



Fiscal Year Ended March 31, 2016

Earnings Presentation

May 2016

J Trust Co., Ltd.



- 1. Full-year Financial Results for Fiscal Year (FY) 2016**
- 2. Performance and Results by Segments**
- 3. Targets for FY2017**
- 4. Current Initiatives and Future Vision**
- 5. APPENDIX**

Disclaimer

- The information published in this material, including forecasts, is recognition, opinion, judgment or projection of the Company at the time of creation of this material and the Company does not guarantee its achievement. As such, please be aware that actual results may differ from the forecasts provided in this material as a result of various factors.
- Please note that figures based on IFRS in this material are unaudited figures prepared by the Company as a reference.
- The earnings presentation and this material are prepared to provide information to facilitate greater understanding of the Company. It is not intended for use in soliciting investments in the securities issued by the Company or its subsidiaries.
- In this material, “profit attributable to owners of parent” is indicated as “net income”.
- There are three months difference between consolidated accounting period and accounting period of Financial Business in Southeast Asia. (1Q reflects figures of Bank JTrust Indonesia from January till March, 2Q reflects its figures from April till June, 3Q reflects its figures from July till September, and 4Q reflects its figures from October till December.)
- This material is an English translation of the original Japanese document, prepared solely for the convenience of and reference by overseas investors. If there exist any discrepancies between the original Japanese language and English translation, the Japanese language will always prevail. The issuer shall not be liable for this translation or any loss or damage arising from this translation.

Full-year Financial Results for FY2016

Appoint a new audit firm to change our accounting standard from J-GAAP to IFRS within FY2018.

Incoming audit firm: YUSEI Audit & Co. (“YUSEI”)*

- Number of listed clients: 51, Industry position: among top 10 audit firms

Reason for appointing YUSEI:

- YUSEI’s global network is essential for our global business expansion.
- YUSEI’s broad international experience is helpful enough to adopt/apply IFRS.

Disclosure policy

- Disclosure will be based on J-GAAP and include IFRS figures as a reference, the same as in fiscal 2016.

* To be officially appointed upon the approval at the ordinary general meeting of shareholders in June 2016.

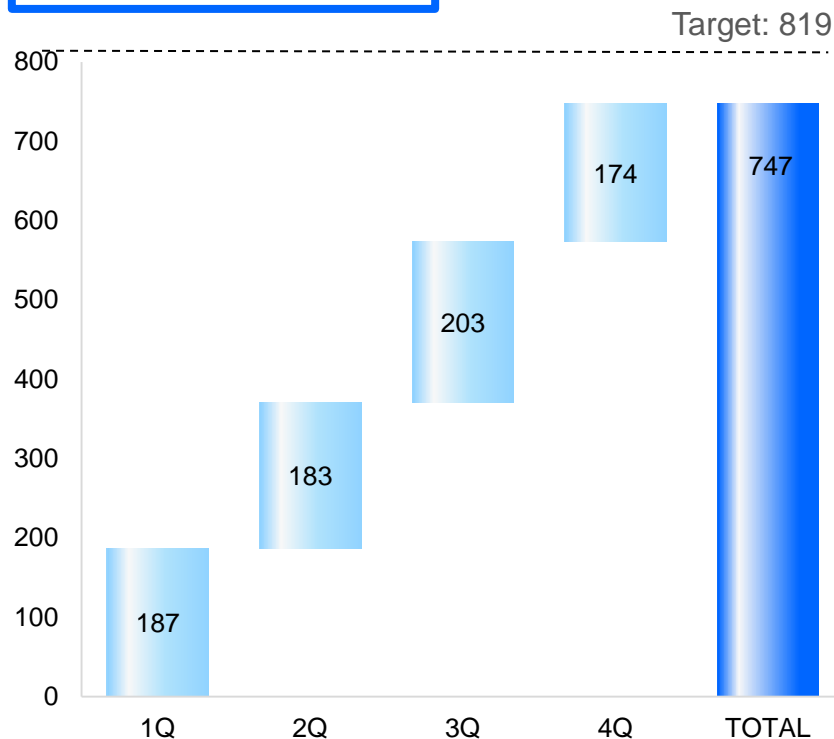
Key Point: Consolidated operating revenue

- Recorded the highest operating revenue under both accounting standards; IFRS: 74.7 billion yen / J-GAAP: 75.4 billion yen.

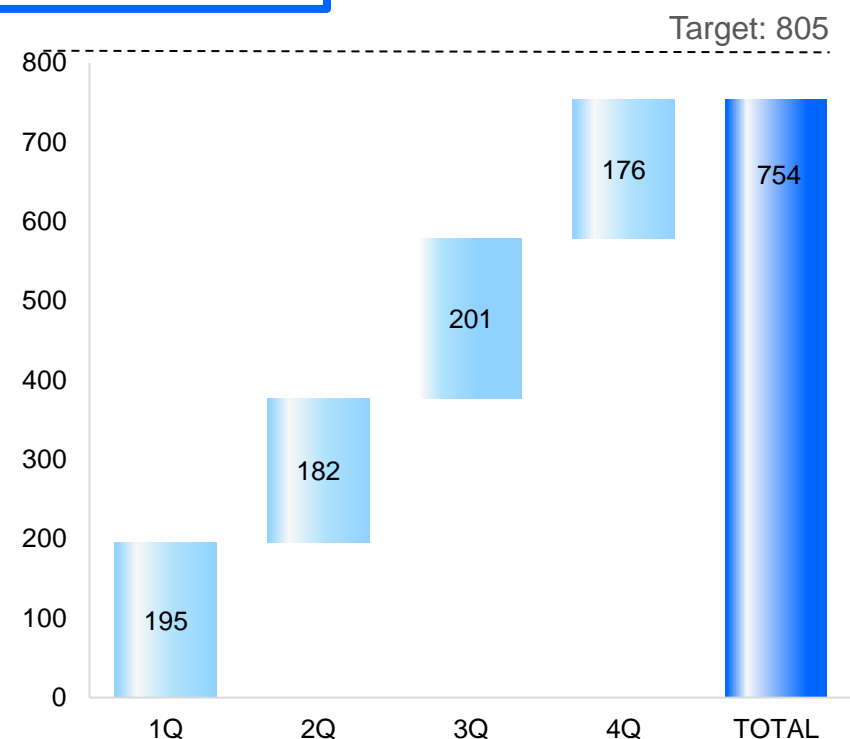
Consolidated operating revenue

(in 100 million yen)

