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

August 6, 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
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Scheduled date for commencement of dividend payments: -
Preparation of supplementary explanatory materials on quarterly financial statements: Yes
Convening of quarterly financial results briefing: None

(Millions of yen, rounded down to nearest million)

1. Consolidated Financial Results for the First Quarter of Fiscal 2026 (from April 1, 2026 to June 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)
First Quarter of Fiscal 2026	**37,411**	**56.8**	**4,946**	**59.2**	**5,676**	**68.7**	**3,922**	**65.5**
First Quarter of Fiscal 2025	23,854	92.4	3,106	-8.1	3,364	-8.6	2,369	-29.9

(Note) Comprehensive income: First Quarter of Fiscal 2026: 6,955 millions of yen (434.8%)
First Quarter of Fiscal 2025: 1,300 millions of yen (-%)

	Net income per share	Net income per share - diluted
	(Yen)	(Yen)
First Quarter of Fiscal 2026	**48.44**	—
First Quarter of Fiscal 2025	28.78	—

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	(Millions of Yen)	(Millions of Yen)	(%)
First Quarter of Fiscal 2026	**14,351,220**	**140,671**	**1.0**
Fiscal 2025	15,518,633	137,494	0.9

(Reference) Net worth: First Quarter of Fiscal 2026: 140,671 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	-				
Fiscal 2026 (Forecast)		47.00	-	47.00	94.00

(Note 1) Revision to most recently published dividend forecast: None

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	136.04

(Notes) Revision to most recently published performance forecast: None

* 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 Jun. 30, 2026: 83,000,000 as of Mar. 31, 2026: 83,000,000
(ii) Number of treasury stock shares
as of Jun. 30, 2026: 2,037,379 as of Mar. 31, 2026: 2,028,782
(iii) Average number of shares (quarter-to-date)
for three months ended Jun. 30, 2026: 80,975,933
for three months ended Jun. 30, 2025: 82,352,927

(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: Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

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 First Quarter of Fiscal Year Ending March 2027)

In the first quarter cumulative consolidated period, our group's consolidated gross operating profit increased to 6,944 million yen (up 38.9% 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 4,946 million yen (up 59.2% year-on-year), and our consolidated ordinary profit also increased to 5,676 million yen (up 68.7% year-on-year). The profit attributable to owners of the parent amounted to 3,922 million yen (up 65.5% year-on-year).

(millions of yen)

	Consolidated profits & losses	Year-on-year comparison	Rate of increase/decrease
Operating revenues (Excluding premium charges)	35,685	12,945	56.9%
Including premium charges	37,411	13,556	56.8%
Operating expenses (Excluding premium charges)	28,739	10,999	62.0%
Including premium charges	30,466	11,612	61.6%
Gross profit	6,944	1,944	38.9%
General and administrative expenses	1,997	103	5.5%
Operating profit	4,946	1,840	59.2%
Non-operating income	729	471	182.8%
Ordinary profit	5,676	2,311	68.7%
Extraordinary income	-	-	-
Profit before income taxes etc.	5,676	2,311	68.7%
Profit attributable to owners of the parent	3,922	1,552	65.5%

(2) Overview of Financial Status

(Status of Assets, Liabilities, and Net Assets)

As of the end of the first quarter of the consolidated accounting period (June 30, 2026), total assets amounted to 14,351.2 billion yen (a decrease of 1,167.4 billion yen from the previous fiscal year-end), due to a decrease in securities purchased under resale agreements. Total liabilities amounted to 14,210.5 billion yen (a decrease of 1,170.5 billion yen from the previous fiscal year-end), due to a decrease in securities sold under repurchase agreements. Total net assets amounted to 140.6 billion yen (an increase of 3.1 billion yen from the previous fiscal year-end), due to an increase in accumulated other comprehensive income.

