

June 5, 2025

To Shareholders

Director Representative Executive Officer & President

Shigeki Kushida

JAPAN SECURITIES FINANCE CO., LTD.

1-2-10, Nihonbashi-Kayabacho, Chuo-ku, Tokyo, Japan

**NOTICE OF CONVOCAION OF  
THE 115th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Notice is hereby given that the 115th Annual General Meeting of Shareholders (the "Meeting") of Japan Securities Finance Co., Ltd. (the "Company" or "JSF") will be held as described below.

You may exercise your voting rights using either of the following methods, and we ask that you exercise your voting rights after reviewing the Reference Materials concerning the Meeting as described below.

[When exercising your voting rights in writing (voting right exercise form)]

Please mark your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return the form to the Company by 5:20 p.m. (JST) on Thursday, June 26, 2025.

[When exercising your voting rights via the Internet, etc.]

When exercising your voting rights via the Internet, etc., please carefully read the "Notes on the Execution of Votes" before exercising your voting rights.

Yours very truly,

## Details

① Date and Time	10:00 a.m. on Friday, 27 June, 2025
② Venue	JAPAN SECURITIES FINANCE CO., LTD., Conference Room 1-2-10 Nihonbashi-Kayabacho, Chuo-ku, Tokyo, Japan
③ Agenda for the Meeting	<div> <div>Report:</div> <div> <p>1. The 115th fiscal year (from April 1, 2024 to March 31, 2025) Business Report, Consolidated Financial Statements and Report of audits of the consolidated financial statements by the Independent Auditor and Audit Committee.</p> <p>2. The 115th fiscal year (from April 1, 2024 to March 31, 2025) Financial Statements</p> </div> </div> <div> <div>Matters for Resolution:</div> <div> <div> <div>Proposal 1</div> <div>Election of Seven (7) Directors</div> </div> <div> <div>Proposal 2</div> <div>Appointment of a New Accounting Auditor</div> </div> </div> </div>
④ Notes on the Execution of Votes	Please refer to “Notes on the Execution of Votes” on next page

Note: These documents have been translated from the Japanese originals for reference purposes only. In the event of any discrepancies between these translated documents and the Japanese originals, the originals shall prevail. The Company assumes no responsibility for this translation or for direct, indirect, or other forms of damages arising from the translations.

### **Notes on the Execution of Votes.**

1. With regard to the exercise of voting rights via the Internet.
  - (1) Shareholders exercising their voting rights via the Internet can only do so via the website designated by the Company (<https://www.e-sokai.jp>). However, please note that the voting service website cannot be accessed from a mobile device without an Internet connection.
  - (2) If you are exercising your voting rights via the Internet, please enter your “voting code” and “password” indicated on the proxy voting form and follow the instructions on the screen to register whether you approve or disapprove of each proposal. We ask that you exercise your voting rights on or before 5:20 p.m. (Japan standard time) on Thursday, 26 June, 2025.
  - (3) If you exercise your voting rights via the Internet multiple times, the last cast vote will prevail.

### **Inquiries about the Exercise of Voting Rights via the Internet**

Transfer Agent : Sumitomo Mitsui Trust Bank, Limited.  
Stock Transfer Agency Department  
[Direct Line for Web Support (Toll free)] 0120-707-743  
Accessible from 9:00 a.m. to 9:00 p.m. on business days,  
Saturdays, Sundays, and national holidays.

2. Platform for the Electronic Exercise of Voting Rights  
Institutional investors may use the Electronic Voting Platform operated by ICJ Inc. to exercise their voting rights.


END

# REFERENCE MATERIALS CONCERNING THE GENERAL MEETING OF SHAREHOLDERS


## Proposal 1 Election of Seven (7) Directors

As the term of office for all current directors (six (6) directors) will expire at the conclusion of this General Meeting, the Company proposes, based on the decision of the Nominating Committee, to increase the number of outside directors by one and to elect a total of seven (7) directors, of which five (5) will be outside directors.


The candidates are as follows.

No.	Name (Date of Birth)	Career Summary, Position and Duty (Significant concurrent positions)	Number of Company Shares owned	
1	<div></div> <div>Naotaka Obata</div> <div>(Oct. 15, 1944)</div> <div>ReappointmentOutside</div> <div>Independent</div>	Apr. 1968 May 1999	Joined The Mitsubishi Bank, Ltd. Managing Executive Officer of The Bank of Tokyo-Mitsubishi, Ltd.	—
		Jan. 2004	Senior Managing Executive Officer of The Bank of Tokyo-Mitsubishi, Ltd.	Term of Office
		Jun. 2004	Deputy President, The Bank of Tokyo-Mitsubishi, Ltd.	6 years (at the conclusion of this general meeting)
		Jun. 2005	President and CEO, Diamond Lease Company Limited	Attendance rate
		Apr. 2007	President and CEO, Mitsubishi UFJ Lease & Finance Company Limited (currently Mitsubishi HC Capital Inc.)	Board of Directors 13/13 (100%) Nominating Committee 9/9 (100%) Compensation Committee 9/9 (100%)
		Jun. 2010	Chairman, Mitsubishi UFJ Lease & Finance Company Limited	
		Jun. 2012	Executive Advisor to the Board, Mitsubishi UFJ Lease & Finance Company Limited	
		Jun. 2018	Special Advisor, Mitsubishi UFJ Lease & Finance Company Limited	
		Jun. 2019	Director and Chairperson of Board of Directors of Japan Securities Finance Co., Ltd. (current position)	
		Jun. 2023	Honorary Advisor, Mitsubishi HC Capital Inc. (current position)	
(Reasons for selecting the candidate and expected roles) He has extensive experience in corporate management in the financial industry. Through his overseas business experience, he also has extensive knowledge and insight on international business development, and therefore, the Company has determined that he can be expected to play a sufficient role in the effective supervision of the Company's management and in decision-making on medium- and long-term management policies, etc., from an independent and objective standpoint as an outside director, and therefore nominates him as a candidate for director.				
(Independence) He is an independent director as provided for under the rules of the Tokyo Stock Exchange, Inc. If this proposal is approved, the Company plans on his continued appointment as an independent director. There are no transactions between the Company and Mitsubishi HC Capital Inc., where he served as the President and CEO until June 2010.				

2

No.	Name (Date of Birth)	Career Summary, Position and Duty (Significant concurrent positions)	Number of Company Shares owned
	 <b>Shoko Sugino</b> (Aug. 7, 1945) <div><div>Reappointment</div><div>Outside</div><div>Independent</div></div>	Apr. 1973 Registered Lawyer Joined Fujibayashi Law Office	2,300
		Apr. 1994 Partner Attorney at Fujibayashi Law Office (current position)	Term of Office
		Apr. 1997 Professor for The Legal Training and Research Institute of Japan	6 years (at the conclusion of this general meeting)
		Apr. 2000 Tokyo Family Court Conciliation Committee Member	Attendance rate
		Jul. 2005 Environment Dispute Coordination Commission Member	Board of Directors 13/13 (100%) Nominating Committee 9/9 (100%) Audit Committee 13/13 (100%) Compensation Committee 9/9 (100%)
		Mar. 2007 Outside Audit & Supervisory Board Member of Kitoku Shinryo Co., Ltd.	
		Jun. 2018 Outside Audit & Supervisory Board Member of Takeei Corp. (current position)	
		Jun. 2019 Director of Japan Securities Finance Co., Ltd. (current position)	
		Jun. 2022 Outside Director of Janome Corp. (current position)	
		(Significant concurrent positions) Partner Attorney at Fujibayashi Law Office Outside Audit & Supervisory Board Member of Takeei Corporation Outside Director of Janome Corporation	
(Reasons for selecting the candidate and expected roles) As an attorney at law, she has extensive experience and knowledge in legal and compliance matters, as well as in internal control, sustainability, and corporate governance. The Company has determined that she can be expected to play a sufficient role in the effective supervision of the Company's management and in decision-making on medium- and long-term management policies, etc., from an independent and objective standpoint as an outside director, and therefore nominates her as a candidate for director. Although she has not been directly involved in the management of a corporation, other than as an officer, the Company believes that she is well qualified to serve as an outside director for the reasons stated above.			
(Independence) She is an independent director as provided for under the rules of the Tokyo Stock Exchange, Inc. If this proposal is approved, the Company plans on her continued appointment as an independent director.			

3

No.	Name (Date of Birth)	Career Summary, Position and Duty (Significant concurrent positions)	Number of Company Shares owned				
	 <b>Kensuke Futagoishi</b> (Oct. 6, 1952) <table><tr><td>Reappointment</td><td>Outside</td></tr><tr><td colspan="2">Independent</td></tr></table>	Reappointment	Outside	Independent		Apr. 1977 Apr. 2001 Jan. 2002 Oct. 2003 Jun. 2004 Jun. 2006 Nov. 2007 Jun. 2009 Jun. 2010 Jun. 2018 Jun. 2022	Joined The Sanwa Bank, Limited General Manager, Retail Banking Planning Division, UFJ Holdings, Inc. General Manager, Gotanda Corporate Sales Department and Branch Manager, Gotanda Branch, UFJ Bank Limited Joined IY Bank Co., Ltd. (currently Seven Bank, Ltd.) Director of IY Bank Co., Ltd. Director, Executive Officer of Seven Bank, Ltd. Director, Managing Executive Officer of Seven Bank, Ltd. Director, Senior Managing Executive Officer of Seven Bank, Ltd. President and Representative Director of Seven Bank, Ltd. Chairman and Representative Director of Seven Bank, Ltd. Special Advisor of Seven Bank, Ltd. (current position) Director of Japan Securities Finance Co., Ltd. (current position)
		Reappointment	Outside				
		Independent					
		2,300					
		Term of Office					
		3 years (at the conclusion of this general meeting)					
Attendance rate							
Board of Directors 13/13 (100%) Nominating Committee 9/9 (100%) Compensation Committee 9/9 (100%)							


(Reasons for selecting the candidate and expected roles)

He has extensive experience in the management of financial institutions with unique and leading-edge business models, as well as a wealth of knowledge and extensive insight on internal control and risk management. The Company has determined that he can be expected to play a sufficient role in the effective supervision of the Company's management and in decision-making on medium- and long-term management policies, etc., from an independent and objective standpoint as an outside director, and therefore nominates him as a candidate for director.