Under IFRS (unaudited)



Under J-GAAP



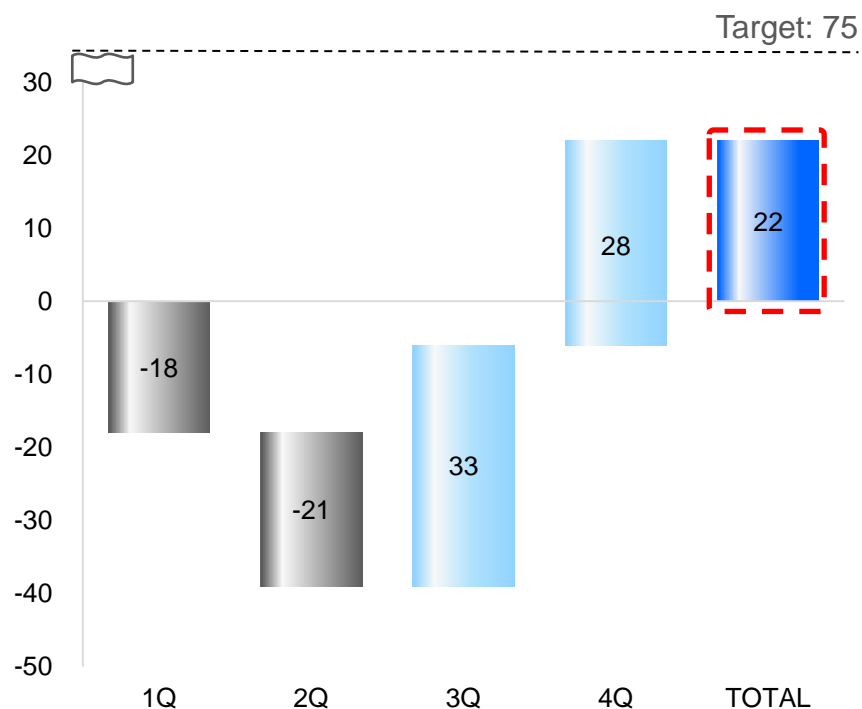
Key Point: Consolidated operating profit

- IFRS: Operating profit became positive on a full-year basis.
- J-GAAP: Operating profit fell below full-year targets, mainly affected by:
 - (i) goodwill; (ii) timing difference in account closing; and
 - (iii) differences in reserve for bad debts.

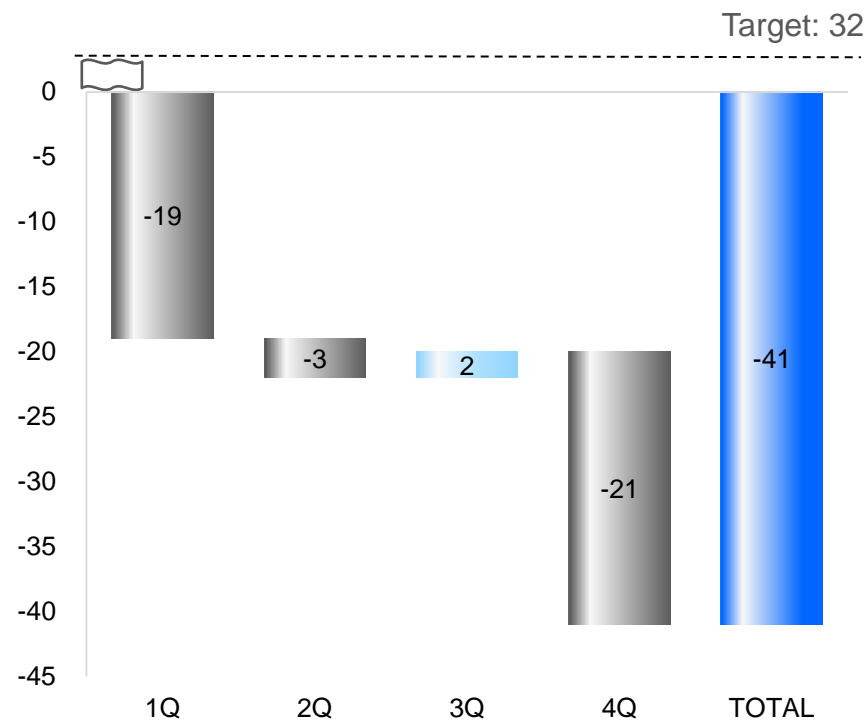
Consolidated operating profit

(in 100 million yen)

Under IFRS (unaudited)



