

JAPAN SECURITIES FINANCE CO.,LTD.

Consolidated Financial Results for the First Quarter ended June 30, 2015

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 2015(April 1,2015-June 30,2015)

(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)
First Quarter of Fiscal 2015	6,111	29.6	1,146	2.2	1,406	3.9	1,118	10.2
First Quarter of Fiscal 2014	4,713	△0.5	1,121	125.7	1,352	114.7	1,015	217.3
Fiscal 2014	20,300	3.8	3,025	17.8	4,230	35.6	3,520	▲43.3

Reference:Comprehensive Income: Fiscal2015 1Q:¥1,397million(41.7%) Fiscal2014 1Q: ¥986million (—%)

	Net Income per Share EPS (Yen)	Net Income per Share (Yen) (fully diluted)
First Quarter of Fiscal 2015	11.21	—
First Quarter of Fiscal 2014	9.50	—
Fiscal 2014	33.94	—

(2)Consolidated Financial Position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Equity Ratio (%)
A s o f Jun.30, 2015	3,065,649	137,370	4.5
Fiscal 2014	3,482,601	137,145	3.9

Reference: Shareholders Equity: ¥137,370million (Fiscal2014: ¥137,145million)

Equity Ratio = Equity capital / Liabilities & Net assets × 100

2.Dividends

	Dividends per Share		
	Interim (Yen)	Year-End (Yen)	Annual (Yen)
Fiscal 2014	7.00	8.00	15.00
Fiscal 2015 (Forecast)	8.00	8.00	16.00

Note : Amendment of Forecast None

3. Consolidated Estimated Figures for fiscal 2015(April 1,2015— March 31,2016)

	Operating Income (Millions of yen)	Recurring Income (Millions of yen)	Net Income (Millions of yen)	Net Income per Share EPS (Yen)
1 Q – 2 Q	1,700	2,000	1,600	16.07
Full-year	2,500	3,200	2,600	26.15

4. Others

- (1) Changes in the scope of important consolidation for subsidiaries (yes/no):No
- (2) Adoption of specified accounting methods for quarterly consolidated financial statements : No
- (3) Changes in accounting policies and changes or restatement of accounting estimates
 - ①Changes in accounting policies caused by revision of accounting standards: Yes
 - ②Changes in accounting policies other than ①: No
 - ③Changes in accounting estimates: No
 - ④Restatement: No
- (4) Number of Issued Shares(common stock)
 - ①Number of issued shares (Including treasury stock)
as of Jun.30, 2015 : 100,000,000 as of Mar.31, 2015 : 100,000,000
 - ②Number of Treasury stocks
as of Jun.30, 2015 : 682,101 as of Mar.31, 2015 : 181,071
 - ③Average number of shares
For three months ended Jun.30, 2015 : 99,785,303
For three months ended Jun.30, 2014 : 106,852,394

Consolidated Balance Sheets

【Assets】	<i>First Quarter Jun.30,2015</i>	<i>Fiscal 2014 Mar.31,2015</i>
	(millions of yen)	(millions of yen)
I Current Assets	2,084,830	2,484,418
Cash	34,043	31,792
Short-term Investments	270,335	588,813
Operating Loans	720,033	883,101
Deferred Tax Assets	230	390
Collateral Money for Securities Borrowed	1,054,410	974,973
Other Current Assets	6,066	5,686
Allowance for Doubtful Receivables	△ 291	△ 339
II Non-current Assets	981,116	998,183
Investments in Securities	970,924	987,897
Other Non-current Assets	11,897	12,078
Allowance for Doubtful Receivables	△ 1,705	△ 1,792
Total Assets	3,065,946	3,482,601

【Liabilities and Net Assets】	<i>First Quarter Jun.30,2015</i>	<i>Fiscal 2014 Mar.31,2015</i>
	(millions of yen)	(millions of yen)
I Current Liabilities	2,912,857	3,329,124
Call Money	1,297,100	1,587,000
Short-term Borrowings	419,210	439,510
Commercial Paper	301,000	440,000
Collateral Money for Securities Lent	864,724	788,716
II Non-current Liabilities	15,719	16,331
Long-term Borrowings	2,000	2,000
Liabilities for Retirement and Severance Benefits	41	50
Other Non-Current Liabilities	13,677	14,281
Total Liabilities	2,928,576	3,345,456
Total Net Assets	137,370	137,145
Total Liabilities and Net Assets	3,065,946	3,482,601

