

Summary of Financial Results for the Fiscal Year Ending March 31, 2025 [Japanese GAAP] (Consolidated)

May 15, 2025

Company name : Japan Securities Finance Co., Ltd. Listing : Tokyo Stock Exchange
Securities code : 8511 URL: <https://www.jsf.co.jp>
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Scheduled date for annual general meeting: June 27, 2025

Scheduled date for commencement of dividend payments: June 6, 2025

Scheduled filing date of annual securities reports: June 25, 2025

Preparation of supplementary explanatory materials on financial statements: Yes

Convening of financial results briefing: Yes

(Millions of yen, rounded down to nearest million)

1. Consolidated Financial Results for Fiscal 2024 (April 1, 2024 - March 31, 2025)

(1) Consolidated Operating Results

(% change from year-on-year for those items)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	(Millions of Yen)	(% change)	(Millions of Yen)	(% change)	(Millions of Yen)	(% change)	(Millions of Yen)	(% change)
Fiscal 2024	59,486	18.4	11,329	11.3	12,507	13.4	10,375	29.2
Fiscal 2023	50,259	17.5	10,180	54.2	11,024	45.0	8,030	34.6

(Note) Comprehensive income: Fiscal 2024: -1,268 millions of yen (-%) Fiscal 2023: 15,465 millions of yen (342.9%)

	Net income per share	Net income per share – diluted	Return on Equity	Ordinary profit / Total Assets	Operating profit / Operating Revenues
	(Yen)	(Yen)	ROE (%)	ROA (%)	(%)
Fiscal 2024	124.61	-	7.4	0.1	19.0
Fiscal 2023	82.25	-	5.7	0.1	19.9

(Reference) Equity method investment profit and loss: Fiscal 2024: 774 millions of yen Fiscal 2023 : 556 millions of yen

(Note) Due to changes in the presentation method for fiscal 2024, the operating revenue, operating income, and respective growth rates for Fiscal 2023 have been revised to reflect the changes in presentation.

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net Assets per Share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
Fiscal 2024	13,769,589	134,346	1.0	1,630.45
Fiscal 2023	13,744,765	144,606	1.1	1,725.62

(Reference) Net worth: Fiscal 2024: 134,346 millions of yen Fiscal 2023 : 144,606 millions of yen

(3) Consolidated Statements of Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the period
	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)	(Millions of Yen)
Fiscal 2024	-535,081	1,745	-9,003	1,435,287
Fiscal 2023	383,411	4,575	-6,624	1,977,628

2. Dividends

	Dividends per Share					Total Cash Dividends (Full-year) (Millions of Yen)	Dividends Payout Ratio (Consolidated) (%)	Dividends on Equity (Consolidated) DOE (%)
	1 st Quarter	2 nd Quarter	3 rd Quarter	Year-end	Annual			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)			
Fiscal 2023	-	17.00	-	30.00	47.00	4,017	50.0	2.8
Fiscal 2024	-	42.00	-	42.00	84.00	7,045	67.4	5.0
Fiscal 2025 (Forecast)	-	40.00	-	40.00	80.00		70.1	

(Note) Fiscal 2024 2nd quarter: Ordinary dividend 34.00 yen Special dividend 8.00 yen

Fiscal 2024 End of the period: Ordinary dividend 34.00 yen Special dividend 8.00 yen

3. Consolidated Performance Forecast for Fiscal 2025 (April 1, 2025 – March 31, 2026)

(% change from the previous fiscal year)

	Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full Year	12,400	9.5	13,200	5.5	9,400	-9.4	114.09

(Note) See section “1. (3) Future Outlook” in the attached materials regarding the details.

Notes:

(1) Changes in scope of significant consolidated subsidiaries (changes in the case of specified subsidiaries accompanying change in the scope of consolidation) : None

(2) Changes in accounting policies and changes or restatement of accounting estimates

(i) Changes in accounting policies caused by revision of accounting standards : Yes

(ii) Changes in accounting policies other than (i): None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

(Note) See section “3. Consolidated Financial Statements and Notes (5) Notes Regarding Consolidated Financial Statements (Note on Changes to Accounting Policies)” in the attached materials regarding the details.

(3) Number of issued and outstanding shares (common stock)

(i) Number of issued and outstanding shares (including treasury stock)

as of Mar. 31, 2025: 88,000,000 as of Mar. 31, 2024: 88,000,000

(ii) Number of treasury stock shares at end of the period

as of Mar. 31, 2025: 5,601,375 as of Mar. 31, 2024: 4,199,877

(iii) Average number of shares (quarter-to-date)

for annual year ended Mar. 31, 2025: 83,268,295

for annual year ended Mar. 31, 2024: 85,399,335

(Note) The number of treasury stock shares deducted in the calculation of the number of treasury stock shares at the end of the period and the average number of issued and outstanding shares during the period (quarter-to-date) includes the shares of the Company held by the Share Benefit Trust (BBT).