Under J-GAAP



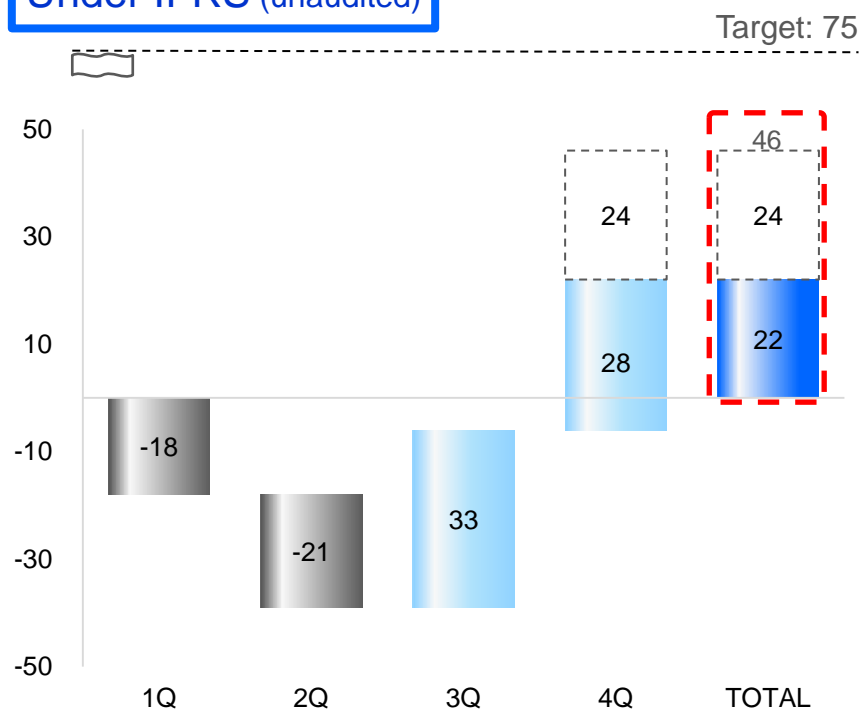
Key Point: Consolidated operating profit

- As a preparation for IFRS, we changed the amortization method from the effective interest rate method to the straight-line method when consolidating Financial Business in South Korea under J-GAAP. An increase in negative goodwill was amortized ahead of schedule in 4Q and recognized as a consolidated loss.
- The amortized amount was 2.4 billion yen. Without this factor, operating profit would have been positive at 4.6 billion yen under IFRS and negative at 1.7 billion yen under J-GAAP.

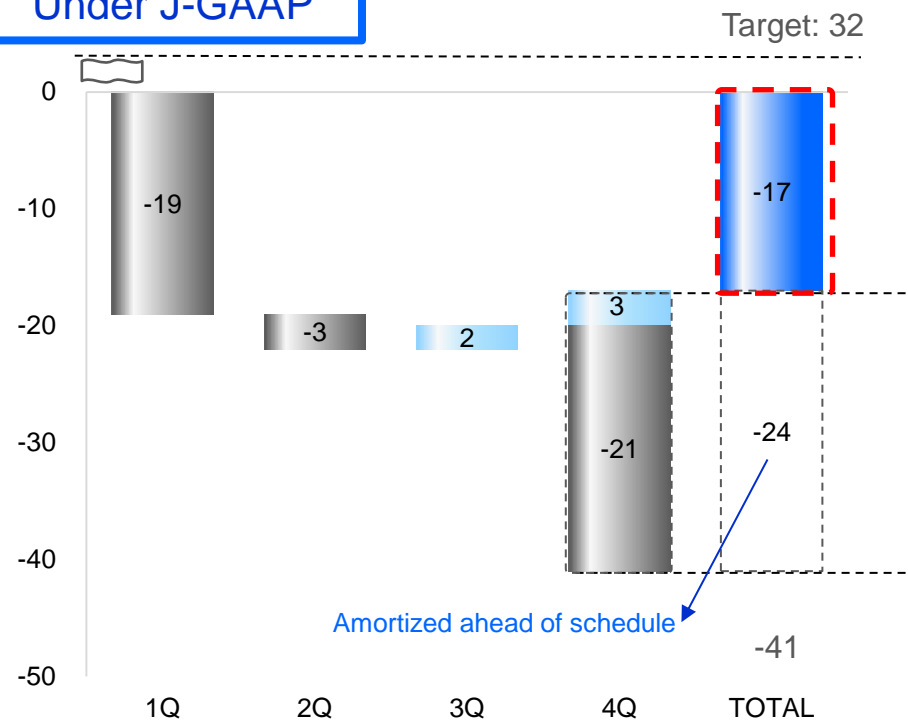
Consolidated operating profit

(in 100 million yen)

Under IFRS (unaudited)



Under J-GAAP



Key Point: Quarterly segment profit under IFRS

- Total consolidated operating profit remained positive from the 2nd half of FY2016.
- Financial Business in Southeast Asia finally recorded a surplus in 4Q through a reversal of reserve for bad debts.

Under IFRS (unaudited)

Quarterly segment profit

(in 100 million yen)

