

Financial Results for the Fiscal Year Ending March 31, 2026 [Japanese GAAP] (Consolidated)

May 14, 2026

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 26, 2026

Scheduled date for commencement of dividend payments: June 5, 2026

Scheduled filing date of annual securities reports: June 24, 2026

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 2025 (from April 1, 2025 to March 31, 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)
Fiscal 2025	114,211	92.0	14,016	23.7	14,996	19.9	10,611	2.3
Fiscal 2024	59,486	18.4	11,329	11.3	12,507	13.4	10,375	29.2

(Note) Comprehensive income: Fiscal 2025: 13,197 millions of yen (-%) Fiscal 2024: -1,268 millions of yen (-%)

	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 2025	129.74	—	7.8	0.1	12.3
Fiscal 2024	124.61	—	7.4	0.1	19.0

(Reference) Equity method investment profit and loss: Fiscal 2025: 354 millions of yen Fiscal 2024: 774 millions of yen

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net Assets per Share
	(Millions of Yen)	(Millions of Yen)	(%)	(Yen)
Fiscal 2025	15,518,633	137,494	0.9	1,698.06
Fiscal 2024	13,769,589	134,346	1.0	1,630.45

(Reference) Net worth: Fiscal 2025: 137,494 millions of yen Fiscal 2024: 134,346 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 2025	135,034	-403	-10,206	1,559,712
Fiscal 2024	-535,081	1,745	-9,003	1,435,287

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 2024	-	42.00	-	42.00	84.00	7,045	67.4	5.0
Fiscal 2025	-	40.00	-	46.00	86.00	7,056	66.3	5.2
Fiscal 2026 (Forecast)	-	47.00	-	47.00	94.00		69.2	

(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 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	14,400	2.7	15,800	5.4	11,000	3.7	135.86

* 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: None

(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, 2026: 83,000,000 as of Mar. 31, 2025: 88,000,000

(ii) Number of treasury stock shares

as of Mar. 31, 2026: 2,028,782 as of Mar. 31, 2025: 5,601,375

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

for three months ended Mar. 31, 2026: 81,790,655

for three months ended Mar. 31, 2025: 83,268,295

(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).

[Reference] Non-consolidated Financial Results for Fiscal 2025 (April 1, 2025 - March 31, 2026)

(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 2025	103,085	93.9	10,768	19.2	13,833	30.4	10,559	24.4
Fiscal 2024	53,172	14.8	9,031	16.9	10,608	5.4	8,487	7.6

	Net income per share (Yen)	Net income per share - diluted (Yen)
Fiscal 2025	129.09	—
Fiscal 2024	101.92	—

(2) Non-consolidated Financial Position

	Total assets (Millions of Yen)	Net assets (Millions of Yen)	Shareholders' equity ratio (%)	Net Assets per Share (Yen)
Fiscal 2025	14,665,685	120,931	0.8	1,493.31
Fiscal 2024	12,901,417	119,557	0.9	1,450.77

(Reference) Net worth: Fiscal 2025: 120,931 million Fiscal 2024: 119,557 million

Note: Summary of financial results 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. Please see section “1. (3) Future Outlook” in the attached materials regarding the consolidated performance forecast.

1. Qualitative Information on the Current Quarter Results

(1) Review of Operating Results

(Results for the Fiscal Year Ending March 2026)

In fiscal 2025, our group's consolidated gross operating profit increased to 21,856 million yen (up 16.6% 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 14,016 million yen (up 23.7% year-on-year), and our consolidated ordinary profit also increased to 14,996 million yen (up 19.9% year-on-year). The profit attributable to owners of the parent amounted to 10,611 million yen (up 2.3% year-on-year) due to the absence of the extraordinary gain of 1,828 million yen recorded in the same period of the previous year.