(Independence)

He is an independent director as provided for under the rules of the Tokyo Stock Exchange, Inc. If this proposal is approved, the Company plans on his continued appointment as an independent director. There are no transactions between the Company and Seven Bank, Ltd., where he served as the President and Representative Director until June 2018.


4

No.	Name (Date of Birth)	Career Summary, Position and Duty (Significant concurrent positions)	Number of Company Shares owned				
	 <b>Takayoshi Yamakawa</b> (Oct. 2, 1965) <table><tr><td>Reappointment</td><td>Outside</td></tr><tr><td colspan="2">Independent</td></tr></table>	Reappointment	Outside	Independent		Apr. 1991    Joined Yokogawa Hewlett Packard Co. Oct. 1995    Joined Boston Consulting Group Jun. 2000    Founded (co-established) Dream Incubator Inc. Director, CTO Jun. 2005    Vice Representative Director of Dream Incubator Inc. Jun. 2006    Representative Director & CEO of Dream Incubator Inc. (retired in Jun. 2020) Jul. 2020    Representative Partner of Business Producer LLC (current position) Jan. 2021    Outside Director of BitStar Inc. (current position) Apr. 2021    Outside Director of Baseconnect Inc. Jun. 2021    Outside Director of Akatsuki Securities, Inc. (current position) Jun. 2022    Outside Director of FP Corp. (current position) Director of Japan Securities Finance Co., Ltd. (current position)  (Significant concurrent positions) Representative Partner, Business Producer LLC Outside Director, Akatsuki Securities, Inc. Outside Director, FP Corporation	3,600  Term of Office  3 years (at the conclusion of this general meeting)  Attendance rate  Board of Directors 13/13 (100%) Nominating Committee 9/9 (100%) Audit Committee 13/13 (100%)
		Reappointment	Outside				
		Independent					
		(Reasons for selecting the candidate and expected roles) He has extensive knowledge and insight into trends in technological innovation related to DX, etc., as well as extensive experience in corporate management in the industrial sector. The Company has determined that he can be expected to play a sufficient role in the effective supervision of the Company's management and in decision-making on medium- and long-term management policies, etc., from an independent and objective standpoint as an outside director, and therefore nominates him as a candidate for director.					
		(Independence) He is an independent director as provided for under the rules of the Tokyo Stock Exchange, Inc. If this proposal is approved, the Company plans on his continued appointment as an independent director. There are also no transactions between the Company and Business Producer LLC, where he is the Representative Partner, and between the Company and Dream Incubator Inc., where he served as the Representative Director & CEO until June 2020.					


5

No.	Name (Date of Birth)	Career Summary, Position and Duty (Significant concurrent positions)	Number of Company Shares owned				
	 <b>Yasuyo Tanaka</b> (Aug. 13, 1956) <table><tr><td>New</td><td>Outside</td></tr><tr><td colspan="2">Independent</td></tr></table>	New	Outside	Independent		Mar. 1979 Joined Asahi Chemical Industries Co., Ltd. (now Asahi Kasei Corporation)	—
		New	Outside				
		Independent					
		Jun. 2011 Representative Director and President, Asahi Kasei Ability Corporation.	Term of Office				
		Apr. 2014 Representative Director and President, Asahi Kasei Amidas Co., Ltd.	—				
Feb. 2017 Jun. 2022 Member, Central Labour Relations Commission Outside Director, Janome Corporation (current position) Director, The Institute for International Business Communication (IIBC)	Attendance rate						
(Significant concurrent positions) Outside Director of Janome Corporation		—					
(Reasons for selecting the candidate and expected roles) She has extensive knowledge and broad insight on human resource development and corporate management. The Company has determined that she can be expected to play a sufficient role in the effective supervision of the Company's management and in decision-making on medium- and long-term management policies, etc., from an independent and objective standpoint as an outside director, and therefore nominates her as a candidate for director.							
(Independence) If this proposal is approved, the Company plans to designate her as new independent director as provided for by the Tokyo Stock Exchange, Inc. There have been no transactions between the Company and Asahi Kasei Ability Corporation, where she served as the Representative Director until March 2014, and between the Company and Asahi Kasei Amidas Co., Ltd., where she served as the Representative Director until March 2016.							

6

No.	Name (Date of Birth)	Career Summary, Position and Duty (Significant concurrent positions)	Number of Company Shares owned
	 <b>Shigeki Kushida</b> (Jun. 8, 1958) Reappointment	May 2008 Deputy Director-General of Personnel and Corporate Affairs Dept. (Personnel Management), BOJ	19,700
		Mar. 2009 Director-General of Personnel and Corporate Affairs Dept., BOJ	Term of Office
		Jun. 2010 Director-General of Monetary Affairs Dept., BOJ	6 years (at the conclusion of this general meeting)
		May 2011 General Manager of Nagoya Branch, BOJ	
		Mar. 2013 Executive Director of BOJ	Attendance rate
		Apr. 2017 Senior Advisor of American Family Life Assurance Company (currently Aflac Japan Ltd.)	
		May 2019 Advisor of Japan Securities Finance Co., Ltd.	Board of Directors 13/13 (100%) Nominating Committee 9/9 (100%) Compensation Committee 9/9 (100%)
		Jun. 2019 Director (current position) Representative Executive Officer & President (current position)	
		Jun. 2022 Director of JSF Trust and Banking Co., Ltd. (current position)	
		(Significant concurrent positions) Director of JSF Trust and Banking Co., Ltd. Outside Director of Denso Corp.	
(Reasons for selecting as a candidate) He has extensive experience and knowledge in the field of finance and securities, including serving as the Executive Director of the Bank of Japan, and has been involved in the management of the Company as President and Representative Executive Officer since 2019. The Company has determined that as the person who leads and directs the executive officers and as the chief management executive, he can be expected to play a sufficient role in improving the supervisory function, etc. of the Board of Directors and in determining the medium- to long-term management policies of the Company, etc., by concurrently serving as a director, and therefore nominates him as a candidate for director.			



No.	Name (Date of Birth)	Career Summary, Position and Duty (Significant concurrent positions)	Number of Company Shares owned
7	 <p><b>Kazuhiro Maeda</b> (Jul. 30, 1959)</p> <p>New</p>	<p>Apr. 1982    Joined Japan Securities Finance Co., Ltd.  Jun. 2007    General Manager of General Affairs Dept.  Jun. 2011    Corporate Officer &amp; General Manager of General Affairs Dept.    Jun. 2016    Managing Director  Jun. 2018    Senior Managing Director  Jun. 2019    Senior Managing Executive Officer (retired in Mar. 2021)    Apr. 2021    Advisor of Nihon Building Co., Ltd.  Jun. 2021    President of Nihon Building Co., Ltd. (Scheduled retirement in June 2025)</p>	88,190
			Term of Office
			—
			Attendance rate
			—
<p>(Reasons for selecting as a candidate)</p> <p>He has served as a General Manager and Director of the Company and is familiar with all aspects of the Company's business activities. Moreover, he has extensive experience and knowledge in the fields of finance and securities. The Company has determined that he can be expected to play a sufficient role in the effective supervision of the Company's management and in decision-making on the Company's medium- to long-term management policies, etc., and therefore nominates him as a candidate for the position of director.</p>			

Reappointment	Candidate for Reappointment Director	New	Candidate for New Director	Outside	Candidate for Outside Director	Independent	Candidate for Independent Director
---------------	--------------------------------------	-----	----------------------------	---------	--------------------------------	-------------	------------------------------------

- (Notes) 1. There are no special interests between the respective candidates and the Company.
2. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Mr. Naotaka Obata, Ms. Shoko Sugino, Mr. Kensuke Futagoishi, and Mr. Takayoshi Yamakawa to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under such agreements is the minimum liability amount provided in Article 425, paragraph (1) of the same Act. If the election of Ms. Yasuyo Tanaka and Mr. Kazuhiro Maeda is approved, the Company plans to enter into the same Limited Liability Agreements with them.
3. Indicates the status of attendance at meetings of the Board of Directors and each committee held after assuming office as directors.
4. The Company has concluded a Directors' and Officers' Liability Insurance Policy as stipulated in Article 430-3, paragraph (1) of the Companies Act, insuring its directors, executive officers, corporate officers, and other important employees, as well as officers at its subsidiaries. Under this Insurance Policy, the insured Officers, etc. are covered for damages (compensation for damages and litigation expenses) that may arise from liability for the actions related to their duties, or from being subjected to claims in connection with such liability. However, there are certain exemptions, such as cases where the actions are carried out with the understanding that their conduct violates laws and regulations. If each candidate is elected and assumes office as a director, each candidate will be included as an insured under this insurance policy. This insurance policy is scheduled to be renewed at the next renewal under the same level of coverage.

[Reference 1 ] Skills List for Director Candidates (Skill Matrix)

Name	Corporate management	Finance Securities Economics	International experience	Legal Affairs Compliance	Financial Accounting	Internal Controls Risk Management	ESG
Naotaka Obata	○	○	○			○	○
Shoko Sugino				○		○	○
Kensuke Futagoishi	○	○			○	○	○
Takayoshi Yamakawa	○	○	○		○	○	○
Yasuyo Tanaka	○		○	○		○	○
Shigeki Kushida	○	○	○			○	○
Kazuhiro Maeda		○			○		

[Reference 2 ] Planned Appointments of Director Candidates to Chairperson of the Board of Directors, and to Nominating, Audit, and Compensation Committees

Seven (7) candidates for directors (including two (2) females) will assume the following positions after their election at the Shareholders' Meeting.