[Reference] Non-consolidated Financial Results for Fiscal 2024 (April 1, 2024 - March 31, 2025)

(1) Non-consolidated Operating Results

(% change from year-on-year for those items)

	Operating revenues		Operating profit		Ordinary profit		Net income	
	(Millions of Yen)	(% change)	(Millions of Yen)	(% change)	(Millions of Yen)	(% change)	(Millions of Yen)	(% change)
Fiscal 2024	53,172	14.8	9,031	16.9	10,608	5.4	8,487	7.6
Fiscal 2023	46,321	19.1	7,724	66.6	10,070	-2.0	7,885	-15.2

	Net income per share	Net income per share - diluted
	(Yen)	(Yen)
Fiscal 2024	101.92	-
Fiscal 2023	92.33	-

(Note) Due to changes in the presentation method for Fiscal 2024, the operating revenue, operating income, and respective growth rates for Fiscal 2023 have been revised to reflect the changes in presentation.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net Assets per Share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
Fiscal 2024	12,901,417	119,557	0.9	1,450.77
Fiscal 2023	12,469,435	129,003	1.0	1,539.22

(Reference) Net worth: Fiscal 2024: 119,557 million Fiscal 2023: 129,003 million

Note: Summary of financial results is not subject to review by a certified public accountant or an auditing firm.

Note: Explanation on proper use of business performance forecasts and other notes

The performance forecasts contained in this document are based on information available at the present and certain assumptions deemed reasonable by the company. These statements are not intended to serve as a guarantee for the achievement of the forecasted performance. Additionally, actual performance may differ significantly due to a variety of factors. See section “1. (3) Future Outlook” in the attached materials for the conditions underlying the performance forecasts and notes on the use of these forecasts.

1. Qualitative Information on the Current Quarter Results

(1) Review of Operating Results

(Financial and Economic Environment)

During fiscal 2024, the economic environment continued to recover at a moderate pace against a backdrop of improved corporate earnings and inbound demand. In financial markets, once the BOJ terminated its negative interest rate policy, the demand for cash increased as market interest rates began to rise.

Looking at the stock market, the Nikkei Stock Average (closing price) began the period at 39,803 yen and increased to its highest value on record of 42,224 yen on July 11th, driven by strong corporate earnings. After the BOJ announced an additional rate hike at the end of July, stock prices began to fall as the JPY rapidly weakened against the USD on the thinking that the interest rate gap would narrow between Japan and the U.S., reaching their lowest level for the period at 31,458 yen, with the largest decline on record occurring on August 5th. The market then recovered rapidly but continued to face downward pressure due to concerns over U.S. tariff policies, to close at 35,617 yen at the end of the period.

Looking at the outstanding balance of standardized margin transactions on the Tokyo and other markets (Tokyo Stock Exchange, Nagoya Stock Exchange, and PTS), the outstanding balance of margin buying increased from 2.91 trillion yen level at the beginning of the period to hover around 3 trillion yen level, then peaked at 3.15 trillion yen level in late July. Later, this balance declined during the steep drop in stock prices in August. The balance remained sluggish, reaching its lowest level for the period at 2.28 trillion yen at the end of December, and ended the period at the 2.73 trillion yen level. Meanwhile, the outstanding balance of margin selling increased from 610 billion yen level at the beginning of the period to peak at 650 billion yen in early July. During the steep decline in stock prices in August, this balance bottomed out at the 320 billion yen level due to profit-taking buybacks, and then gradually increased to end the period at the 450 billion yen level.

(Results for the Fiscal Year Ending March 2025)

In Fiscal 2024, our group posted an increase in its consolidated operating profit to 11,329 million yen (up 11.3% year-on-year). This was due to robust performance in security finance operations, such as loans for margin transactions and equity repo transactions, driven by a buoyant stock market and changes in interest rate conditions which lead to increased demand for financing. Furthermore, in trust banking business, managed trust services continued to perform strongly. As a result, our consolidated ordinary profit also increased to 12,507 million yen (up 13.4% year-on-year).

In addition, the gain on the sale of real estate held by the consolidated subsidiary and the sale of unlisted stocks held by JSF were recorded as extraordinary income, and accordingly, the profit attributable to owners of parent increased significantly to 10,375 million yen (up 29.2% year-on-year).

