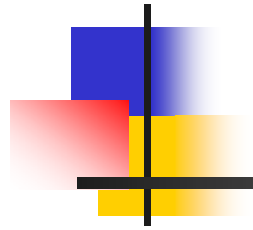




Financial Presentation for FY2009

Japan Securities Finance Co.,Ltd

This document is the English translation for non-Japanese investors convenience. Although Japan Securities Finance intend to faithfully translate the Japanese documents into English, the accuracy and correctness of translation are not guaranteed, so you are kindly encouraged to refer to the original Japanese documents.



Financial Summary

Financial Summary for Mar 2010

¥ mil

	Parent			Consolidated		
	Mar2009	Mar2010	Change	Mar2009	Mar2010	Change
Operating Revenues	34,938	20,940	▲13,997 (▲40.1%)	44,299	27,868	▲16,431 (▲37.1%)
EX Premium Charges	23,370	15,167	▲8,202 (▲35.1%)	32,731	22,095	▲10,636 (▲32.5%)
Operating Expenses	23,812	10,497	▲13,315	37,690	13,319	▲24,370
General & Administrative Expenses	8,283	6,865	▲1,418	11,406	8,650	▲2,756
Operating Income	2,842	3,577	+735 (+25.9%)	▲4,797	5,898	+10,695
Gain or Loss in Equity-Method	—	—	—	▲951	▲916	+34
Recurring Income	3,899	4,012	+112 (+2.9%)	▲5,479	5,182	+10,662
Net Income	2,657	2,512	▲145 (▲5.5%)	▲7,503	3,572	+11,075

Operating Revenues by Each Business

¥ mil, () indicates component %

	Mar-09	Mar-10
Margin Loan Business	19,638	12,954
	(44.3%)	(46.5%)
Interest on Loans	3,899	3,324
Interest on collateral money of securities procured	1,992	1,774
Fees on Lending Securities	13,278	7,337
Premium Charges	11,568	5,773
Lending Fees	1,710	1,563
Bond Financing and General Loans Business	1,275	1,234
	(2.9%)	(4.4%)
Bond financing & General Loans	951	767
Loans for Negotiable Margin Transactions	191	204
Securities Lending Business	4,848	1,454
	(10.9%)	(5.2%)
General Stock Lending	462	308
Bond Lending	4,386	1,146
Trust Business	8,780	6,016
	(19.8%)	(21.6%)
Interest on Loans	3,348	1,330
Trust Charges	209	249
Bond Trading	4,935	4,342
Real Estate Management Business	1,091	1,026
	(2.5%)	(3.7%)
Others	8,664	5,181
	(19.6%)	(18.6%)
Bond Trading (Parent only)	8,129	5,077
Operating Revenues	44,299	27,868
(excluded Premium Charges)	32,731	22,095

【Margin Loan】

- Interest on loans decreased, mainly due to a decline of Margin Loan balance and lowered margin loan rate.
- Lending fees decreased slightly, and premium charges decreased.

【Bond Financing and General Loans】

- While Loans for negotiable margin transaction balance increased, loan to individuals and securities companies decreased.
- Equity repo transaction contributed.

【Securities Lending】

- Borrowing demands of stock certificates declined.
- Interest on collateral money of bond lending decreased because of a decline of trading rates.

【Trust Bank】

- Interest on loans decreased, as loan balance declined.
- Trust charges increased.

【Others】

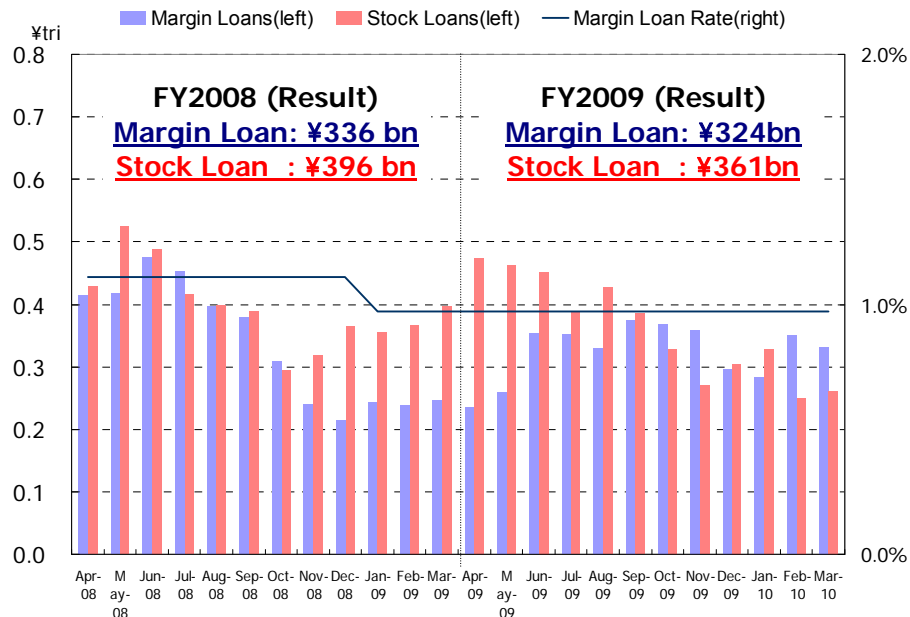
- Coupon income on JGBs decreased.

Financial Highlights for Mar 2010

1 Margin Loan Balance for FY2009

	Avg. Margin Loan	Avg. Stock Loan	Loan Rate (as of Mar)
FY2009	¥ bn 324	¥ bn 361	0.97%
YoY	-12	-34	-
[Reference] FY2008	336	396	0.97%

	Mar-09	Mar-10	Change
Margin Loan Business	19,638	12,954	-34.0%
Interest on Loans	3,899	3,324	-14.7%
Interest on collateral money of securities procured	1,992	1,774	-10.9%
Fees on Lending Securities	13,278	7,337	-44.7%
Premium Charges	11,568	5,773	-50.1%
Lending Fees	1,710	1,563	-8.6%



- ◆ Average Margin Loan Balance for FY2009 was ¥324bn, ¥12bn decrease YoY, and loan rate was lowered, so Interest on Loans decreased.
- ◆ Average Stock Loan Balance for FY2009 was ¥361bn, ¥34bn decrease YoY, so Lending fees and Premium Charges decreased.

Financial Highlights for Mar 2010

2 Decrease of Operating Expenses and General & Administrative Expenses

[Operating Expenses] ▲64.7%, YoY

* Interest paid for funding money decreased largely, due to a decline of market rate.

* Valuation loss of securities decreased significantly, which was the main factor of last year's deficit.

[General & Administrative Expenses] ▲24.2%, YoY

* Mainly, depreciation cost for system investment and credit cost decreased.

	Mar-09	Mar-10	change
General & Administrative Expenses	11,406	8,650	-2,756
Depreciation	1,644	1,019	-625
Provision for loan reserve	2,725	507	-2,217

¥ mil

3 JSF Trust Bank went into the black

- ◆ Valuation loss of securities disappeared.
- ◆ Booked the gain on the sale of bonds.

4 Loss in Equity-Method

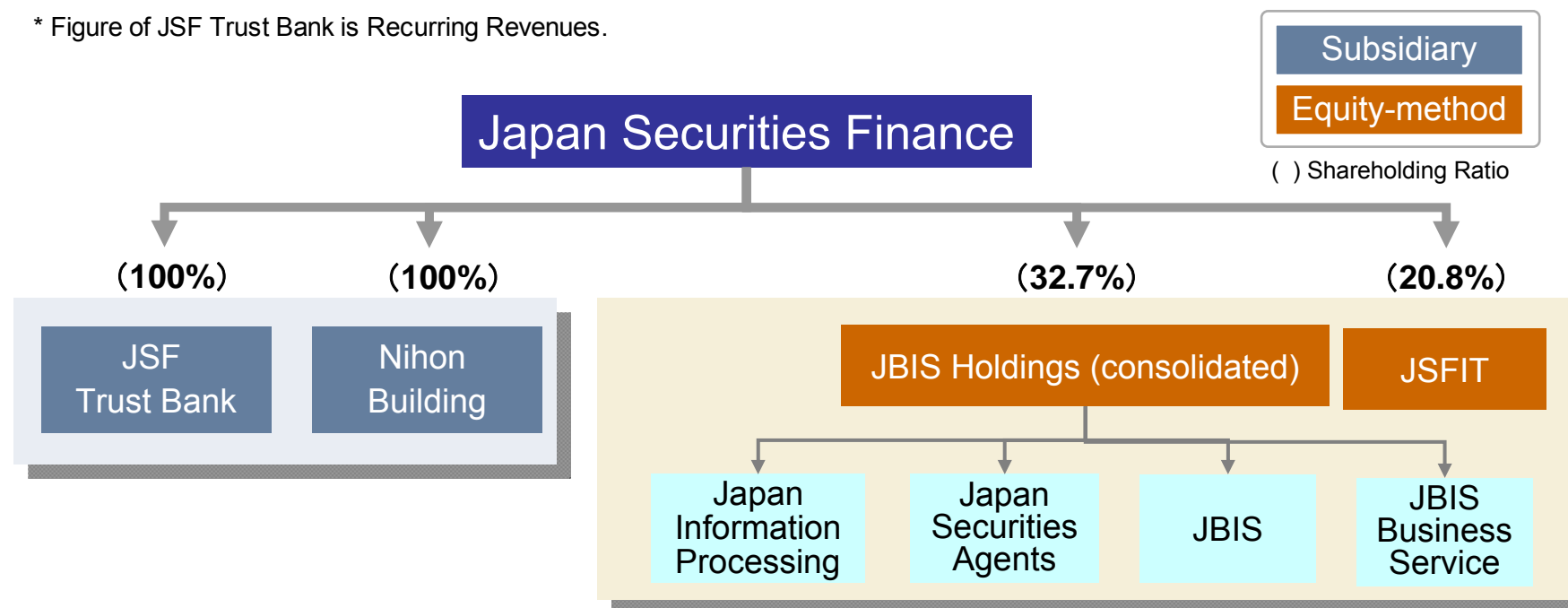
- ◆ JBIS holdings resulted in deficit because of a decline of revenues and extra-ordinary loss for early retirement benefit, etc.
- ◆ As a result, JSF booked loss in equity-method of ¥916mil as non-operating expenses.