Name	Position				Remarks
		Nominating Committee	Audit Committee	Compensation Committee	
Naotaka Obata	Chairperson of the Board of Directors	Chairperson		Chairperson	Reappointment Outside Director
Shoko Sugino		Member	Chairperson	Member	Reappointment Outside Director
Kensuke Futagoishi		Member		Member	Reappointment Outside Director
Takayoshi Yamakawa		Member	Member		Reappointment Outside Director
Yasuyo Tanaka			Member	Member	New appointment Outside Director
Shigeki Kushida		Member		Member	Reappointment Representative Executive Officer & President
Kazuhiro Maeda			Member		New appointment Non-executive director

## Proposal 2 Appointment of a New Accounting Auditor

The Company's current accounting auditor, Crowe Toyo & Co., will step down upon the expiration of its term at the conclusion of this General Meeting, and as such the Company proposes the appointment of a new accounting auditor.

This proposal is based on a decision of the Audit Committee.

The Audit Committee has selected Ernst & Young ShinNihon LLC as the candidate for the new accounting auditor. This decision is based on the expectation that a change in the accounting auditor will provide a fresh perspective in audits. Furthermore, after comprehensively evaluating that firm's expertise, independence, quality control system, and audit fee, the Audit Committee has determined that Ernst & Young ShinNihon LLC is well-qualified to serve as the new accounting auditor.

The details of the candidate for the new accounting auditor are as follows:

Name	Ernst & Young ShinNihon LLC
Principal Office	1-1-2 Yurakucho, Chiyoda-ku, Tokyo Tokyo Midtown Hibiya, Hibiya Mitsui Tower
History	April 2000: Established as Century Ota Showa & Co. through a merger between Showa Ota & Co. and Century Audit Corporation. July 2001: Renamed to Shin Nihon & Co. July 2008: Renamed to Ernst & Young ShinNihon LLC July 2018: Renamed to Ernst & Young ShinNihon LLC (The English name did not change.)
Overview	(as of March 31, 2025) Capital : 1,186 million yen Staffing : Certified Public Accountants: 3,137 Persons who have passed CPA exam, etc.: 1,226 Others: 2,042 Total: 6,405 Number of clients: audited companies: 3,850 Offices: Domestic: Total of 17 locations in Tokyo and elsewhere Overseas: Total of 43 locations in New York and elsewhere

## I Matters Pertaining to the Current Status of the Company's Group

### (1) Business progress and its results

#### (Primary business activities of the corporate group)

The Group consists of the Company, two consolidated subsidiaries (JSF Trust and Banking Co., Ltd. and Nihon Building Co., Ltd.), and two equity-method affiliates. With a firm recognition of our public role in supporting the infrastructure of the securities and financial markets, we proactively respond to the diverse needs of the securities and financial industries and provide a variety of securities and financial related services, with a focus on the securities finance business centered on the margin loan business. Additionally, we continue our efforts to diversify our revenue sources and mitigate factors that affect revenue fluctuations, while striving to improve profitability and capital efficiency in each of our businesses, to achieve our management goals. Under this concept, the JSF Group aims to realize its vision of the future through a business portfolio consisting of securities financing business centered on margin transactions, securities investment business, trust banking business, and real estate management business.

#### (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.

(Company's initiatives for FY2024 (fiscal year ending March 31, 2025))

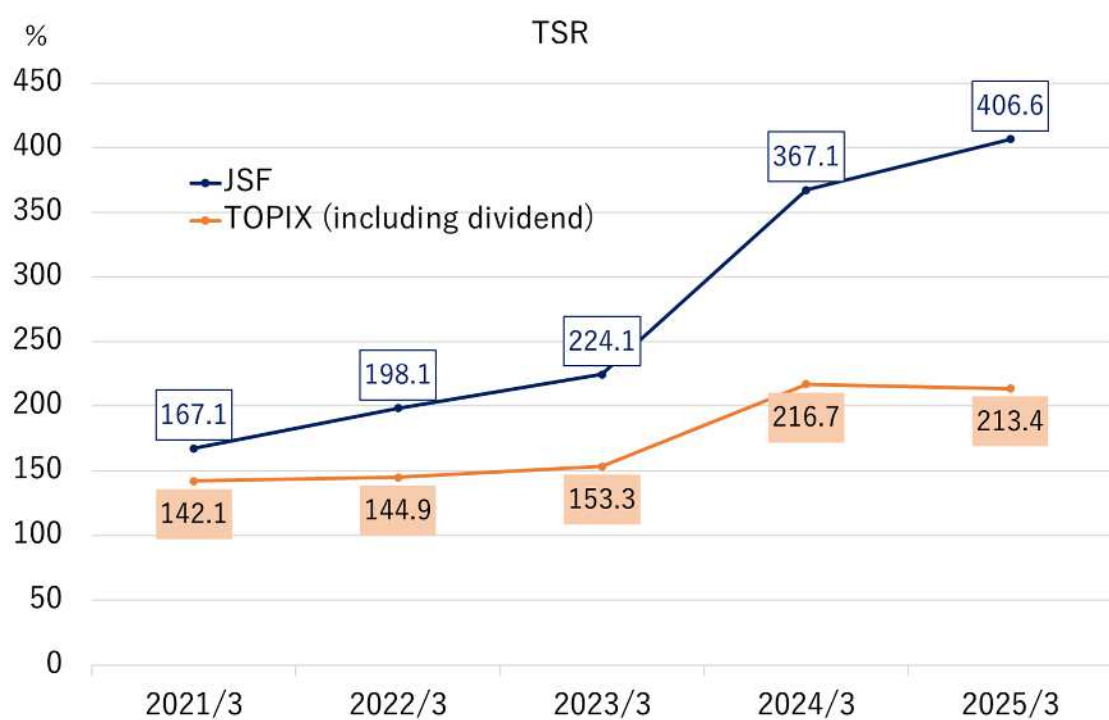
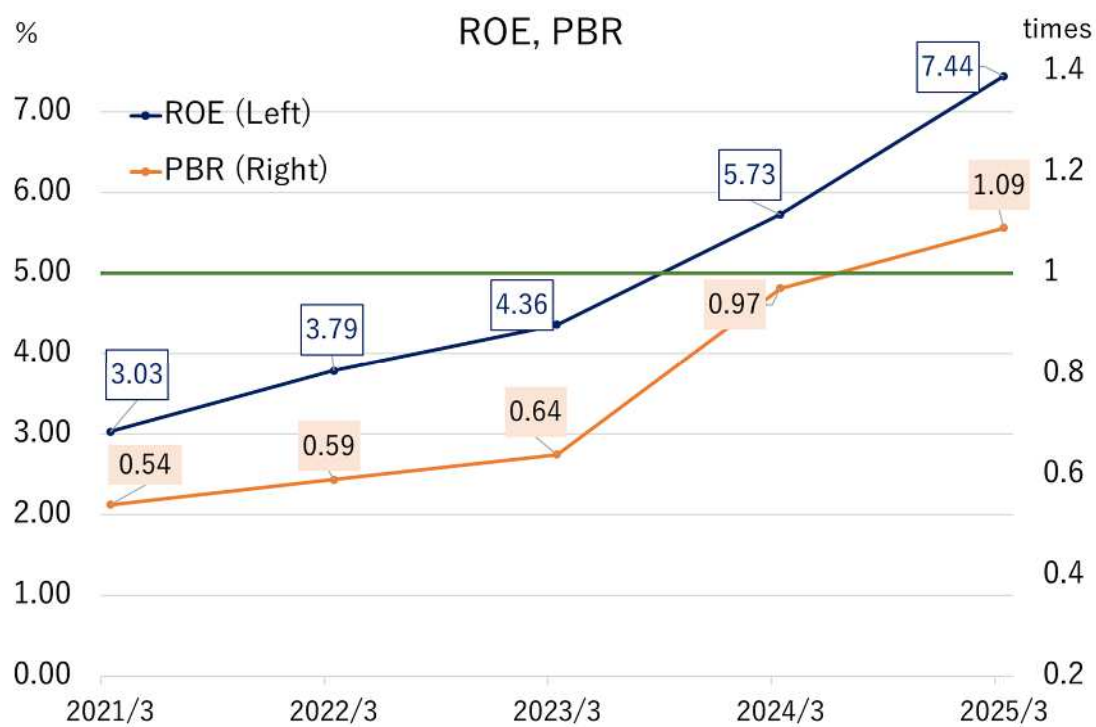
Pursuant to the “Seventh Medium-Term Management Plan (through FY2025),” we have set as management goals the maintenance of a stable ROE above 5% and the pursuit of further improvement, and the maintenance of consolidated ordinary profits at a stable level of over 10 billion yen while seeking further improvement.

Additionally, we formulated and announced the “Long-Term Management Vision Targeted by JSF “ in November 2023. The direction of our long-term management is as follows: We will continue to steadily strengthen our earnings base and seek stable and steady improvements in our capital efficiency while remaining mindful of the cost of capital. We will work toward the steady improvement of ROE, keeping the 8% level in mind. Through these management efforts, we aim to establish a market valuation with a price-to-book ratio (PBR) exceeding 1.0.

As a result of our efforts toward these goals, in FY2024 we achieved a consolidated ordinary profit of 12.5 billion yen and an ROE of 7.4%. Even excluding one-time gains (extraordinary income) recorded by JSF and its group companies in FY2024, our underlying ROE was 6.5%. In this way, we have steadily attained the management goals set out in our Seventh Medium-Term Management Plan. For the performance for the fiscal year 2024, please refer to the 'Financial results for FY2024 (fiscal year ending March 31, 2025)' (p.20)."

We have maintained a proactive shareholder return policy, aiming for a cumulative total payout ratio of 100% through the flexible implementation of dividends and share repurchase in the period from FY2023 through FY2025. For FY2024 and FY2025, our policy is to actively pay dividends with a target dividend payout ratio of 70%. In line with this policy, and reflecting higher net income, we increased the annual dividend for FY2024 to ¥84 per share (including a special dividend of ¥16), and carried out agile share repurchase totaling ¥3.0 billion. The special dividend was implemented to return the temporary gains that arose independently of our ordinary efforts toward sustainable growth (specifically, one-time gains from the sale of real estate held by a subsidiary and the sale of unlisted shares held by the company) to our shareholders.

