

JAPAN SECURITIES FINANCE CO.,LTD.

Consolidated Financial Results for Fiscal 2022

Name : JAPAN SECURITIES FINANCE CO.,LTD.

Listing : Tokyo Stock Exchange Prime Market

Stock code number : 8511

Address : 1-2-10, Nihonbashi Kayaba-cho, Chuo-ku, Tokyo, Japan 103-0025

Phone : +81-3-3666-3184

(Millions of yen, rounded down to nearest million)

1.Consolidated Financial Results for Fiscal 2022 (April 1,2022—March 31,2023)

(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 2022	42,518	41.1	6,354	1.9	7,601	6.1	5,966	15.3
Fiscal 2021	30,138	△2.5	6,235	30.5	7,164	28.9	5,174	30.3

Reference: Comprehensive Income: Fiscal2022: ¥3,491million(△55.7%) Fiscal2021: ¥7,889million(△24.9%)

	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 2022	67.76	—	4.4	0.1	14.9
Fiscal 2021	56.61	—	3.8	0.1	20.7

(2)Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
Fiscal 2022	14,056,217	135,728	1.0	1,574.64
Fiscal 2021	14,168,656	137,996	1.0	1,545.03

Reference: Shareholders Equity: Fiscal2022: ¥135,728million (Fiscal2021: ¥137,996million)

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 2021	15.00	15.00	30.00	2,749	53.0	2.0
Fiscal 2022	16.00	16.00	32.00	2,825	47.2	2.1
Fiscal 2023 (Forecast)	17.00	17.00	34.00		47.1	

The year-end dividend for the fiscal year ended March 31, 2023 will be approved at the Board of Directors meeting held in May.

3. Consolidated Estimated Figures for fiscal 2023(April 1,2023—March 31,2024)

	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	7,500	18.0	8,500	11.8	6,100	2.2	72.15

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, 2023 : 96,000,000 as of Mar.31, 2022 : 96,000,000

Note) On April. 20, 2023, 8,000,000 shares of treasury stock (common stock) were cancelled (Resolution of the Board of Directors on March 20, 2023). The number of shares outstanding after this cancellation will be 88,000,000 shares.

- ② Number of Treasury stocks
as of Mar.31, 2023 : 9,803,815 as of Mar.31, 2022 : 6,683,572
- ③ Average number of shares
Fiscal 2022 : 88,051,380 Fiscal 2021 : 91,401,267

Consolidated Balance Sheets

【Assets】	Fiscal 2021 Mar.31,2022	Fiscal 2022 Mar.31,2023
	(millions of yen)	(millions of yen)
I Current Assets	13,083,009	13,261,853
Cash	1,299,070	1,598,274
Call Loans	-	-
Short-term Investments	109,724	71,013
Operating Loans	891,485	955,550
Receivables under resale agreements	3,928,146	3,561,406
Collateral Money for Securities Borrowed	6,499,422	6,669,821
Other Current Assets	355,293	405,951
Allowance for Doubtful Receivables	△ 133	△ 165
II Non-current Assets	1,085,646	794,364
Investments in Securities	1,042,496	745,621
Other Non-current Assets	43,245	48,824
Allowance for Doubtful Receivables	△ 95	△ 81
Total Assets	14,168,656	14,056,217

【Liabilities and Net Assets】		Fiscal 2021 Mar.31,2022	Fiscal 2022 Mar.31,2023
		(millions of yen)	(millions of yen)
I Current Liabilities		14,015,456	13,682,448
Call Money		1,858,400	2,190,400
Short-term Borrowings		239,210	92,010
Commercial Paper		496,000	451,000
Payables under repurchase agreements		5,544,898	4,781,801
Collateral Money for Securities Lent		4,706,496	5,073,776
Borrowed Money from Trust Account		1,031,412	871,335
Other Current Liabilities		139,040	222,126
II Non-current Liabilities		15,202	238,040
Long-term Borrowings		4,000	232,700
Deferred Tax Liabilities		3,011	2,196
Derivatives Liabilities		7,054	2,013
Other Non-current Liabilities		1,137	1,131
Total Liabilities		14,030,659	13,920,489
I Shareholders' Equity		129,719	129,925
II Accumulated Other Comprehensive Income		8,277	5,802
Net Unrealized Gain on Other Securities		9,920	△ 4,300
Deferred Losses on Hedges		△ 1,967	9,782
Others		324	320
Total Net Assets		137,996	135,728
Total Liabilities and Net Assets		14,168,656	14,056,217