Financial Results of Group Companies

¥ mil

	Shareholding Ratio	Mar 2010 Results		
		Operating Revenues*	Recurring Income	Net Income
Consolidated		27,868	5,182	3,572
JSF	-	20,940	4,012	2,512
JSF Trust Bank	100%	6,019	1,670	1,900
Nihon Building	100%	1,399	557	323
Equity-method	-	Loss in Equity-Method		▲ 916

* Figure of JSF Trust Bank is Recurring Revenues.



Financial Results of JSF Trust Bank

¥mil

	Mar-09	Mar-10	change
Recurring Revenues	8,893	6,019	▲2,874
Trust charges	212	250	+37
Recurring Income	▲8,204	1,670	+9,875
Net Income	▲8,413	1,900	+10,313
Equity Ratio	17.51%	19.88%	

Financial Highlights

- ◆ Recurring revenues decreased, due to decrease of loan balance and reduction of assets, while trust charges increased.
- ◆ Recurring Income turned into the black, thanks to a decline of funding costs and valuation loss of securities disappeared.

Trust Business

- ◆ Trust charges extended well, as strengthening the expansion of customers' money segregated money trust and foreign exchange margin trust.

Banking Business

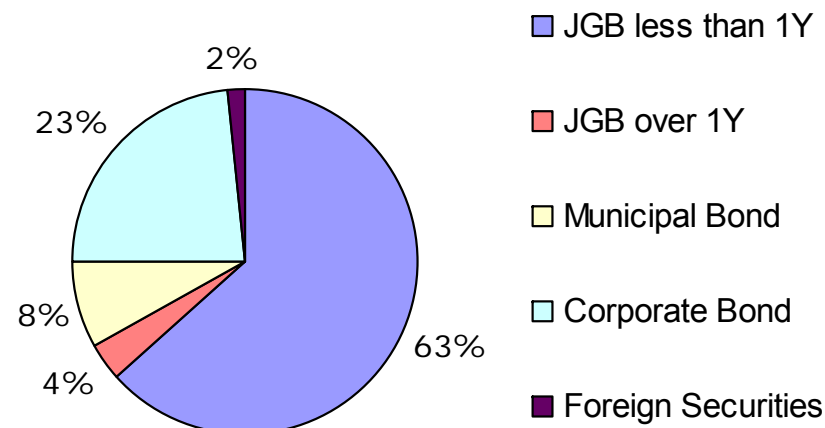
- ◆ Loan balance is on the decrease.
- ◆ Provision for loan loss reserve decreased largely.
- ◆ Booked the gain on the sale of bonds.

Main Assets of JSF Trust Bank

● Securities Holdings

	Mar-09	Sep-09	Mar-10	Notes
JGB	877,724	802,388	897,766	
less than 1Y	837,866	706,880	847,870	
over 1Y	39,858	95,507	49,895	
Municipal Bond	50,259	70,479	105,029	
Corporate Bond	140,174	240,183	313,267	mainly Government Guaranteed Bond
Equity	4	4	4	
Other Securities	26,027	25,008	25,437	
Foreign Securities	22,938	22,135	22,331	mainly Euroyen Bond
Investment Fund	0	0	0	
CDO	2,864	2,654	2,732	including "redemption in progress" CDOs
others	223	217	373	
Total	1,094,189	1,138,063	1,341,505	

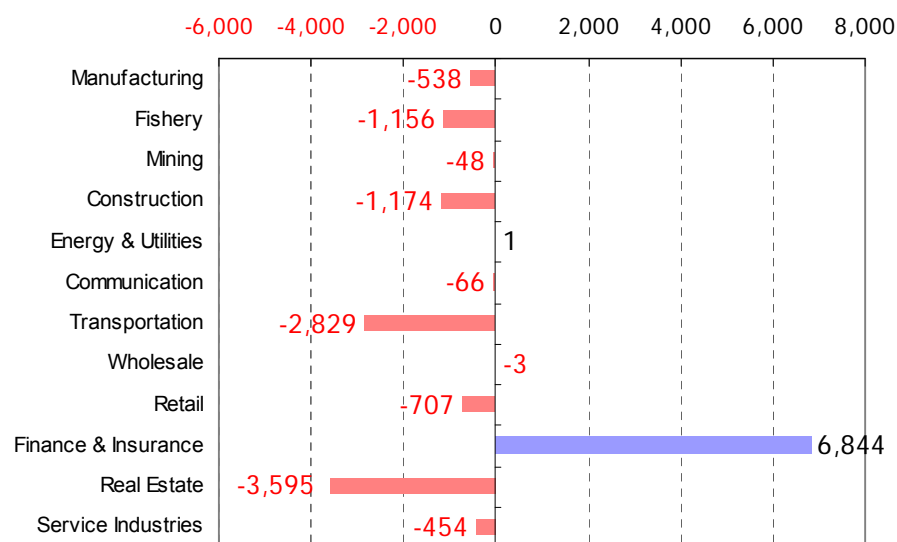
● Ratio of Securities (as of Mar-10)



● Loan Balance by Industry

	Mar-09		Sep-09		Mar-10	
	Loan Balance	ratio	Loan Balance	ratio	Loan Balance	ratio
Manufacturing	34,782	18.2%	33,779	17.5%	33,241	12.7%
Fishery	1,377	0.7%	1,322	0.7%	166	0.1%
Mining	672	0.4%	624	0.3%	576	0.2%
Construction	4,776	2.5%	4,593	2.4%	3,419	1.3%
Energy & Utilities	1,993	1.0%	1,995	1.0%	1,996	0.8%
Communication	3,152	1.6%	2,674	1.4%	2,608	1.0%
Transportation	14,140	7.4%	14,602	7.6%	11,773	4.5%
Wholesale	—	0.0%	4,417	0.0%	4,414	1.7%
Retail	2,614	1.4%	2,302	1.2%	1,595	0.6%
Finance & Insurance	8,302	4.3%	6,217	3.2%	13,061	5.0%
Real Estate	9,250	4.8%	8,236	4.3%	4,641	1.8%
Service Industries	1,968	1.0%	1,331	0.7%	877	0.3%
Governments	108,090	56.6%	110,830	57.4%	184,164	70.1%
Total	191,122		192,927		262,535	
(exclude Governments)	83,032		82,097		78,371	

● Change of Loan Balance (as compared with Sep-09, ex government)



Financial Results of JBIS Holdings

¥mil

	Mar-09	Mar-10	change
Revenues	48,290	40,532	▲7,758
Operating Income	1,197	▲1,127	▲2,324
Recurring Income	3,469	196	▲3,273
Net Income	▲1,809	▲1,988	▲178

Financial Highlights

- ◆ Revenues of Information Service Business dropped, because of the reduction for IT investment in information service industry.
- ◆ Revenues of Securities Operation Service also dropped after the introduction of a dematerialization of stock certificates.
- ◆ Booked extra-ordinary loss. (cost of head office transfer, impairment, early retirement benefit, etc.)
- ◆ As a result, JBIS holdings resulted in deficit, despite of a profit measure such as the reduction of fixed costs.