Regarding the market's valuation of our initiatives described above, our PBR has generally been trending at levels above 1.0, except for a brief period in early April 2025 when concerns over U.S. tariff policy spread. Additionally, our total shareholder return (TSR) has consistently outperformed the TOPIX index. We believe that the market's valuation of our company has been steadily increasing.



(Endeavoring to Strengthen Earnings Base and Business Strategy)

As Japan's sole securities finance company, we fulfill an essential infrastructure role within the securities market by providing market funding and securities liquidity through our loans for margin transactions business that supports standardized margin trading. This role holds great importance for us, and the loans for margin transactions business serves as a cornerstone of our operations. We have focused on diversifying our revenue streams and bifurcating the factors that affect earnings, in an effort to build a business portfolio that supports stable, consistent growth.

We have endeavored to ensure stable operations in our loans for margin transactions business by appropriately responding to changes in the stock market environment, and by accurately identifying the trading needs of market participants to promote the use of our services. In FY2024, we reviewed our method for setting interest rates for margin loans and strengthened our information dissemination efforts both domestically and internationally. Through these efforts, we will seek to continue to strengthen our loans for margin transactions business, our founding business, which continues to serve as one of our core operations.

Securities financing business, comprised mainly of equity repo transactions and bond repo and gensaki transactions, provides broad liquidity to securities and financial markets. In the bond repo and gensaki transactions, there is particularly high overseas demand for Japanese government bonds (JGBs). By connecting this demand with the investment needs of domestic institutional investors and regional financial institutions, we have acted as an intermediary to drive growth in this business. In the equity repo transactions, now that interest rates are once again functioning, we have responded to increased demand for funds to expand our outstanding transaction balances. We are also working to expand our services with foreign financial institutions by diversifying the securities we handle to include foreign stocks and foreign government bonds. We were awarded the Asian Repo Team of the Year at the Industry Excellence Awards 2024 sponsored by the Securities Finance Times (Black Knight Media Ltd.), and have otherwise won international recognition for our efforts.

Industry Excellence Awards 2024

**Asian Repo Team of the Year**

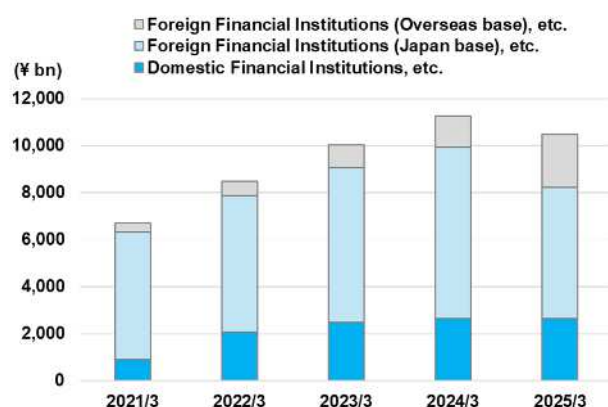
(We are the first Japan-based financial institution to receive this award.)



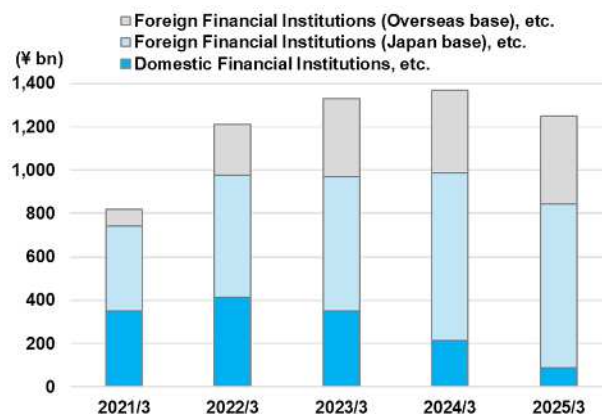
Our Business Operations	Main Initiatives in FY2024
Loans for margin transaction business	<ul style="list-style-type: none"> <li>• We changed the method of setting interest rates for margin loans from April 2024.</li> <li>• Previously, we notified counterparties only when rates were changed, but now we disclose the margin loan rate on a monthly basis regardless of whether or not it has changed.</li> <li>• We enhanced our dissemination of information regarding the significance and benefits of standardized margin transactions and loans for margin transaction to both domestic and international audiences.</li> </ul>
Securities financing business	<ul style="list-style-type: none"> <li>• In the bond repo and gensaki transactions, against the backdrop of settlement risk management and stronger international financial regulations, overseas demand for Japanese government bonds (JGBs) as high-quality liquid assets (HQLAs) has increased. By connecting this with the investment needs of domestic institutional investors and regional financial institutions, we have acted as an intermediary to drive growth in this business.</li> <li>• In the equity repo transactions, now that interest rates are once again functioning, we have responded to the increased demand for funds to expand our outstanding transaction balances.</li> <li>• We are also working to expand our services with foreign financial institutions by diversifying the securities we handle to include foreign stocks and foreign government bonds. Recently, there has been an increase in transactions where stocks from the Asian region, including Japan, are being accepted as collateral in exchange for HQLAs such as Japanese government bonds.</li> <li>• We participate in securities lending forums in Asia, Europe, and North America in an effort to raise awareness of our Company and to accurately grasp the trading needs of market participants. Going forward, we will continue to respond to a wide range of client needs and expand our dealings.</li> </ul>

Average balances of JSF's bond repo and gensaki transactions and equity repo transactions.

Bond repo and gensaki transactions (Borrowing)



Equity repo transactions (Borrowing)







(Corporate Governance Initiatives)

We continue to strive to strengthen our earnings base, and have endeavored to strengthen our internal management structure, starting with the reinforcement of our human resource base. The Board of Directors recognizes the proper supervision of these executive-side initiatives and the need to deepen discussions aimed at enhancing corporate value going forward, including consideration of the next medium-term management plan, to be key issues. Furthermore, the Nominating Committee, the Compensation Committee, and the Audit Committee deliberate a variety of topics other than those matters under on laws and regulations.

Main Initiatives	Details
Establishment of an environment that enables planned deliberations and consideration	<ul style="list-style-type: none"><li>• An annual schedule of topics for the Board and each committee has been determined through discussions at those bodies.</li><li>• From a medium- to long-term perspective, we have strived to further enhance the agenda items and reports submitted to the Board of Directors while aiming for greater focus and prioritization.</li></ul>
Examination of the skill matrix for, and composition of the Board of Directors	<ul style="list-style-type: none"><li>• The Committee, taking into account internal and external circumstances, has discussed and determined a skill matrix for the Board of Directors to ensure its appropriateness in terms of proper oversight by the Board of Directors in its determination and execution management policies.</li><li>• The Committee has also continuously and actively examined issues such as whether the Board's composition is appropriate from the perspective of the diversification of skills, age composition, and gender.</li></ul>
Succession planning for Representative Executive Officer & President, and selection of other executive officers	<ul style="list-style-type: none"><li>• The Committee continuously discusses the desired skills and backgrounds ("long list") for selecting future executive officers and corporate officers.</li></ul>
Review of the compensation system for the management team	<ul style="list-style-type: none"><li>• The Committee has actively deliberated the optimal compensation system aligned with JSF's long-term management vision, to facilitate the steady implementation of the management plan.</li></ul>
Enhancement of audit effectiveness	<ul style="list-style-type: none"><li>• The Committee, in addition to auditing the execution of duties by directors and executive officers and preparing audit reports, has worked to improve the effectiveness of audits in coordination with the internal audit department and the accounting auditor.</li></ul>

(Enhancement of Information Disclosure)

We have devoted efforts to provide information to all of our stakeholders in FY2024. In 2023, we established a new corporate message, “Be unique. Be a pioneer.” To embody the spirit of this message, we also redesigned our corporate logo and established new corporate color. We have devoted efforts to provide information to all of our stakeholders. In November 2024, we revamped our corporate website and our website provides information on loans for margin transactions, introducing a completely new design. We have improved usability and information visibility, and we expanded the content of the disclosed information.

Corporate Logo	Corporate Color
 <p>The logo combines the "1" from "Only One, No. 1" and the "J" from "JAPAN" to express our determination to continue to be uniquely the only one and number one in securities and finance as a pioneer, a specialist, and as an expert institution.</p>	 <p><b>GROW BLUE :</b> Our corporate color expresses the flexibility and creativity, as well as the expansive and future-oriented spirit, that we strive for.</p>

We update the content of our Integrated Report each year based on feedback from shareholders and other stakeholders. The 2024 Integrated Report illustrates our position as a leading company in the securities and financial markets and highlights the significant changes in our revenue profile resulting from the growth of the securities financing business. It also depicts the efforts under our human capital policy, such as proactive mid-career hiring.

(Granting company stock incentives to employees)

In FY2024, as in the previous year, we granted shares of the Company's stock to employees based on the Company's performance (employee stock incentive plan). This was implemented based on the fact that we achieved our 5% ROE target two years ahead of the schedule initially envisioned in our mid-term plan.

The purpose of this initiative is to enhance employee motivation and engagement toward the achievement of management goals, and to heighten interest in corporate value enhancement and promote value-sharing with shareholders by having employees own JSF stock, thereby driving improvements in our corporate value over the medium- to long-term.

(Initiatives on sustainability issues)

We are proactively addressing sustainability issues. In FY2024, we primarily focused on the following initiatives. Regarding efforts addressing corporate governance and sustainability issues, we were awarded the Best Corporate Governance Practices (Finance) at The Global Economics Awards 2024 sponsored by The Global Economics Limited.

