

November 6, 2017

To whom it may concern

Japan Securities Finance Co., Ltd.

Announcement concerning Dividends of Surplus (interim) and Revision to Year-End Dividend forecast (dividend increase)

Japan Securities Finance Co., Ltd. (herein after "JSF") today announced that its Board of Directors on November 6, 2017 approved to distribute dividends of surplus (interim), and to revise the year-end dividend forecast, as detailed below.

1. Details of Interim Dividends

	Interim Dividend for FY2017	Recent dividend forecast (published on May 11, 2017)	Interim Dividend for FY2016
Record date	September 30, 2017	(as on left)	September 30, 2016
Dividend per share	9 yen	8 yen	8 yen
Total amount of dividends	865 million yen	—	775 million yen
Effective date	December 4, 2017	—	December 5, 2016
Source of dividend	Retained earnings	—	Retained earnings

2. Details of Revised Year-End Dividend Forecast

	Dividends per Share		
	Interim	Year-End	Annual
Previous forecast (Published on May 11, 2017)	8 yen	8 yen	16 yen
Revised forecast	—	9 yen	18 yen
Results for FY2017	9 yen	—	—
Results for FY2016	8 yen	10 yen	18 yen

3. Reason

JSF considers the stable return of profits to shareholders to be among its most important management tasks and therefore has a basic guideline of paying dividends according to results after provisioning the capital and internal reserves that it requires as a financial institution. Our policy is that the consolidated payout ratio, as a standard that reflects our business performance, shall not fall below the 60% level and that we shall return profits to shareholders while taking into account the consolidated dividend on equity ratio.

Based on this policy, in light of the JSF's financial results for the first half resulted and estimated figures for FY2017 announced today, JSF approved to increase its interim dividend to 9 yen per share, up 1 yen from the previous forecast ,and to increase its year-end dividend forecast to 9 yen per share, up 1 yen. As a result, JSF plans to pay a full-year dividend of 18 yen per share.

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