Consolidated Earned Surplus	100,847	1.5	101,268	1.2
Gains from Revaluation of Other Securities	1,088	0.0	2,132	0.0
Self-Stock	1	0.0	0	0.0
Total Shareholders' Equity	117,103	1.7	118,582	1.4
Total Liabilities and Shareholders' Equity	6,878,309	100.0	8,257,653	100.0

Consolidated Statement of Income

	<i>Fiscal 2001</i> <i>Mar. 31, 2002</i>		<i>Fiscal 2000</i> <i>Mar. 31, 2001</i>	
	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)
Operating Revenues	31,686	100.0	31,568	100.0
Interest on Loans	5,357		10,678	
Interest on Collateral Money for Securities Borrowed	3,144		4,586	
Fees on Lending Securities	16,347		9,722	
Other Operating Revenues	6,836		6,580	
Operating Expenses	21,465	67.7	20,836	66.0
Interest on Borrowing	1,546		6,356	
Interest on Commercial Paper	89		690	
Fees on Borrowing Securities	16,016		9,178	
General and Administrative Expenses	7,912	25.0	7,767	24.6
Other Operating Expenses	3,813		4,610	
Operating Profit	2,308	7.3	2,964	9.4
Non-Operating Profit	1,508	4.8	1,147	3.6
Non-Operating Expenses	12	0.0	12	0.0
Ordinary Profit	3,804	12.0	4,098	13.0
Extraordinary Profit	999	3.2	1,477	4.7
Extraordinary Loss	429	1.4	1,048	3.3
Income before Taxes	4,374	13.8	4,527	14.3
Corporate, Residence and Enterprise Taxes	1,407	4.4	2,288	7.2
Adjustments for Corporate Taxes, etc.	22	0.1	597	1.9
Net Income	2,989	9.4	2,837	9.0

Consolidated Average Outstanding Balance of Loans

	<i>Fiscal 2001</i>		<i>Fiscal 2000</i>	
	<i>Apr. 1, 2001-Mar. 31, 2002</i>		<i>Apr. 1, 2000-Mar. 31, 2001</i>	
	(100 millions of yen)	(% ratio)	(100 millions of yen)	(% ratio)
Loans for Margin Transactions	4,489	39.4	7,908	68.9
Bond Financing	71	0.6	616	5.4
General Loans	558	4.9	720	6.3
Trust Bank Loans	207	1.8	163	1.4
Loans on Gensaki transaction	6,057	53.1	1,903	16.6
Other Loans	22	0.2	160	1.4
Total	11,406	100.0	11,472	100.0

Segment Information for Consolidated Operating Revenues

	<i>Fiscal 2001</i>		<i>Fiscal 2000</i>	
	<i>Apr. 1, 2001-Mar. 31, 2002</i>		<i>Apr. 1, 2000-Mar. 31, 2001</i>	
	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)
Securities Finance Business	28,093	88.7	27,866	88.3
Loans for Margin Transactions	20,567	64.9	15,754	49.9
(Interest on Loans)	2,887	9.1	6,289	19.9
Bond financing and General Loans	1,533	4.8	2,088	6.6
Securities Lent	1,952	6.2	4,961	15.7
(Stocks Lent)	797	2.5	1,119	3.5
(Bonds Lent)	1,154	3.6	3,841	12.2
Trust Banking Business	1,670	5.3	2,426	7.7
(Trust Fee)	188	0.6	156	0.5
Real Estate Business	937	3.0	930	2.9
Others	1,432	4.5	1,705	5.4
Information Service Business	3,592	11.3	3,701	11.7
Total	31,686	100.0	31,568	100.0