Main Initiatives	Details
Joint research with The University of Tokyo	<ul style="list-style-type: none"> <li>Since April 2021, JSF and the Tanaka Laboratory of the Graduate School of Engineering at The University of Tokyo has been jointly conducting a proof-of-concept study to verify whether the use of distributed ledger technology (DLT) makes it possible to facilitate smooth transactions for tokenized securities and collateral in repo and securities lending transactions. In May 2023, we published a report on the results of this joint research. Additionally, together with members of the Tanaka Lab, we presented our findings at an international conference on transdisciplinary engineering (Transdisciplinary Engineering 2024) held in London in July 2024.</li> </ul>
International cooperation with the Indonesian securities industry*	<ul style="list-style-type: none"> <li>Through participation in advisory committees and shareholders' meetings comprised of JSF, other shareholders such as the Indonesia Stock Exchange group, and the Indonesian securities finance company, we are actively contributing to discussions on the company's management policies and business operations. We are also organizing seminars from time to time in Jakarta and Tokyo for members of Indonesia's securities industry (including regulatory authorities, exchange officials, and securities firms).</li> </ul>
Formulation of JSF human rights policy	<ul style="list-style-type: none"> <li>With a longstanding recognition of the importance of respecting human rights, prohibiting discrimination, valuing diversity, and prohibiting various types of harassment, the JSF Group has endeavored to uphold human rights. In October 2024, we announced the new formulation of the Japan Securities Finance Human Rights Policy, stating that we would continue to promote efforts to respect the human rights of all people involved in our business activities.</li> </ul>

\* In our capacity as an institution supporting the infrastructure of Japan's securities and financial markets, we have provided Indonesian securities-related organizations with know-how on the operation and administrative aspects of loans for margin transactions, and have repeatedly emphasized the importance of securities financing for the improvement of market liquidity in Indonesia. Through these efforts, we contributed to the establishment of the Indonesian securities finance company (PT Pendanaan Efek Indonesia) at the end of 2016. Even after the establishment of this company, we continued to provide practical support in areas such as risk management and funding, and in August 2020 we made an equity investment in the company. We intend to further leverage our accumulated expertise in securities finance operations to contribute to the sustainable development of Indonesia's economy and its financial and securities markets going forward.

(Financial results for FY2024 (fiscal year ending March 31, 2025))

(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%
Ordinary profit	12,507	1,482	13.4%
Profit attributable to owners of the parent	10,375	2,345	29.2%

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 financing business, 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).

#### (Operating Conditions by Business Segment)

- Margin Loan Business

The gross profit for margin transactions business reached 4,390 million yen (up 15.1% year-on-year). The profit on margin loans increased steadily with the strong stock market conditions and changes in the interest rate environment, leading to an overall increase in the profit of the margin loan business. The profit on stock loans decreased due to repurchases to secure profits.

- Securities Financing Business

The gross profit for the securities financing business reached 7,351 million yen (down 6.4% year-on-year). Of this, bond repo and gensaki transactions (4,060 million yen, down 14.3% year-on-year) experienced strong demand for collateral use and international financial regulatory compliance. However, due the fluctuation of market interest rates within a certain range, the interest margin decreased slightly from the significant increase experienced in the previous year, leading to a decrease in profits. Equity repo transactions (1,762 million yen, up 0.7% year-on-year) showed steady performance in equity repo transaction, mainly due to increased demands for funds from securities companies which have been affected by changes in interest rate conditions. Profits from loans for negotiable margin transactions (358 million yen, up 59.2% year-on-year) increased due to increased demand for funds from the strong stock market conditions. General stock lending (664 million yen, down 5.0% year-on-year)

experienced strong demand for fail-covering. However, profits slightly decreased compared to the previous year, when profits had increased significantly. Profits from retail loans (505 million yen, up 14.3% year-on-year) increased due to strong stock market conditions, as well as the expansion of eligible collateral and the improvement of merchantability otherwise.

- Other

Other gross operating profit (3,164 million yen, up 45.4% year-on-year) increased due to the accumulation of carry revenues and the effect of portfolio substitution in securities investment business.

- Trust and Banking Business

The gross profit for our trust banking business came in at 3,043 million yen (up 1.4% year-on-year). Custodian type trust services continued to perform well and trust fees increased.

- Real Estate Leasing Business

The gross profit for our real estate leasing business reached 1,185 million yen (down 0.8% year-on-year).

(Gross Profit by Business)

	114 <sup>th</sup> (FY2023)	115 <sup>th</sup> (FY2024)	year-on-year	year-on-year
	(million yen)	(million yen)	(million yen)	(%)
Securities finance business	13,845	14,905	1,059	7.7%
Margin loan business (Except premium charges)	3,814	4,390	575	15.1%
Securities financing	7,854	7,351	-503	-6.4%
Equity repo transactions	1,749	1,762	12	0.7%
Bond repo and gensaki transactions	4,738	4,060	-677	-14.3%
Loans for negotiable margin transactions	225	358	133	59.2%
General stock lending	699	664	-35	-5.0%
Loans to retail	442	505	63	14.3%
Others (mainly securities investment)	2,176	3,164	987	45.4%
Trust and Banking Business	3,000	3,043	42	1.4%
Real Estate Leasing Business	1,195	1,185	-9	-0.8%
Total (Non-Consolidated)	18,041	19,134	1,092	6.1%
Total (Consolidated)	17,644	18,746	1,102	6.2%

(Average Balance by Business)

	114 <sup>th</sup> (FY2023)	115 <sup>th</sup> (FY2024)	year-on-year
	(billion yen)	(billion yen)	(billion yen)
Margin loan	286.9	370.8	83.8
Stock loan	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	39.2	-81.7
Loans to retail	20.4	25.3	4.8
Trust bank loans	591.3	175.7	-415.6

(2) Issues to be Addressed

(Next Medium-term Management Plan)

The Company set the management goals of maintaining a stable ROE of 5% and a consolidated ordinary profit exceeding ¥10 billion in our Seventh Medium-Term Management Plan (FY2023–FY2025), while also striving for further improvement. As a result, ROE for FY2024 reached 7.4% (6.5% excluding extraordinary gains), and our consolidated ordinary profit reached ¥12.5 billion. These figures demonstrate steady improvement in our profitability and capital efficiency, particularly with the strong performance of our security finance operations.

FY2025 is the final year of our Seventh Medium-Term Management Plan. From our perspective, taking into account the progress made in building a diversified business portfolio that has improved our earning power and capital efficiency, the significant advancements in strengthening our corporate governance, and the progress made under the current medium-term plan, we believe that a foundation is being laid for new growth.

With this recognition, the Board of Directors will thoroughly examine the formulation of the next medium-term management plan, taking into account the "Long-Term Management Vision" we formulated and announced in November 2023. We aim to achieve higher targets for metrics such as profitability and capital efficiency, and to share a more concrete roadmap and milestones for our future initiatives with our stakeholders, with an eye towards sustained growth and the enhancement of our corporate value. Furthermore, the Board of Directors will consider future shareholder returns in conjunction with the next medium-term management plan.

(Responding to Changes in the External Environment)

Our business performance is characterized by its susceptibility not only to trends in the securities market but also to interest rate fluctuations. Interest rates have functioned effectively since the easing of the negative interest rate policy. In this environment, our lending rates have risen and we have observed an increase in funding demand from our clients. While it will be necessary to pay attention to the impact U.S. tariffs will have on Japan's financial policy, we view the overall environment surrounding us as generally positive.

We have endeavored to ensure stable operations in our loans for margin transactions business by appropriately responding to changes in the stock market environment, and by accurately identifying the trading needs of market participants to promote the use of our services. In our securities financing business, will strive to grow the business by connecting various financing needs through securities, both domestically and abroad. We will also continue our efforts to expand our client base, including foreign financial institutions, and to diversify the types of securities we handle. Our subsidiary, JSF Trust and Banking Co., Ltd., will strive to sustain growth and enhance our corporate value by focusing on managed trust services in niche sectors, where its strength lies.

(Strengthening of Human Resource Development)

We believe that strengthening human resource development and improving engagement will be pivotal for our future continued growth. In order to take up and achieve ambitious management goals, it is essential to foster a work environment where all employees are able to fully express their individuality and strengths, actively and enthusiastically engage in improving efficiency and driving transformation, and grow through accumulated experience and achievements. To that end, we have established a Human Capital Policy as our fundamental approach to advancing initiatives related to human capital formation, including human resource development. Our Human Capital Policy sets forth a vision of our aspirations, emphasizing our commitment to offering opportunities and a supportive environment where employees can grow through their work. We are also committed to fostering a comfortable work environment that allows employees to engage in their work with peace of mind. In this ever-changing environment, we aim to cultivate a resilient corporate mindset across the Company as an ongoing commitment to the realization of our vision.

As Japan's only securities finance company supporting the infrastructure functions of the securities and financial markets, we will continue to work to maintain our position as a distinct and unique company that operates with a high degree of agility and flexibility. Our goal is to achieve sustained growth and to enhance our corporate value while maintaining strong financial soundness and contributing to the development of the securities and financial markets.

We ask our shareholders and other stakeholders for their sincere understanding of our efforts, and for their continued support and cooperation.

### (3) Changes in Financial Position and Results of Operations (Consolidated Basis)

		FY2021 ( From April 1, 2021 to March 31, 2022 )	FY2022 ( From April 1, 2022 to March 31, 2023 )	FY2023 ( From April 1, 2023 to March 31, 2024 )	FY2024 ( From April 1, 2024 to March 31, 2025 )
Operating revenues	(mil yen)	30,138	42,518	50,259	59,486
Ordinary profit	(mil yen)	7,164	7,601	11,024	12,507
Profit attributable to owners of parent	(mil yen)	5,174	5,966	8,030	10,375
Net income per share	(yen)	56.61	67.76	94.04	124.61
Net assets	(mil yen)	137,996	135,728	144,606	134,346
Net assets per share	(yen)	1,545.03	1,574.64	1,725.62	1,630.45

### (4) Main Businesses (As of March 31, 2025)

JSF group engages in the following businesses, including the lending and borrowing business, and is licensed under the Financial Instruments and Exchange Law.

