

JAPAN SECURITIES FINANCE CO., LTD.

Consolidated Financial Results for Fiscal 2009

Name : JAPAN SECURITIES FINANCE CO., LTD.

Listing : 1st Section, Tokyo Stock Exchange

Stock code number : 8511

Address : 1-2-10, Nihonbashi Kayaba-cho, Chuo-ku, Tokyo Japan, 103-0025

Phone : +81-3-3666-3184

(Millions of yen, rounded down to nearest million)

1. Consolidated Financial Results for Fiscal 2009 (April 1,2009-March 31,2010)

(1) Consolidated Results of Operations

(% change from previous year)

	Operating Revenues		Operating Income or Loss (△)		Recurring Income or Loss (△)		Net Income or Loss (△)	
	(Millions of yen)	(% change)	(Millions of yen)	(% change)	(Millions of yen)	(% change)	(Millions of yen)	(% change)
Fiscal 2009	27,868	△37.1	5,898	—	5,182	—	3,572	—
Fiscal 2008	44,299	△12.4	△4,797	—	△5,479	—	△7,503	—

	Net Income or Loss(△) per Share	Net Income per Share	Return on Equity	Recurring Income or Loss(△) /Total Assets	Operating Income or Loss(△)/Operating Revenues
	EPS (Yen)	(Yen) (fully diluted)	ROE (%)	ROA (%)	(%)
Fiscal 2009	38.59	—	3.2	0.1	21.2
Fiscal 2008	△80.33	—	△6.9	△0.1	△10.8

Reference: Gain/loss on investments based on equity method: ¥△916million (Fiscal 2008: ¥△951million)

(2) Consolidated Financial Position

	Total assets	Net Assets	Equity Ratio	Net Assets per Share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
Fiscal 2009	5,479,610	112,656	2.3	1,217.13
Fiscal 2008	5,293,277	107,232	2.3	1,158.32

Reference: Shareholders Equity: ¥112,656million (Fiscal 2008: ¥107,232million)

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at end of Year
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Fiscal 2009	17,443	△806	△1,588	18,005
Fiscal 2008	6,179	△739	△7,111	2,957

2. Dividends

	Dividends per Share			Total Cash Dividends (Full-year) (Millions of Yen)	Dividends Payout Ratio		Dividends on Equity (Consolidated) DOE (%)
	Interim (Yen)	Year-End (Yen)	Annual (Yen)		(Non-Consolidated) (%)	(Consolidated) (%)	
Fiscal 2008	10.00	10.00	20.00	1,861	70.7	—	1.8
Fiscal 2009	7.00	7.00	14.00	1,302	51.9	36.3	1.2
Fiscal 2010 (Forecast)	7.00	7.00	14.00		81.4	48.0	

3. Consolidated Estimated Figures for fiscal 2010(April 1,2010—March 31,2011)

(% change from previous year)

	Operating Income		Recurring Income		Net Income		Net Income per Share	
	(Millions of yen)	(% change)	(Millions of yen)	(% change)	(Millions of yen)	(% change)	EPS (Yen)	(Yen)
Full-year	3,100	—	3,900	—	2,700	—	29.17	

4. Others

(1) Changes in the scope of important consolidation for subsidiaries (yes/no):No

(2) Changes in accounting policies for consolidated financial statements:

①Changes according to revision of accounting standards: Yes

②Others: No

(3) Number of Issued Shares (common stock)

①Number of issued shares (Including treasury stock)

as of Mar.31, 2010 : 93,700,000 (Fiscal 2008: 93,700,000)

②Number of Treasury stocks

as of Mar.31, 2010 :1,140,308 (Fiscal 2008: 1,124,104)

Consolidated Balance Sheets

【Assets】	<i>Fiscal 2009</i> <i>Mar.31,2010</i>	<i>Fiscal 2008</i> <i>Mar.31,2009</i>
	(millions of yen)	(millions of yen)
I Current Assets	4,842,517	4,861,332
Cash	18,005	2,957
Call Loans	—	7,000
Short-term Investments	2,811,225	2,697,282
Short-term Loans Receivable	655,567	503,070
Securities Lent	309,933	460,437
Securities in Custody	36,622	23,000
Securities in Deposit	193,849	94,262
Deferred Tax Assets	935	536
Collateral Money for Securities Borrowed	815,373	1,042,222
Other Current Assets	3,089	33,382
Allowance for Doubtful Receivables	△ 2,085	△ 2,820
II Non-current Assets	637,092	431,945
Tangible Non-current Assets	6,655	6,965
Intangible Non-current Assets	1,479	1,611
Investments, etc.	630,978	424,150
Allowance for Doubtful Receivables	△ 2,020	△ 782
Total Assets	5,479,610	5,293,277