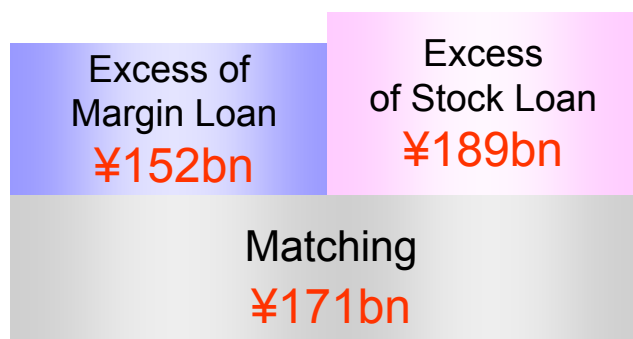
Estimated Figures for Mar 2011

¥mil

	Parent			Consolidated		
	Mar2010	Mar2011	Change	Mar2010	Mar2011	Change
Operating Income	3,577	2,200	▲1,377 (▲38.5%)	5,898	3,100	▲2,798 (▲47.4%)
Recurring Income	4,012	2,700	▲1,312 (▲32.7%)	5,182	3,900	▲1,282 (▲24.7%)
Net Income	2,512	1,600	▲912 (▲36.3%)	3,572	2,700	▲872 (▲24.4%)
EPS (Yen)	27.00	17.19		38.59	29.17	
preconditions	Avg. Margin Loan Balance:¥ 320bn Avg. Stock Loan Balance:¥ 310bn Margin Loan Rate:0.97% Interest on collateral money:0% Lending Fee:0.40%					

Precondition Balance of Margin Loans

FY2009 Results



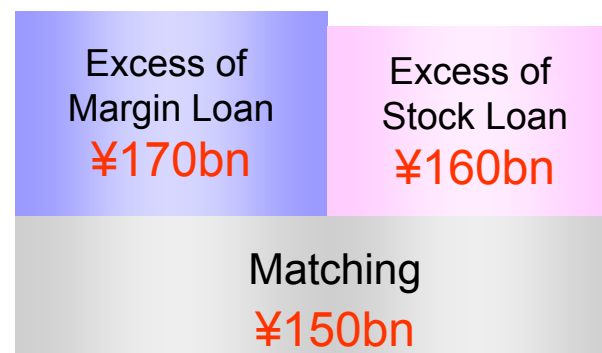
Margin Loan Stock Loan
¥324bn ¥361bn

Apr-10 Results



Margin Loan Stock Loan
¥313bn ¥312bn

FY2010 Precondition



Margin Loan Stock Loan
¥320bn ¥310bn

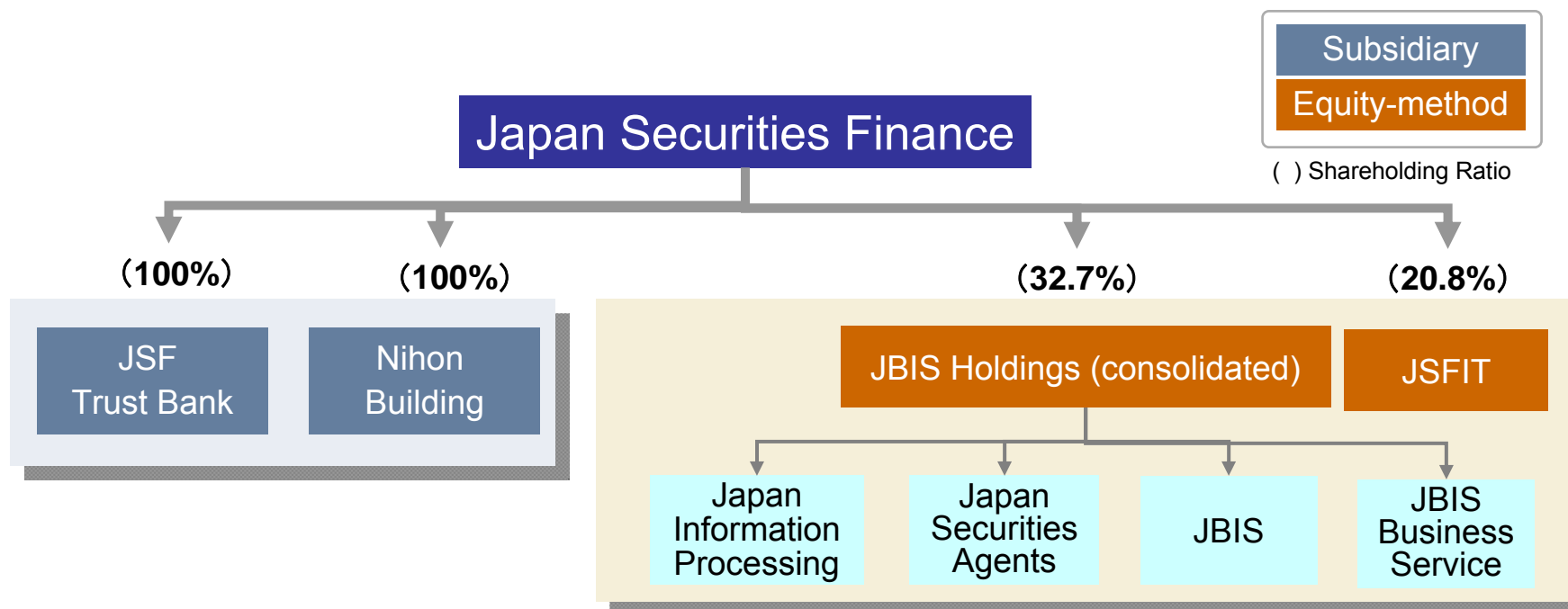
Preconditions

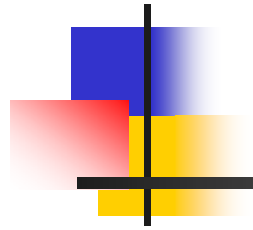
- Loan Rate:0.97%
- Interest on Collateral Money:0%
- Lending Fee:0.40%

Consolidated Estimated Figures

¥ mil

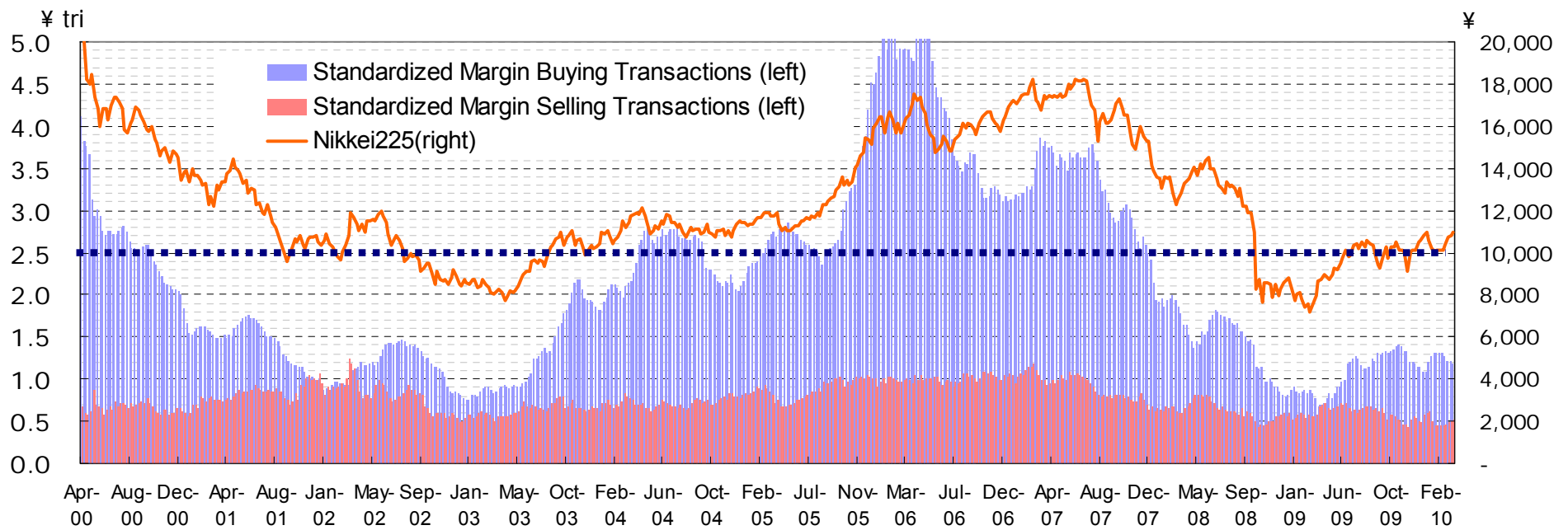
	Shareholding Ratio	Mar 2010 Results			Mar 2011 Estimated Figures		
		Operating Income	Recurring Income	Net Income	Operating Income	Recurring Income	Net Income
Consolidated		5,898	5,182	3,572	3,100	3,900	2,700
JSF	-	3,577	4,012	2,512	2,200	2,700	1,600
JSF Trust Bank	100%	-	1,670	1,900	-	572	571
Nihon Building	100%	521	557	323	360	380	210