	(millions of yen)		
	Consolidated profits & losses	Year-on-year comparison	Rate of increase/decrease
Operating revenues (Excluding premium charges)	55,334	12,582	29.4%
Including premium charges	59,486	9,226	18.4%
Operating expenses (Excluding premium charges)	36,606	11,445	45.5%
Including premium charges	40,740	8,124	24.9%
Gross profit	18,746	1,102	6.2%
General and administrative expenses	7,416	-47	-0.6%
Operating profit	11,329	1,149	11.3%
Non-operating income	1,177	332	39.4%
Ordinary profit	12,507	1,482	13.4%
Extraordinary income	1,828	1,810	-%
Profit before income taxes etc.	14,335	3,292	29.8%
Profit attributable to owners of the parent	10,375	2,345	29.2%

[Reference]

Status of the Group's Operating Revenues by Business Sector

	Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)		Consolidated fiscal year under review (from April 1, 2024 to March 31, 2025)		Increase/Decrease	
	Amount (Millions of yen)	Composition ratio (%)	Amount (Millions of yen)	Composition ratio (%)	Amount (Millions of yen)	Ratio (%)
Securities Finance Business	46,300	92.1	53,015	89.1	6,715	14.5
Loans for margin transactions	11,581	23.0	9,275	15.6	-2,305	-19.9
Interest on loans	1,831	3.6	3,495	5.9	1,664	90.9
Interest on collateral money for securities borrowed	844	1.7	643	1.1	-201	-23.9
Premium charges	7,508	14.9	4,152	7.0	-3,356	-44.7
Lending fees	1,080	2.2	688	1.2	-392	-36.3
Securities financing	28,360	56.4	30,216	50.8	1,856	6.5
Equity repo transactions	1,799	3.6	4,059	6.8	2,260	125.6
Bond repo and gensaki transactions	24,593	48.9	23,664	39.8	-929	-3.8
Loans for negotiable margin transactions	250	0.5	485	0.8	234	93.5
General stock lending	1,083	2.2	1,209	2.0	125	11.6
Retail loans	633	1.3	798	1.3	165	26.1
Other	6,358	12.7	13,523	22.7	7,164	112.7
Trust and Banking Business	3,127	6.2	5,653	9.5	2,525	80.8
Interest on loans	36	0.1	388	0.7	352	965.1
Trust fees	1,530	3.0	1,647	2.8	116	7.6
Other	1,560	3.1	3,617	6.1	2,057	131.8
Real Estate Leasing Business	831	1.7	816	1.4	-14	-1.8
Total	50,259	100.0	59,486	100.0	9,226	18.4

Status of the Group's Transaction Balances by Business Sector (Average Balance)

	Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)	Consolidated fiscal year under review (from April 1, 2024 to March 31, 2025)	Increase/Decrease
	(billions of yen)	(billions of yen)	(billions of yen)
Loans for margin transactions	286.9	370.8	83.8
Securities loaned for margin transactions	252.4	159.5	-92.8
Securities financing	12,976.8	12,215.8	-760.9
Equity repo transactions	775.3	806.9	31.6
Bond repo and gensaki transactions	12,025.3	11,299.6	-725.6
Loans for negotiable margin transactions	34.7	44.6	9.8
General stock lending	121.0	39.2	-81.7
Retail loans	20.4	25.3	4.8
Trust Bank Loans	591.3	175.7	-415.6

(2) Overview of Financial Status

(Features of the Group's Assets, Liabilities, and Cash flows)

The majority of assets consist of loans for margin transactions (operating loans) deposits to the current account at the Bank of Japan (cash and deposits), collateral pledged for procurement of securities in securities financing (cash collateral provided for securities borrowed, securities purchased under repurchase agreements) and securities held for the purpose of efficiently utilizing funds.

Liabilities consist mainly of marketable funding sources for lending, such as call money and commercial paper, as well as collateral accepted for securities lent in securities financing.

Note that, within the security finance business, which has been a focus in recent years, bond repo and repurchase agreements have seen a significant increase in their balance in line with the growth of the business due to the large transaction lots. As such transactions are intermediary transactions that match the needs of lenders and borrowers, the assets (cash collateral provided for securities borrowed and securities purchased under resale agreements) and liabilities (cash collateral received for securities lent and securities sold under repurchase agreement) are accounted in both directions on the company's balance sheet. However, in such transactions, exposure is controlled by receiving and paying amounts equivalent to the bonds' market value as collateral for the bonds subject to the transactions, by conducting daily mark-to-market valuations during the term of the transactions, and by making appropriate margin calls (i.e., receiving and paying the difference between the cash collateral and a bond's market value). In addition, most of the counterparties are subject to debt assumptions by financial institutions with relatively high credit ratings or central clearing houses. These risk controls ensure that the increase in exposure and credit risk will be adequately controlled, even as assets and liabilities expand.

For other security finance operations, in addition to the same risk control measures as for bond repo and repurchase agreements, appropriate haircuts (weight) are set according to the volatility and market liquidity of the shares subject to transactions in order to ensure that the exposure is well controlled. In addition, under the framework of integrated risk management, the company weighs the amount of risk on a daily basis and manages this risk to keep it within the risk capital framework set based on the company's operational strength. Furthermore, we also monitor, on a daily basis, the exposure to each counterparty in times of stress to see that it is within a certain limit so as to constrain excessive exposure to certain counterparties.

Cash flows are mainly generated by the changes in assets and liabilities mentioned above, as well as by dividend payments and share buy-backs and disposals.