#### ① Securities Finance Business

##### Margin Loan Business

Loan of funds and stock certificates to securities companies, as required for the standardized margin transactions conducted on all stock exchange markets and on proprietary trading systems (PTS)

##### Securities Financing Business

Equity repo transactions	Lending of the funds required by securities companies using stocks and other securities as collateral. Cash is deposited in exchange for borrowing stock certificates held by financial institutions.
Bond repo and gensaki transactions	Intermediation of government bond repo and gensaki transactions (transactions in which bonds are exchanged for cash).
Loans for Negotiable Margin Transactions	Lending of the funds required in the settlement of negotiable margin transactions.
General stock lending	Lending of stocks procured from institutional investors to securities companies as required in trading.
Retail loans	Loan of funds to individual investors and others using stocks and other securities as collateral. The core service in this business is COM-STOCK loans (securities-backed loans that can be transacted online).

##### Securities Investment Business

#### ② Other

Trust and Banking Business	Trust service and banking services
Real Estate Leasing Business	Real estate leasing

### (5) Business Offices (As of March 31, 2025)

#### ① JSF

Head Office	1-2-10 Nihonbashi-Kayabacho, Chuo-ku, Tokyo
Osaka branch	1-9-6 Edobori, nishi-ku, Osaka

#### ② Subsidiary Companies

JSF Trust and Banking Co., Ltd.	1-2-4 Nihonbashi-Kayabacho, Chuo-ku, Tokyo
Nihon Building Co., Ltd.	1-2-14 Nihonbashi-Kayabacho, Chuo-ku, Tokyo



## (6) Capital Investment

Capital investments totaling ¥0.3 bn were made during the consolidated fiscal year under review.

These investments arose from modifications to our core system.

## (7) Employees of the Group (As of March 31, 2025)

### ① JSF group

Segment	The number of employees	Year on Year
Securities Finance Business	216 [9]	+4 [+3]
Trust and Banking Business	43 [1]	— [—]
Real Estate Leasing Business	17 [0]	+1 [—]
Total	276 [10]	+5 [+3]

(Note) 1. The number of employees is the number of employed people (excluding those seconded from our group to outside our group) and does not include executive officers. In addition, the average number of temporary employees per year is shown separately in brackets [ ].

2. Temporary employees include temporary staff and part-time employees.

### ② JSF

The number of employees	Year on Year	Average age	Average employment longevity
216 [9]	+4 [+3]	44.0	20.3

(Note) 1. The number of employees is the number of employed people (excluding those seconded from our group to outside our group) and does not include executive officers. In addition, the average number of temporary employees per year is shown separately in brackets [ ].

2. Temporary employees include temporary staff and part-time employees.

## (8) Subsidiary Companies (As of March 31, 2025)

Name	Capital Stock (billion yen)	Investment Ratio (%)	Principal Business
JSF Trust and Banking Co., Ltd.	14	100	Trust and Banking Business
Nihon Building Co., Ltd.	0.1	100	Real Estate Leasing Business

(Notes) 1. Affiliated companies are as follows:

- Japan Information Processing Service Co., Ltd.
- JSF Information Technology Co., Ltd.

2. No subsidiaries are specified wholly owned subsidiaries.

## (9) Major Borrowings (As of March 31, 2025)

Disclosure is omitted because the amount of borrowings is immaterial.

## II Matters Concerning Shares of the Company (As of March 31, 2025)

(1) Total number of authorized shares 200,000,000 shares

(2) Number of issued and outstanding shares 88,000,000 shares

(3) Number of shareholders 16,649 persons

(4) Major Shareholders (Top 10)

Name	Number of Shares Held (1000 shares)	Shareholding Ratio (%)
THE SFP VALUE REALIZATION MASTER FUND LTD.	13,624	16.4
The Master Trust Bank of Japan, Ltd. (Trust account)	9,289	11.1
THE CHASE MANHATTAN BANK, N.A. LONDON SPECIAL OMNIBUS SECS LENDING ACCOUNT	4,836	5.8
Capital Market Promotion Foundation	4,654	5.6
Mizuho Bank, Ltd.	3,536	4.2
Custody Bank of Japan, Ltd. (Trust account)	2,445	2.9
BNYM AS AGT/CLTS 10 PERCENT	1,575	1.9
STATE STREET BANK WEST CLIENT – TREATY 505234	1,536	1.8
Sumitomo Mitsui Trust Bank, Limited	1,489	1.8
RBC IST 15 PCT LENDING ACCOUNT - CLIENT ACCOUNT	1,296	1.6

(Note) In addition to the foregoing, 4,672,787 shares of treasury stock are held by the Company As of March 31, 2025. The treasury stock is excluded in the calculation of the shareholding ratio.

(5) Status of shares issued to the Company's officers as compensation for the execution of their duties during the current fiscal year

	Number of shares	Number of persons issued shares
Executive officer	20,300 shares	1 person

(Note) The Company delivers shares of the Company's stock upon retirement through a Board Benefit Trust mechanism.

### III Matter related to the director of the company

#### (1) Directors (As of March 31, 2025)

Classification	Name	Position	Significant concurrent positions
Director Chairperson of the Board of Directors	Naotaka Obata	Nominating Committee Member (Chairperson) Compensation committee Member (Chairperson)	
Director	Shoko Sugino	Nominating Committee Member Audit Committee Member (Chairperson) Compensation committee Member	Partner Attorney at Fujibayashi Law Office Audit & Supervisory Board Member of Takeei Corporation Outside Director of Janome Corporation
Director	Kensuke Futagoishi	Nominating Committee Member Compensation committee Member	
Director	Takayoshi Yamakawa	Nominating Committee Member Audit Committee Member	Representative Partner of Business Producer LLC Outside Director of Akatsuki Securities, Inc. Outside Director of FP Corporation
Director (Representative Executive Officer & President)	Shigeki Kushida	Nominating Committee Member Compensation committee Member	Director of JSF Trust and Banking Co., Ltd. Outside Director of Denso Corp.
Director	Kenji Fukushima	Audit Committee Member	

(Note)1. Four directors, Mr. Naotaka Obata, Ms. Shoko Sugino, Mr. Kensuke Futagoishi and Mr. Takayoshi Yamakawa are outside directors.

- The Company does not appoint a full-time Audit Committee member because the appointed Audit Committee members and their assistants attend important meetings, review all important resolution documents, etc., and ensure the effectiveness of audits through cooperation and exchange of information with the accounting auditors, the internal audit department and the auditors at subsidiaries.
- The Company has designated outside directors, Mr. Naotaka Obata, Ms. Shoko Sugino, Mr. Mr. Kensuke Futagoishi and Mr. Takayoshi Yamakawa as Independent Officers pursuant to the rules of the Tokyo Stock Exchange, Inc., and has notified the Tokyo Stock Exchange, Inc. to that effect.
- Director Setsuko Egami resigned from her position as of October 31, 2024. At the time of her resignation, she also served significant concurrent positions as a Professor Emeritus at Musashi University and an Outside Director of Resona Holdings, Inc.
- Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into Limited Liability Agreements with directors (excluding executive directors, etc.) under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under such agreement is the minimum liability amount stipulated in the Companies Act. The Company had also entered into a similar contract with Director Setsuko Egami, who resigned from her position as of October 31, 2024.
- There exists no personal, capital, business or other interest of note with other companies where outside directors concurrently serve or have served as officers.
- The Company has concluded a Directors' and Officers' Liability Insurance Policy as stipulated in Article 430-3, paragraph (1) of the Companies Act, insuring its directors, executive officers, corporate officers, and other important employees, as well as the officers at its subsidiaries. The insurance premiums, including the rider portion, are borne entirely by the company, and there is effectively no insurance premium burden on the insured. Damages in cases where the insured officers are liable for the execution of their duties, etc., or where the insured officers are subject to claims for such liabilities (compensation for damages and litigation expenses) are covered under this insurance policy. However, there are certain exclusions of liability, such as damages arising from an act committed with knowledge that the act is in violation of laws and regulations.

## (2) Attendance at meetings

Name	Board of Directors	Nominating Committee	Audit Committee	Compensation Committee
Naotaka Obata	13/13 (100%)	9/9 (100%)	—	9/9 (100%)
Shoko Sugino	13/13 (100%)	9/9 (100%)	13/13 (100%)	9/9 (100%)
Kensuke Futagoishi	13/13 (100%)	9/9 (100%)	—	9/9 (100%)
Takayoshi Yamakawa	13/13 (100%)	9/9 (100%)	13/13 (100%)	—
Shigeki Kushida	13/13 (100%)	9/9 (100%)	—	9/9 (100%)
Kenji Fukushima	10/10 (100%)	—	10/10 (100%)	—

(Note) 1. Attendance at the meetings of the Board of Directors and Committees held during their term of office.

2. Director Setsuko Egami resigned from her position as of October 31, 2024. Up until her resignation, she attended 8 out of 8 (100%) Board of Directors meetings and 6 out of 6 (100%) Compensation Committee meetings.

