

April 30, 2020

To whom it may concern

Japan Securities Finance Co., Ltd.

Announcement concerning revision of shareholder return policy

Japan Securities Finance Co., Ltd. (herein after "JSF") today announced that its Board of Directors approved to set new shareholder return policy, as detailed below.

1. Basic Policy

Solid equity capital to secure the financial health and management stability that society demands of the company as the infrastructure of securities market, and provide stable long-term return of profits to shareholders by comprehensively considering revenues environment or investment plan, etc.

Based upon this policy, we will strive to place more importance on shareholders return.

2. Shareholder Return Policy

(1) Dividend Payment Policy

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 strive to provide stable dividends that are not temporarily affected by earnings fluctuations.

(2) Share Buyback Policy

With a view to offering even more rewarding returns to shareholders, we will buy back shares as appropriate while comprehensively considering the company's financial situation, equity capital levels, and stock price levels, and so forth.

※The fiscal year-end dividend (planned) for the year ended March 31, 2020, which was announced today in the financial results summary, was decided based on the new policy. The year-end dividend for the fiscal year ending March 31, 2020 will be approved at the Board of Directors meeting held in May.

(Reference) Comparison between the Old and New Figures in "2. Shareholder Return Policy"

New	Old
<p>1. Basic Policy</p> <p>Solid equity capital to secure the financial health and management stability that society demands of the company as the infrastructure of securities market, and provide stable long-term return of profits to shareholders by comprehensively considering revenues environment or investment plan, etc.</p> <p>Based upon this policy, we will strive to place more importance on shareholders return.</p>	<p>1. Basic Policy</p> <p>(Same as the present)</p>
<p>2. Shareholder Return Policy</p> <p>(1) Dividend Payment Policy</p> <p>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 strive to provide stable dividends that are not temporarily affected by earnings fluctuations.</p> <p>(2) Share Buyback Policy</p> <p>With a view to offering even more rewarding returns to shareholders, we will buy back shares <u>as appropriate</u> while <u>comprehensively</u> considering the company's financial situation, <u>equity capital levels</u>, and stock price levels.</p>	<p>2. Shareholder Return Policy</p> <p>(1) Dividend Payment Policy</p> <ul style="list-style-type: none"> ● 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 <u>while taking into account the consolidated dividend on equity ratio.</u> ● We will strive to pay stable dividends that are not affected by temporary fluctuations in business performance. <p>(2) Share Buyback Policy</p> <ul style="list-style-type: none"> ● With a view to even more rewarding returns to shareholders, we will buy back shares <u>as needed in future</u> while considering the company's financial situation, stock price levels, and so forth.

end

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