Cash and deposits in assets may increase or decrease significantly, depending on the status of standby funds in trust accounts in liabilities and the cash flow status of the Group as a whole.

No significant capital expenditure is planned at present.

(Status of Assets, Liabilities, and Net Assets)

As of the end of the consolidated accounting period (March 31, 2025), total assets amounted to 13,769.5 billion yen (an increase of 24.8 billion yen from the previous fiscal year-end), total liabilities amounted to 13,635.2 billion yen (an increase of 35.0 billion yen from the previous fiscal year-end), and total net assets amounted to 134.3 billion yen (a decrease of 10.2 billion yen from the previous fiscal year-end).

The main factors for this are as follows.

- Assets:

Operating loans decreased by 261.8 billion yen from the previous fiscal year-end, due to a decrease in lending at JSF Trust and Banking Co., Ltd.

Securities purchased under gensaki resale agreements increased by 1,687.5 billion yen from the previous fiscal year-end, due to an increase in bond gensaki transactions.

Cash collateral provided for securities borrowed decreased by 645.9 billion yen from the previous fiscal year-end, due to a decrease in bond repo transactions.

- Liabilities:

Securities sold under repurchase agreements increased by 2,094.6 billion yen from the previous fiscal year-end, due to an increase in bond gensaki transactions.

Cash collateral received for securities loaned decreased by 1,212.8 billion yen from the previous fiscal year-end, due to a decrease in bond repo transactions.

Borrowed money from trust accounts decreased by 164.1 billion yen from the previous fiscal year-end, due to a decrease in standby funds in the trust accounts at JSF Trust and Banking Co., Ltd.

- Net assets:

Shareholders' equity increased by 1.3 billion yen from the previous fiscal year-end, due to the recognition of profit attributable to owners of the parent.

Other comprehensive accumulated income decreased by 11.6 billion yen from the previous fiscal year-end, as a result of decreases in unrealized gains on available-for-sale securities incidental to price fluctuations in securities held, and deferred gains or losses on hedges.

(Status of cash flow)

As of the end of the consolidated accounting period (March 31, 2025), cash and cash equivalents amounted to 1,435.2 billion yen (a decrease of 542.3 billion yen from the previous fiscal year-end).

The status of each cash flow and their factors are as follows:

- Cash flow from operating activities

Net outflow by cash flow from operating activities was 535.0 billion yen (an over inflow of 383.4 billion yen in the previous fiscal year), due to a decrease in cash collateral received for securities lent, etc.

- Cash flow from investing activities

Net inflow by cash flow from investing activities was 1.7 billion yen (an over inflow of 4.5 billion yen in the previous fiscal year), due to proceeds from sale and redemption of investment securities and sale of property, plant and equipment.

- Cash flow from financing activities

Net outflow by cash flow from investing activities was 9.0 billion yen (an over outflow of 6.6 billion yen in the previous fiscal year), due to dividend payments and share buy-backs.

(3) Future Outlook

As set out in the "Announcement on Disclosure of the Full-Year Forecast" dated May 15, 2025, the performance outlook for fiscal 2024 forecasts a consolidated ordinary profit of 13.2 billion yen and a net income attributable to owners of the parent of 9.4 billion yen. Please note that the above performance forecasts are based on information that is currently available to our group and on assumptions deemed reasonable at present. Actual performance may differ due to a variety of future factors, and prompt disclosure will be provided if it becomes necessary to make any revisions to the performance forecasts.

[Consolidated Full-Year Forecast]

(Full Year)

	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share
	(millions of yen)	(millions of yen)	(millions of yen)	(yen)
Forecast (A)	12,400	13,200	9,400	114.09

(Reference) Actual Results in Previous Period (B)	11,329	12,507	10,375	124.61
Increase/Decrease (A-B)	1,070	692	-975	
Increase/Decrease Rate (%)	9.5	5.5	-9.4	

2. Basic Approach to the choice of Accounting Standards

The group prepares its consolidated financial statements in accordance with Japanese GAAP, for the time being, taking into account inter-company comparability and the current status of international business development and financing.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

	(millions of yen)	
	Fiscal 2023 as of Mar. 31, 2024	Fiscal 2024 as of Mar. 31, 2025
Assets		
Current assets		
Cash and deposits	1,977,638	1,435,297
Call loans	20,000	10,000
Securites	185,801	96,241
Operating loans	1,058,630	796,827
Securities purchased under resale agreements	4,753,614	6,441,120
Cash collateral provided for securities borrowed	4,953,081	4,307,086
Other	164,699	92,480
Allowance for doubtful accounts	-83	-111
Total current assets	13,113,382	13,178,942
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,062	9,098
Accumulated depreciation	-7,001	-7,111
Buildings and structures, net	2,061	1,986
Tools, furniture and fixtures	1,289	1,312
Accumulated depreciation	-846	-951
Tools, furniture and fixtures, net	443	360
Land	3,264	3,231
Total property, plant and equipment	5,769	5,578
Intangible assets	677	618
Investments and other assets		
Investment securities	583,146	544,475
Bad debts	72	63
Retirement benefit asset	3,226	3,832
Deferred tax assets	—	857
Other	38,563	35,283
Allowance for doubtful accounts	-72	-63
Total investments and other assets	624,936	584,450
Total non-current assets	631,383	590,647
Total Assets	13,744,765	13,769,589