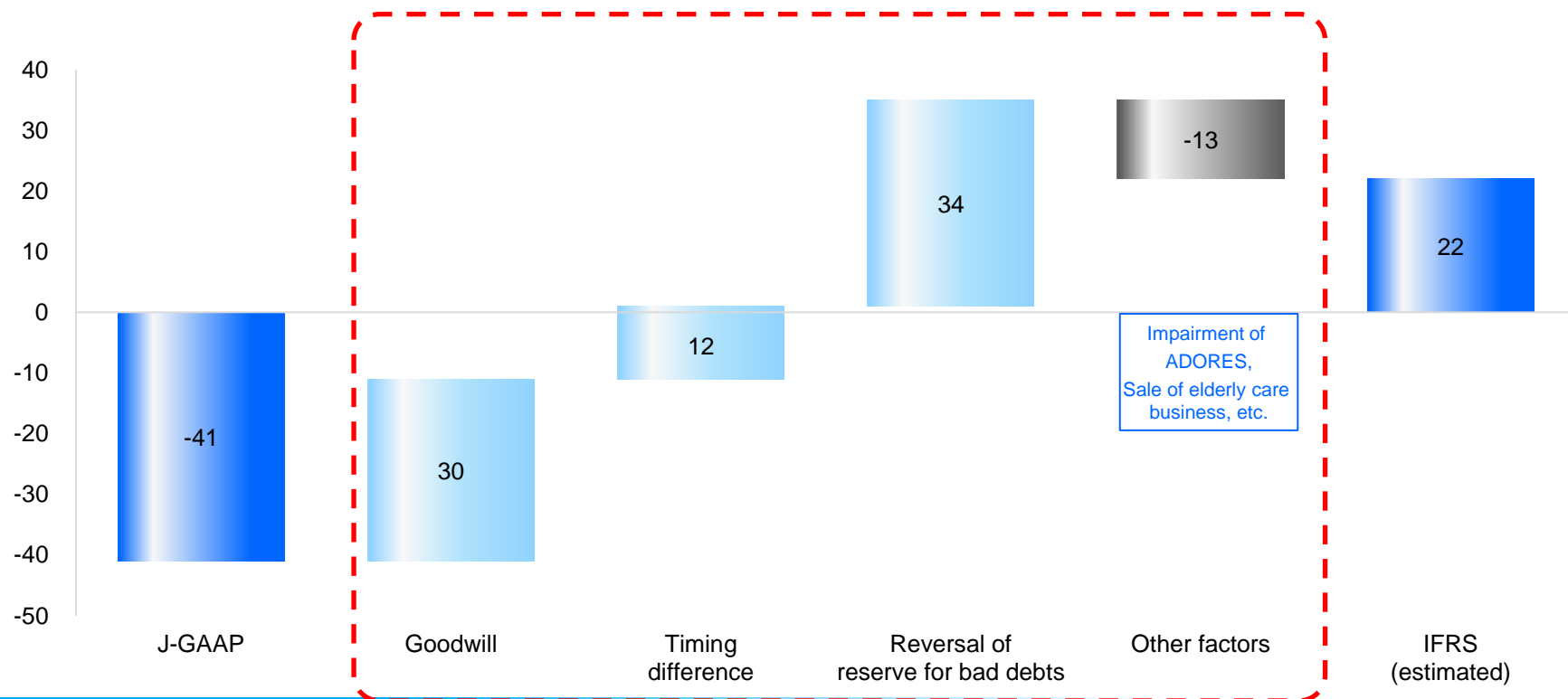
| FY2016 | Full-year | 1Q | 2Q | 3Q | 4Q | Changes (3Q - 4Q) |
|--------------------------------------|-----------|-----|-----|------|----|----------------------|
| Domestic Financial Business | 43 | 11 | 8 | 13 | 11 | -2 |
| Financial Business in South Korea | 5 | -8 | 0.7 | 5 | 7 | +2 |
| Financial Business in Southeast Asia | -17 | -5 | -30 | -5 | 23 | +28 |
| Investment Business | 27 | - | 8 | 18 | 1 | -17 |
| Non-financial Business | -3 | 1 | 4 | -0.3 | -8 | -8 |
| Total consolidated operating profit | 22 | -18 | -21 | 33 | 28 | -5 |

Key Point: Differences in account closing between IFRS and J-GAAP

- Differences between IFRS and J-GAAP were caused by: (i) goodwill; (ii) timing difference in account closing; (iii) reserve for bad debts; and (iv) other factors.

Factors causing differences between IFRS and J-GAAP (consolidated operating profit)

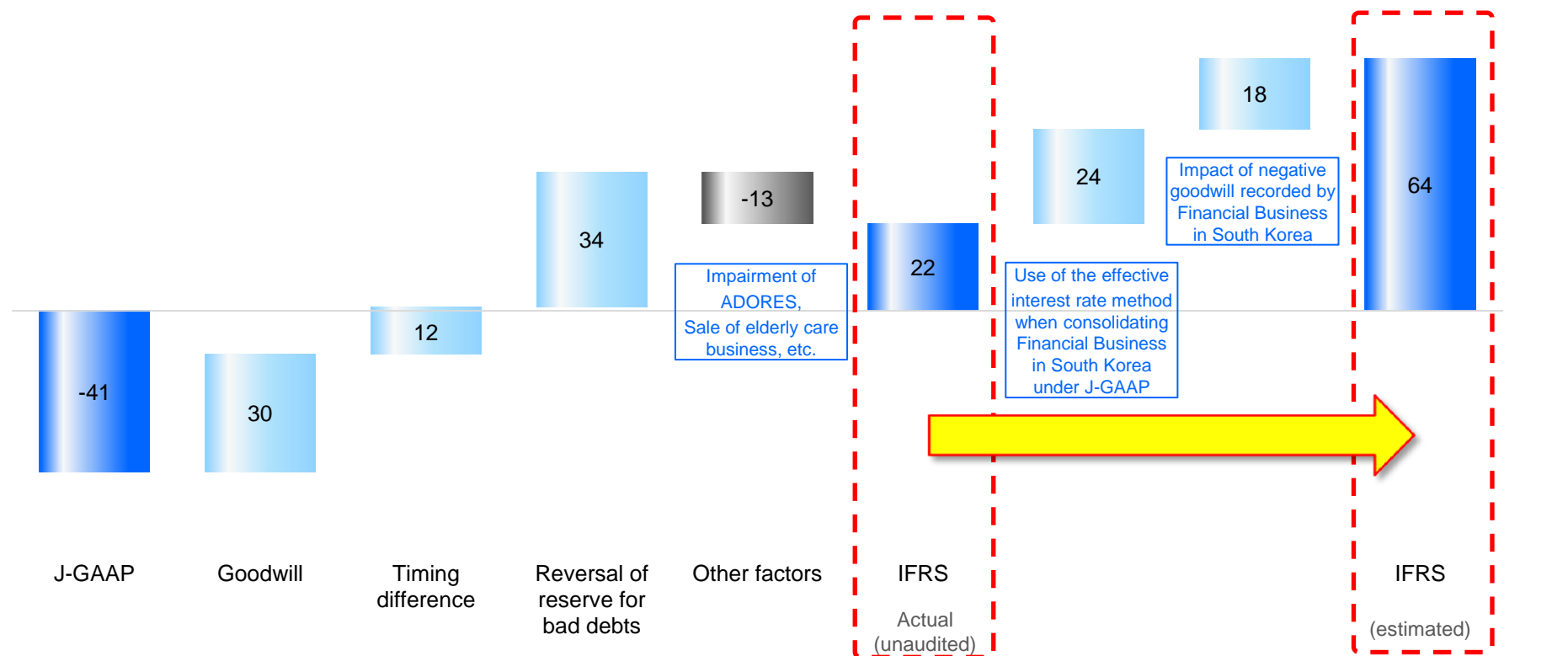
(in 100 million yen)



