JAPAN SECURITIES FINANCE CO., LTD.

Consolidated Financial Results for the Second Quarter ended September 30, 2021

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 Second Quarter of Fiscal 2021(April 1,2021－September 30,2021)

(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)
Second Quarter of Fiscal 2021	**15,056**	**△1.5**	**3,442**	**24.8**	**3,851**	**26.7**	**2,745**	**25.5**
Second Quarter of Fiscal 2020	15,291	6.2	2,758	16.5	3,039	10.2	2,186	5.6
Fiscal 2020	30,924	6.3	4,777	15.7	5,558	13.6	3,971	11.7

Reference:Comprehensive Income: Fiscal2021 2Q:¥3,375 million(△3.4%)　Fiscal2020 2Q:¥3,494 million(－%)

	Net Income per Share **EPS** (Yen)	Net Income per Share (Yen) (fully diluted)
Second Quarter of Fiscal 2021	**29.91**	—
Second Quarter of Fiscal 2020	23.83	—
Fiscal 2020	43.29	—

(2)Consolidated Financial Position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Equity Ratio (%)
As of Sep.30, 2021	**13,355,010**	**137,177**	**1.0**
Fiscal 2020	12,136,229	135,166	1.1

Reference: Shareholders Equity: Fiscal2021 2Q: ¥137,177 million (Fiscal2020: ¥135,166 million)

2. Dividends

	Dividends per Share		
	Interim (Yen)	Year-End (Yen)	Annual (Yen)
Fiscal 2020	11.00	15.00	26.00
Fiscal 2021	15.00		
Fiscal 2021 (Forecast)		15.00	30.00

Note：Amendment of Forecast Yes

3. Consolidated Estimated Figures for fiscal 2021(April 1,2021－March 31,2022)

	Operating Income (Millions of yen)	Recurring Income (Millions of yen)	Net Income (Millions of yen)	Net Income per Share EPS (Yen)
Full-year	5,700	6,500	4,500	49.02

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 Sep.30, 2021 : 96,000,000 as of Mar.31, 2021 : 96,000,000
②Number of Treasury stocks
as of Sep.30, 2021 : 4,193,781 as of Mar.31, 2021 : 4,252,511
③Average number of shares
For six months ended Sep.30, 2021 : 91,789,781
For six months ended Sep.30, 2020 : 91,740,272

Consolidated Balance Sheets

【Assets】	Second Quarter Sep.30,2021	*Fiscal 2020 Mar.31,2021*
	(millions of yen)	(millions of yen)
Ⅰ Current Assets	**12,288,074**	**11,165,499**
Cash	1,256,220	1,421,557
Call Loans	–	2,500
Short-term Investments	87,623	42,967
Operating Loans	1,108,281	1,116,353
Receivables under resale agreements	3,455,318	3,001,856
Collateral Money for Securities Borrowed	6,076,501	5,325,571
Other Current Assets	304,218	255,387
Allowance for Doubtful Receivables	△ 90	△ 693
Ⅱ Non-current Assets	**1,066,936**	**970,729**
Investments in Securities	1,032,736	935,344
Other Non-current Assets	34,301	35,492
Allowance for Doubtful Receivables	△ 101	△ 107
Total Assets	**13,355,010**	**12,136,229**

【Liabilities and Net Assets】	Second Quarter Sep.30,2021	*Fiscal 2020 Mar.31,2021*
	(millions of yen)	(millions of yen)
Ⅰ Current Liabilities	**13,188,430**	**11,972,251**
Call Money	1,888,500	1,706,600
Short-term Borrowings	214,710	137,594
Commercial Paper	491,000	613,000
Payables under repurchase agreements	5,104,648	4,191,808
Collateral Money for Securities Lent	4,296,863	4,028,703
Borrowed Money from Trust Account	1,058,048	1,143,462
Other Current Liabilities	134,659	151,082
Ⅱ Non-current Liabilities	**29,403**	**28,811**
Long-term Borrowings	3,000	3,000
Deferred Tax Liabilities	8,813	8,498
Derivatives Liabilities	16,515	16,212
Other Non-current Liabilities	1,075	1,100
Total Liabilities	**13,217,833**	**12,001,062**
Ⅰ Shareholders' Equity	**130,984**	**129,604**
Ⅱ Accumulated Other Comprehensive Income	**6,192**	**5,562**
Net Unrealized Gain on Other Securities	24,125	22,432
Deferred Losses on Hedges	△ 18,041	△ 16,978
Others	109	108
Total Net Assets	**137,177**	**135,166**
Total Liabilities and Net Assets	**13,355,010**	**12,136,229**