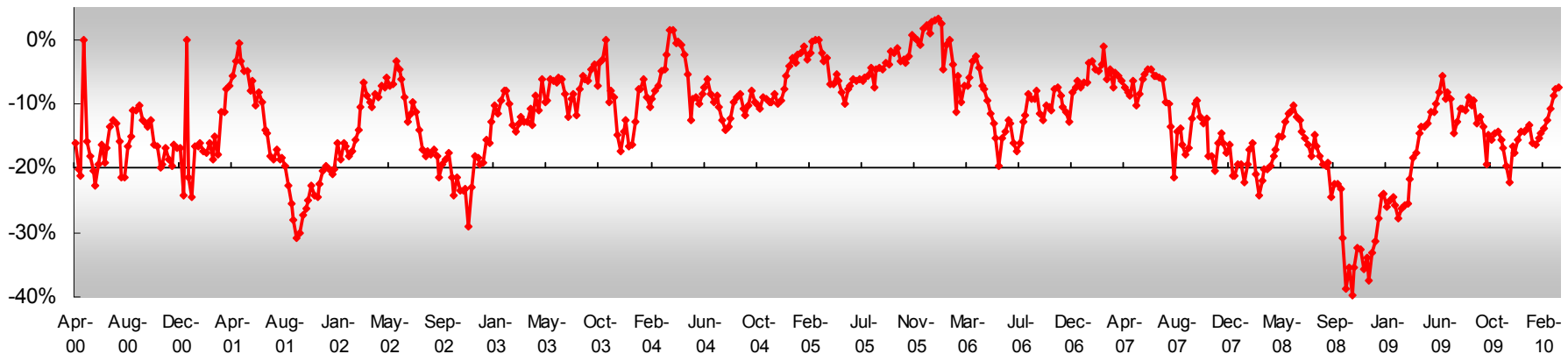


Management Matters

Outstanding Balance of Standardized Margin Transactions (TSE+JDQ)



Margin Valuation Gain or Loss

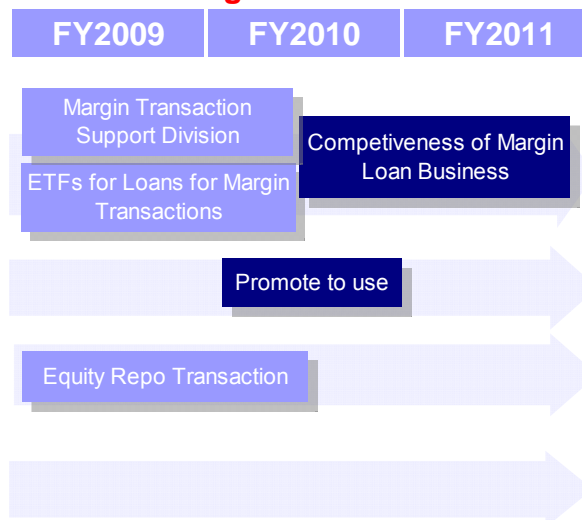


2nd Mid-term Management Plan

~Strategies of 2nd MMP~

【Business Strategies】

- ◆ Increase the number of Loanable Issues
- ◆ Loans for Negotiable Margin Transactions
- ◆ Respond to diverse funding needs of brokers
- ◆ Increase Securities Lending Business Revenues



【Strengthen Management Foundation】

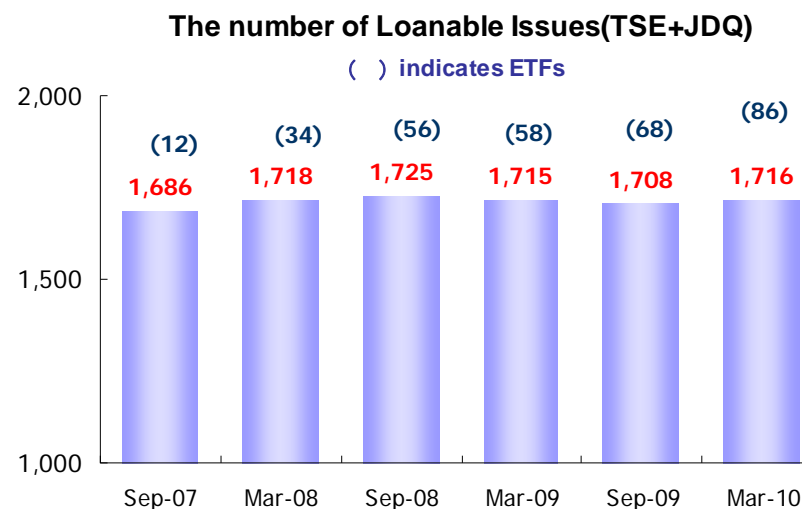
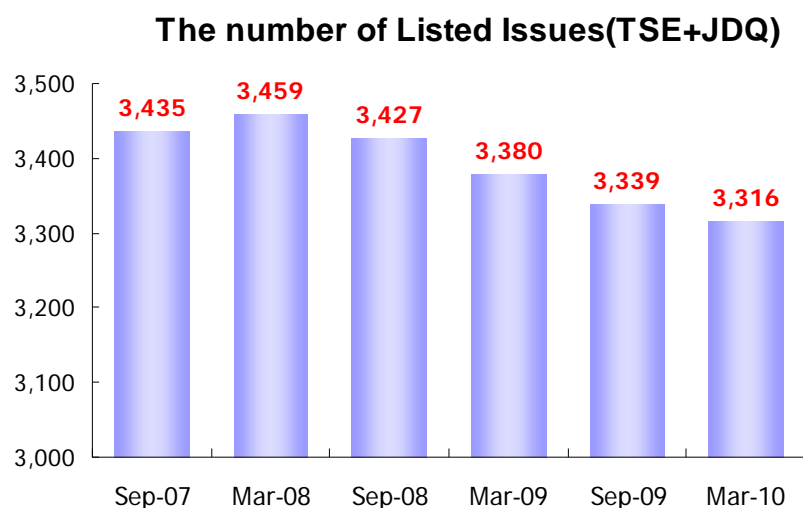
- ◆ Improve Business Management System
- ◆ Upgrade Business Continuity Plan
- ◆ Organization Efficiency and Human Resource Development
- ◆ Reinforce Funds Procurement Foundation
- ◆ Strengthen Group Company Alliance



Increase the Number of Loanable Issues

Increase the number of Loanable Issues to improve convenience and to strengthen competitiveness of Margin Loan Business.

Loanable Issues: 1,716 (as of Mar-10)



Recent added Issues

01/Mar/2010 Fast Retailing

06/May/2010 The Dai-ichi Life Insurance Company

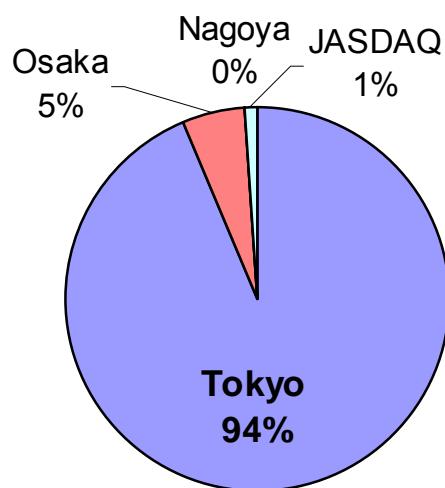
14/May/2010 Listed Index Fund Japan High Dividend (TSE Dividend Focus 100) 【from listed date】

17/May/2010 NEXT FUNDS NOMURA Crude Oil Long Index Linked Exchange Traded Fund【from listed date】

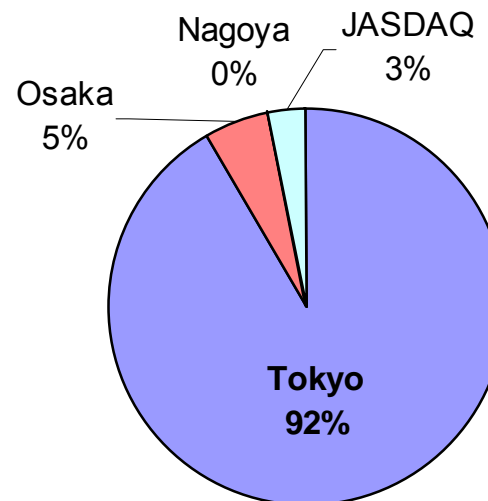
End of Margin Loan Business for JASDAQ market

- Apr 2004 Start margin loan business for JASDAQ market
- Apr 2010 Management integration of OSE and JASDAQ
- Oct 2010 Market integration of Hercules market and JASDAQ market
End of Margin Loan Business for JASDAQ market