Consolidated Statement of Operations

	First Quarter Apr.1,2014- Jun.30,2014	First Quarter Apr.1,2015- Jun.30,2015	<i>Fiscal 2014</i> <i>Apr.1,2014- Mar.31,2015</i>
	(millions of yen)	(millions of yen)	(millions of yen)
Operating Revenues	4,713	6,111	20,300
Interest on Loans	1,314	1,104	4,890
Interest on Collateral Money for Securities Borrowed	511	521	1,947
Fees on Lending Securities	1,164	2,449	6,938
Other Operating Revenues	1,723	2,035	6,523
Operating Expenses	1,941	3,068	9,450
Interest on Borrowing & Commercial Paper	971	772	3,460
Fees on Borrowing Securities	758	1,915	5,123
Other Operating Expenses	211	380	866
Operating Profit	2,772	3,042	10,849
General and Administrative Expenses	1,651	1,896	7,824
Operating Income	1,121	1,146	3,025
Non-operating Revenues	296	285	1,361
Non-operating Expenses	65	25	156
Recurring Income	1,352	1,406	4,230
Extraordinary Profit	—	—	61
Extraordinary Loss	—	—	6
Net Income before Income Taxes	1,352	1,406	4,285
Current Income Taxes	94	113	443
Deferred Income Taxes	243	173	321
Net Income	1,015	1,118	3,520

Consolidated Average Outstanding Balance of Loans

	First Quarter Apr.1,2014 - Jun.30,2014		First Quarter Apr.1,2015 - Jun.30,2015		Fiscal 2014 Apr.1,2014 - Mar.31,2015	
	(billions of yen)	(% ratio)	(billions of yen)	(% ratio)	(billions of yen)	(% ratio)
Loans for Margin Transactions	419.1	59.5	425.3	59.6	428.3	57.6
Bond Financing & General Loans	188.5	26.8	203.9	28.6	223.4	30.1
Loans for Negotiable Margin Transactions	34.7	4.9	22.1	3.1	29.1	3.9
Trust Bank Loans	64.3	9.1	52.2	7.3	58.6	7.9
Other Loans	32.5	4.6	32.5	4.5	32.5	4.4
Total	704.5	100.0	714.0	100.0	743.0	100.0
Securities Lent for Margin Transactions	178.4	—	287.6	—	222.0	—

Business Information for Consolidated Operating Revenues

	First Quarter Apr.1,2014 - Jun.30,2014		First Quarter Apr.1,2015 - Jun.30,2015		Fiscal 2014 Apr.1,2014 - Mar.31,2015	
	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)
Securities Finance Business	3,936	83.5	5,033	82.3	17,162	84.5
Loans for Margin Transactions	1,839	39.0	3,029	49.6	9,667	47.6
(Interest on Loans)	851	18.1	726	11.9	3,111	15.3
(Interest on Collateral Money of Securities Borrowed)	130	2.8	206	3.4	611	3.0
(Fees on Lending Securities)	799	17.0	2,031	33.2	5,389	26.5
Bond Financing and General Loans	521	11.0	499	8.1	2,107	10.4
Securities Lending	608	13.0	557	9.1	2,294	11.3
(Stocks)	148	3.2	251	4.1	784	3.9
(Bonds)	459	9.8	305	5.0	1,509	7.4
Other Business	967	20.5	946	15.5	3,094	15.2
Trust Banking Business	555	11.8	878	14.4	2,269	11.2
(Interest on Loans)	56	1.2	39	0.6	186	0.9
(Trust Charges)	124	2.6	155	2.5	545	2.7
(Others)	374	8.0	683	11.2	1,537	7.6
Real Estate Management Business	221	4.7	199	3.3	868	4.3
Total	4,713	100.0	6,111	100.0	20,300	100.0