

JAPAN SECURITIES FINANCE CO.,LTD.

Consolidated Financial Results for Fiscal 2021

Name : JAPAN SECURITIES FINANCE CO.,LTD.

Listing : Tokyo Stock Exchange Prime Market

Stock code number : 8511

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(Millions of yen, rounded down to nearest million)

1.Consolidated Financial Results for Fiscal 2021 (April 1,2021-March 31,2022)

(1)Consolidated Results of Operations

(% change from previous year)

	Operating Revenues		Operating Income		Recurring Income		Net Income	
	(millions of Yen)	(% change)	(millions of Yen)	(% change)	(millions of Yen)	(% change)	(millions of Yen)	(% change)
Fiscal 2021	30,138	△2.5	6,235	30.5	7,164	28.9	5,174	30.3
Fiscal 2020	30,924	6.3	4,777	15.7	5,558	13.6	3,971	11.7

Reference: Comprehensive Income: Fiscal2021: ¥7,889million(△24.9%) Fiscal2020: ¥10,499million(-%)

	Net Income per Share	Net Income per Share	Return on Equity	Recurring Income	Operating Income
	EPS (Yen)	(Yen) (fully diluted)	ROE (%)	/Total Assets	/Operating Revenues
				ROA (%)	(%)
Fiscal 2021	56.61	—	3.8	0.1	20.7
Fiscal 2020	43.29	—	3.0	0.1	15.4

(2)Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
Fiscal 2021	14,168,656	137,996	1.0	1,545.03
Fiscal 2020	12,136,229	135,166	1.1	1,473.25

Reference: Shareholders Equity: Fiscal2021: ¥137,996million (Fiscal2020: ¥135,166million)

2. Dividends

	Dividends per Share			Total Cash Dividends (Full-year) (Millions of Yen)	Dividends Payout Ratio (Consolidated) (%)	Dividends on Equity (Consolidated) DOE (%)
	Interim (Yen)	Year-End (Yen)	Annual (Yen)			
Fiscal 2020	11.00	15.00	26.00	2,409	60.1	1.8
Fiscal 2021	15.00	15.00	30.00	2,749	53.0	2.0
Fiscal 2022 (Forecast)	16.00	16.00	32.00		49.2	

The year-end dividend for the fiscal year ended March 31, 2022 will be approved at the Board of Directors meeting held in May.

3. Consolidated Estimated Figures for fiscal 2022(April 1,2022—March 31,2023)

	Operating Income		Recurring Income		Net Income		Net Income per Share
	(Millions of yen)	(% change)	(Millions of yen)	(% change)	(Millions of yen)	(% change)	EPS (Yen)
Full-year	7,200	15.5	8,000	11.7	5,600	8.2	65.03

4. Others

- (1) Changes in the scope of important consolidation for subsidiaries (yes/no): No
- (2) Changes in accounting policies and changes or restatement of accounting estimates
 - ① Changes in accounting policies caused by revision of accounting standards: Yes
 - ② Changes in accounting policies other than ①: No
 - ③ Changes in accounting estimates: No
 - ④ Restatement: No
- (3) Number of Issued Shares (common stock)
 - ① Number of issued shares (Including treasury stock)
as of Mar.31, 2022 : 96,000,000 as of Mar.31, 2021 : 96,000,000
 - ② Number of Treasury stocks
as of Mar.31, 2022 : 6,683,572 as of Mar.31, 2021 : 4,252,511
 - ③ Average number of shares
Fiscal 2021 : 91,401,267 Fiscal 2020 : 91,744,029

Consolidated Balance Sheets

【Assets】	Fiscal 2020 Mar.31,2021	Fiscal 2021 Mar.31,2022
	(millions of yen)	(millions of yen)
I Current Assets	11,165,499	13,083,009
Cash	1,421,557	1,299,070
Call Loans	2,500	-
Short-term Investments	42,967	109,724
Operating Loans	1,116,353	891,485
Receivables under resale agreements	3,001,856	3,928,146
Collateral Money for Securities Borrowed	5,325,571	6,499,422
Other Current Assets	255,387	355,293
Allowance for Doubtful Receivables	△ 693	△ 133
II Non-current Assets	970,729	1,085,646
Investments in Securities	935,344	1,042,496
Other Non-current Assets	35,492	43,245
Allowance for Doubtful Receivables	△ 107	△ 95
Total Assets	12,136,229	14,168,656