Share of Standardized Margin
Selling Transaction



Share of Standardized Margin
Buying Transaction



Reinforcing Management Foundations

Group Risk Control

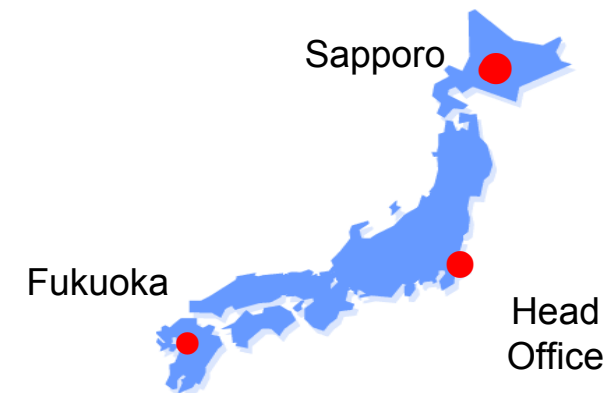
- ◆ Efficient Risk control to JSF Trust Bank
- ◆ Strengthen governance to JSF Trust Bank

Business Continuity Plan

- ◆ Build and run Back-up system for business continuity plan

Discontinue Operations of Branch Offices

- ◆ Discontinue operations of Sapporo Branch and Fukuoka Branch at the end of Mar 2010
- ◆ Business of both branches is succeeded to Head Office



Solidify Profit Base of JSF Group

JSF Trust Bank

1. Expansion of Trust Business

- Business promotion to foreign exchange brokers for Foreign Exchange Margin Trust.
- Boost Securities Trust.

2. Securities Investment Policy in Banking Business

- Investment in riskless assets such as JGBs or government guarantee bonds.

3. Loan Policy in Banking Business

- Loan balance is on the decrease with considering profit trend.

JBIS Holdings

- ◆ JBIS Holdings booked a deficit in a row.
- ◆ JBIS Holdings is preparing a new mid-term management plan to stabilize and strengthen its profitability.

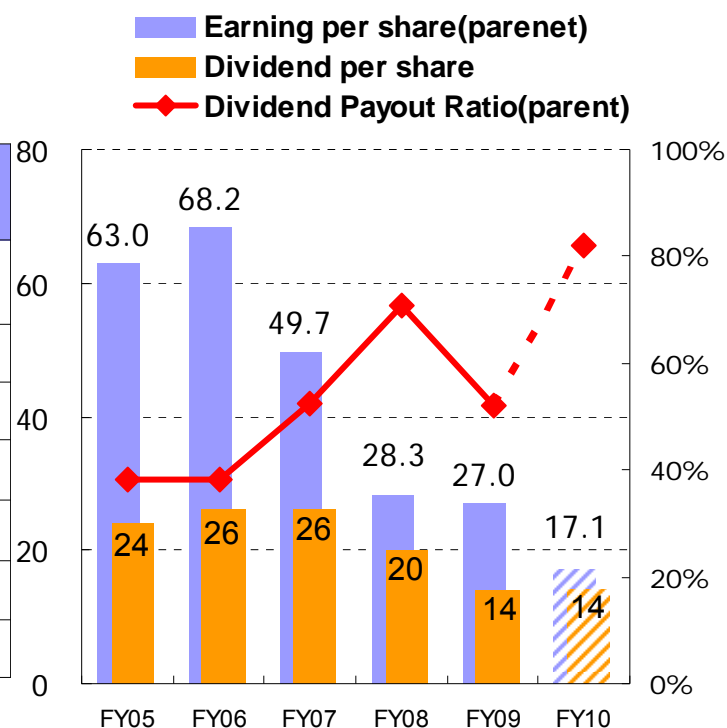
Dividend Policy

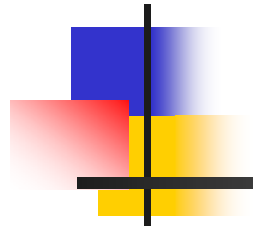
◆ Dividend Policy

Basically, Dividend Payout Ratio of about 40% on Parent Financial Results, and considering Consolidated DPR or Dividend on Equity (DOE) Ratio.

FY2010 Forecast: Annual ¥14 (Interim ¥7, year-end ¥7)

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Annual Dividend per share	¥24	¥26	¥26	¥20	¥14	¥14
(year-end)	¥14	¥14	¥13	¥10	¥7	¥7
(interim)	¥10	¥12	¥13	¥10	¥7	¥7
Parent : EPS	¥63.0	¥68.2	¥49.7	¥28.3	¥27.0	¥17.1
Parent : DPR	38.1%	38.1%	52.3%	70.7%	51.9%	81.4%
Consolidated : DPR	49.0%	61.8%	-	-	36.3%	48.0%
Consolidated : DOE	1.9%	2.1%	2.2%	1.8%	1.2%	-





Appendix

Operating Revenues by Each Business

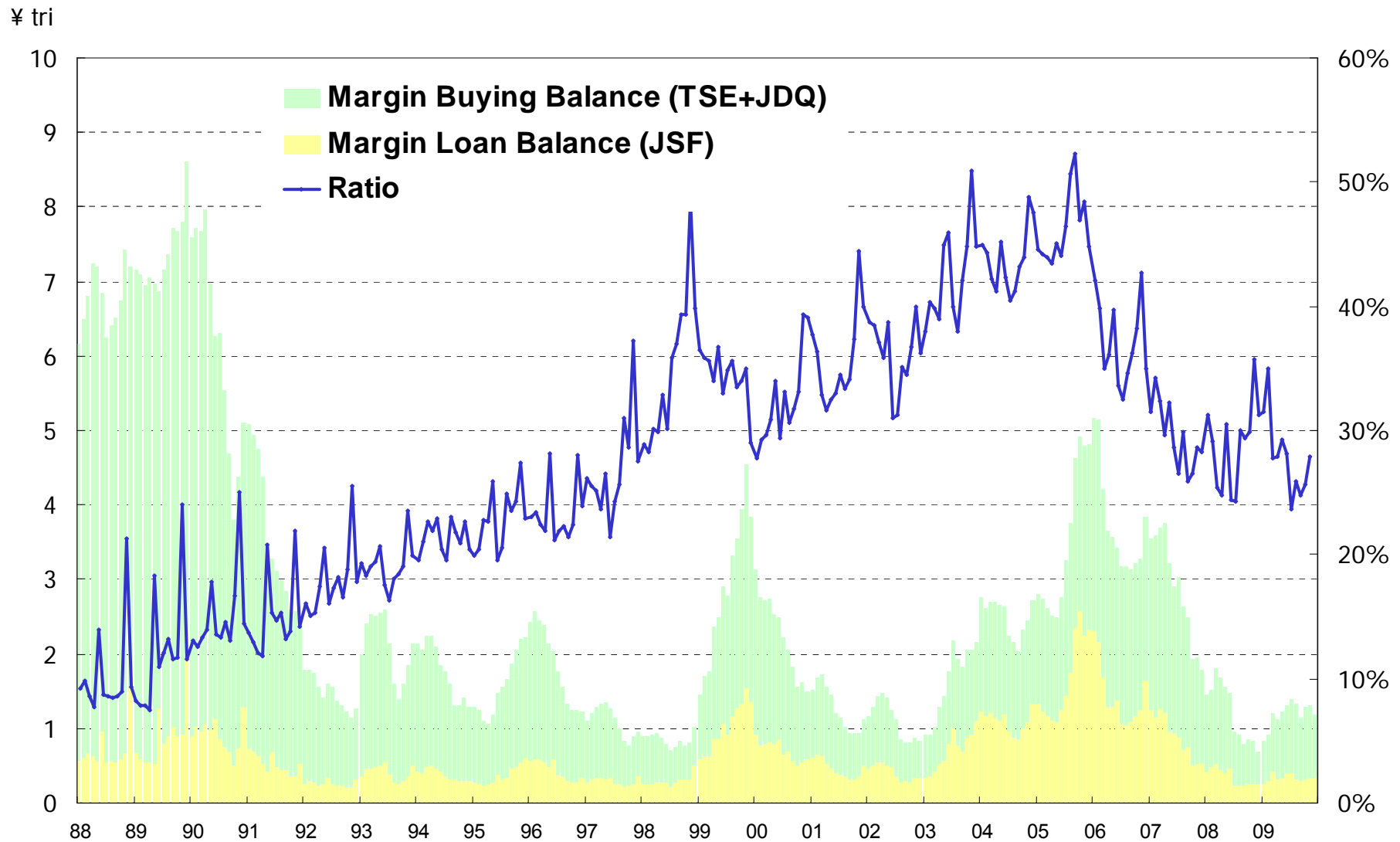
	¥ mil					
	Mar-05	Mar-06	Mar-07	Mar-08	Mar-09	Mar-10
Margin Loan Business	17,309	22,993	23,186	23,156	19,638	12,954
	(47.9%)	(61.8%)	(53.3%)	(45.8%)	(44.3%)	(46.5%)
Interest on Loans	6,794	10,158	10,954	10,581	3,899	3,324
Interest on collateral money of securities procured	889	892	1,345	1,683	1,992	1,774
Fees on Lending Securities	9,040	11,226	10,224	10,383	13,278	7,337
Premium Charges	6,773	8,468	7,168	7,862	11,568	5,773
Lending Fees	2,267	2,757	3,056	2,520	1,710	1,563
Bond Financing and General Loans Business	887	864	1,254	1,428	1,275	1,234
	(2.5%)	(2.3%)	(2.9%)	(2.8%)	(2.9%)	(4.4%)
Bond financing & General Loans	887	842	938	1,016	951	767
Loans for Negotiable Margin Transactions	-	22	315	412	191	204
Securities Lending Business	1,926	2,699	5,093	6,297	4,848	1,454
	(5.3%)	(7.3%)	(11.7%)	(12.5%)	(10.9%)	(5.2%)
General Stock Lending	1,015	1,465	1,441	848	462	308
Bond Lending	910	1,234	3,651	5,448	4,386	1,146
Trust Business	8,205	4,286	6,981	10,844	8,780	6,016
	(22.7%)	(11.5%)	(16.0%)	(21.4%)	(19.8%)	(21.6%)
Interest on Loans	1,067	1,382	2,964	3,833	3,348	1,330
Trust Charges	227	161	177	198	209	249
Bond Trading	6,424	2,210	3,095	5,317	4,935	4,342
Real Estate Management Business	938	871	1,014	1,118	1,091	1,026
	(2.6%)	(2.3%)	(2.3%)	(2.2%)	(2.5%)	(3.7%)
Others	3,910	2,517	5,993	7,736	8,664	5,181
	(10.8%)	(6.8%)	(13.8%)	(15.3%)	(19.6%)	(18.6%)
Bond Trading (Parent only)	3,738	2,328	5,038	6,767	8,129	5,077
Operating Revenues	36,145	37,226	43,523	50,582	44,299	27,868
(excluded Premium Charges)	29,372	28,757	36,355	42,719	32,731	22,095

