

JAPAN SECURITIES FINANCE CO., LTD.

Consolidated Financial Results for Fiscal 2012

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 2012 (April 1, 2012 – March 31, 2013)

(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 2012	17,675	△12.6	1,787	△41.2	2,557	7.1	1,777	128.1
Fiscal 2011	20,229	△11.5	3,039	△16.9	2,387	△28.7	779	△77.7

Reference: Comprehensive Income: Fiscal 2012: ¥4,257million (128.6%) Fiscal 2011: ¥1,862million(△47.9%)

	Net Income per Share		Return on Equity	Recurring Income / Total Assets	Operating Income / Operating Revenues
	EPS (Yen)	(Yen) (fully diluted)	ROE (%)	ROA (%)	(%)
Fiscal 2012	19.11	—	1.5	0.1	10.1
Fiscal 2011	8.42	—	0.7	0.0	15.0

Reference: Equity in earnings/losses of affiliates: ¥486million (Fiscal 2011: ¥△868million)

(2) Consolidated Financial Position

	Total assets	Net Assets	Equity Ratio	Net Assets per Share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
Fiscal 2012	4,175,537	118,590	3.5	1,274.68
Fiscal 2011	4,931,285	115,546	2.6	1,245.83

Reference: Shareholders Equity: ¥118,590million (Fiscal 2011: ¥115,546million)

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at end of Year
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Fiscal 2012	106,689	△1,230	△1,310	114,258
Fiscal 2011	△34,252	1,274	△1,310	10,110

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 2011	7.00	7.00	14.00	1,302	166.3	1.1
Fiscal 2012	7.00	7.00	14.00	1,302	73.3	1.1
Fiscal 2013 (Forecast)	7.00	7.00	14.00		72.4	

3. Consolidated Estimated Figures for fiscal 2013(April 1,2013—March 31,2014)

(% change from previous year)

	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	2,500	39.9	2,900	13.4	1,800	1.3	19.35

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: Yes
 - ④ Restatement: No
- (3) Number of Issued Shares(common stock)
 - ① Number of issued shares (Including treasury stock)
as of Mar.31, 2013 : 93,700,000 as of Mar.31, 2012 : 93,700,000
 - ② Number of Treasury stocks
as of Mar.31, 2013 : 663,905 as of Mar.31, 2012 : 953,256
 - ③ Average number of shares
Fiscal 2012 : 93,036,663 Fiscal 2011 : 92,558,008

Consolidated Balance Sheets

【Assets】	<i>Fiscal 2012 Mar.31,2013</i>	<i>Fiscal 2011 Mar.31,2012</i>
	(millions of yen)	(millions of yen)
I Current Assets	3,639,052	3,965,288
Cash	124,255	20,107
Short-term Investments	945,971	1,934,129
Short-term Loans Receivable	732,475	453,784
Securities Lent	347,149	260,080
Securities in Custody	2,140	31,379
Securities in Deposit	392,791	134,968
Deferred Tax Assets	211	401
Collateral Money for Securities Borrowed	1,092,112	1,127,046
Other Current Assets	3,166	4,191
Allowance for Doubtful Receivables	△ 1,221	△ 802
II Non-current Assets	536,485	965,996
Investments, etc.	529,987	959,594
Allowance for Doubtful Receivables	△ 907	△ 1,020
Total Assets	4,175,537	4,931,285

【Liabilities and Net Assets】	<i>Fiscal 2012 Mar.31,2013</i>	<i>Fiscal 2011 Mar.31,2012</i>
	(millions of yen)	(millions of yen)
I Current Liabilities	4,049,340	4,802,861
Call Money	1,446,600	1,388,600
Short-term Borrowings	613,710	1,833,210
Commercial Paper	231,500	33,500
Collateral Money for Securities Lent	983,076	1,100,016
Collateral Securities Deposited	502,322	241,035
Securities Borrowed	203,821	184,389
Securities Lent Opposite Account	35,937	1,003
Other Current Liabilities	32,372	21,105
II Non-current Liabilities	7,606	12,877
Long-term Borrowings	—	7,500
Liabilities for Retirement and Severance Benefits	2,340	2,390
Other Non-Current Liabilities	5,266	2,986
Total Liabilities	4,056,946	4,815,738
Total Net Assets	118,590	115,546
Total Liabilities and Net Assets	4,175,537	4,931,285

