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Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2027 [Japanese GAAP] (Consolidated)

November 12, 2026

Company name：Japan Securities Finance Co., Ltd. Listing：Tokyo Stock Exchange
Securities code：8511 URL: https://www.jsf.co.jp
Representative: (Title) Representative Executive Officer & CEO (Name) Morikuni Shimoyamada
Contact Person: (Title) General Manager of Corporate Planning Dept. (Name) Koji Miyoshi
Tel. +81-03-3666-3184

Scheduled date to file semi-annual securities report: November 12, 2026
Scheduled date for commencement of dividend payments: December 4, 2026
Preparation of supplementary explanatory materials on quarterly financial statements: Yes
Convening of quarterly financial results briefing: Yes (for institutional investors and analysts)

(Millions of yen, rounded down to nearest million)

1. Consolidated Financial Results for the Second Quarter of Fiscal 2026 (from April 1, 2026 to September 30, 2026)

(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)
Second Quarter of Fiscal 2026	**79,782**	**56.8**	**10,131**	**46.9**	**11,247**	**53.7**	**7,643**	**48.6**
Second Quarter of Fiscal 2025	50,882	85.1	6,894	9.8	7,317	7.1	5,144	-17.3

(Note) Comprehensive income: Second Quarter of Fiscal 2026: 10,113 millions of yen (67.0%)
Second Quarter of Fiscal 2025: 6,055 millions of yen (-%)

	Net income per share	Net income per share - diluted
	(Yen)	(Yen)
Second Quarter of Fiscal 2026	**94.54**	—
Second Quarter of Fiscal 2025	62.63	—

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	(Millions of Yen)	(Millions of Yen)	(%)
Second Quarter of Fiscal 2026	**12,642,999**	**142,639**	**1.1**
Fiscal 2025	15,518,633	137,494	0.9

(Reference) Net worth: Second Quarter of Fiscal 2026: 142,639 millions of yen
Fiscal 2025: 137,494 millions of yen

2. Dividends

	Dividends per Share				
	First Quarter (Yen)	Second Quarter (Yen)	Third Quarter (Yen)	Year-end (Yen)	Annual (Yen)
Fiscal 2025	-	40.00	-	46.00	86.00
Fiscal 2026	-	56.00			
Fiscal 2026 (Forecast)			-	56.00	112.00

(Note 1) Revision to most recently published dividend forecast: Yes

3. Consolidated Performance Forecast for Fiscal 2026 (April 1, 2026－March 31, 2027)

(% 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	17,200	22.7	19,000	26.7	13,000	22.5	161.29

(Notes) Revision to most recently published performance forecast: Yes

* 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) Adoption of specified accounting methods for quarterly consolidated financial statements: None

(3) Changes in accounting policies and changes or restatement of accounting estimates
(i) Changes in accounting policies caused by revision of accounting standards: None
(ii) Changes in accounting policies other than (i): None
(iii) Changes in accounting estimates: None
(iv) Restatements: None

(4) Number of issued and outstanding shares (common stock)
(i) Number of issued and outstanding shares (including treasury stock)
as of Sep. 30, 2026: 83,000,000 as of Mar. 31, 2026: 83,000,000
(ii) Number of treasury stock shares
as of Sep. 30, 2026: 2,494,884 as of Mar. 31, 2026: 2,028,782
(iii) Average number of shares (quarter-to-date)
for six months ended Sep. 30, 2026: 80,850,357
for six months ended Sep. 30, 2025: 82,148,913

(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 and BBT-RS).

Note: Quarterly financial report is not subject to quarterly review by a certified public accountant or 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.

1. Qualitative Information on the Current Quarter Results

(1) Review of Operating Results

(Results for the Second Quarter of Fiscal Year Ending March 2027)

In the second quarter cumulative consolidated accounting period, our group posted an increase in its consolidated gross operating profit to 14,159 million yen (up 30.7% 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 robust stock market and increased demand for financing brought on by rising market interest rates. As a result, our consolidated operating profit increased to 10,131 million yen (up 46.9% year-on-year), and our consolidated ordinary profit also increased to 11,247 million yen (up 53.7% year-on-year). The profit attributable to owners of the parent amounted to 7,643 million yen (up 48.6% year-on-year).