- Recorded consolidated operating profit of 2.2 billion yen in FY2016. However, our actual earning power was estimated at 6.4 billion yen.

Consolidated operating profit

(in 100 million yen)



Performance and Results by Segments

- Domestic Financial Business and Investment Business contributed substantially to consolidated operating profit.

| Under J-GAAP | | Segment profit | | | (in 100 million yen) |
|--------------------------------------|-------------------|----------------|------------|------------------|----------------------|
| FY2016 | Full-year targets | Actual | Difference | Achievement rate | |
| Domestic Financial Business | 31 | 38 | +7 | 123% | |
| Financial Business in South Korea | 21 | 2 | -19 | 10% | |
| Financial Business in Southeast Asia | -18 | -79 | -61 | - | |
| Investment Business | -2 | 25 | +27 | - | |
| Non-financial Business | 10 | 2 | -8 | 20% | |
| Total consolidated operating profit | 32 | -41 | -73 | - | |

- Recorded consolidated operating profit of 2.2 billion yen with an achievement rate of 29%.

Under IFRS (unaudited)

Segment profit

(in 100 million yen)

| FY2016 | Full-year targets | Actual | Difference | Achievement rate |
|--------------------------------------|-------------------|--------|------------|------------------|
| Domestic Financial Business | 32 | 43 | +11 | 134% |
| Financial Business in South Korea | 25 | 5 | -20 | 20% |
| Financial Business in Southeast Asia | 15 | -17 | -32 | - |
| Investment Business | -2 | 27 | +29 | - |
| Non-financial Business | 13 | -3 | -16 | - |
| Total consolidated operating profit | 75 | 22 | -53 | 29% |

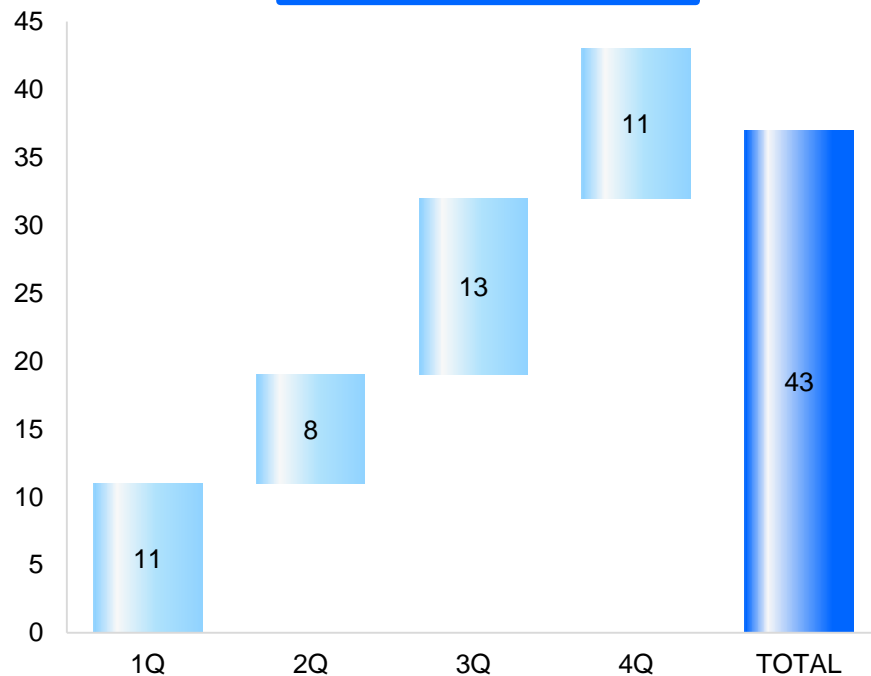
Domestic Financial Business

- Operating profit exceeded targets under both IFRS and J-GAAP.

