

Japan Securities Clearing Corporation
Statement of Financial Condition
Year Ended March 31, 2016

Millions of Yen

ASSETS

CURRENT ASSETS:

Cash and bank deposits	¥44,840
Accounts receivable-trade	2,481
Prepaid expenses	672
Deferred tax assets	148
Margin funds for derivatives	1,213,281
Margin funds in trust for derivatives	0
Deposits for initial margin funds for security trades	72,910
Deposits for clearing funds	353,732
Deposits for clearing funds in trust	0
Deposits as collateral for facilitating settlement	29,800
Margin funds for when-issued transactions	191
Margin funds in trust for CDS	14,256
Deposits for clearing funds in trust for CDS	5,434
Margin funds in trust for IRS	294,304
Deposits for clearing funds in trust for IRS	10,843
Margin funds for JGB	532,817
Deposits for clearing funds for JGB	208,227
Other current assets	15
Total current assets	<u>2,783,956</u>

PROPERTY AND EQUIPMENT:

Buildings	61
Equipment and furniture	21
Total property and equipment	<u>83</u>

INTANGIBLE FIXED ASSETS:

Software	18
Total intangible fixed assets	<u>18</u>

INVESTMENTS AND OTHER ASSETS:

Investments in securities	504
Long-term prepaid expenses	2,309
Deferred charges	1
Other investments and other assets	77
Total investments and other assets	<u>2,893</u>

TOTAL ASSETS

¥2,786,952

LIABILITIES AND EQUITY

CURRENT LIABILITIES:

Accounts payable - trade	¥1,592
Accounts payable - other	0
Accrued expenses	17
Income taxes payable	1,562
Deposits received	7
Accrued bonuses	136
Accrued bonuses for directors	52
Margin funds received for derivatives	1,213,281
Deposits received for initial margin funds for security trades	72,910
Deposits received for clearing funds	353,732
Deposits received as collateral for facilitating	29,800
Margin funds received for when-issued transactions	191
Margin funds received for CDS	14,256
Deposits received for clearing funds for CDS	5,434
Margin funds received for IRS	294,304
Deposits received for clearing funds for IRS	10,843
Margin funds received for JGB	532,817
Deposits received for clearing funds for JGB	208,227
Other current liabilities	269
Total current liabilities	<u>2,739,437</u>
 Total liabilities	 <u>2,739,437</u>

EQUITY

Shareholders' equity	
Capital stock	8,950
Capital surplus	9,476
Retained earnings	29,088
Settlement guarantee reserve for security trades and others	20,000
General reserve	3,504
Retained earnings-unappropriated	5,583
Treasury stock	(0)
Total shareholders' equity	<u>47,514</u>
 Total equity	 <u>47,514</u>

TOTAL LIABILITIES AND EQUITY	<u><u>¥2,786,952</u></u>
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※The figures less than a million yen are rounded down to the nearest million yen.

Japan Securities Clearing Corporation
Statement of Income
Year Ended March 31, 2016

	<u>Millions of Yen</u>
OPERATING REVENUES:	
Clearing fees	22,744
Monthly fees	186
Maintenance fees on cash products and derivatives	437
Other operating revenues	<u>432</u>
Total operating revenues	<u>23,801</u>
OPERATING EXPENSES:	
Total operating expenses	<u>15,474</u>
Operating profit	<u>8,326</u>
OTHER INCOME(EXPENSES):	
Interest income	45
Other-net	<u>(24)</u>
Other income-net	<u>20</u>
INCOME BEFORE INCOME TAXES	<u>8,347</u>
INCOME TAXES	
Current	2,775
Deferred	<u>(11)</u>
Total income taxes	<u>2,764</u>
NET INCOME	<u><u>5,582</u></u>

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Japan Securities Clearing Corporation
Statement of Changes in Equity
Year Ended March 31, 2016

(Millions of Yen)

	Equity				
	Capital Stock	Capital Surplus		Retained Earnings	
		Additional Paid-In Capital	Total Capital Surplus	Other Retained Earnings	
				Settlement Guarantee Reserve for Security Trades and Others	General Reserve
BALANCE, APRIL 1, 2015	8,950	9,476	9,476	17,386	964
Transfer to general reserve					2,540
Transfer to settlement guarantee reserve for security trades and others				2,613	
Net income					
BALANCE, MARCH 31, 2016	8,950	9,476	9,476	20,000	3,504

	Equity				Total Net Asset
	Retained Earnings		Treasury Stock	Total Equity	
	Other Retained Earnings	Total Retained Earnings			
	Unappropriated				
BALANCE, APRIL 1,2015	5,154	23,505	△0	41,931	41,931
Transfer to general reserve	△ 2,540				
Transfer to settlement guarantee reserve for security trades and others	△ 2,613				
Net income	5,582	5,582		5,582	5,582
BALANCE, MARCH 31,2016	5,583	29,088	△0	47,514	47,514

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