Consolidated Statement of Income

	Second Quarter Apr.1,2020- Sep.30,2020	Second Quarter Apr.1,2021- Sep.30,2021	*Fiscal 2020 Apr.1,2020- Mar.31,2021*
	(millions of yen)	(millions of yen)	(millions of yen)
Operating Revenues	**15,291**	**15,056**	**30,924**
Interest on Loans	1,062	1,377	2,247
Interest on Receivables under Resale Agreements	2,219	2,630	4,428
Interest on Collateral Money for Securities Borrowed	1,401	1,066	2,714
Fees on Lending Securities	6,866	4,691	13,357
Other Operating Revenues	3,741	5,290	8,175
Operating Expenses	**8,777**	**8,159**	**18,018**
Interest on Borrowing & Commercial Paper	292	389	697
Interest on Payables under Repurchase Agreements	1,462	1,657	2,932
Fees on Borrowing Securities	6,452	4,569	12,581
Other Operating Expenses	570	1,543	1,806
Operating Profit	**6,514**	**6,897**	**12,906**
General and Administrative Expenses	3,755	3,454	8,129
Operating Income	**2,758**	**3,442**	**4,777**
Non-operating Revenues	287	420	878
Non-operating Expenses	7	11	97
Recurring Income	**3,039**	**3,851**	**5,558**
Extraordinary Profit	**–**	40	43
Extraordinary Loss	**–**	16	**–**
Net Income before Income Taxes	**3,039**	**3,875**	**5,601**
Current Income Taxes	824	1,034	1,853
Deferred Income Taxes	28	96	△ 222
Net Income	2,186	2,745	3,971

Outstanding Balance of Transactions by Group Business (Average Balance)

	Second Quarter Apr.1,2020 - Sep.30,2020	Second Quarter Apr.1,2021 - Sep.30,2021	Fiscal 2020 Apr.1,2020 - Mar.31,2021
	(billions of yen)	(billions of yen)	(billions of yen)
Loans for Margin Transactions	209.4	291.8	224.6
Securities Lent for Margin Transactions	314.7	188.0	300.6
Securities Financing	6,658.3	9,246.0	7,099.0
Loans for Negotiable Margin Transactions	7.8	18.2	9.9
Loans to Securites Companies	298.9	484.1	327.4
Loans to Individual Investors or Firms	12.8	14.2	13.0
General Stock Lending	65.3	33.8	47.1
Bond Lending (Repo/Gensaki transactions ,etc)	6,273.3	8,695.4	6,701.4
Trust Bank Loans	543.5	698.3	571.1

Business Information for Consolidated Operating Revenues

	Second Quarter Apr.1,2020 - Sep.30,2020		Second Quarter Apr.1,2021 - Sep.30,2021		Fiscal 2020 Apr.1,2020 - Mar.31,2021	
	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)
Securities Finance Business	13,645	89.2	13,263	88.1	27,534	89.1
Loans for Margin Transactions	5,816	38.0	3,215	21.4	11,359	36.7
(Interest on Loans)	682	4.5	925	6.1	1,453	4.7
(Interest on Collateral Money of Securities Borrowed)	582	3.8	243	1.6	1,108	3.6
(Premium Charges)	3,710	24.3	1,460	9.7	7,213	23.3
(Lending Fees)	669	4.4	401	2.7	1,278	4.1
Securities Financing	6,246	40.9	7,245	48.1	12,353	40.0
(Loans for Negotiable Margin Transactions)	33	0.2	69	0.5	80	0.3
(Loans to Securites Companies)	422	2.8	541	3.6	785	2.5
(Loans to Individual Investors or Firms)	229	1.5	248	1.7	468	1.5
(General Stock Lending)	498	3.3	321	2.1	950	3.1
(Bond Lending)	5,062	33.1	6,063	40.3	10,069	32.6
Other Business	1,582	10.3	2,802	18.6	3,820	12.4
Trust Banking Business	1,192	7.8	1,369	9.1	2,481	8.0
(Interest on Loans)	36	0.2	56	0.4	92	0.3
(Trust Charges)	483	3.2	618	4.1	1,031	3.3
(Others)	671	4.4	694	4.6	1,357	4.4
Real Estate Management Business	453	3.0	423	2.8	908	2.9
Total	**15,291**	**100.0**	**15,056**	**100.0**	**30,924**	**100.0**