Consolidated Statement of Operations

	<i>Fiscal 2012 Apr. 1, 2011- Mar. 31, 2013</i>	<i>Fiscal 2011 Apr. 1, 2010- Mar. 31, 2012</i>
	(millions of yen)	(millions of yen)
Operating Revenues	17,675	20,229
Interest on Loans	2,990	3,223
Interest on Collateral Money for Securities Borrowed	1,871	1,816
Fees on Lending Securities	4,589	4,648
Other Operating Revenues	8,224	10,541
Operating Expenses	8,193	9,634
Interest on Borrowing & Commercial Paper	3,816	5,087
Fees on Borrowing Securities	3,426	3,540
Other Operating Expenses	951	1,006
Operating Profit	9,482	10,594
General and Administrative Expenses	7,694	7,554
Operating Income	1,787	3,039
Non-operating Revenues	770	217
Non-operating Expenses	0	869
Recurring Income	2,557	2,387
Extraordinary Profit	165	1
Extraordinary Loss	152	454
Net Income before Income Taxes	2,570	1,934
Current Income Taxes	593	816
Deffered Income Taxes	199	339
Net Income	1,777	779

Consolidated Average Outstanding Balance of Loans

	Fiscal 2012 Apr.1,2012- Mar.31,2013		Fiscal 2011 Apr.1,2011- Mar.31,2012		Increase(Decrease)	
	(billions of yen)	(% ratio)	(billions of yen)	(% ratio)	(billions of yen)	(% ratio)
Loans for Margin Transactions	214.1	55.7	218.0	51.6	△ 3.8	△ 1.8
Bond Financing & General Loans	55.8	14.5	50.8	12.0	4.9	9.8
Loans for Negotiable Margin Transactions	18.4	4.8	20.3	4.8	△ 1.8	△ 9.1
Trust Bank Loans	101.0	26.3	141.3	33.4	△ 40.2	△ 28.5
Other Loans	13.2	3.5	12.5	3.0	0.6	5.5
Total	384.3	100.0	422.7	100.0	△ 38.4	△ 9.1
Securities Lent for Margin Transactions	183.0	—	184.6	—	△ 1.6	△ 0.9

Business Information for Consolidated Operating Revenues

	Fiscal 2012 Apr.1,2012- Mar.31,2013		Fiscal 2011 Apr.1,2011- Mar.31,2012		Increase(Decrease)	
	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)	(millions of yen)	(% ratio)
Securities Finance Business	14,093	79.7	15,186	75.1	△ 1,092	△ 7.2
Loans for Margin Transactions	6,625	37.5	6,756	33.4	△ 130	△ 1.9
(Interest on Loans)	1,760	10.0	1,783	8.8	△ 22	△ 1.3
(Interest on Collateral Money of Securities Borrowed)	652	3.7	639	3.2	12	1.9
(Fees on Lending Securities)	3,746	21.2	3,957	19.6	△ 210	△ 5.3
Bond Financing and General Loans	810	4.6	827	4.1	△ 16	△ 2.0
Securities Lending	1,862	10.5	1,701	8.4	161	9.5
(Stocks)	289	1.6	219	1.1	70	32.2
(Bonds)	1,573	8.9	1,482	7.3	91	6.2
Other Business	4,794	27.1	5,901	29.2	△ 1,106	△ 18.8
Trust Banking Business	2,762	15.6	4,224	20.9	△ 1,462	△ 34.6
(Interest on Loans)	590	3.3	741	3.7	△ 150	△ 20.4
(Trust Charges)	338	1.9	300	1.5	38	12.8
(Others)	1,833	10.4	3,182	15.7	△ 1,349	△ 42.4
Real Estate Management Business	819	4.7	818	4.0	1	0.1
Total	17,675	100.0	20,229	100.0	△ 2,553	△ 12.6