## (3) Status of Primary Activities of Outside Officers

Name	Status of activities and overview of duties performed with respect to the role expected of outside directors
Naotaka Obata	Naotaka Obata draws on his extensive experience and broad insight as a manager at major financial institutions to sufficiently fulfill the roles and responsibilities required of an outside director, including effective supervision over the Company's management, determination of medium- to long-term management policies, and advice on overall management. At meetings of the Board of Directors, as chairperson, he manages the agenda, and makes suggestions and provides advice on the implementation status of the medium-term management plan, the management of financial transactions, and risk management systems. At Nominating Committee and Compensation Committee meetings, he manages the proceedings as the chairperson, and as a committee member he expresses necessary opinions in the consideration and deliberation of management selection plans, the composition of the Board of Directors, and executive compensation.
Shoko Sugino	Shoko Sugino draws on her extensive experience and broad insight as an attorney to adequately fulfill the roles and responsibilities required of an outside director, including effective supervision over the Company's management, determination of medium- to long-term management policies, and advice on overall management. At meetings of the Board of Directors, she makes suggestions and provides advice on our efforts in investor relations and the management and operation of internal control systems. At the Nominating Committee and Compensation Committee, as a member she expresses necessary opinions in the consideration and deliberation of management selection plans, the composition of the Board of Directors, and executive compensation. In addition, at the Audit Committee, she manages the proceedings as chairperson, and drafts audit plans, interviews the accounting auditor regarding the status of the audits and the results thereof, and expresses her opinions as necessary.
Kensuke Futagoishi	Kensuke Futagoishi draws on his extensive experience and broad insight in the management of financial institutions with unique and cutting-edge business models to adequately fulfill the roles and responsibilities required of an outside director, including effective supervision over the Company's management, determination of medium- to long-term management policies, and advice on overall management. At meetings of the Board of Directors, he makes suggestions and provides advice on the implementation status of the medium-term management plan and on the strengthening of human resource development. At the Nominating Committee and Compensation Committee, as a member he expresses necessary opinions in the consideration and deliberation of management selection plans, the composition of the Board of Directors, and executive compensation.
Takayoshi Yamakawa	Takayoshi Yamakawa draws on his extensive experience and broad insight into trends in technological innovation and corporate management related to digital transformation, etc., to adequately fulfill the roles and responsibilities required of an outside director, including effective supervision over the company's management, determination of medium- to long-term management policies, and advice on overall management. At meetings of the Board of Directors, he makes suggestions and provides advice on the implementation status of the medium-term management plan and our efforts in investor relations. At the Nominating Committee, as a member he expresses necessary opinions in the consideration and deliberation of management selection plans, the composition of the Board of Directors, and other matters. In addition, as a member of the Audit Committee, he drafts audit plans, interviews the accounting auditor regarding the status of the audits and the results thereof, and expresses his opinions as necessary.

(Note) Setsuko Egami served as a director up until her resignation on October 31, 2024. Up until her resignation, she provided advice and made suggestions regarding risk management systems and investor relations initiatives at meetings of the Board of Directors. At the Compensation Committee, as a member she expressed necessary opinions in the consideration and deliberation of executive compensation.

(4) Executive Officers (As of March 31, 2025)

Position	Name	Responsibilities	Significant concurrent positions
Chairperson	Eizo Kobayashi	Assisting and supporting the president in general management, primarily in external affairs.	Director of Nihon building Co., Ltd. Director of Japan Information Processing Service Co., Ltd. Outside Director of Tokyo Metro Co., Ltd.
Representative Executive Officer & President	Shigeki Kushida	Directing and leading the executive officers, as the chief executive. Internal Audit Dept.	Director of JSF Trust and Banking Co., Ltd. Outside Director of Denso Corp.
Senior Managing Executive Officer	Yutaka Okada	Corporate Governance Office Business Development Dept. Treasury Dept. International Relations	
Senior Managing Executive Officer	Morikuni Shimoyamada	Margin Loan Dept. Institutional Sales Dept. Retail Business Dept.	
Managing Executive Officer	Shinichi Sugiyama	Corporate Planning Dept. Risk Management Dept. Information System Planning Dept. Group Companies Relations	
Managing Executive Officer	Wataru Sato	Compliance Dept. Human Resources Dept. Settlement & Custody Dept. Osaka Branch	

(Note) 1. Shigeki Kushida, President and Representative Executive Officer, concurrently serves as a Director.

2. Shinichi Sugiyama, Managing Executive Officer, retired from his position on March 31, 2025, upon the expiration of his term of office.

【Reference】 Executive Officers (as of April 1, 2025)

Position	Name	Responsibilities	Significant concurrent positions
Chairperson	Eizo Kobayashi	Assisting and supporting the president in general management, primarily in external affairs.	Director of Nihon building Co., Ltd. Director of Japan Information Processing Service Co., Ltd. Outside Director of Tokyo Metro Co., Ltd.
Representative Executive Officer & President	Shigeki Kushida	Directing and leading the executive officers, as the chief executive. Internal Audit Dept.	Director of JSF Trust and Banking Co., Ltd. Outside Director of Denso Corp.
Senior Managing Executive Officer	Yutaka Okada	Corporate Governance Office Business Development Dept. Treasury Dept. International Relations	
Senior Managing Executive Officer	Morikuni Shimoyamada	Margin Loan Dept. Institutional Sales Dept. Retail Business Dept.	
Managing Executive Officer	Wataru Sato	Compliance Dept. Human Resources Dept. Settlement & Custody Dept. Osaka Branch	
Managing Executive Officer	Hiroshi Sagawa	Corporate Planning Dept. Risk Management Dept. Information System Planning Dept. Group Companies Relations	

#### (5) Amount of compensation for Directors and Executive Officers

b) Amount of compensation for Directors and Executive Officers					
Classification	Total amount of compensation, etc. (Thousands of yen)	Total amount of compensation by type (thousands of yen)			Number of persons (persons)
		Base compensation	Performance-linked compensation, etc.		
			Bonus	Non-monetary and stock-based compensation	
Directors	63,900	63,900	—	—	7
of which Outside Directors	54,300	54,300	—	—	5
Executive Officers	282,714	191,640	73,930	17,144	6
Total	346,614	255,540	73,930	17,144	

(Note) 1. Directors who concurrently serve as executive officers are not paid compensation as directors. The above includes one director who retired upon the expiration of his term at the conclusion of the 114th Annual General Meeting of Shareholders held on June 25, 2024, and one director who resigned on October 31, 2024.

2. The business performance indicator for performance-linked compensation, etc. (bonus) is the profit attributable to owners of parent of 10,375 million yen.

3. The business performance indicators for performance-linked compensation, etc. (non-monetary and stock-based compensation) are consolidated ROE and consolidated ordinary income of 7.44% and 12,507 million yen, respectively.

#### (6) Policy for determining the amount of compensation, etc. for Officers or the method for calculating the amount of compensation, etc.

- ① Content of policy and method for determining the amount of compensation, etc. for officers or the method for calculating the amount of compensation, etc.

Based on the Company's corporate philosophy and management policy, the compensation, etc. for the Company's officers is established as a system and at a level that matches the roles and expected functions of the directors and executive officers from the perspective of achieving sustainable growth and enhancing corporate value over the medium to long-term. Specifically, the Compensation Committee utilizes the following policy determined by the Compensation Committee to determine compensation, etc. on an individual basis. The Compensation Committee has confirmed that the method of determining the details of compensation, etc. and the details of compensation, etc. determined for each individual director for the current fiscal year are consistent with such determination policy, and has determined that the details of compensation, etc. are in line with this determination policy.

##### [Directors]

- From the perspective of exercising supervisory function, directors receive only a fixed monthly compensation (base compensation) and shall not receive performance-linked compensation, etc.
- Each individual director's compensation will be based on their responsibilities as a director, such as whether they serve full-time or part-time and have been appointed as Chairperson.
- Directors who concurrently serve as executive officers will not receive compensation as directors.

##### [Executive Officers]

- From the standpoint of linking their compensation to the Company's business performance and stock value, executive officers are paid a fixed monthly compensation (base compensation) as well as performance-linked officer bonuses and stock-based compensation.
- The fixed monthly compensation (base compensation) is determined in accordance with each executive officer's position.
- Performance-linked compensation is divided into short-term and long-term incentives, with bonuses serving as a short-term incentive and stock-based compensation serving as a long-term incentive.
- From the standpoint of clarifying management responsibility, officers' bonuses are determined after the end of the fiscal year in conjunction with business performance and individual evaluations in each fiscal year, and are paid within three months after the determination thereof.
- With regard to stock-based compensation, the Company grants points determined in conjunction with medium- to long-term performance, using a Board Benefit Trust mechanism, and delivers the Company's shares in proportion to the number of points at the time of retirement.

- ② Policy on determining the percentage of compensation, etc. to be paid as performance-linked compensation and non-performance-linked compensation, etc.

The percentage of each compensation to be paid to the executive officers based on the base performance shall be determined as follows

Base compensation	Performance-linked compensation	
	Officer bonus	Stock-based compensation
65%	20%	15%

- ③ Indicators for performance-linked compensation, reasons for selecting these indicators, and method of determining performance-linked compensation

Among the Company's executive officers' compensation, the indicators related to officers' bonuses and stock-based compensation, which are performance-based compensation, are as follows.

[Officer bonus]

- Officers' bonuses are determined by multiplying the standard bonus calculation amount for each executive officer's position by the performance-linked coefficient (bonus).
- In calculating performance-linked compensation (bonus), the Company uses the profits attributable to owners of parent as a reference index for short-term incentives, and the ratio of change from the previous year as a coefficient.

[Stock-based compensation]

- The number of base points will be determined based on each executive officer's position.
- Stock-based compensation is determined by multiplying the base number of points by performance-linked coefficient (bonus).
- In calculating the performance-linked compensation (stock-based compensation), the Company uses the management targets under the medium-term management plan (consolidated ROE and consolidated ordinary profit) as reference indicators, and the compensation is determined based on the achievement of actual results relative to the reference values in each fiscal year, from the perspective of increasing the linkage between the enhancement medium- to long-term corporate value and shareholder profits as a long-term incentive.

## IV Dividend Policy

The Company's fundamental policy is to seek the realization of sustainable growth and enhanced corporate value based on maintenance of strong financial soundness as the only securities finance company in Japan supporting the infrastructure of securities market, and to provide stable long-term returns to shareholders by comprehensively taking into consideration the revenue environment, investment plans, and the like. Based on this basic approach, JSF will strive to further enhance shareholder returns.

JSF will aim for a total payout ratio of 100% on a cumulative basis from FY2021 through FY2025, through the payment of dividends and the flexible implementation of share repurchase. With regard to dividends, from FY2024 through FY2025, JSF will actively pay dividends, aiming for a target payout ratio of 70%.