(millions of yen)

	Consolidated profits & losses	Year-on-year comparison	Rate of increase/decrease
Operating revenues (Excluding premium charges)	105,300	49,996	90.3%
Including premium charges	114,211	54,724	92.0%
Operating expenses (Excluding premium charges)	83,463	46,857	128.0%
Including premium charges	92,354	51,614	126.7%
Gross profit	21,856	3,110	16.6%
General and administrative expenses	7,840	423	5.7%
Operating profit	14,016	2,686	23.7%
Non-operating income	980	-197	-16.8%
Ordinary profit	14,996	2,489	19.9%
Extraordinary income	—	-1,828	-100.0%
Profit before income taxes etc.	14,996	660	4.6%
Profit attributable to owners of the parent	10,611	235	2.3%

Status of the Group's Gross Profits by Business Sector

	Previous consolidated fiscal year (from April 1, 2024 to March 31, 2025)		Consolidated fiscal year under review (from April 1, 2025 to March 31, 2026)		Increase/Decrease	
	Amount (Millions of yen)	Composition ratio (%)	Amount (Millions of yen)	Composition ratio (%)	Amount (Millions of yen)	Ratio (%)
Securities Finance Business	14,905	77.9	16,867	75.7	1,962	13.2
Loans for margin transactions (Excluding premium charges)	4,385	22.9	6,977	31.3	2,591	59.1
Securities financing	7,343	38.4	7,095	31.9	-248	-3.4
Equity repo transactions, etc.	1,760	9.2	2,166	9.7	406	23.1
Bond repo and gensaki transactions	4,057	21.2	3,085	13.9	-972	-24.0
Loans for negotiable margin transactions	358	1.9	426	1.9	68	19.0
General stock lending	663	3.5	833	3.7	170	25.6
Retail loans	504	2.6	583	2.6	78	15.5
Securities investment, etc.	3,176	16.6	2,794	12.5	-381	-12.0
Trust and Banking Business	3,043	15.9	4,295	19.3	1,251	41.1
Real Estate Leasing Business	1,185	6.2	1,110	5.0	-75	-6.3
Total (Non-Consolidated)	19,134	100.0	22,273	100.0	3,138	16.4
Total (Consolidated)	18,746	—	21,856	—	3,110	—

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

	Previous consolidated fiscal year (from April 1, 2024 to March 31, 2025)	Consolidated fiscal year under review (from April 1, 2025 to March 31, 2026)	Increase/Decrease
	(billions of yen)	(billions of yen)	(billions of yen)
Loans for margin transactions	370.8	404.3	33.5
Securities loaned for margin transactions	159.5	252.3	92.8
Securities financing	12,215.8	13,252.3	1,036.4
Equity repo transactions, etc.	806.9	1,077.5	270.5
Bond repo and gensaki transactions	11,299.6	12,073.3	773.6
Loans for negotiable margin transactions	44.6	46.4	1.8
General stock lending	39.2	23.0	-16.2
Retail loans	25.3	31.8	6.5
Trust Bank Loans	175.7	82.5	-93.1

(2) Overview of Financial Status

(Status of Assets, Liabilities, and Net Assets)

As of the end of the consolidated accounting period (March 31, 2026), total assets amounted to 15,518.6 billion yen (an increase of 1,749.0 billion yen from the previous fiscal year-end), due to an increase in securities purchased under resale agreements. Total liabilities amounted to 15,381.1 billion yen (an increase of 1,745.8 billion yen from the previous fiscal year-end), due to an increase in cash collateral received for securities lent. Total net assets amounted to 137.4 billion yen (an increase of 3.1 billion yen from the previous fiscal year-end) due to a decrease in accumulated other comprehensive income.

(Status of cash flow)

As of the end of the consolidated accounting period (March 31, 2026), cash and cash equivalents amounted to 1,559.7 billion yen (an increase of 124.4 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 inflow by cash flow from operating activities was 135.0 billion yen (an over outflow of 535.0 billion yen in the previous fiscal year), due to an increase in securities sold under repurchase agreements, etc.

- Cash flow from investing activities

Net outflow by cash flow from investing activities was 0.4 billion yen (an over inflow of 1.7 billion yen in the previous fiscal year), due to purchase of investment securities.

- Cash flow from financing activities

Net outflow by cash flow from investing activities was 10.2 billion yen (an over outflow of 9.0 billion yen in the previous fiscal year), due to dividend payments and share buy-backs.