(millions of yen)

	Consolidated profits & losses	Year-on-year comparison	Rate of increase/decrease
Operating revenues (Excluding premium charges)	76,559	29,616	63.1%
Including premium charges	79,782	28,900	56.8%
Operating expenses (Excluding premium charges)	62,405	26,288	72.8%
Including premium charges	65,623	25,574	63.9%
Gross profit	14,159	3,325	30.7%
General and administrative expenses	4,028	88	2.3%
Operating profit	10,131	3,236	46.9%
Non-operating income	1,116	692	163.6%
Ordinary profit	11,247	3,929	53.7%
Extraordinary income	―	―	―
Profit before income taxes etc.	11,247	3,929	53.7%
Profit attributable to owners of the parent	7,643	2,498	48.6%

(2) Overview of Financial Status

(Status of Assets, Liabilities, and Net Assets)

As of the end of the second quarter of the consolidated accounting period (September 30, 2026), total assets amounted to 12,642.9 billion yen (a decrease of 2,875.6 billion yen from the previous fiscal year-end), due to a decrease in securities purchased under resale agreements. Total liabilities amounted to 12,500.3 billion yen (a decrease of 2,880.7 billion yen from the previous fiscal year-end), due to a decrease in securities sold under repurchase agreements. Total net assets amounted to 142.6 billion yen (an increase of 5.1 billion yen from the previous fiscal year-end) due to an increase in shareholders' equity and accumulated other comprehensive income.

[Reference]
Status of the Group's Gross Profits by Business Sector

	Previous Second Quarter Consolidated Cumulative Period (from April 1, 2025 to September 30, 2025)		Current Second Quarter Consolidated Cumulative Period (from April 1, 2026 to September 30, 2026)		Previous Consolidated Fiscal Year (Full Year) (from April 1, 2025 to March 31, 2026)	
	Amount (Millions of yen)	Composition ratio (%)	Amount (Millions of yen)	Composition ratio (%)	Amount (Millions of yen)	Composition ratio (%)
Securities Finance Business	8,682	78.6	10,257	71.4	16,867	75.7
Loans for margin transactions (Excluding premium charges)	2,957	26.8	5,052	35.2	6,977	31.3
Securities financing	3,430	31.1	3,701	25.8	7,095	31.9
Equity repo transactions, etc.	972	8.8	1,202	8.4	2,166	9.7
Bond repo and gensaki transactions	1,536	13.9	1,419	9.9	3,085	13.9
Loans for negotiable margin transactions	197	1.8	235	1.6	426	1.9
General stock lending	443	4.0	497	3.5	833	3.7
Retail loans	280	2.5	346	2.4	583	2.6
Securities investment, etc.	2,294	20.8	1,503	10.5	2,794	12.5
Trust and Banking Business	1,806	16.4	3,555	24.7	4,295	19.3
Real Estate Leasing Business	551	5.0	555	3.9	1,110	5.0
Total (Non-Consolidated)	11,041	100.0	14,368	100.0	22,273	100.0
Total (Consolidated)	10,834	—	14,159	—	21,856	—

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

	Previous Second Quarter Consolidated Cumulative Period (from April 1, 2025 to September 30, 2025)	Current Second Quarter Consolidated Cumulative Period (from April 1, 2026 to September 30, 2026)	Previous Consolidated Fiscal Year (Full Year) (from April 1, 2025 to March 31, 2026)
	(billions of yen)	(billions of yen)	(billions of yen)
Loans for margin transactions	327.2	635.8	404.3
Securities loaned for margin transactions	237.7	262.0	252.3
Securities financing	13,039.1	13,284.7	13,252.3
Equity repo transactions, etc.	952.6	1,430.0	1,077.5
Bond repo and gensaki transactions	11,991.9	11,734.6	12,073.3
Loans for negotiable margin transactions	43.2	50.7	46.4
General stock lending	21.5	30.9	23.0
Retail loans	29.8	38.4	31.8
Trust Bank Loans	111.3	139.9	82.5

(3) Future Outlook

In light of recent performance trends and other factors, the company has revised its fiscal 2026 earnings forecast which was originally disclosed on May 14, 2026. Driven by a robust stock market, profits are expected to exceed the previous forecast as securities financing, centered on the loans for margin transaction, performed better than anticipated.

Reflecting this revised outlook, our consolidated operating profit is expected to increase to 17,200 million yen (up 19.4% over our previous outlook), and our consolidated ordinary profit is also expected to increase to 19,000 million yen (up 20.3% over our previous outlook). The profit attributable to owners of the parent is expected to reach to 13,000 million yen (an increase of 18.2% over our previous outlook).

For more details, please see the "Notice Regarding Revisions to the Full-Year Consolidated Financial Results Forecast" released on November 12, 2026.

