

# JAPAN SECURITIES FINANCE CO.,LTD.

## Consolidated Financial Results for Fiscal 2020

Name : JAPAN SECURITIES FINANCE CO.,LTD.

Listing : 1st 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 Fiscal 2020 (April 1,2020-March 31,2021)

#### (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)
<b>Fiscal 2020</b>	<b>30,924</b>	<b>6.3</b>	<b>4,777</b>	<b>15.7</b>	<b>5,558</b>	<b>13.6</b>	<b>3,971</b>	<b>11.7</b>
Fiscal 2019	29,101	19.7	4,129	3.7	4,894	△3.0	3,556	△5.6

Reference: Comprehensive Income: Fiscal2020: ¥10,499million(-%) Fiscal2019: △¥11,571million(-%)

	Net Income per Share	Net Income per Share	Return on Equity	Recurring Income	Operating Income
	EPS (Yen)	(Yen) (fully diluted)	ROE (%)	/Total Assets ROA (%)	/Operating Revenues (%)
<b>Fiscal 2020</b>	<b>43.29</b>	—	<b>3.0</b>	<b>0.1</b>	<b>15.4</b>
Fiscal 2019	38.48	—	2.7	0.1	14.2

#### (2)Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
<b>Fiscal 2020</b>	<b>12,136,229</b>	<b>135,166</b>	<b>1.1</b>	<b>1,473.25</b>
Fiscal 2019	9,814,494	126,687	1.3	1,381.22

Reference: Shareholders Equity: Fiscal2020: ¥135,166million (Fiscal2019: ¥126,687million)

## 2. Dividends

	Dividends per Share			Total Cash Dividends (Full-year) (Millions of Yen)	Dividends Payout Ratio (Consolidated) (%)	Dividends on Equity (Consolidated) <b>DOE</b> (%)
	Interim (Yen)	Year-End (Yen)	Annual (Yen)			
Fiscal 2019	11.00	11.00	22.00	2,039	57.2	1.5
Fiscal 2020	11.00	15.00	26.00	2,409	60.1	1.8
Fiscal 2021 (Forecast)	13.00	13.00	26.00		59.6	

The year-end dividend for the fiscal year ended March 31, 2021 will be approved at the Board of Directors meeting held in May.

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

	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	5,000	4.7	5,700	2.6	4,000	0.7	43.60

## 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: No
  - 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, 2021 : 96,000,000 as of Mar.31, 2020 : 100,000,000
  - ② Number of Treasury stocks  
as of Mar.31, 2021 : 4,252,511 as of Mar.31, 2020 : 8,278,844
  - ③ Average number of shares  
Fiscal 2020 : 91,744,029 Fiscal 2019 : 92,429,784

## Consolidated Balance Sheets

【Assets】	Fiscal 2019 Mar.31,2020	Fiscal 2020 Mar.31,2021
	(millions of yen)	(millions of yen)
<b>I Current Assets</b>	<b>9,015,273</b>	<b>11,165,499</b>
Cash	1,299,935	1,421,557
Call Loans	75,000	2,500
Short-term Investments	68,292	42,967
Operating Loans	687,679	1,116,353
Receivables under resale agreements	2,747,396	3,001,856
Collateral Money for Securities Borrowed	3,877,826	5,325,571
Other Current Assets	259,805	255,387
Allowance for Doubtful Receivables	662	693
<b>II Non-current Assets</b>	<b>799,221</b>	<b>970,729</b>
Investments in Securities	790,182	935,344
Other Non-current Assets	9,187	35,492
Allowance for Doubtful Receivables	148	107
<b>Total Assets</b>	<b>9,814,494</b>	<b>12,136,229</b>

【Liabilities and Net Assets】	Fiscal 2019 Mar.31,2020	Fiscal 2020 Mar.31,2021
	(millions of yen)	(millions of yen)
<b>I Current Liabilities</b>	<b>9,648,590</b>	<b>11,972,251</b>
Call Money	1,176,795	1,706,600
Short-term Borrowings	101,473	137,594
Commercial Paper	366,000	613,000
Payables under repurchase agreements	3,923,414	4,191,808
Collateral Money for Securities Lent	3,104,029	4,028,703
Borrowed Money from Trust Account	869,488	1,143,462
Other Current Liabilities	107,389	151,081
<b>II Non-current Liabilities</b>	<b>39,216</b>	<b>28,811</b>
Long-term Borrowings	3,000	3,000
Deferred Tax Liabilities	5,463	8,498
Derivatives Liabilities	28,385	16,212
Other Non-current Liabilities	2,367	1,098
<b>Total Liabilities</b>	<b>9,687,807</b>	<b>12,001,062</b>
<b>I Shareholders' Equity</b>	<b>127,653</b>	<b>129,604</b>
<b>II Accumulated Other Comprehensive Income</b>	<b>965</b>	<b>5,562</b>
Net Unrealized Gain on Other Securities	20,277	22,432
Deferred Losses on Hedges	20,308	16,978
Others	934	109
<b>Total Net Assets</b>	<b>126,687</b>	<b>135,166</b>
<b>Total Liabilities and Net Assets</b>	<b>9,814,494</b>	<b>12,136,229</b>