(3) Future Outlook

The performance outlook for fiscal 2026 forecasts a consolidated operating profit of 14.4 billion yen, a consolidated ordinary profit of 15.8 billion yen and a net income attributable to owners of the parent of 11.0 billion yen. Please note that the above performance forecasts are based on the 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 any necessary revisions to the performance forecasts will be promptly disclosed.

[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)	14,400	15,800	11,000	135.86

(Reference) Actual Results in Previous Period (B)	14,016	14,996	10,611	129.74
Increase/Decrease (A-B)	383	803	388	
Increase/Decrease Rate (%)	2.7	5.4	3.7	

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.

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

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	1,435,297	1,559,712
Call loans	10,000	4,500
Securities	96,241	668,634
Operating loans	796,827	1,040,240
Securities purchased under resale agreements	6,441,120	7,201,848
Cash collateral provided for securities borrowed	4,307,086	4,838,141
Derivatives	1,252	38,070
Other	91,227	124,720
Allowance for doubtful accounts	-111	-132
Total current assets	13,178,942	15,475,735
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,098	9,120
Accumulated depreciation	-7,111	-7,217
Buildings and structures, net	1,986	1,902
Furniture and fixtures	1,312	1,325
Accumulated depreciation	-951	-1,033
Furniture and fixtures, net	360	292
Land	3,231	3,231
Construction in progress	-	47
Total property, plant and equipment	5,578	5,473
Intangible assets	618	594
Investments and other assets		
Investment securities	544,475	30,162
Bad debts	63	54
Retirement benefit asset	3,832	5,634
Deferred tax assets	857	927
Derivatives	21,280	-
Other	14,003	104
Allowance for doubtful accounts	-63	-54
Total investments and other assets	584,450	36,829
Total non-current assets	590,647	42,898
Total assets	13,769,589	15,518,633

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Call money	1,506,000	1,812,900
Short-term borrowings	92,005	92,000
Current portion of long-term borrowings	1,000	18,500
Commercial papers	438,466	859,729
Securities sold under repurchase agreements	8,044,038	8,374,195
Cash collateral received for securities lent	2,549,554	3,229,297
Income taxes payable	1,547	1,638
Provision for bonuses	550	636
Provision for bonuses for directors (and other officers)	103	120
Borrowed money from trust account	575,934	538,388
Derivative liabilities	303	440
Other	106,156	148,959
Total current liabilities	13,315,661	15,076,807
Non-current liabilities		
Long-term borrowings	315,600	298,100
Deferred tax liabilities	1,354	2,543
Deferred tax liabilities for land revaluation	76	76
Provision for share awards for directors (and other officers)	222	86
Retirement benefit liability	269	237
Asset retirement obligations	58	60
Derivative liabilities	1,500	2,719
Other	498	508
Total non-current liabilities	319,581	304,332
Total liabilities	13,635,242	15,381,139
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	5,194	5,181
Retained earnings	125,323	120,941
Treasury shares	-7,764	-2,807
Total shareholders' equity	132,754	133,315
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-11,778	-9,934
Deferred gains or losses on hedges	11,673	11,353
Revaluation reserve for land	165	165
Remeasurements of defined benefit plans	1,531	2,593
Total accumulated other comprehensive income	1,592	4,178
Total net assets	134,346	137,494
Total liabilities and net assets	13,769,589	15,518,633