Avg. & Outstanding Loan Balance

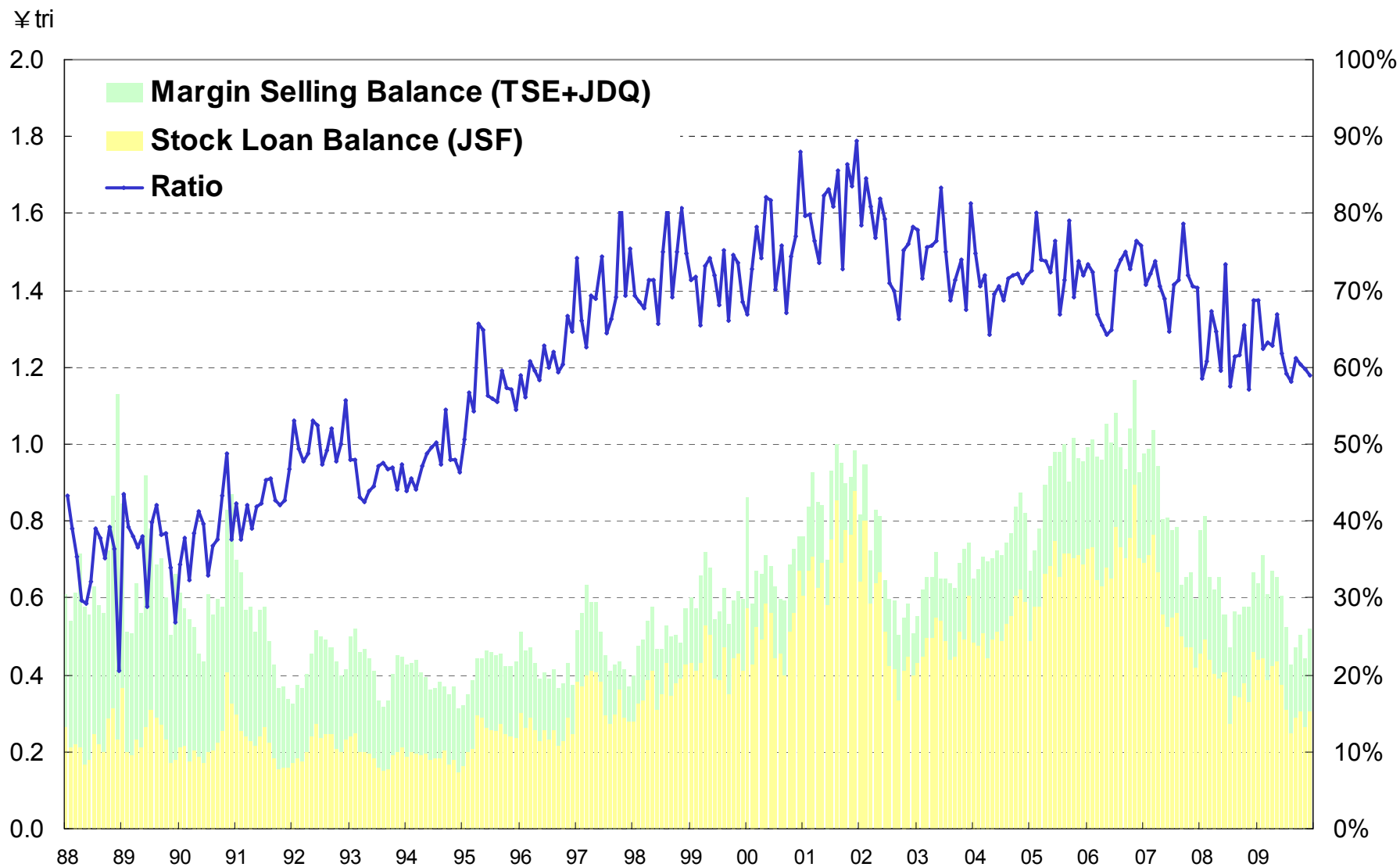
¥ mil

		FY2005	FY2006	FY2007	FY2008	FY2009
Margin Loans	avg.	1,637,698	1,444,347	917,219	336,324	324,205
	term-end	2,328,082	1,634,700	508,587	244,306	328,755
Bond Financing & General Loans	avg.	46,436	79,425	76,941	51,887	46,863
	term-end	97,298	79,859	68,594	53,141	51,448
Loans for negotiable margin transactions	avg.	2,559	33,770	34,374	14,282	17,173
	term-end	25,340	40,309	25,154	18,714	20,944
Sales under repurchase agreement	avg.	53,865	8,923	48,390	88	302
	term-end	12,000	-	0	0	0
Trust Bank Loans	avg.	1,016,474	711,937	448,938	410,822	215,308
	term-end	751,967	306,572	546,702	191,122	260,862
Others	avg.	5,578	7,300	7,500	7,749	14,500
	term-end	5,578	7,500	7,500	14,500	14,500
Total	avg.	2,760,053	2,251,934	1,498,990	806,872	601,180
	term-end	3,194,928	2,028,633	1,131,385	503,070	655,567
Stock Loans	avg.	651,097	723,840	591,023	396,181	361,388
	term-end	686,971	702,702	419,503	459,098	306,394

Margin Buying Transactions & JSF Margin Loans (TSE+JDQ)



Margin Selling Transactions & JSF Stock Loans (TSE+JDQ)



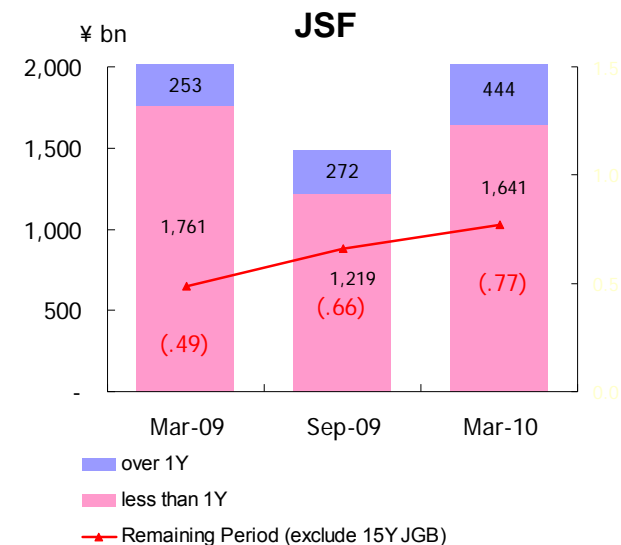
Securities Account

	Mar-10	notes
Assets		
	¥mil	
Loans	655,567	
Margin Loans	328,755	margin loan
Bond Financing & General Loan	51,448	
Loans for Negotiable Margin Transaction	20,944	
Others	14,500	
Trust Bank Loans	260,862	
Collateral Money of Securities Borrowed	815,373	
Stock Loan	170,160	Excess of stock loan
Securities Account		
Securities Lent	309,933	
Loans for Margin Transactions	306,394	stock loan
Bond Lending	0	
Securities in Custody	36,622	
Bond	36,000	
Equity	622	
Securities in Deposit	193,849	Excess of margin loan
Total of Securities Account	540,405	