### Consolidated Statement of Income

	Fiscal 2019 Apr.1,2019 - Mar.31,2020	Fiscal 2020 Apr.1,2020 - Mar.31,2021
	(millions of yen)	(millions of yen)
<b>Operating Revenues</b>	<b>29,101</b>	<b>30,924</b>
Interest on Loans	2,168	2,247
Interest on Receivables under Resale Agreements	3,019	4,428
Interest on Collateral Money for Securities Borrowed	2,307	2,714
Fees on Lending Securities	13,213	13,357
Other Operating Revenues	8,393	8,175
<b>Operating Expenses</b>	<b>16,835</b>	<b>18,018</b>
Interest on Borrowing & Commercial Paper	1,251	697
Interest on Payables under Repurchase Agreements	1,622	2,932
Fees on Borrowing Securities	11,860	12,581
Other Operating Expenses	2,100	1,806
<b>Operating Profit</b>	<b>12,266</b>	<b>12,906</b>
General and Administrative Expenses	8,136	8,129
<b>Operating Income</b>	<b>4,129</b>	<b>4,777</b>
<b>Non-operating Revenues</b>	<b>783</b>	<b>878</b>
<b>Non-operating Expenses</b>	<b>18</b>	<b>97</b>
<b>Recurring Income</b>	<b>4,894</b>	<b>5,558</b>
<b>Extraordinary Profit</b>	—	43
<b>Extraordinary Loss</b>	36	0
<b>Net Income before Income Taxes</b>	<b>4,857</b>	<b>5,601</b>
Current Income Taxes	1,259	1,853
Deferred Income Taxes	41	222
<b>Net Income</b>	<b>3,556</b>	<b>3,971</b>

### Business Information for Consolidated Operating Revenues

	Fiscal 2019 Apr.1,2019 - Mar.31,2020		Fiscal 2020 Apr.1,2020 - Mar.31,2021		Increase/Decrease	
	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)	(millions of yen)	(% I/Dratio)
Securities Finance Business	25,369	87.2	27,534	89.1	△ 2,165	△ 8.5
Loans for Margin Transactions	12,517	43.0	11,359	36.7	1,157	9.2
(Interest on Loans)	1,420	4.9	1,453	4.7	△ 33	△ 2.3
(Interest on Collateral Money of Securities Borrowed)	1,178	4.0	1,108	3.6	△ 69	△ 5.9
(Premium Charges)	8,255	28.4	7,213	23.3	△ 1,041	△ 12.6
(Lending Fees)	1,407	4.8	1,278	4.1	129	9.2
Securities Financing	8,835	30.4	12,353	40.0	+ 3,518	+△ 39.8
(Loans for Negotiable Margin Transactions)	80	0.3	80	0.3	0	0.0
(Loans to Securites Companies)	737	2.5	785	2.5	+ 47	+ 6.5
(Loans to Individual Investors or Firms)	494	1.7	468	1.5	26	5.3
(General Stock Lending)	1,015	3.5	950	3.1	64	6.4
(Bond Lending)	6,507	22.4	10,069	32.6	+ 3,561	+△ 54.7
Other Business	4,016	13.8	3,820	12.4	△ 195	△ 4.9
Trust Banking Business	2,832	9.8	2,481	8.0	351	12.4
(Interest on Loans)	50	0.2	92	0.3	+ 41	+ 82.5
(Trust Charges)	784	2.7	1,031	3.3	△ 246	△ 31.5
(Others)	1,997	6.9	1,357	4.4	640	32.1
Real Estate Management Business	899	3.0	908	2.9	+ 9	+ 1.0
<b>Total</b>	<b>29,101</b>	<b>100.0</b>	<b>30,924</b>	<b>100.0</b>	<b>+ 1,822</b>	<b>+ 6.3</b>

### Outstanding Balance of Transactions by Group Business (Average Balance)

	Fiscal 2019 Apr.1,2019 - Mar.31,2020		Fiscal 2020 Apr.1,2020 - Mar.31,2021		Increase/Decrease	
	(billions of yen)	(billions of yen)	(billions of yen)	(billions of yen)	(billions of yen)	(billions of yen)
Loans for Margin Transactions	219.9		224.6		+ 4.6	
Securities Lent for Margin Transactions	333.9		300.6		33.3	
Securities Financing	4,609.0		7,099.0		+ 2,489.9	
Loans for Negotiable Margin Transactions	10.4		9.9		0.5	
Loans to Securites Companies	309.0		327.4		+ 18.4	
Loans to Individual Investors or Firms	13.9		13.0		0.8	
General Stock Lending	60.8		47.1		13.7	
Bond Lending (Repo/Gensaki Transactions, etc)	4,214.8		6,701.4		+ 2,486.6	
Trust Bank Loans	473.8		571.1		+ 97.3	