

# JAPAN SECURITIES FINANCE CO.,LTD.

## Consolidated Financial Results for the First Quarter ended June 30, 2010

Name : Japan Securities Finance Co.,Ltd.

Listing : First Section, Tokyo Stock Exchange

Stock code number : 8511

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(Millions of yen, rounded down to nearest million)

### 1.Consolidated Financial Results for the First Quarter of Fiscal 2010(April 1,2010-June 30,2010)

#### (1)Consolidated Results of Operations

(% change from year-on-year for those items)

	Operating Revenues		Operating Income		Recurring Income		Net Income	
	(millions of Yen)	(% change)	(millions of Yen)	(% change)	(millions of Yen)	(% change)	(millions of Yen)	(% change)
<b>First Quarter of Fiscal 2010</b>	<b>6,418</b>	<b>△22.6</b>	<b>1,671</b>	<b>△17.2</b>	<b>1,839</b>	<b>1.7</b>	<b>1,818</b>	<b>76.2</b>
First Quarter of Fiscal 2009	8,296	△24.4	2,020	37.9	1,809	7.1	1,032	△5.7
Fiscal 2009	27,868	△37.1	5,898	—	5,182	—	3,572	—

	Net Income per Share EPS (Yen)	Net Income per Share (Yen) (fully diluted)
<b>First Quarter of Fiscal 2010</b>	<b>19.64</b>	—
First Quarter of Fiscal 2009	11.15	—
Fiscal 2009	38.59	—

#### (2)Consolidated Financial Position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Equity Ratio (%)	Net Assets per Share (Yen)
<b>A s o f Jun.30, 2010</b>	<b>4,979,274</b>	<b>114,092</b>	<b>2.5</b>	<b>1,232.64</b>
A s o f Jun.30, 2009	4,825,489	110,077	2.6	1,189.24
Fiscal 2009	5,479,610	112,656	2.3	1,217.13

Note: Shareholders Equity: ¥114,092 million (Fiscal2009: ¥112,656 million)

Equity Ratio = Equity capital / Liabilities(\*) & Net assets × 100

(\* Excluding Collateral money for securities lent, Securities borrowed, etc.)

#### 2.Dividends

	Dividends per Share		
	Interim (Yen)	Year-End (Yen)	Annual (Yen)
Fiscal 2009	7.00	7.00	14.00
Fiscal 2010 (Forecast)	7.00	7.00	14.00

Note : Amendment of Forecast      None

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

(% change from year-on-year for those items)

	Operating Income		Recurring Income		Net Income		Net Income per Share
	(Millions of yen)	(% change)	(Millions of yen)	(% change)	(Millions of yen)	(% change)	EPS (Yen)
1 Q — 2 Q		2,300		2,500		2,200	23.77
Full-year		2,900		3,700		3,000	32.41

### 4. Others

- (1) Changes in the scope of important consolidation for subsidiaries (yes/no):No
- (2) Adoption of simplified accounting methods and specified accounting methods for quarterly consolidated financial statements : No
- (3) Changes in accounting policies for quarterly consolidated financial statements:
  - ①Changes according to revision of accounting standards: No
  - ②Others: No
- (4) Number of Issued Shares(common stock)
  - ①Number of issued shares (Including treasury stock)  
As of Jun.30, 2010 : 93,700,000      Fiscal 2009: 93,700,000
  - ②Number of Treasury stocks  
As of Jun.30, 2010 : 1,140,470      Fiscal 2009: 1,140,308
  - ③Average number of shares  
For three months ended Jun.30, 2010 : 92,559,619  
For three months ended Jun.30, 2009 : 92,561,790

### Consolidated Balance Sheets

【Assets】	First Quarter Jun.30,2009	First Quarter Jun.30,2010	Fiscal 2009 Mar.31,2010
	(millions of yen)	(millions of yen)	(millions of yen)
<b>I Current Assets</b>	<b>4,289,738</b>	<b>4,396,574</b>	<b>4,842,517</b>
Cash	2,887	17,408	18,005
Call Loans	4,000	—	—
Short-term Investments	1,608,558	2,298,402	2,811,225
Short-term Loans Receivable	709,845	770,819	655,567
Securities Lent	401,730	196,431	309,933
Securities in Custody	40,000	40,065	36,622
Securities in Deposit	202,930	261,859	193,849
Deferred Tax Assets	426	716	935
Collateral Money for Securities Borrowed	1,312,225	806,129	815,373
Other Current Assets	10,322	6,315	3,089
Allowance for Doubtful Receivables	△ 3,186	△ 1,573	△ 2,085
<b>II Non-current Assets</b>	<b>535,751</b>	<b>582,699</b>	<b>637,092</b>
Investments, etc.	528,086	576,159	630,978
Allowance for Doubtful Receivables	△ 779	△ 1,508	△ 2,020
<b>Total Assets</b>	<b>4,825,489</b>	<b>4,979,274</b>	<b>5,479,610</b>