	(millions of yen)	
	Fiscal 2023 as of Mar. 31, 2024	Fiscal 2024 as of Mar. 31, 2025
Liabilities		
Current liabilities		
Call money	1,864,800	1,506,000
Short-term borrowings	92,010	92,005
Current portion of long-term borrowings	149,800	1,000
Commercial papers	589,066	438,466
Securities sold under repurchase agreements	5,949,364	8,044,038
Cash collateral received for securities lent	3,762,412	2,549,554
Income taxes payable	1,197	1,547
Provision for bonuses	562	550
Provision for bonuses for directors and other officers	116	103
Borrowed money from trust account	740,130	575,934
Other	126,345	106,460
Total current liabilities	13,275,805	13,315,661
Non-current liabilities		
Long-term borrowings	316,600	315,600
Deferred tax liabilities	5,416	1,354
Deferred tax liabilities for land revaluation	74	76
Allowance for share awards for directors and other officers	218	222
Retirement benefit liability	243	269
Asset retirement obligations	57	58
Derivatives liabilities	1,160	1,500
Other	581	498
Total non-current liabilities	324,353	319,581
Total Liabilities	13,600,158	13,635,242
Net Assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	5,181	5,194
Retained earnings	121,036	125,323
Treasury shares	-4,847	-7,764
Total shareholders' equity	131,369	132,754
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,214	-11,778
Deferred gains or losses on hedges	10,369	11,673
Revaluation reserve for land	168	165
Remeasurements of defined benefit plans	1,484	1,531
Total accumulated other comprehensive income	13,236	1,592
Total net assets	144,606	134,346
Total liabilities and net assets	13,744,765	13,769,589

(2) Consolidated Income Statement and Consolidated Comprehensive Income Statement
(Consolidated Income Statement)

	(millions of yen)	
	Fiscal 2023 Apr.1, 2023- Mar.31, 2024	Fiscal 2024 Apr.1, 2024- Mar. 31, 2025
Operating revenue		
Interest on loans receivable	2,895	5,720
Interest income on securities purchased under resale agreements	14,400	11,246
Interest income on cash collateral provided for securities borrowed	3,143	12,783
Securities lending fees	17,642	7,990
Other operating revenue	12,177	21,744
Total operating revenue	50,259	59,486
Operating expenses		
Interest expenses	2,452	17,071
Interest expenses on securities sold under repurchase agreements	7,514	10,122
Securities borrowing fees	18,986	9,004
Other operating expenses	3,662	4,541
Total operating expenses	32,615	40,740
Operating gross profit	17,644	18,746
General and administrative expenses		
Remuneration salary etc.	2,962	3,090
Retirement benefit expenses	179	-124
Provision of allowance for bonus	562	550
Provision of allowance for bonus for directors and other officers	116	103
Provision of allowance for share awards for directors and other officers	32	21
Depreciation	626	486
Provision for allowance for doubtful accounts	—	19
Rebasal of allowance for doubtful accounts	-91	—
Other	3,075	3,268
Total general and administrative expenses	7,463	7,416
Operating profit	10,180	11,329
Non-operating income		
Interest income	0	0
Dividend income	242	287
Share of profit of entities accounted for using equity method	556	774
Gain on investments in investment partnerships	25	52
Other	48	97
Total non-operating income	873	1,211
Non-operating expenses		
Interest expense	0	0
Commission for purchase of treasury shares	10	8
Loss on investments in investment partnerships	17	25
Other	0	0
Total non-operating expenses	28	34
Ordinary profit	11,024	12,507
Extraordinary income		
Gain on sale of investments in securities	—	1,163
Gain on revision of retirement benefit plan	18	664
Total extraordinary income	18	1,828
Profit before income taxes	11,043	14,335
Income taxes - current	3,072	3,784
Income taxes - deferred	-59	175
Total income taxes	3,012	3,959
Profit	8,030	10,375
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	8,030	10,375

(Consolidated Comprehensive Income Statement)

	(millions of yen)	
	Fiscal 2023	Fiscal 2024
	Apr. 1, 2023- Mar. 31, 2024	Apr. 1, 2024- Mar. 31, 2025
Profit	8,030	10,375
Other comprehensive income		
Net unrealized valuation difference on available-for-sale securities	5,461	-12,993
Deferred gains or losses on hedges	587	1,304
Revaluation reserve for land	—	-2
Remeasurements of defined benefit plans, net of tax	1,277	12
Share of other comprehensive income of entities accounted for using equity method	108	34
Total other comprehensive income	7,434	-11,644
Comprehensive income	15,465	-1,268
Comprehensive income attributable to owners of parent	15,465	-1,268
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statement of Changes of Net Assets

Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)

(millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' equity
Balance at April 1, 2023	10,000	8,878	118,702	-7,655	129,925
Changes arising during the year					
- Cash dividends			-2,870		-2,870
- Profit attributable to owners of parent			8,030		8,030
- Purchase of treasury share				-3,802	-3,802
- Disposal of treasury share		9		77	87
- Cancellation of treasury share		-6,532		6,532	-
- Transfer from retained earnings to capital surplus		2,825	-2,825		-
- Net changes other than stockholders' equity					
Total changes during the year	-	-3,697	2,334	2,807	1,444
Balance at March 31, 2024	10,000	5,181	121,036	-4,847	131,369

(millions of yen)

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at April 1, 2023	-4,300	9,782	168	152	5,802	135,728
Changes arising during the year						
- Cash dividends						-2,870
- Profit attributable to owners of parent						8,030
- Purchase of treasury share						-3,802
- Disposal of treasury share						87
- Cancellation of treasury share						-
- Transfer from retained earnings to capital surplus						-
- Net changes other than stockholders' equity	5,515	587	-	1,331	7,434	7,434
Total changes during the year	5,515	587	-	1,331	7,434	8,878
Balance at March 31, 2024	1,214	10,369	168	1,484	13,236	144,606

Consolidated fiscal year under review (from April 1, 2024 to March 31, 2025)

(millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' equity
Balance at April 1, 2024	10,000	5,181	121,036	-4,847	131,369
Changes arising during the year					
- Cash dividends			-6,088		-6,088
- Profit attributable to owners of parent			10,375		10,375
- Purchase of treasury share				-3,002	-3,002
- Disposal of treasury share		12		86	99
- Net changes other than stockholders' equity					
Total changes during the year	-	12	4,287	-2,916	1,384
Balance at March 31, 2025	10,000	5,194	125,323	-7,764	132,754

(millions of yen)

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at April 1, 2024	1,214	10,369	168	1,484	13,236	144,606
Changes arising during the year						
- Cash dividends						-6,088
- Profit attributable to owners of parent						10,375
- Purchase of treasury shares						-3,002
- Disposal of treasury share						99
- Net changes other than stockholders' equity	-12,993	1,304	-2	47	-11,644	-11,644
Total changes during the year	-12,993	1,304	-2	47	-11,644	-10,260
Balance at March 31, 2025	-11,778	11,673	165	1,531	1,592	134,346

(4) Consolidated Cash Flow Statement

	(millions of yen)	
	Fiscal 2023 as of Mar. 31, 2024	Fiscal 2024 as of Mar. 31, 2025
Cash flows from operating activities		
Profit before income taxes	11,043	14,335
Depreciation	626	486
Loss (gain) on sale and retirement of non-current assets	0	(1,161)
Loss (gain) related to securities	509	(30)
Increase (decrease) in allowance for loan losses	(91)	19
Increase (decrease) in provision for bonuses	67	(12)
Increase (decrease) in provision for bonuses for directors and other officers	8	(12)
Increase (decrease) in provision for share awards for directors and other officers	(21)	4
Increase (decrease) in retirement benefit liability	(2,020)	(579)
Interest and dividend income	(25,308)	(41,960)
Interest expenses	9,967	27,193
Share of loss (profit) of entities accounted for using equity method	(556)	(774)
Decrease (increase) in operating loans receivable	(103,079)	261,802
Net decrease (increase) in call loans	(20,000)	10,000
Net decrease (increase) in securities purchased under resale agreements	(1,192,208)	(1,687,506)
Decrease (increase) in cash collateral provided for securities borrowed	1,716,739	645,995
Net increase (decrease) in call money	(325,600)	(358,800)
Net increase (decrease) in short-term borrowings	—	(5)
Net increase (decrease) in commercial papers	138,066	(150,599)
Net increase (decrease) in securities sold under repurchase agreements	1,167,562	2,094,674
Increase (decrease) in cash collateral received for securities lent	(1,311,363)	(1,212,858)
Net increase (decrease) in cash collateral received for margin transactions	(14,938)	(17,612)
Net increase (decrease) in borrowed money from trust account	(131,204)	(164,196)
Net increase (decrease) in long-term borrowings	232,700	(149,800)
Purchase of short-term and long-term investment securities	(557,408)	(496,733)
Proceeds from sale and redemption of short-term and long-term investment securities	602,205	591,556
Other, net	173,533	91,348
Subtotal	369,231	(545,226)
Interest and dividends received	24,579	37,759
Interest paid	(9,417)	(25,343)
Income taxes paid	(10,813)	(10,414)
Income taxes refund	9,830	8,141
Net cash provided by (used in) operating activities	383,411	(535,081)
Cash flows from investing activities		
Purchase of investment securities	(238)	(106)
Proceeds from sale and redemption of securities	4,954	913
Purchase of property, plant and equipment	(78)	(91)
Proceeds from sale of property, plant and equipment	0	1,196
Purchase of intangible assets	(62)	(166)
Other, net	—	(0)
Net cash provided by (used in) investing activities	4,575	1,745
Cash flows from financing activities		
Dividends paid	(2,870)	(6,088)
Purchase of treasury shares	(3,802)	(3,002)
Proceeds from disposal of treasury shares	49	87
Net cash provided by (used in) financing activities	(6,624)	(9,003)
Effect of exchange rate change on cash and cash equivalents	—	—
Net increase (decrease) in cash and cash equivalents	381,363	(542,340)
Cash and cash equivalents at beginning of period	1,596,264	1,977,628
Cash and cash equivalents at end of period	1,977,628	1,435,287