【Liabilities and Net Assets】	Fiscal 2020 Mar.31,2021	Fiscal 2021 Mar.31,2022
	(millions of yen)	(millions of yen)
I Current Liabilities	11,972,251	14,015,456
Call Money	1,706,600	1,858,400
Short-term Borrowings	137,594	239,210
Commercial Paper	613,000	496,000
Payables under repurchase agreements	4,191,808	5,544,898
Collateral Money for Securities Lent	4,028,703	4,706,496
Borrowed Money from Trust Account	1,143,462	1,031,412
Other Current Liabilities	151,081	139,039
II Non-current Liabilities	28,811	15,202
Long-term Borrowings	3,000	4,000
Deferred Tax Liabilities	8,498	3,011
Derivatives Liabilities	16,212	7,054
Other Non-current Liabilities	1,100	1,136
Total Liabilities	12,001,062	14,030,659
I Shareholders' Equity	129,604	129,719
II Accumulated Other Comprehensive Income	5,562	8,277
Net Unrealized Gain on Other Securities	22,432	9,920
Deferred Losses on Hedges	△ 16,978	△ 1,967
Others	108	324
Total Net Assets	135,166	137,996
Total Liabilities and Net Assets	12,136,229	14,168,656

Consolidated Statement of Income

	Fiscal 2020 Apr.1,2020 - Mar.31,2021	Fiscal 2021 Apr.1,2021 - Mar.31,2022
	(millions of yen)	(millions of yen)
Operating Revenues	30,924	30,138
Interest on Loans	2,247	2,708
Interest on Receivables under Resale Agreements	4,428	5,714
Interest on Collateral Money for Securities Borrowed	2,714	2,250
Fees on Lending Securities	13,357	9,457
Other Operating Revenues	8,175	10,006
Operating Expenses	18,018	16,533
Interest on Borrowing & Commercial Paper	697	747
Interest on Payables under Repurchase Agreements	2,932	3,614
Fees on Borrowing Securities	12,581	9,357
Other Operating Expenses	1,806	2,814
Operating Profit	12,906	13,604
General and Administrative Expenses	8,129	7,368
Operating Income	4,777	6,235
Non-operating Revenues	878	959
Non-operating Expenses	97	29
Recurring Income	5,558	7,164
Extraordinary Profit	43	40
Extraordinary Loss	—	58
Net Income before Income Taxes	5,601	7,147
Current Income Taxes	1,853	2,071
Deferred Income Taxes	△ 222	△ 98
Net Income	3,971	5,174

Business Information for Consolidated Operating Revenues

	Fiscal 2020 Apr.1,2020 - Mar.31,2021		Fiscal 2021 Apr.1,2021 - Mar.31,2022		Increase/Decrease	
	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)	(millions of yen)	(% I/Dratio)
Securities Finance Business	27,534	89.1	26,558	88.1	△ 976	△ 3.5
Loans for Margin Transactions	11,359	36.7	6,118	20.3	△ 5,241	△ 46.1
(Interest on Loans)	1,453	4.7	1,793	5.9	+ 339	+ 23.4
(Interest on Collateral Money of Securities Borrowed)	1,108	3.6	446	1.5	△ 661	△ 59.7
(Premium Charges)	7,213	23.3	2,832	9.4	△ 4,380	△ 60.7
(Lending Fees)	1,278	4.1	748	2.5	△ 529	△ 41.4
Securities Financing	12,353	40.0	15,368	51.0	+ 3,014	+ 24.4
(Loans for Negotiable Margin Transactions)	80	0.3	156	0.5	+ 76	+ 94.7
(Loans to Securites Companies)	785	2.5	1,196	4.0	+ 411	+ 52.4
(Loans to Individual Investors or Firms)	468	1.5	510	1.7	+ 42	+ 9.0
(General Stock Lending)	950	3.1	657	2.2	△ 292	△ 30.8
(Bond Lending)	10,069	32.6	12,846	42.6	+ 2,777	+ 27.6
Other Business	3,820	12.4	5,071	16.8	+ 1,250	+ 32.7
Trust Banking Business	2,481	8.0	2,737	9.1	+ 256	+ 10.3
(Interest on Loans)	92	0.3	91	0.3	△ 1	△ 1.3
(Trust Charges)	1,031	3.3	1,266	4.2	+ 234	+ 22.8
(Others)	1,357	4.4	1,380	4.6	+ 23	+ 1.7
Real Estate Management Business	908	2.9	841	2.8	△ 66	△ 7.4
Total	30,924	100.0	30,138	100.0	△ 786	△ 2.5

Outstanding Balance of Transactions by Group Business (Average Balance)

	Fiscal 2020 Apr.1,2020 - Mar.31,2021	Fiscal 2021 Apr.1,2021 - Mar.31,2022	Increase/Decrease
	(billions of yen)	(billions of yen)	(billions of yen)
Loans for Margin Transactions	224.6	283.1	+ 58.5
Securities Lent for Margin Transactions	300.6	175.5	△ 125.0
Securities Financing	7,099.0	9,969.7	+ 2,870.7
Loans for Negotiable Margin Transactions	9.9	21.5	+ 11.5
Loans to Securites Companies	327.4	585.9	+ 258.5
Loans to Individual Investors or Firms	13.0	14.9	+ 1.9
General Stock Lending	47.1	47.5	+ 0.3
Bond Lending (Repo/Gensaki Transactions ,etc)	6,701.4	9,299.7	+ 2,598.3
Trust Bank Loans	571.1	682.4	+ 111.3