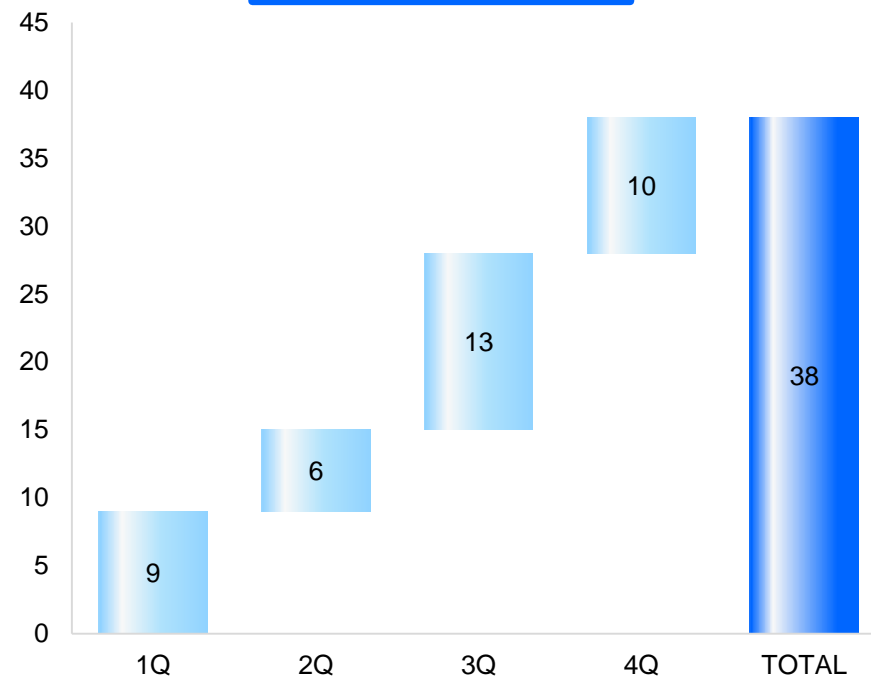
Operating profit of Domestic Financial Business

(in 100 million yen)

Under IFRS (unaudited)



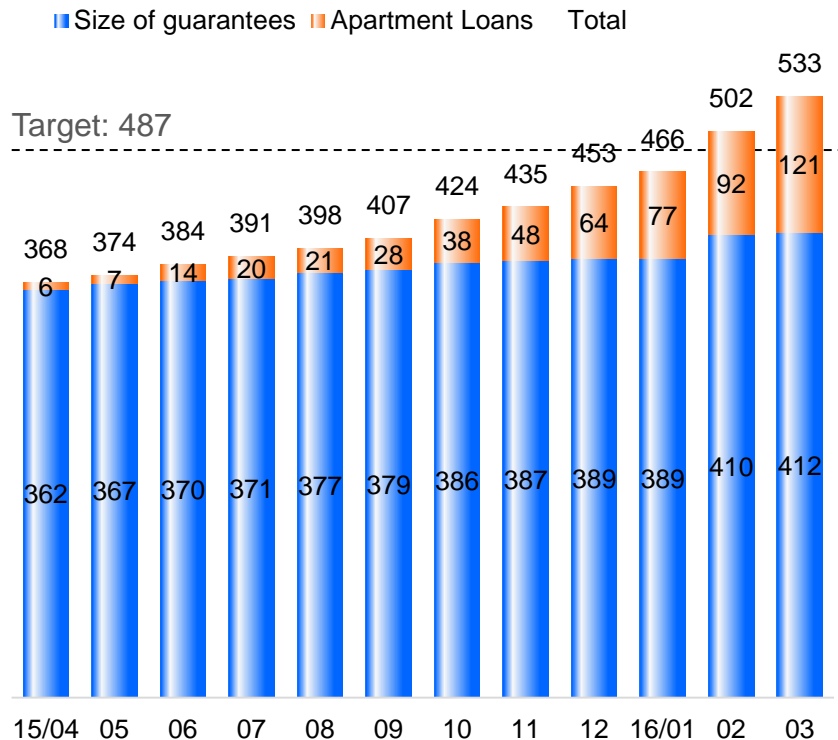
Under J-GAAP



- The amount of credit guarantees exceeded FY2016 targets.
- *Apartment Loan* steadily increased and reached 53.3 billion yen, 9% above the target of 48.7 billion yen.

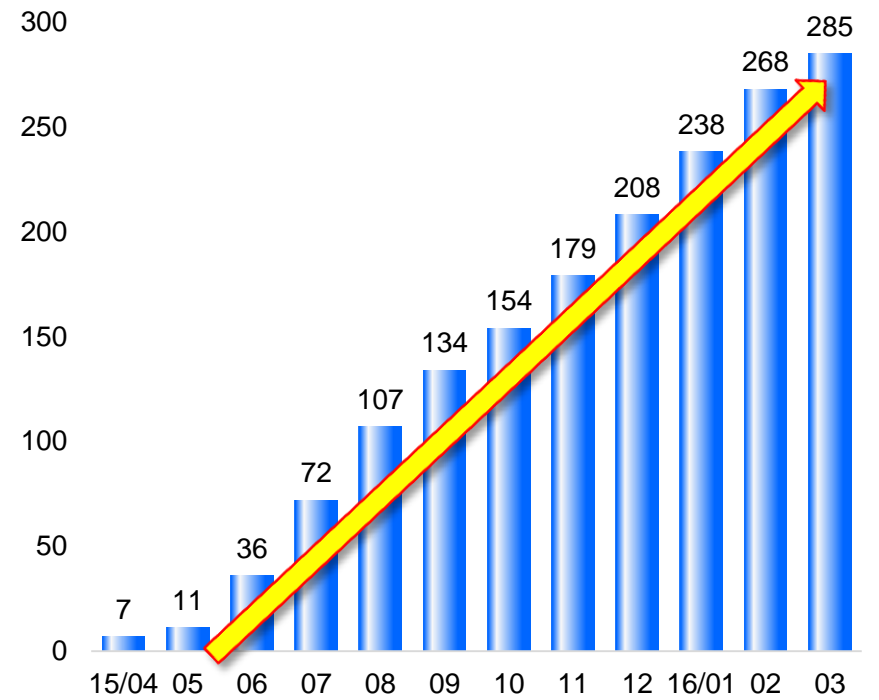
Amount of credit guarantee by Nihon Hoshou

(in 100 million yen)