(5) Notes Regarding Consolidated Financial Statements
(Notes Regarding Going Concern Assumptions)
Not applicable.

(Note on Changes to Accounting Policies)

(Application of "Accounting Standards for Corporate, Inhabitant and Enterprise Taxes, etc.")

The "Accounting Standards for Corporate, Inhabitant and Enterprise Taxes, etc." (Business Accounting Standard No. 27 of October 28, 2022; hereinafter referred to as "Revised Accounting Standards of 2022") have been applied at our company since the beginning of this consolidated accounting period.

With regard to amendments related to the classification of corporate tax accounting (taxation on other comprehensive income), we have complied with the transitional treatment specified in the proviso to Paragraph 20-3 of the Revised Accounting Standards of 2022 and the transitional treatment specified in the proviso to Paragraph 65-2(2) of the "Guidance on the Application of Accounting Standards for Tax Effect Accounting" (Guidance on Business Accounting Standard Application No. 28 of October 28, 2022; hereinafter referred to as "Revised Application Guidance of 2022"). This has had no impact on the consolidated financial statements.

Furthermore, with regard to amendments related to the review of treatment in consolidated financial statements when deferring taxes on gains and losses arising from the sale of subsidiary shares among consolidated companies for tax purposes, we have applied the Revised Application Guidance of 2022 since the beginning of this consolidated accounting period. This change in the accounting policy has been applied retroactively, and the consolidated financial statements for the previous fiscal year have been restated accordingly. This has had no impact on the consolidated financial statements for the previous fiscal year.

(Note on Changes to Presentation Method)

In the past, our company has classified "interest received" from deposits to banks and other financial institutions as "non-operating revenue," and in the consolidated statement of income for the previous third quarter consolidated cumulative period, 251 million yen in "interest received" was classified as "non-operating revenue." .

Since, however, the depositing of funds is also part of our ordinary business activities in ALM (Asset-Liability Management), and since the monetary importance of interest income has increased with the rise in deposit interest rates, from this first quarter consolidated cumulative period, we have reclassified "interest received" as "operating revenue," similarly to revenues from other transactions based on ALM.

(Segment Information)

As set out in the Note on Changes to Presentation Method, from the first quarter of fiscal 2024, we have reclassified "interest received" from deposits to banks and others as "operating revenue." Accordingly, we have retroactively reclassified this as "operating revenue" in the prior third quarter cumulative period as well. This increased "operating revenue" by 251 million yen over the previous method, but had no impact on segment profit (ordinary profit).

I. Overview of reporting segments

The group's reporting segments are components of the Group for which separate financial information is available and which are regularly subjected to review by the Board of Directors to determine the allocation of management resources and to evaluate their performance.

The Group has three reporting segments: the company's securities finance business, and the trust and banking business of JSF Trust and Banking Co., Ltd., and the real estate leasing business of Nihon Building, which are consolidated subsidiaries.

In the securities finance business, the company provides loans for margin transactions, securities financing, and securities investment. The trust and banking business includes securities trust services and banking services including loans. The real estate leasing business is mainly comprised of the leasing and management of properties owned by the group.

II. Method of determining reporting segments

The accounting method used for the reporting segments are the same as those used in the preparation of the consolidated financial statements.

III. Information on the amount of operating revenue and profits or losses for each reporting segment

Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)

(millions of yen)

	Securities finance business	Trust and banking business	Real estate leasing business	Total
Operating revenue				
Revenue from sales to outside customers	46,300	3,127	831	50,259
Internal operating revenues or balance of transfers among segments	21	141	391	554
Total	46,321	3,269	1,223	50,813
Segment profit (ordinary profit)	10,070	1,855	713	12,638
Segment assets	12,469,435	1,360,088	8,721	13,838,245
Others				
- Depreciation	441	97	87	626
- Extraordinary income	18	-	-	18
(Gain on sale of investment securities)	(18)	(-)	(-)	(18)
- Tax expense	2,203	567	242	3,013

Consolidated fiscal year under review (from April 1, 2024 to March 31, 2025)

(millions of yen)