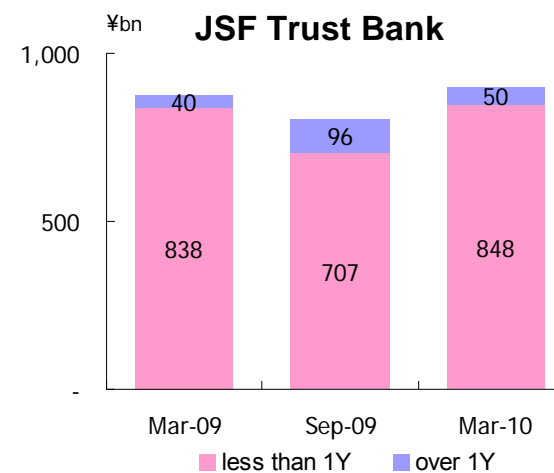
	Mar-10	notes
Liabilities		
	¥mil	
Collateral Money of Securities Lent	824,158	
Margin Loans	306,394	stock loan
Securities Account		
Collateral Securities Deposited	328,755	margin loan
Securities Borrowed	208,376	
Loans for Margin Transactions	171,489	Excess of stock loan
Bond Borrowing	36,000	
Securities Lent Opposite Account	3,273	
Total of Securities Account	540,405	

JGB Balance

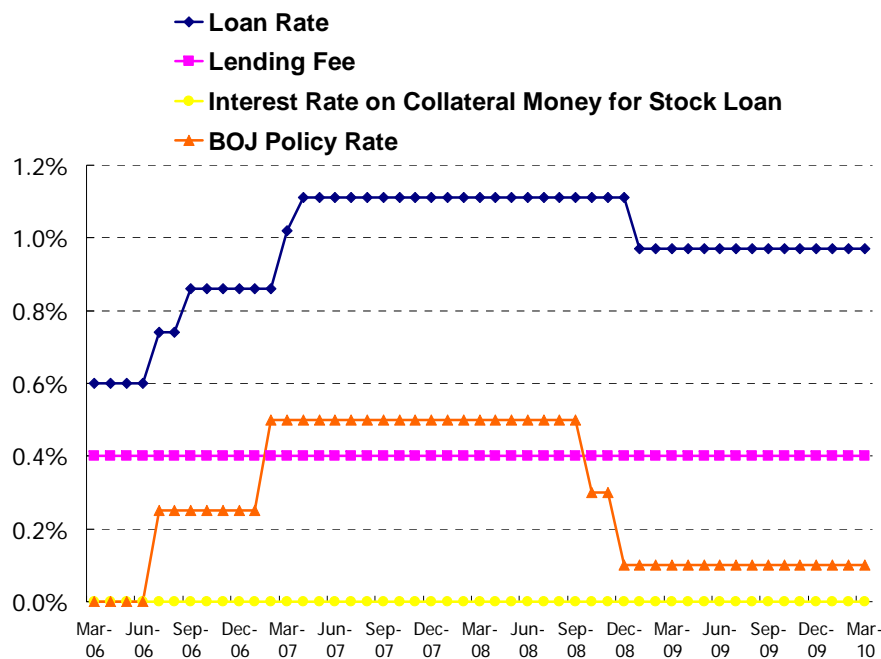
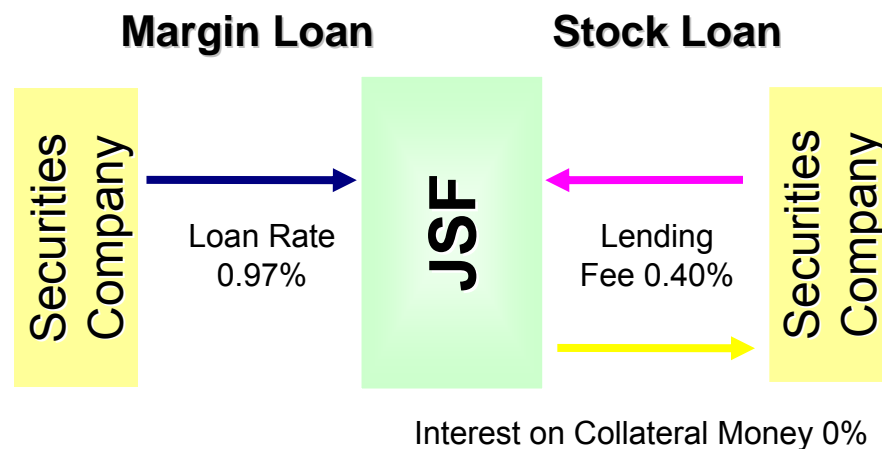
JSF		¥ mil		
		Mar-09	Sep-09	Mar-10
JGB Balance		2,013,849	1,490,320	2,085,612
	less than 1Y	1,760,788	1,218,803	1,641,497
	over 1Y	253,061	271,517	444,115
	(15Y floating JGB)	188,511	192,516	193,314
Net unrealized gain or loss on securities on B/S		1,716	4,071	4,422
Remaining Period (exclude 15Y JGB)		(.49)	(.66)	(.77)



JSF Trust Bank		¥ mil		
		Mar-09	Sep-09	Mar-10
JGB Balance		877,724	802,388	897,766
	less than 1Y	837,866	706,880	847,870
	over 1Y	39,858	95,507	49,895
	(15Y floating JGB)	39,858	39,863	39,869
Net unrealized gain or loss on securities on B/S		-1,386	-1,097	-1,078



Margin Loan Rates



BOJ Policy Interest Rate

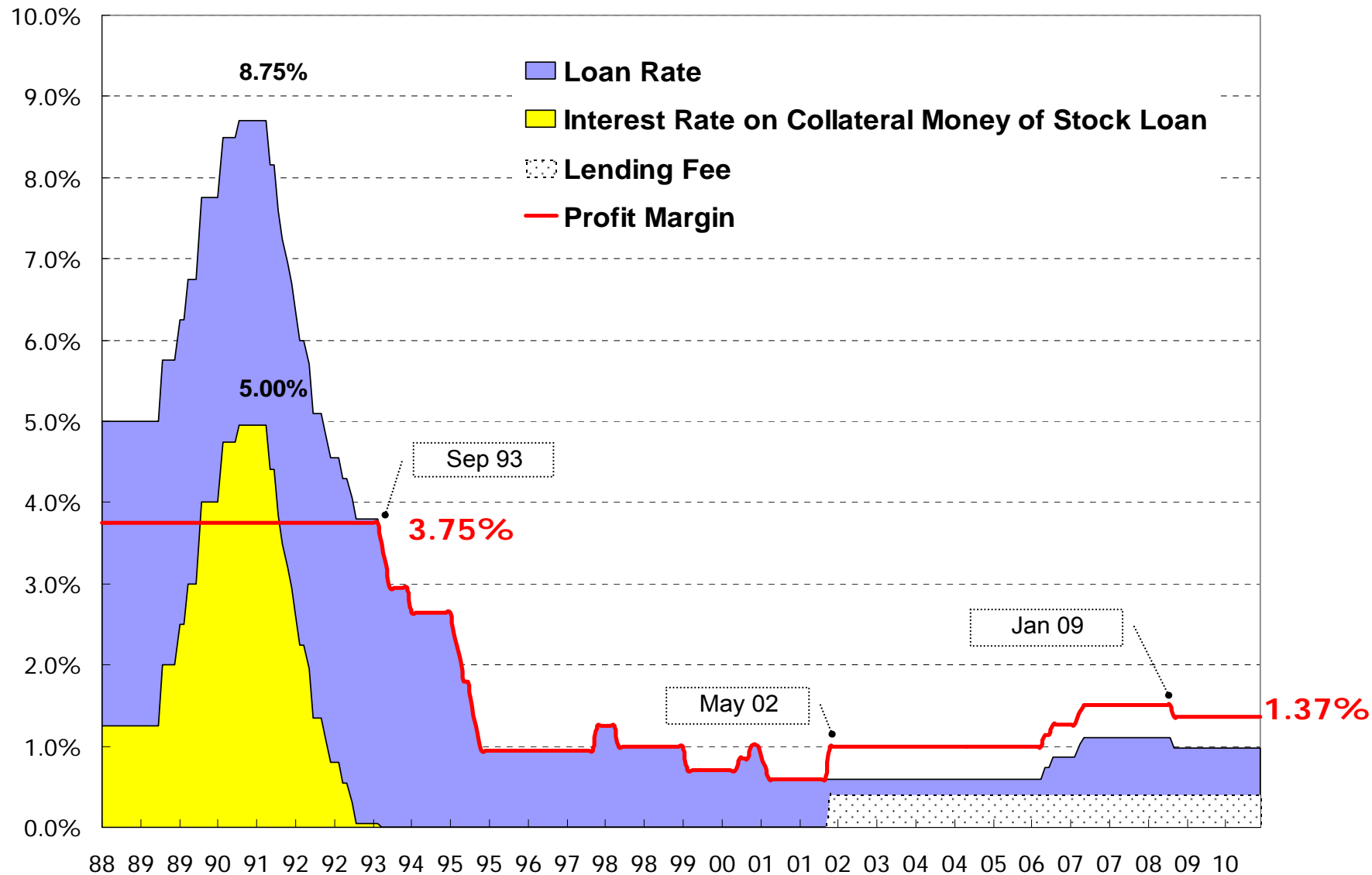
- Jul 2006 Uncollateralized O/N Call Rate: **0.25%**
- Feb 2007 Uncollateralized O/N Call Rate: **0.50%**
- Oct 2008 Uncollateralized O/N Call Rate: **0.30%** (▲0.20%)
- Dec 2008 Uncollateralized O/N Call Rate: **0.10%** (▲0.20%)