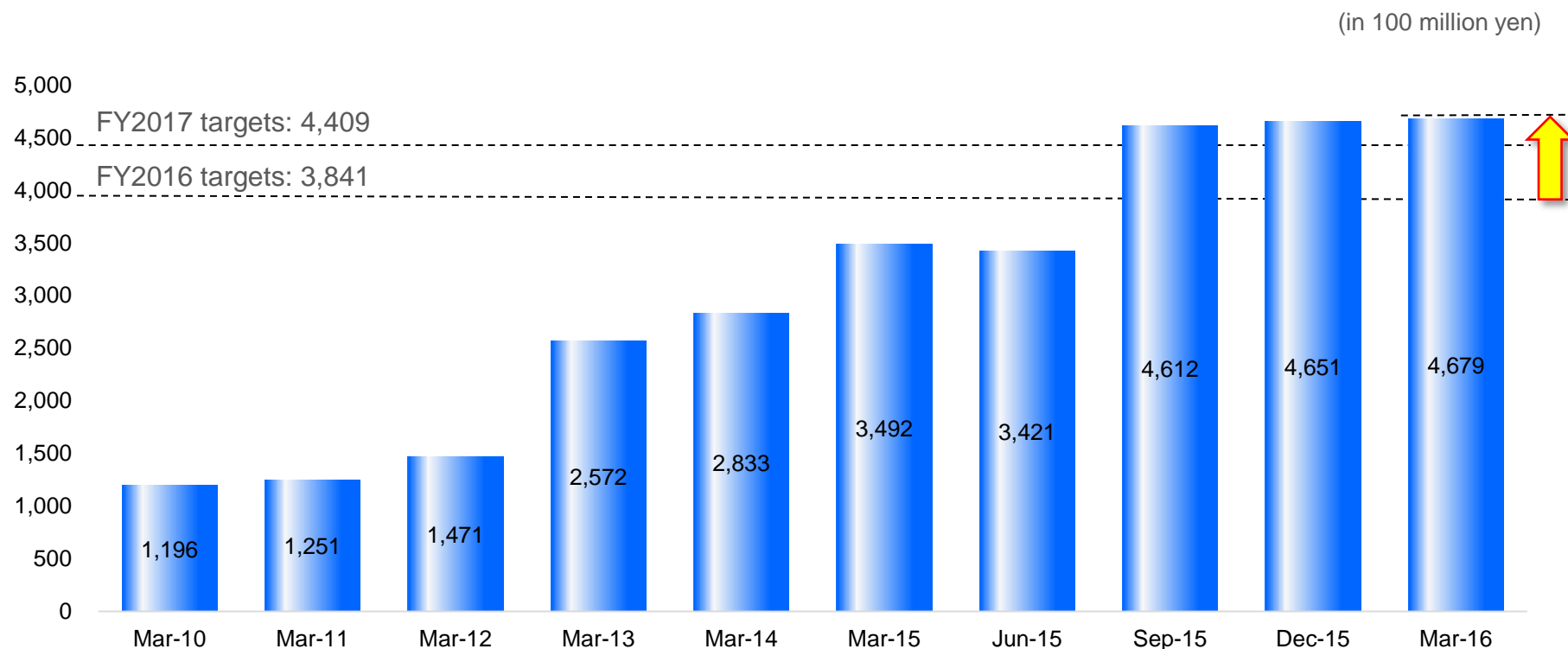
Approved *Apartment Loans*

(in 100 million yen)



- In 4Q, the amount of receivables continued to increase because of successful purchases of NPLs.
- Exceeded the target of 384.1 billion yen in FY2016 by 22%.
(Also, already achieved FY2017 targets of 440.9 billion yen.)

Amount of receivables



Financial Business in South Korea

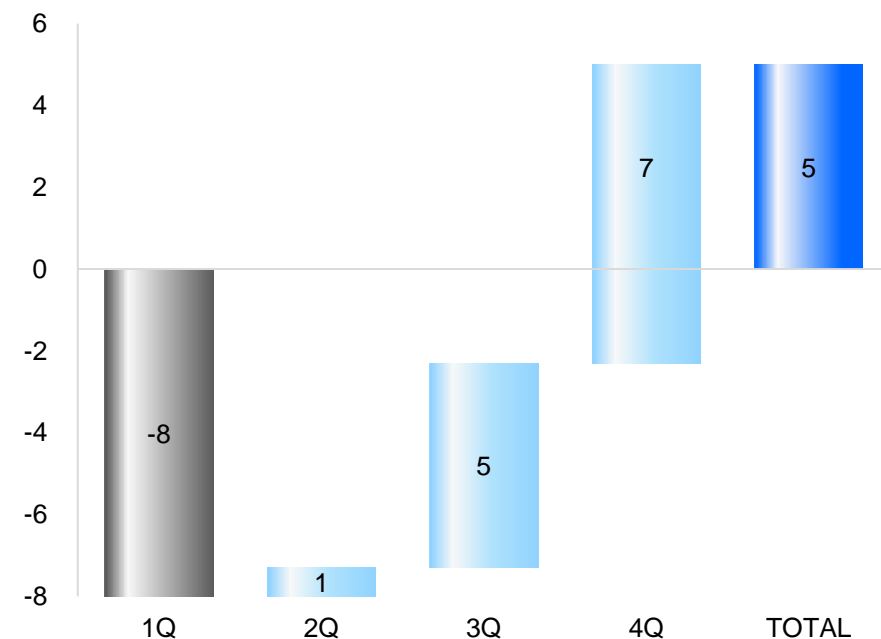
Financial Business in South Korea: Highlights

- Operating profit steadily increased, but fell short of targets under both IFRS and J-GAAP because of the impact of negative goodwill posted in FY2015.
- A change of amortization methods from the straight-line method to the effective interest rate method under J-GAAP also impacted operating profit in 4Q.