【Liabilities and Net Assets】	<i>Fiscal 2009 Mar.31,2010</i>	<i>Fiscal 2008 Mar.31,2009</i>
	(millions of yen)	(millions of yen)
I Current Liabilities	5,312,542	5,133,479
Call Money	1,344,300	1,387,800
Short-term Borrowings	2,443,810	1,676,310
Commercial Paper	27,500	15,000
Payables under Repurchase Agreements	86,192	637,881
Collateral Money for Securities Lent	824,158	791,540
Collateral Securities Deposited	328,755	244,306
Securities Borrowed	208,376	332,259
Securities Lent Opposite Account	3,273	1,133
Other Current Liabilities	46,174	47,247
II Non-current Liabilities	54,410	52,565
Long-term Borrowings	48,500	48,500
Liabilities for Retirement and Severance Benefits	2,415	2,584
Other Non-Current Liabilities	3,495	1,480
Total Liabilities	5,366,953	5,186,044
Total Net Assets	112,656	107,232
Total Liabilities and Net Assets	5,479,610	5,293,277

Consolidated Statement of Operations

	<i>Fiscal 2009 Apr.1,2009- Mar.31,2010</i>	<i>Fiscal 2008 Apr.1,2008- Mar.31,2009</i>
	(millions of yen)	(millions of yen)
Operating Revenues	27,868	44,299
Interest on Loans	5,668	8,451
Interest on Collateral Money for Securities Borrowed	3,057	6,233
Fees on Lending Securities	7,817	14,208
Other Operating Revenues	11,325	15,405
Operating Expenses	13,319	37,690
Interest on Borrowing	5,247	15,571
Interest on Commercial Paper	113	141
Fees on Borrowing Securities	6,221	12,008
Other Operating Expenses	1,736	9,968
Operating Profit	14,548	6,609
General and Administrative Expenses	8,650	11,406
Operating Income	5,898	△ 4,797
Non-operating Revenues	213	292
Non-operating Expenses	929	975
Recurring Income	5,182	△ 5,479
Extraordinary Profit	—	26
Extraordinary Loss	41	778
Net Income before Income Taxes	5,140	△ 6,231
Current Income Taxes	1,787	1,646
Deffered Income Taxes	△ 218	△ 373
Net Income	3,572	△ 7,503

Consolidated Average Outstanding Balance of Loans

	Fiscal 2009 Apr. 1, 2009- Mar. 31, 2010		Fiscal 2008 Apr. 1, 2008- Mar. 31, 2009		Increase(Decrease)	
	(billions of yen)	(% ratio)	(billions of yen)	(% ratio)	(billions of yen)	(% ratio)
Loans for Margin Transactions	324.2	53.9	336.3	41.7	△ 12.1	△ 3.6
Bond Financing & General Loans	46.8	7.8	51.8	6.4	△ 5.0	△ 9.7
Loans for Negotiable Margin Transactions	17.1	2.9	14.2	1.8	2.8	20.2
Sales under Repurchase Agreements	0.3	0.1	0.0	0.0	0.2	241.8
Trust Bank Loans	215.3	35.8	410.8	50.9	△ 195.5	△ 47.6
Other Loans	14.5	2.4	7.7	1.0	6.7	87.1
Total	601.1	100.0	806.8	100.0	△ 205.6	△ 25.5
Securities Lent for Margin Transactions	361.3	—	396.1	—	△ 34.7	△ 8.8

Business Information for Consolidated Operating Revenues

	Fiscal 2009 Apr. 1, 2009- Mar. 31, 2010		Fiscal 2008 Apr. 1, 2008- Mar. 31, 2009		Increase(Decrease)	
	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)
Loans for Margin Transactions	12,954	46.5	19,638	44.3	△ 6,684	△ 34.0
(Interest on Loans)	3,324	11.9	3,899	8.8	△ 574	△ 14.7
(Interest on Collateral Money of Securities Borrowed)	1,774	6.4	1,992	4.5	△ 218	△ 10.9
(Fees on Lending Securities)	7,337	26.3	13,278	30.0	△ 5,941	△ 44.7
Bond Financing and General Loans	1,234	4.4	1,275	2.9	△ 40	△ 3.2
Securities Lending	1,454	5.2	4,848	10.9	△ 3,394	△ 70.0
(Stocks)	308	1.1	462	1.0	△ 154	△ 33.4
(Bonds)	1,146	4.1	4,386	9.9	△ 3,239	△ 73.9
Trust Banking	6,016	21.6	8,780	19.8	△ 2,763	△ 31.5
(Interest on Loans)	1,330	4.8	3,348	7.6	△ 2,018	△ 60.3
(Trust Charges)	249	0.9	209	0.5	40	19.3
Real Estate Leasing	1,026	3.7	1,091	2.5	△ 64	△ 5.9
Other Business	5,181	18.6	8,664	19.6	△ 3,483	△ 40.2
Total	27,868	100.0	44,299	100.0	△ 16,431	△ 37.1