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

	Previous First Quarter Consolidated Cumulative Period (from April 1, 2025 to June 30, 2025)		Current First Quarter Consolidated Cumulative Period (from April 1, 2026 to June 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	3,952	77.4	5,049	71.6	16,867	75.7
Loans for margin transactions (Excluding premium charges)	1,163	22.8	2,597	36.8	6,977	31.3
Securities financing	1,737	34.0	1,713	24.3	7,095	31.9
Equity repo transactions, etc.	479	9.4	543	7.7	2,166	9.7
Bond repo and gensaki transactions	786	15.4	672	9.5	3,085	13.9
Loans for negotiable margin transactions	99	1.9	114	1.6	426	1.9
General stock lending	238	4.7	213	3.0	833	3.7
Retail loans	133	2.6	168	2.4	583	2.6
Securities investment, etc.	1,052	20.6	738	10.5	2,794	12.5
Trust and Banking Business	875	17.1	1,724	24.5	4,295	19.3
Real Estate Leasing Business	274	5.4	275	3.9	1,110	5.0
Total (Non-Consolidated)	5,103	100.0	7,049	100.0	22,273	100.0
Total (Consolidated)	5,000	—	6,944	—	21,856	—

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

	Previous First Quarter Consolidated Cumulative Period (from April 1, 2025 to June 30, 2025)	Current First Quarter Consolidated Cumulative Period (from April 1, 2026 to June 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	308.3	636.5	404.3
Securities loaned for margin transactions	167.4	299.9	252.3
Securities financing	12,536.0	13,739.4	13,252.3
Equity repo transactions, etc.	879.0	1,414.5	1,077.5
Bond repo and gensaki transactions	11,559.5	12,205.6	12,073.3
Loans for negotiable margin transactions	45.0	50.9	46.4
General stock lending	23.5	30.7	23.0
Retail loans	28.8	37.4	31.8
Trust Bank Loans	151.7	122.8	82.5

(3) Future Outlook

The performance outlook for fiscal 2026 is described in "3. Consolidated Performance Forecast for Fiscal 2026". 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.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	1,559,712	1,405,847
Call loans	4,500	4,500
Securities	668,634	655,557
Operating loans	1,040,240	1,333,466
Securities purchased under resale agreements	7,201,848	6,070,205
Cash collateral provided for securities borrowed	4,838,141	4,747,250
Derivatives	38,070	36,997
Other	124,720	55,368
Allowance for doubtful accounts	-132	-110
Total current assets	15,475,735	14,309,084
Non-current assets		
Property, plant and equipment	5,473	5,448
Intangible assets	594	641
Investments and other assets		
Investment securities	30,162	29,570
Bad debts	54	51
Retirement benefit asset	5,634	5,641
Deferred tax assets	927	731
Other	104	104
Allowance for doubtful accounts	-54	-51
Total investments and other assets	36,829	36,047
Total non-current assets	42,898	42,136
Total assets	15,518,633	14,351,220

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Call money	1,812,900	2,039,800
Short-term borrowings	92,000	87,000
Current portion of long-term borrowings	18,500	18,500
Commercial papers	859,729	763,662
Securities sold under repurchase agreements	8,374,195	7,561,029
Cash collateral received for securities lent	3,229,297	2,767,421
Income taxes payable	1,638	881
Provision for bonuses	636	305
Provision for bonuses for directors (and other officers)	120	—
Borrowed money from trust account	538,388	509,559
Derivative liabilities	440	788
Other	148,959	156,106
Total current liabilities	15,076,807	13,905,055
Non-current liabilities		
Long-term borrowings	298,100	298,100
Deferred tax liabilities	2,543	4,015
Deferred tax liabilities for land revaluation	76	76
Provision for share awards for directors (and other officers)	86	61
Retirement benefit liability	237	247
Asset retirement obligations	60	60
Derivative liabilities	2,719	2,429
Other	508	503
Total non-current liabilities	304,332	305,493
Total liabilities	15,381,139	14,210,549
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	5,181	5,208
Retained earnings	120,941	121,111
Treasury shares	-2,807	-2,860
Total shareholders' equity	133,315	133,459
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-9,934	-3,071
Deferred gains or losses on hedges	11,353	7,613
Revaluation reserve for land	165	165
Remeasurements of defined benefit plans	2,593	2,504
Total accumulated other comprehensive income	4,178	7,211
Total net assets	137,494	140,671
Total liabilities and net assets	15,518,633	14,351,220