Consolidated Statement of Income

	Fiscal 2021 Apr.1,2021 - Mar.31,2022	Fiscal 2022 Apr.1,2022 - Mar.31,2023
	(millions of yen)	(millions of yen)
Operating Revenues	30,138	42,518
Interest on Loans	2,708	2,486
Interest on Receivables under Resale Agreements	5,714	10,683
Interest on Collateral Money for Securities Borrowed	2,250	2,553
Fees on Lending Securities	9,457	12,844
Other Operating Revenues	10,006	13,949
Operating Expenses	16,533	28,765
Interest on Borrowing & Commercial Paper	747	1,033
Interest on Payables under Repurchase Agreements	3,614	6,015
Fees on Borrowing Securities	9,357	13,456
Other Operating Expenses	2,814	8,258
Operating Profit	13,604	13,753
General and Administrative Expenses	7,368	7,398
Operating Income	6,235	6,354
Non-operating Revenues	959	1,257
Non-operating Expenses	29	10
Recurring Income	7,164	7,601
Extraordinary Profit	40	671
Extraordinary Loss	58	—
Net Income before Income Taxes	7,147	8,273
Current Income Taxes	2,071	1,965
Deferred Income Taxes	△ 98	340
Net Income	5,174	5,966

Business Information for Consolidated Operating Revenues

	Fiscal 2021 Apr.1,2021 - Mar.31,2022		Fiscal 2022 Apr.1,2022 - Mar.31,2023		Increase/Decrease	
	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)	(millions of yen)	(% I/Dratio)
Securities Finance Business	26,558	88.1	38,594	90.8	+ 12,036	+ 45.3
Loans for Margin Transactions	6,118	20.3	8,003	18.8	+ 1,885	+ 30.8
(Interest on Loans)	1,793	5.9	1,619	3.8	△ 174	△ 9.7
(Interest on Collateral Money of Securities Borrowed)	446	1.5	565	1.3	+ 118	+ 26.6
(Premium Charges)	2,832	9.4	4,711	11.1	+ 1,878	+ 66.3
(Lending Fees)	748	2.5	808	1.9	+ 59	+ 8.0
Securities Financing	15,368	51.0	21,952	51.6	+ 6,584	+ 42.8
(Loans for Negotiable Margin Transactions)	156	0.5	149	0.4	△ 7	△ 4.6
(Loans to Securites Companies)	1,196	4.0	1,529	3.6	+ 333	+ 27.8
(Loans to Individual Investors or Firms)	510	1.7	544	1.3	+ 33	+ 6.6
(General Stock Lending)	657	2.2	799	1.9	+ 141	+ 21.6
(Bond Lending)	12,846	42.6	18,929	44.5	+ 6,082	+ 47.3
Other Business	5,071	16.8	8,638	20.3	+ 3,567	+ 70.3
Trust Banking Business	2,737	9.1	3,115	7.3	+ 377	+ 13.8
(Interest on Loans)	91	0.3	32	0.1	△ 58	△ 64.2
(Trust Charges)	1,266	4.2	1,347	3.2	+ 81	+ 6.4
(Others)	1,380	4.6	1,734	4.1	+ 354	+ 25.7
Real Estate Management Business	841	2.8	808	1.9	△ 33	△ 4.0
Total	30,138	100.0	42,518	100.0	+ 12,380	+ 41.1

Outstanding Balance of Transactions by Group Business (Average Balance)

	Fiscal 2021 Apr.1,2021 - Mar.31,2022	Fiscal 2022 Apr.1,2022 - Mar.31,2023	Increase/Decrease
	(billions of yen)	(billions of yen)	(billions of yen)
Loans for Margin Transactions	283.1	254.7	△ 28.4
Securities Lent for Margin Transactions	175.5	188.9	+ 13.3
Securities Financing	9,969.7	11,473.9	+ 1,504.2
Loans for Negotiable Margin Transactions	21.5	18.8	△ 2.6
Loans to Securites Companies	585.9	697.7	+ 111.8
Loans to Individual Investors or Firms	14.9	16.7	+ 1.7
General Stock Lending	47.5	63.3	+ 15.8
Bond Lending (Repo/Gensaki Transactions ,etc)	9,299.7	10,677.2	+ 1,377.4
Trust Bank Loans	682.4	539.9	△ 142.5