2. Quarterly Consolidated Financial Statements and Notes
(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	1,559,712	1,339,571
Call loans	4,500	4,500
Securities	668,634	618,149
Operating loans	1,040,240	1,220,648
Securities purchased under resale agreements	7,201,848	5,080,058
Cash collateral provided for securities borrowed	4,838,141	4,196,590
Derivatives	38,070	46,948
Other	124,720	94,262
Allowance for doubtful accounts	-132	-104
Total current assets	15,475,735	12,600,625
Non-current assets		
Property, plant and equipment	5,473	5,435
Intangible assets	594	674
Investments and other assets		
Investment securities	30,162	29,438
Bad debts	54	49
Retirement benefit asset	5,634	5,666
Deferred tax assets	927	1,048
Other	104	110
Allowance for doubtful accounts	-54	-49
Total investments and other assets	36,829	36,263
Total non-current assets	42,898	42,374
Total assets	15,518,633	12,642,999

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Call money	1,812,900	1,965,500
Short-term borrowings	92,000	132,000
Current portion of long-term borrowings	18,500	18,500
Commercial papers	859,729	839,258
Securities sold under repurchase agreements	8,374,195	6,599,070
Cash collateral received for securities lent	3,229,297	2,053,990
Income taxes payable	1,638	2,062
Provision for bonuses	636	623
Provision for bonuses for directors (and other officers)	120	—
Borrowed money from trust account	538,388	444,743
Derivative liabilities	440	1,410
Other	148,959	137,010
Total current liabilities	15,076,807	12,194,169
Non-current liabilities		
Long-term borrowings	298,100	298,100
Deferred tax liabilities	2,543	3,899
Deferred tax liabilities for land revaluation	76	76
Provision for share awards for directors (and other officers)	86	42
Retirement benefit liability	237	236
Asset retirement obligations	60	60
Derivative liabilities	2,719	3,268
Other	508	505
Total non-current liabilities	304,332	306,190
Total liabilities	15,381,139	12,500,360
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	5,181	5,208
Retained earnings	120,941	124,832
Treasury shares	-2,807	-4,050
Total shareholders' equity	133,315	135,990
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-9,934	-13,835
Deferred gains or losses on hedges	11,353	17,903
Revaluation reserve for land	165	165
Remeasurements of defined benefit plans	2,593	2,415
Total accumulated other comprehensive income	4,178	6,648
Total net assets	137,494	142,639
Total liabilities and net assets	15,518,633	12,642,999

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

(Quarterly Consolidated Income Statement)

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Operating revenue		
Interest on loans	3,817	9,131
Interest income on securities purchased under resale agreements	13,860	24,542
Interest income on cash collateral provided for securities borrowed	12,826	23,166
Securities lending fees	5,649	5,201
Gain on investments in securities	7,302	7,551
Other	7,426	10,189
Total operating revenue	50,882	79,782
Operating expenses		
Interest expenses	13,880	28,476
Interest expenses on securities sold under repurchase agreements	16,888	30,449
Securities borrowing fees	6,161	4,855
Loss on investments in securities	1,830	262
Other	1,288	1,579
Total operating expenses	40,048	65,623
Operating gross profit	10,834	14,159
General and administrative expenses	3,939	4,028
Operating profit	6,894	10,131
Non-operating income		
Dividend income	189	439
Share of profit of entities accounted for using equity method	174	—
Gain on investments in investment partnerships	8	73
Gain on sale of investment securities	—	650
Compensation income	56	56
Other	34	49
Total non-operating income	463	1,270
Non-operating expenses		
Share of loss of entities accounted for using equity method	—	140
Commission for purchase of treasury shares	3	3
Loss on investments in investment partnerships	36	9
Other	0	0
Total non-operating expenses	40	153
Ordinary profit	7,317	11,247
Profit before income taxes	7,317	11,247
Income taxes - current	2,218	3,525
Income taxes - deferred	-45	78
Total income taxes	2,173	3,603
Profit	5,144	7,643
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	5,144	7,643

(Quarterly Consolidated Comprehensive Income Statement)

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit	5,144	7,643
Other comprehensive income		
Valuation difference on available-for-sale securities	3,995	-3,990
Deferred gains or losses on hedges	-3,016	6,549
Remeasurements of defined benefit plans, net of tax	-100	-168
Share of other comprehensive income of entities accounted for using equity method	31	80
Total other comprehensive income	910	2,470
Comprehensive income	6,055	10,113
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,055	10,113
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes Regarding Quarterly Consolidated Financial Statements

(Segment Information)

I. Previous Second Quarter Consolidated Cumulative Period (from April 1, 2025 to September 30, 2025)

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

(millions of yen)

	Securities Finance Business	Trust and Banking Business	Real Estate Leasing Business	Total
Operating Revenue				
Revenue from sales to outside customers	45,890	4,623	368	50,882
Internal operating revenues or balance of transfers among segments	115	33	196	344
Total	46,005	4,656	564	51,226
Segment profit (ordinary profit)	8,443	1,042	378	9,864

2. Difference between the total amount of profits or losses for each reporting segment and amount recorded in the quarterly consolidated income statement, and the main content of this difference (matters related to difference adjustments)

(millions of yen)

Profits	Amount
Total for reporting segments	9,864
Elimination of inter-segment transactions	-2,721
Equity in gains of affiliates	174
Other adjustments	—
Ordinary profit in the quarterly consolidated income statement	7,317

3. Information on impairment losses on fixed assets or goodwill, etc., for each reporting segment

Not applicable.