Margin Loan Rate

- 27/Jul/2006 **0.74%** (+0.14%)
- 22/Sep/2006 **0.86%** (+0.12%)
- 15/Mar/2007 **1.02%** (+0.16%)
- 05/Apr/2007 **1.11%** (+0.09%)
- 29/Jan/2009 **0.97%** (▲0.14%)

◆ Margin Loan Rates are decided by reflecting the change of market rates and BOJ's Policy Interest Rate.

Loan Rate of Loans for Margin Transactions

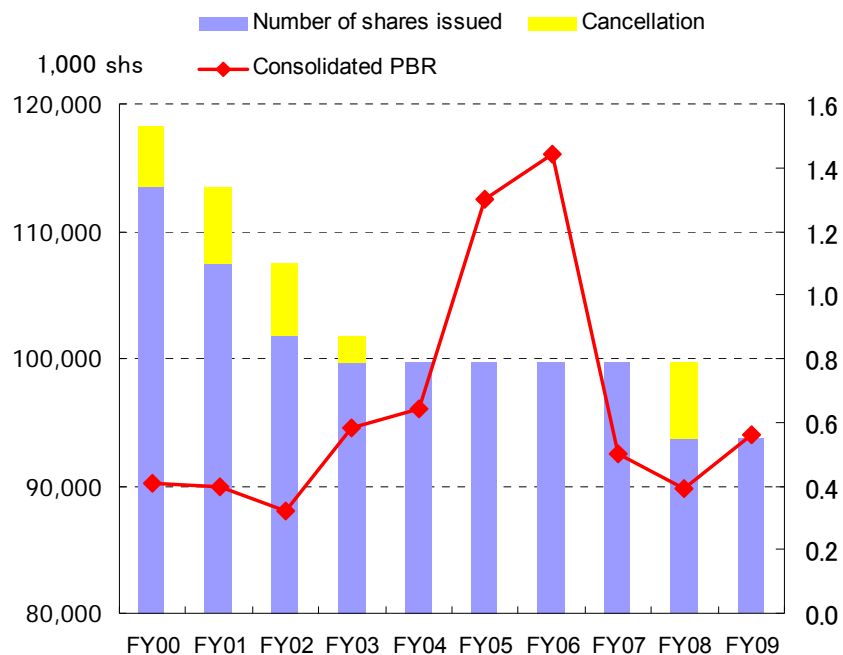


Share Buyback Program

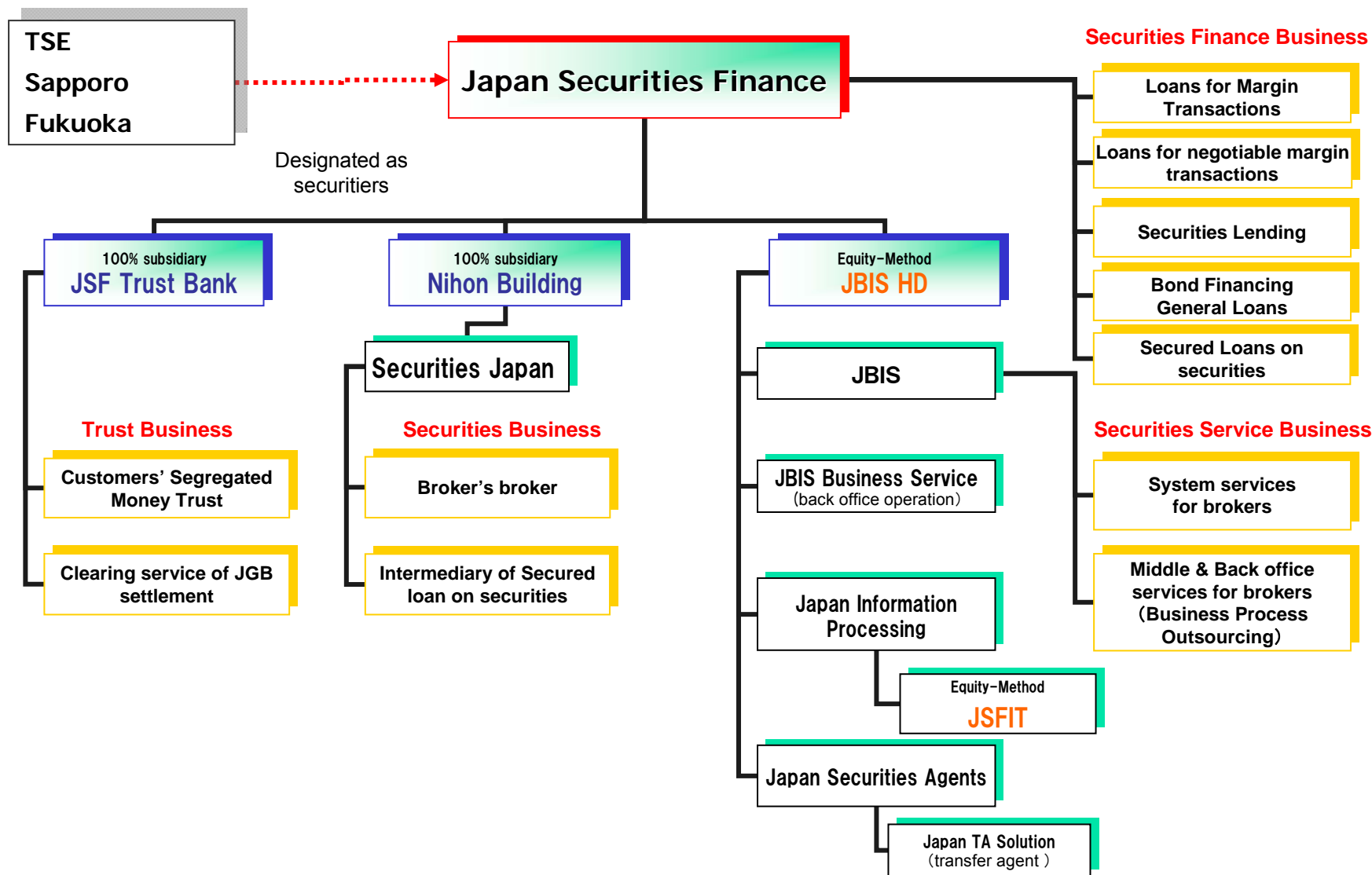
	start	end	total shares purchased shs	amount ¥ mil	cancellation shares shs	shares issued shs
FY2008	2008/4/1	2008/4/18	4,312,800	2,999		99,704,000
	2008/5/15	2008/6/11	978,900	999		99,704,000
	2008/6/27	2008/7/25	1,000,000	881		99,704,000
	2008/9/24				6,004,000	93,700,000
			6,291,700	4,881		

Number of shares issued and Cancellation

	Number of shares issued	Cancellation
FY00	113,474	4,800
FY01	107,509	5,965
FY02	101,810	5,699
FY03	99,704	2,106
FY04	99,704	—
FY05	99,704	—
FY06	99,704	—
FY07	99,704	—
FY08	93,700	6,004
FY09	93,700	—



Securities-related Business by JSF Group Companies



Notice

This document includes statements for business forecast. These statements don't guarantee company's future achievement and that involve risk or uncertain factors. Company's future achievement may be changed drastically up to stock market or financial conditions.