【Liabilities and Net Assets】	First Quarter Jun.30,2009	First Quarter Jun.30,2010	Fiscal 2009 Mar.31,2010
	(millions of yen)	(millions of yen)	(millions of yen)
<b>I Current Liabilities</b>	<b>4,661,894</b>	<b>4,812,527</b>	<b>5,312,542</b>
Call Money	1,611,500	1,465,400	1,344,300
Short-term Borrowings	849,110	1,822,710	2,443,810
Commercial Paper	113,000	46,000	27,500
Payables under Repurchase Agreements	90,582	144,394	86,192
Collateral Money for Securities Lent	1,314,991	678,585	824,158
Collateral Securities Deposited	418,865	387,018	328,755
Securities Borrowed	224,711	100,837	208,376
Securities Lent Opposite Account	1,083	10,499	3,273
Other Current Liabilities	38,048	157,082	46,174
<b>II Non-current Liabilities</b>	<b>53,517</b>	<b>52,653</b>	<b>54,410</b>
Long-term Borrowings	48,500	46,500	48,500
Liabilities for Retirement and Severance Benefits	2,398	2,365	2,415
Other Non-Current Liabilities	2,618	3,788	3,495
<b>Total Liabilities</b>	<b>4,715,411</b>	<b>4,865,181</b>	<b>5,366,953</b>
<b>Total Net Assets</b>	<b>110,077</b>	<b>114,092</b>	<b>112,656</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>4,825,489</b>	<b>4,979,274</b>	<b>5,479,610</b>

### Consolidated Statement of Operations

	First Quarter Apr.1,2009- Jun.30,2009	First Quarter Apr.1,2010- Jun.30,2010	Fiscal 2009 Apr.1,2009- Mar.31,2010
	(millions of yen)	(millions of yen)	(millions of yen)
<b>Operating Revenues</b>	<b>8,296</b>	<b>6,418</b>	<b>27,868</b>
Interest on Loans	1,384	1,476	5,668
Interest on Collateral Money for Securities Borrowed	1,048	561	3,057
Fees on Lending Securities	2,443	1,443	7,817
Other Operating Revenues	3,419	2,936	11,325
<b>Operating Expenses</b>	<b>3,917</b>	<b>2,825</b>	<b>13,319</b>
Interest on Borrowing & Commercial Paper	1,658	1,312	5,361
Fees on Borrowing Securities	1,959	1,125	6,221
Other Operating Expenses	298	388	1,736
<b>Operating Profit</b>	<b>4,379</b>	<b>3,592</b>	<b>14,548</b>
General and Administrative Expenses	2,358	1,920	8,650
<b>Operating Income</b>	<b>2,020</b>	<b>1,671</b>	<b>5,898</b>
<b>Non-operating Revenues</b>	<b>125</b>	<b>167</b>	<b>213</b>
<b>Non-operating Expenses</b>	<b>336</b>	<b>0</b>	<b>929</b>
<b>Recurring Income</b>	<b>1,809</b>	<b>1,839</b>	<b>5,182</b>
<b>Extraordinary Profit</b>	<b>—</b>	<b>586</b>	<b>—</b>
<b>Extraordinary Loss</b>	<b>0</b>	<b>29</b>	<b>41</b>
<b>Net Income before Income Taxes</b>	<b>1,808</b>	<b>2,396</b>	<b>5,140</b>
Current Income Taxes	557	423	1,787
Deferred Income Taxes	218	155	△ 218
<b>Net Income</b>	<b>1,032</b>	<b>1,818</b>	<b>3,572</b>

### Consolidated Average Outstanding Balance of Loans

	First Quarter Apr.1,2009 - Jun.30,2009		First Quarter Apr.1,2010 - Jun.30,2010		Fiscal 2009 Apr.1,2009- Mar.31,2010	
	(billions of yen)	(% ratio)	(billions of yen)	(% ratio)	(billions of yen)	(% ratio)
Loans for Margin Transactions	281.9	50.1	369.9	50.7	324.2	53.9
Bond Financing & General Loans	48.6	8.7	50.3	6.9	46.8	7.8
Loans for Negotiable Margin Transactions	18.2	3.2	20.9	2.9	17.1	2.9
Sales under Repurchase Agreements	0.2	0.0	0.0	0.0	0.3	0.1
Trust Bank Loans	217.0	38.6	295.1	40.4	215.3	35.8
Other Loans	14.5	2.6	14.5	2.0	14.5	2.4
<b>Total</b>	<b>562.4</b>	<b>100.0</b>	<b>730.0</b>	<b>100.0</b>	<b>601.1</b>	<b>100.0</b>
Securities Lent for Margin Transactions	462.6	—	252.3	—	361.3	—

### Business Information for Consolidated Operating Revenues

	First Quarter Apr.1,2009 - Jun.30,2009		First Quarter Apr.1,2010 - Jun.30,2010		Fiscal 2009 Apr.1,2009- Mar.31,2010	
	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)
Securities Finance Business	6,399	77.1	5,020	78.2	20,817	74.7
Loans for Margin Transactions	3,766	45.4	2,522	39.3	12,954	46.5
(Interest on Loans)	730	8.8	940	14.7	3,324	11.9
(Interest on Collateral Money of Securities Borrowed)	638	7.7	245	3.8	1,774	6.4
(Fees on Lending Securities)	2,331	28.1	1,269	19.8	7,337	26.3
Bond Financing and General Loans	332	4.0	279	4.3	1,234	4.4
Securities Lending	437	5.3	416	6.5	1,454	5.2
(Stocks)	72	0.9	92	1.4	308	1.1
(Bonds)	365	4.4	324	5.1	1,146	4.1
Other Business	1,864	22.4	1,801	28.1	5,174	18.6
Trust Banking Business	1,623	19.6	1,146	17.9	6,016	21.6
(Interest on Loans)	379	4.6	287	4.5	1,330	4.8
(Trust Charges)	55	0.7	75	1.2	249	0.9
(Others)	1,188	14.3	783	12.2	4,436	15.9
Real Estate Management Business	273	3.3	251	3.9	1,034	3.7
<b>Total</b>	<b>8,296</b>	<b>100.0</b>	<b>6,418</b>	<b>100.0</b>	<b>27,868</b>	<b>100.0</b>