The year-end dividend for the current fiscal year has been set at ¥42 per share (Ordinary Dividend ¥34, Special Dividend ¥8) under a resolution of the Board of Directors adopted at a meeting held on May 15, 2025.

Together with the interim dividend of ¥42 per share (Ordinary Dividend ¥34, Special Dividend ¥8), which has already been paid, the annual dividend will reach ¥84 per share (up ¥37 from the previous fiscal year). The effective date of the year-end dividend payment (Effective Date) will be Friday, June 6, 2025.

# Consolidated Financial Statements

## Consolidated Balance Sheets

Unit: millions of yen

Account	Fiscal 2024 (As of March 31, 2025)
<b>Assets</b>	
Total Current assets	13,178,942
Cash and deposits	1,435,297
Call loans	10,000
Securities	96,241
Operating loans	796,827
Securities purchased under resale agreements	6,441,120
Cash collateral provided for securities borrowed	4,307,086
Other	92,480
Allowance for doubtful Accounts	-111
Total Non-current assets	590,647
Total property, plant and equipment	5,578
Buildings and structures, net	1,986
Tools, furniture and fixtures, net	360
Land	3,231
Intangible assets	618
Software	582
Software suspense accounts	18
Other	17
Total Investments and other assets	584,450
Investment securities	544,475
Bad debts	63
Retirement benefit assets	3,832
Deferred tax assets	857
Other	35,283
Allowance for doubtful accounts	-63
<b>Total assets</b>	<b>13,769,589</b>

Account	Fiscal 2024 (As of March 31, 2025)
<b>Liabilities</b>	
Total Current liabilities	13,315,661
Call money	1,506,000
Short-term borrowings	92,005
Current portion of long-term borrowings	1,000
Commercial papers	438,466
Securities sold under repurchase agreements	8,044,038
Cash collateral received for securities lent	2,549,554
Income taxes payable	1,547
Provision for bonuses	550
Provision for bonuses for directors and other officers	103
Borrowed money from trust account	575,934
Other	106,460
Total Non-current liabilities	319,581
Long-term borrowings	315,600
Deferred tax liabilities	1,354
Deferred tax liabilities for land revaluation	76
Provision for share awards for directors and other officers	222
Retirement benefit liabilities	269
Asset retirement obligations	58
Derivative liabilities	1,500
Other	498
<b>Total liabilities</b>	<b>13,635,242</b>
<b>Net assets</b>	
Total Shareholders' equity	132,754
Share capital	10,000
Capital surplus	5,194
Retained earnings	125,323
Treasury shares	-7,764
Total accumulated other comprehensive income	1,592
Valuation difference on available-for-sale securities	-11,778
Deferred gains or losses on hedges	11,673
Revaluation reserve for land	165
Remeasurements of defined benefit plans	1,531
<b>Total net assets</b>	<b>134,346</b>
<b>Total liabilities and net assets</b>	<b>13,769,589</b>

Note) Amounts less than one million yen are disregarded.



# Consolidated Statement of Income

Unit: millions of yen

Account	Fiscal 2024 (From April 1, 2024 to March 31, 2025)	
Total operating revenues		59,486
Interest on loans receivable	5,720	
Interest on securities purchased under resale agreements	11,246	
Interest income on collateral provided for securities borrowed	12,783	
Securities lending fees	7,990	
Other operating revenue	21,744	
Total operating expenses		40,740
Interest expenses	17,071	
Interest expenses on securities sold under repurchase agreements	10,122	
Securities borrowing fees	9,004	
Other operating expenses	4,541	
Operating gross profit		18,746
Total general and administrative expenses		7,416
Operating profit		11,329
Total non-operating income		1,211
Interest income and dividend income	287	
Share of profit of entities accounted for using equity method	774	
Gain on investments in investment partnerships	52	
Miscellaneous income	97	
Total non-operating expenses		34
Interest expenses	0	
Commission for purchase of treasury shares	8	
Loss on investments in investment partnerships	25	
Miscellaneous expenses	0	
Ordinary profit		12,507
Total extraordinary income		1,828
Gain on sale of non-current assets	1,163	
Gain on sale of investments in securities	664	
Profit before income taxes		14,335
Income taxes-current	3,784	
Income taxes-deferred	175	
Profit		10,375
Profit attributable to non-controlling interests		—
Profit attributable to owners of parent		10,375

Note) Amounts less than one million yen are disregarded.

# Consolidated Statement of Changes in Equity

(From April 1, 2024 to March 31, 2025)

Unit: 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
Net income 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 shareholders' 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

Unit: 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
Net income attributable to owners of parent						10,375
Purchase of treasury share						-3,002
Disposal of treasury share						99
Net changes other than shareholders' 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

Note) Amounts less than one million yen are disregarded.

# Financial Statements

## Balance Sheets

		Unit: millions of yen	
Account	Fiscal 2024 (As of March 31, 2025)	Account	Fiscal 2024 (As of March 31, 2025)
<b>Assets</b>		<b>Liabilities</b>	
Total Current assets	12,482,628	Total Current liabilities	12,669,329
Cash and deposits	988,719	Call money	1,451,000
Securities	3,624	Short-term borrowings	86,400
Operating loans	614,593	Current portion of long-term borrowings	1,000
Margin loan	361,382	Commercial papers	438,466
Loan to securities companies and individual investors	118,211	Securities sold under repurchase agreements	8,044,038
Other loans	135,000	Cash collateral received for securities lent	2,543,965
Securities purchased under resale agreements	6,441,120	Income taxes payable	694
Cash collateral provided for securities borrowed	4,348,332	Provision for bonuses	466
Other	86,283	Provision for bonuses for directors and other officers	103
Allowance for doubtful accounts	-45	Cash collateral received for margin loans	64,712
Total Non-current assets	418,788	Other	38,481
Total property, plant and equipment	1,691	Total Non-current liabilities	112,529
Buildings and structures, net	532	Long-term borrowings	111,600
Tools, furniture and fixtures, net	328	Deferred tax liabilities	76
Land	830	Provision for share awards for directors and other officers	222
Intangible assets	443	Other	630
Software	413	Total liabilities	12,781,859
Software suspense accounts	14	Net assets	
Other	16	Total Shareholders' equity	119,720
Total Investments and other assets	416,652	Share capital	10,000
Investment securities	355,245	Capital surplus	5,194
Shares of subsidiaries and associates	25,538	Capital reserve	5,181
Bad debts	63	Other capital surplus	12
Prepaid pension costs	1,774	Retained earnings	112,281
Deferred tax assets	203	Legal retained earnings	2,278
Other	33,891	Other Retained earnings	110,003
Allowance for doubtful accounts	-63	Reserve for dividends	2,030
		Voluntary reserve	77,030
		Retained earnings brought Forward	30,943
		Treasury shares	-7,755
		Valuation and translation adjustments	-163
		Valuation difference on available-for-sale securities	-11,259
		Deferred gains or losses on hedges	10,930
		Revaluation reserve for land	165
		Total net assets	119,557
		Total liabilities and net assets	12,901,417
Total assets	12,901,417		

Note) Amounts less than one million yen are disregarded.

# Statement of Income

Unit: millions of yen

Account	Fiscal 2024 (From April 1, 2024 to March 31, 2025)	
Total operating revenues		53,172
Interest on loans receivable	5,332	
Interest on securities purchased under resale agreements	11,246	
Interest income on collateral provided for securities borrowed	12,925	
Commission income	398	
Securities lending fees	7,983	
Other operating revenue	15,284	
Total operating expenses		38,266
Interest expenses	15,522	
Interest expenses on securities sold under repurchase agreements	10,122	
Commission expenses	912	
Securities borrowing fees	9,045	
Other operating expenses	2,664	
Operating gross profit		14,905
Total general and administrative expenses		5,873
Operating profit		9,031
Total non-operating income		1,611
Interest income and dividend income	1,500	
Gain on investments in investment partnerships	52	
Miscellaneous revenue	57	
Total non-operating expenses		34
Commission for purchase of treasury shares	8	
Loss on investments in investment partnerships	25	
Miscellaneous expenses	0	
Ordinary profit		10,608
Total extraordinary income		664
Gain on sale of investments in securities	664	
Profit before income taxes		11,273
Income taxes-current	2,571	
Income taxes-deferred	214	2,786
Profit		8,487

Note) Amounts less than one million yen are disregarded.

# Statement of Changes in Equity

(From April 1, 2024 to March 31, 2025)

Unit: millions of yen

	Shareholders' equity								
	Share capital	Capital surplus			Legal retained earnings	Retained earnings			Total Retained earnings
		Capital reserve	Other capital surplus	Total capital surplus		Other retained earnings			
						Reserve for dividends	Voluntary reserve	Retained earnings brought forward	
Balance at April 1, 2024	10,000	5,181	—	5,181	2,278	2,030	77,030	28,544	109,882
Changes arising during the year									
Cash dividends								-6,088	-6,088
Net income								8,487	8,487
Purchase of treasury share									
Disposal of treasury share			12	12					
Net changes other than shareholders' equity									
Total changes during the year	—	—	12	12	—	—	—	2,399	2,399
Balance at March 31, 2025	10,000	5,181	12	5,194	2,278	2,030	77,030	30,943	112,281

Unit: millions of yen

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Treasury share	Total Shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total Valuation and translation adjustments	
Balance at April 1, 2024	-4,839	120,224	1,318	7,292	168	8,779	129,003
Changes arising during the year							
Cash dividends		-6,088					-6,088
Net income		8,487					8,487
Purchase of treasury share	-3,002	-3,002					-3,002
Disposal of treasury share	86	99					99
Net changes other than shareholders' equity			-12,577	3,637	-2	-8,942	-8,942
Total changes during the year	-2,916	-504	-12,577	3,637	-2	-8,942	-9,446
Balance at March 31, 2025	-7,755	119,720	-11,259	10,930	165	-163	119,557

Note) Amounts less than one million yen are disregarded.