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

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Operating revenue		
Interest on loans	5,720	9,159
Interest income on securities purchased under resale agreements	11,246	32,779
Interest income on cash collateral provided for securities borrowed	12,783	29,934
Securities lending fees	7,990	12,412
Gain on investments in securities	8,774	13,832
Other operating revenue	12,969	16,092
Total operating revenue	59,486	114,211
Operating expenses		
Interest expenses	17,071	34,326
Interest expenses on securities sold under repurchase agreements	10,122	38,740
Securities borrowing fees	9,004	13,249
Loss on investments in securities	2,076	3,749
Other operating expenses	2,465	2,288
Total operating expenses	40,740	92,354
Operating gross profit	18,746	21,856
General and administrative expenses		
Compensations and salaries	3,090	3,303
Retirement benefit expenses	-124	-130
Provision for bonuses	550	636
Provision for bonuses for directors (and other officers)	103	120
Provision for share awards for directors (and other officers)	21	24
Depreciation	486	451
Provision of allowance for doubtful accounts	19	11
Other	3,268	3,423
Total general and administrative expenses	7,416	7,840
Operating profit	11,329	14,016
Non-operating income		
Interest income	0	4
Dividend income	287	317
Share of profit of entities accounted for using equity method	774	354
Gain on investments in investment partnerships	52	157
Compensation income	37	113
Miscellaneous income	60	62
Total non-operating income	1,211	1,009
Non-operating expenses		
Interest expenses	0	0
Commission for purchase of treasury shares	8	9
Loss on investments in investment partnerships	25	19
Miscellaneous expenses	0	0
Total non-operating expenses	34	29
Ordinary profit	12,507	14,996
Extraordinary income		
Gain on sale of non-current assets	1,163	—
Gain on sale of investment securities	664	—
Total extraordinary income	1,828	—
Profit before income taxes	14,335	14,996

Income taxes - current	3,784	4,427
Income taxes - deferred	175	-42
Total income taxes	3,959	4,384
Profit	10,375	10,611
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	10,375	10,611

(Consolidated Comprehensive Income Statement)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	10,375	10,611
Other comprehensive income		
Valuation difference on available-for-sale securities	-12,993	1,766
Deferred gains or losses on hedges	1,304	-320
Revaluation reserve for land	-2	—
Remeasurements of defined benefit plans, net of tax	12	966
Share of other comprehensive income of entities accounted for using equity method	34	172
Total other comprehensive income	-11,644	2,585
Comprehensive income	-1,268	13,197
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	-1,268	13,197
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statement of Changes of Net Assets
Previous consolidated fiscal year (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

Consolidated fiscal year under review (from April 1, 2025 to March 31, 2026)

(millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' equity
Balance at April 1, 2025	10,000	5,194	125,323	-7,764	132,754
Changes arising during the year					
- Cash dividends			-6,804		-6,804
- Profit attributable to owners of parent			10,611		10,611
- Purchase of treasury share				-3,401	-3,401
- Disposal of treasury share		0		156	156
- Cancellation of treasury share		-8,202		8,202	-
- Transfer from retained earnings to capital surplus		8,189	-8,189		-
- Net changes other than stockholders' equity					
Total changes during the year	-	-12	-4,382	4,956	561
Balance at March 31, 2026	10,000	5,181	120,941	-2,807	133,315

(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, 2025	-11,778	11,673	165	1,531	1,592	134,346
Changes arising during the year						
- Cash dividends						-6,804
- Profit attributable to owners of parent						10,611
- Purchase of treasury shares						-3,401
- Disposal of treasury share						156
- Cancellation of treasury share						-
- Transfer from retained earnings to capital surplus						-
- Net changes other than stockholders' equity	1,844	-320	-	1,061	2,585	2,585
Total changes during the year	1,844	-320	-	1,061	2,585	3,147
Balance at March 31, 2026	-9,934	11,353	165	2,593	4,178	137,494