II. Current Second Quarter Consolidated Cumulative Period (from April 1, 2026 to September 30, 2026)

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

(millions of yen)

	Securities Finance Business	Trust and Banking Business	Real Estate Leasing Business	Total
Operating Revenue				
Revenue from sales to outside customers	72,462	6,947	372	79,782
Internal operating revenue or balance of transfers among segments	12	14	196	223
Total	72,475	6,962	568	80,006
Segment profit (ordinary profit)	9,771	2,858	686	13,317

2. Difference between the total amount of profit or loss for each reporting segment and the amount recorded in the quarterly consolidated income statement, and the main content of the difference (matters related to difference adjustments)

(millions of yen)

Profit	Amount
Total for reporting segments	13,317
Elimination of inter-segment transactions	-1,929
Equity in gains of affiliates	-140
Other adjustments	—
Ordinary profit in the quarterly consolidated income statement	11,247

3. Information on impairment losses on fixed assets or goodwill, etc., for each reporting segment

Not applicable.

(Notes in the Event of Significant Changes in Shareholders' Equity)

At the Board of Directors meeting held on May 14, 2026, the Company resolved to acquire its own shares, with the total number of shares to be acquired capped at 1,800,000 shares and the total acquisition amount capped at 3.4 billion yen, during the period from May 15, 2026, to March 31, 2027. From May to September 2026, the Company acquired 557,800 shares for 1,358 million yen.

In addition, based on the resolution of the Board of Directors meeting held on May 14, 2026, the Company disposed of 56,200 shares of treasury stock through third-party allocation to the JSF Employees Stock Ownership Plan, with June 12, 2026 as the payment deadline, resulting in an increase of 26 million yen in capital surplus and a decrease of 99 million yen in treasury stock.

As a result of this acquisition and other related activities, the Company's capital surplus was 5,208 million yen and treasury stock was 4,050 million yen as of the end of the consolidated second quarter accounting period.

(Notes Regarding Going Concern Assumptions)

Not applicable.

(Significant Subsequent Events)

(Expansion of the Share Repurchase Limit)

At a meeting held on November 12, 2026, the Board of Directors resolved to expand the share repurchase limit, as follows, pursuant to the provisions of Article 156 of the Companies Act, as applied by alternative reading in accordance with the provisions of Article 165, Paragraph 3 of the Act.

1. Reason for change

In light of the upward revision to JSF's consolidated full-year financial results forecast for the fiscal year ending March 31, 2027, the Board of Directors has decided to expand the share repurchase limit

under the shareholder return policy (whereby “JSF will aim for a total payout ratio of 100% until it achieves an ROE of 8%, through the payment of dividends and the flexible repurchase of shares,” and “Dividends will be paid proactively, with a dividend payout ratio of around 70% as a guideline.”).

2. Modified repurchase plan (changes are underlined)
   1) Stock to be repurchased: JSF common stock
   2) Aggregate shares to be repurchased: 2,100,000 shares (maximum, increased by 300,000 shares)
      (2.6% of total issued and outstanding shares, excluding treasury stock)
   3) Aggregate amount of repurchase price: JPY 4.0 billion (maximum, increased by JPY 0.6 billion)
   4) Repurchase period: May 15, 2026 – March 31, 2027

Reference:
1. Details of the resolution adopted at a meeting of the Board of Directors held on May 14, 2026
   1) Stock to be repurchased: JSF common stock
   2) Aggregate shares to be repurchased: 1,800,000 shares (maximum)
      (2.2% of total issued and outstanding shares, excluding treasury stock)
   3) Aggregate amount of repurchase price: JPY 3.4 billion (maximum)
   4) Repurchase period: May 15, 2026 – March 31, 2027

2. Cumulative progress on share repurchases pursuant to the above resolution (as of October 31, 2026)
   1) Accumulated shares repurchased: 762,800 shares
   2) Accumulated amount of repurchase price: JPY 1,810,906,800

3. Treasury stock holdings as of October 31, 2026
   Total shares outstanding, excl. treasury shares: 80,864,046 shares
   Treasury shares: 2,135,954 shares