	Securities finance business	Trust and banking business	Real estate leasing business	Total
Operating revenue				
Revenue from sales to outside customers	53,015	5,653	816	59,486
Internal operating revenues or balance of transfers among segments	156	84	392	633
Total	53,172	5,737	1,209	60,119
Segment profit (ordinary profit)	10,608	1,755	715	13,080
Segment assets	12,901,417	918,913	10,411	13,830,742
Others				
- Depreciation	329	72	84	486
- Extraordinary income	664	-	1,163	1,828
(Gain on sale of non-current assets)	(-)	(-)	(1,163)	(1,163)
(Gain on sale of investment securities)	(664)	(-)	(-)	(664)
- Tax expense	2,786	529	641	3,956

IV. Differences between the total amount of profits or losses for each reporting segment and amount recorded in the consolidated income statement, and the main content of these differences (matters related to difference adjustments)

(millions of yen)

Operating revenue	Previous consolidated fiscal year	Consolidated fiscal year under review
Total for reporting segments	50,813	60,119
Elimination of inter-segment transactions	-554	-633
Other adjustments	-	-
Operating revenue in the consolidated income statement	50,259	59,486

(millions of yen)

Ordinary profit	Previous consolidated fiscal year	Consolidated fiscal year under review
Total for reporting segments	12,638	13,080
Elimination of inter-segment transactions	-2,171	-1,347
Equity in gains of affiliates	556	774
Other adjustments	-	-
Ordinary profit in the consolidated income statement	11,024	12,507

(millions of yen)

Assets	Previous consolidated fiscal year	Consolidated fiscal year under review
Total for reporting segments	13,838,245	13,830,742
Elimination of inter-segment offsetting receivables	-75,842	-43,986
Equity in gains of affiliates	-24,913	-24,913
Other adjustments	7,276	7,747
Assets in the consolidated income statement	13,744,765	13,769,589

(millions of yen)

Others	Total for reporting segments		Adjustments		Amount in the consolidated income statement	
	Previous consolidated fiscal year	Consolidated fiscal year under review	Previous consolidated fiscal year	Consolidated fiscal year under review	Previous consolidated fiscal year	Consolidated fiscal year under review
Depreciation	626	486	0	0	626	486
- Extraordinary income	18	1,828	-	-	18	1,828
(Gain on sale of non-current assets)	(-)	(1,163)	(-)	(-)	(-)	(1,163)
(Gain on sale of investment securities)	(18)	(664)	(-)	(-)	(18)	(664)
Tax expense	3,013	3,956	-0	2	3,012	3,959

(Per Share Information)

(yen)

	Previous consolidated fiscal year (April 1, 2023 to March 31, 2024)	Consolidated fiscal year under review (April 1, 2024 to March 31, 2025)
Net assets per share	1,725.62	1,630.45
Net income per share	94.04	124.61

(Note) 1 Diluted net income per share is not shown, as no dilutive shares exist.

2 The basis for the calculation of the net income per share is as follows:

(yen)

	Previous consolidated fiscal year (April 1, 2023 to March 31, 2024)	Consolidated fiscal year under review (April 1, 2024 to March 31, 2025)
Profit attributable to owners of parent (million yen)	8,030	10,375
Profit unattributable to shareholders of common stocks (million yen)	-	-
Profit on common stocks attributable to owners of parent (million yen)	8,030	10,375
Average number of shares of common stocks during the period (thousand shares)	85,399	83,268

3 In the calculation of net assets per share, the number of treasury stock shares deducted from the number of issued and outstanding shares at the end of the period includes the shares of the Company held by the Share Benefit Trust (BBT). (Previous consolidated fiscal year: 943 thousand shares Consolidated fiscal year under review: 917 thousand shares)

Also, in the calculation of net income per share, the number of treasury stock shares deducted from the average number of issued and outstanding shares during the period are included. (Previous consolidated fiscal year: 961 thousand shares Consolidated fiscal year under review: 923 thousand shares)

(Significant Subsequent Events)

(Own share repurchase)

The Company, at a meeting of its Board of Directors held on May 15, 2025, adopted a resolution, as follows, regarding matters pertaining to its share repurchase plan, pursuant to Article 156 of the Companies Act, as applied following the replacement of terminology, pursuant to Paragraph 3, Article 165 of that Act.

1. Reason for share repurchase

Based on its shareholder return policy (under which it seeks to achieve a total payout ratio of 100% on a cumulative basis in the period from Fiscal 2023 through Fiscal 2025, through the flexible implementation of share buybacks and dividends), the Company established a share repurchase quota.

2. Details of repurchase

1) Stock to be repurchased

JSF common stock

2) Aggregate shares to be repurchased

1,700,000 shares (maximum)

(2.0% of total issued and outstanding shares (excluding treasury stock))

3) Aggregate amount of repurchase price

JPY 2.8 billion (maximum)

4) Repurchase period

May 16, 2025 through March 31, 2026