(4) Consolidated Cash Flow Statement

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	14,335	14,996
Depreciation	486	451
Loss (gain) on sale and retirement of non-current assets	-1,161	0
Loss (gain) related to securities	-30	1,486
Increase (decrease) in allowance for doubtful accounts	19	11
Increase (decrease) in provision for bonuses	-12	86
Increase (decrease) in provision for bonuses for directors (and other officers)	-12	16
Increase (decrease) in provision for share awards for directors (and other officers)	4	-136
Increase (decrease) in retirement benefit liability	-579	-1,834
Interest and dividend income	-41,960	-92,894
Interest expenses	27,193	73,066
Share of loss (profit) of entities accounted for using equity method	-774	-354
Decrease (increase) in operating loans receivable	261,802	-243,412
Net decrease (increase) in call loans	10,000	5,500
Net decrease (increase) in receivables under resale agreements	-1,687,506	-760,727
Decrease (increase) in cash collateral provided for securities borrowed	645,995	-531,054
Net increase (decrease) in call money	-358,800	306,900
Net increase (decrease) in short term borrowings	-5	-5
Net increase (decrease) in commercial papers	-150,599	421,263
Net increase (decrease) in payables under repurchase agreements	2,094,674	330,157
Increase (decrease) in collateral money received for securities lent	-1,212,858	679,743
Net increase (decrease) in collateral money received for loan transactions	-17,612	42,008
Net increase (decrease) in borrowed money from trust account	-164,196	-37,545
Net increase (decrease) in long-term borrowings	-149,800	—
Purchase of short-term and long term investment securities	-496,733	-643,863
Proceeds from sales and redemption of short-term and long term investment securities	591,556	575,681
Other, net	91,348	-18,973
Subtotal	-545,226	120,567
Interest and dividends received	37,759	88,584
Interest paid	-25,343	-70,136
Income taxes paid	-10,414	-10,969
Income taxes refund	8,141	6,989
Net cash provided by (used in) operating activities	-535,081	135,034
Cash flows from investing activities		
Purchase of investment securities	-106	-121
Proceeds from sale and redemption of investment securities	913	—
Purchase of property, plant and equipment	-91	-107
Proceeds from sale of property, plant and equipment	1,196	—
Purchase of intangible assets	-166	-174

Other, net	-0	-0
Net cash provided by (used in) investing activities	1,745	-403
Cash flows from financing activities		
Dividends paid	-6,088	-6,804
Purchase of treasury shares	-3,002	-3,401
Proceeds from disposal of treasury shares	87	0
Net cash provided by (used in) financing activities	-9,003	-10,206
Effect of exchange rate change on cash and cash equivalents	—	—
Net increase (decrease) in cash and cash equivalents	-542,340	124,425
Cash and cash equivalents at beginning of period	1,977,628	1,435,287
Cash and cash equivalents at end of period	1,435,287	1,559,712

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

(Note on Changes to Accounting Policies)
(Consolidated Balance Sheet)

In the previous consolidated fiscal year, “Derivatives” included in “Other” under “Current assets,” “Derivatives” included in “Other” under “Non-current assets,” and “Derivative liabilities” included in “Other” under “Current liabilities” were reported separately from the current consolidated fiscal year in order to enhance clarity. To reflect this change in presentation, we have restated the consolidated financial statements for the previous consolidated fiscal year.

As a result, in the consolidated balance sheet for the previous consolidated fiscal year, 92,480 million yen reported as “Other” under “Current assets” has been restated as “Derivatives” of 1,252 million yen and “Other” of 91,227 million yen; 35,283 million yen reported as “Other” under “Non-current assets” has been restated as “Derivatives” of 21,280 million yen and “Other” of 14,003 million yen; and 106,460 million yen reported as “Other” under “Current liabilities” has been restated as “Derivative liabilities” of 303 million yen and “Other” of 106,156 million yen.

(Consolidated Income Statement)

In the previous consolidated fiscal year, “Gain on investments in securities” included in “Other operating revenue” under “Operating revenue” and “Loss on investments in securities” included in “Other operating expenses” under “Operating expenses” were reported separately from the current consolidated fiscal year in order to enhance clarity.

To reflect this change in presentation, the we have restated the consolidated financial statements for the previous consolidated fiscal year. As a result, in the consolidated income statement for the previous consolidated fiscal year, 21,744 million yen reported as “Other operating revenue” under “Operating revenue” has been restated as “Gains on investments in securities” of 8,774 million yen and “Other operating revenue” of 12,969 million yen; and 4,541 million yen reported as “Other operating expenses” under “Operating expenses” has been restated as “Loss on investments in securities” of 2,076 million yen and “Other operating expenses” of 2,465 million yen.

In addition, “Compensation income” included in “Miscellaneous income” under “Non-operating income” in the previous consolidated fiscal year exceeded 10% of total non-operating income, and as such it will be reported separately from the current consolidated fiscal year.