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

(Quarterly Consolidated Income Statement)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Operating revenue		
Interest on loans	1,898	4,186
Interest income on securities purchased under resale agreements	6,356	11,807
Interest income on cash collateral provided for securities borrowed	5,835	10,421
Securities lending fees	1,894	2,734
Gain on investments in securities	3,343	3,867
Other	4,525	4,394
Total operating revenue	23,854	37,411
Operating expenses		
Interest expenses	6,935	13,647
Interest expenses on securities sold under repurchase agreements	7,568	13,566
Securities borrowing fees	1,997	2,542
Loss on investments in securities	837	205
Other	1,515	505
Total operating expenses	18,853	30,466
Operating gross profit	5,000	6,944
General and administrative expenses	1,893	1,997
Operating profit	3,106	4,946
Non-operating income		
Dividend income	183	382
Share of profit of entities accounted for using equity method	57	—
Gain on investments in investment partnerships	4	6
Gain on sale of investment securities	—	403
Compensation income	28	28
Other	11	11
Total non-operating income	286	831
Non-operating expenses		
Share of loss of entities accounted for using equity method	—	84
Commission for purchase of treasury shares	0	0
Loss on investments in investment partnerships	26	16
Other	0	0
Total non-operating expenses	28	102
Ordinary profit	3,364	5,676
Profit before income taxes	3,364	5,676
Income taxes - current	766	1,495
Income taxes - deferred	228	259
Total income taxes	994	1,754
Profit	2,369	3,922
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	2,369	3,922

(Quarterly Consolidated Comprehensive Income Statement)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	2,369	3,922
Other comprehensive income		
Valuation difference on available-for-sale securities	2,883	6,797
Deferred gains or losses on hedges	-3,914	-3,740
Remeasurements of defined benefit plans, net of tax	-50	-84
Share of other comprehensive income of entities accounted for using equity method	11	60
Total other comprehensive income	-1,069	3,033
Comprehensive income	1,300	6,955
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,300	6,955
Comprehensive income attributable to non-controlling interests	–	–

(3) Notes Regarding Quarterly Consolidated Financial Statements
(Segment Information)
I. Previous First Quarter Consolidated Cumulative Period (from April 1, 2025 to June 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	21,506	2,164	183	23,854
Internal operating revenues or balance of transfers among segments	65	19	98	183
Total	21,572	2,183	281	24,037
Segment profit (ordinary profit)	5,238	562	226	6,028

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	6,028
Elimination of inter-segment transactions	-2,720
Equity in gains of affiliates	57
Other adjustments	—
Ordinary profit in the quarterly consolidated income statement	3,364

3. Information on impairment losses on fixed assets or goodwill, etc., for each reporting segment
Not applicable.

II. Current First Quarter Consolidated Cumulative Period (from April 1, 2026 to June 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	33,805	3,421	184	37,411
Internal operating revenue or balance of transfers among segments	6	7	98	112
Total	33,811	3,429	282	37,523
Segment profit (ordinary profit)	6,014	1,400	275	7,690

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	7,690
Elimination of inter-segment transactions	-1,929
Equity in gains of affiliates	-84
Other adjustments	—
Ordinary profit in the quarterly consolidated income statement	5,676

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 June 2026, the Company acquired 64,700 shares for 151 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 2,860 million yen as of the end of the consolidated first quarter accounting period.

(Notes Regarding Going Concern Assumptions)

Not applicable.

(Note on the Quarterly Consolidated Statement of Cash Flows)

No quarterly consolidated statement of cash flows has been prepared for the cumulative first quarter consolidated period. However, the depreciation expense for the cumulative first quarter consolidated period (including the amortization of intangible fixed assets excluding goodwill) is as follows.

	Previous First Quarter Consolidated Cumulative Period (from April 1, 2025 to June 30, 2025)	Current First Quarter Consolidated Cumulative Period (from April 1, 2026 to June 30, 2026)
Depreciation	111 million of yen	110 million of yen

(Significant Subsequent Events)
Not applicable.