To reflect this change in presentation, we have restated the consolidated financial statements for the previous consolidated fiscal year. As a result, in the consolidated income statement for the previous consolidated fiscal year, 97 million yen reported as “Miscellaneous income” under “Non-operating income” has been restated as “Compensation income” of 37 million yen and “Miscellaneous income” of 60 million yen.

(Note on additional information)
(Change in classification of securities)

From the current consolidated fiscal year, our company has restated certain securities held for its securities financing centered on loans for margin transactions and its trust banking business as current assets. These securities were previously included under “Investment securities” and in money held in trust was included under “Other” within “Investments and other assets,” and are used in our company’s operating activities. This change was made in conjunction with the launch of our 8th Medium-Term Management Plan.

As a result, in the consolidated balance sheet for the current consolidated fiscal year, securities subject to this change are stated as 635,339 million yen under “Securities” in current assets and 5,528 million yen under “Other” in current assets. In addition, derivative transactions for which these restated securities serve as hedged items are recorded as 37,483 million yen under “Derivatives” in current assets, 4,576 million yen under “Other” in current assets, and 118 million yen under “Derivative liabilities” in current liabilities.

(Segment Information)

I. Overview of reporting segments

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

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

In the securities finance business, the company provides loans for margin transactions, securities financing, and securities for investment. The trust and banking business includes securities trust services and banking services including loans. The real estate leasing business is mainly consists 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

Segment profit is measured on an ordinary profit basis. Internal revenues and transfers between segments are based on prevailing market prices.

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

Previous consolidated fiscal year (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
- Tax expense	2,786	529	641	3,956

Consolidated fiscal year under review (from April 1, 2025 to March 31, 2026)

(millions of yen)

	Securities finance business	Trust and banking business	Real estate leasing business	Total
Operating revenue				
Revenue from sales to outside customers	102,945	10,520	745	114,211
Internal operating revenues or balance of transfers among segments	140	47	392	580
Total	103,085	10,567	1,138	114,791
Segment profit (ordinary profit)	13,833	2,783	745	17,363
Segment assets	14,665,685	858,474	10,080	15,534,241
Others				
- Depreciation	291	74	85	450
- Tax expense	3,274	859	250	4,384

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	60,119	114,791
Elimination of inter-segment transactions	-633	-580
Other adjustments	-	-
Operating revenue in the consolidated income statement	59,486	114,211

(millions of yen)

Ordinary profit	Previous consolidated fiscal year	Consolidated fiscal year under review
Total for reporting segments	13,080	17,363
Elimination of inter-segment transactions	-1,347	-336
Equity in gains of affiliates	774	354
Other adjustments	-	-
Ordinary profit in the consolidated income statement	12,507	14,996

(millions of yen)

Assets	Previous consolidated fiscal year	Consolidated fiscal year under review
Total for reporting segments	13,830,742	15,534,241
Elimination of inter-segment offsetting receivables	-43,986	-336
Equity in gains of affiliates	-24,913	-24,913
Other adjustments	7,747	9,642
Assets in the consolidated income statement	13,769,589	15,518,633

(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	486	450	0	0	486	451
Tax expense	3,956	4,384	2	-	3,959	4,384

(Per Share Information)

(yen)

	Previous consolidated fiscal year (April 1, 2024 to March 31, 2025)	Consolidated fiscal year under review (April 1, 2025 to March 31, 2026)
Net assets per share	1,630.45	1,698.06
Net income per share	124.61	129.74

(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, 2024 to March 31, 2025)	Consolidated fiscal year under review (April 1, 2025 to March 31, 2026)
Profit attributable to owners of parent (million yen)	10,375	10,611
Profit unattributable to shareholders of common stocks (million yen)	-	-
Profit on common stocks attributable to owners of parent (million yen)	10,375	10,611
Average number of shares of common stocks during the period (thousand shares)	83,268	81,790

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 and BBT-RS). (Previous consolidated fiscal year: 917 thousand shares Consolidated fiscal year under review: 588 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: 923 thousand shares Consolidated fiscal year under review: 793 thousand shares)

(Significant Subsequent Events)

Not applicable.