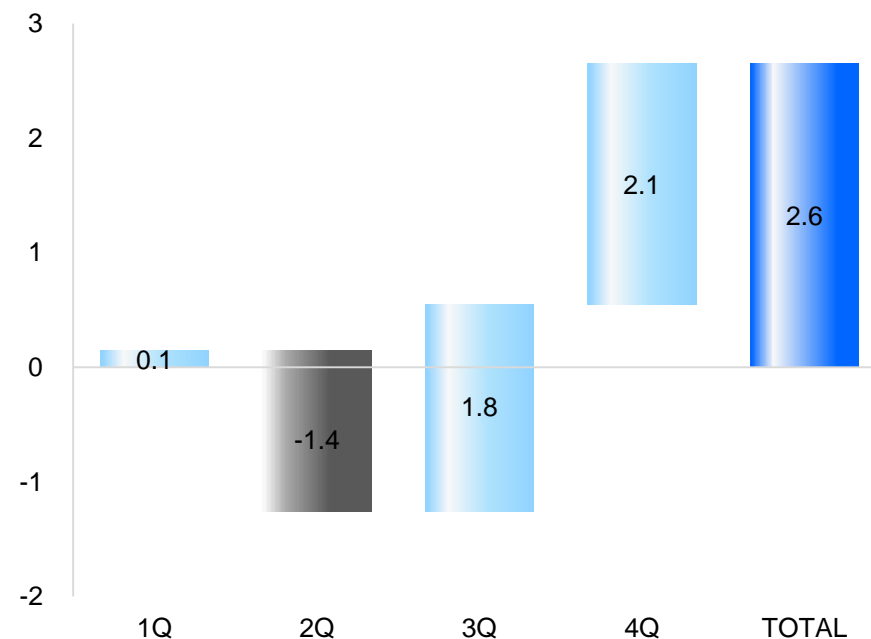
Operating profit of Financial Business in South Korea

(in 100 million yen)

Under IFRS (unaudited)



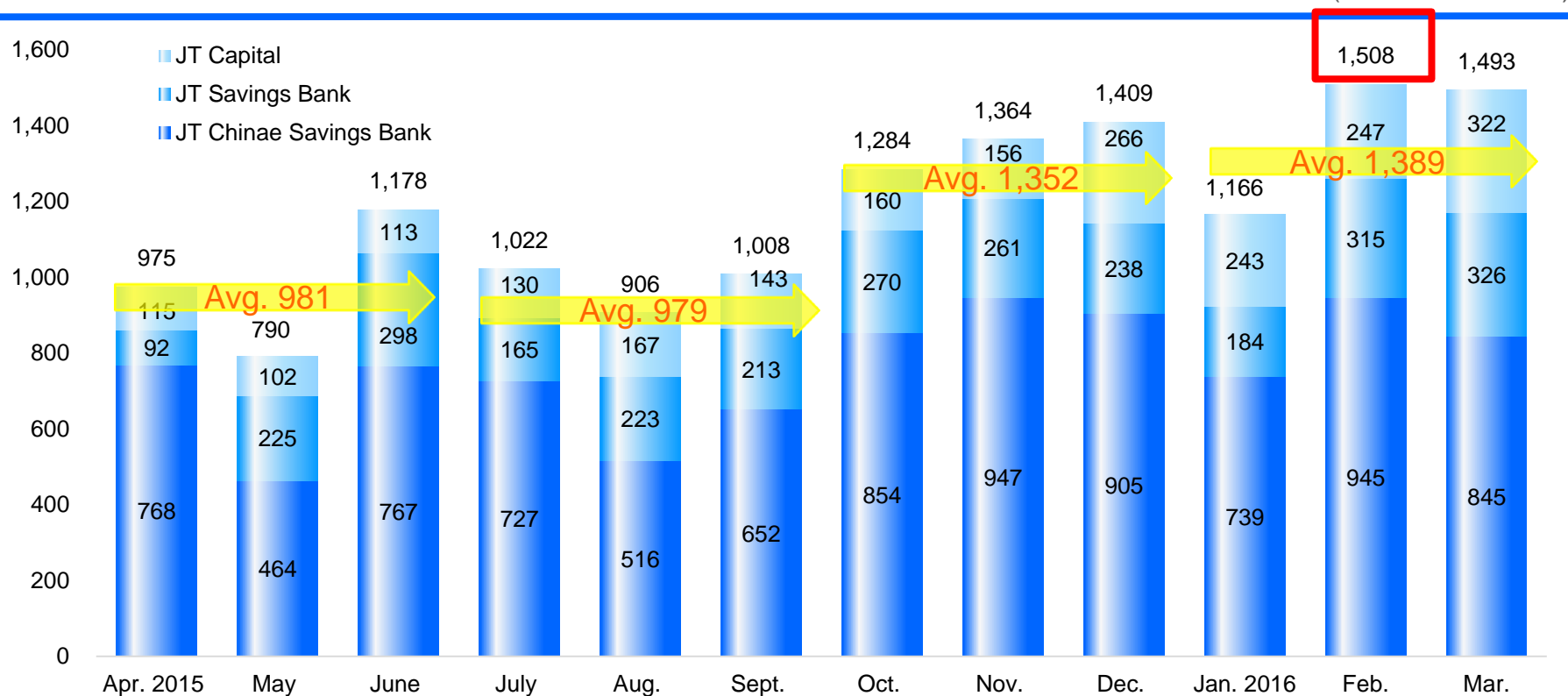
Under J-GAAP



- Despite fewer business days, the amount of loan disbursed per month recorded the highest in 4Q (3-month average: 138.9 billion won).

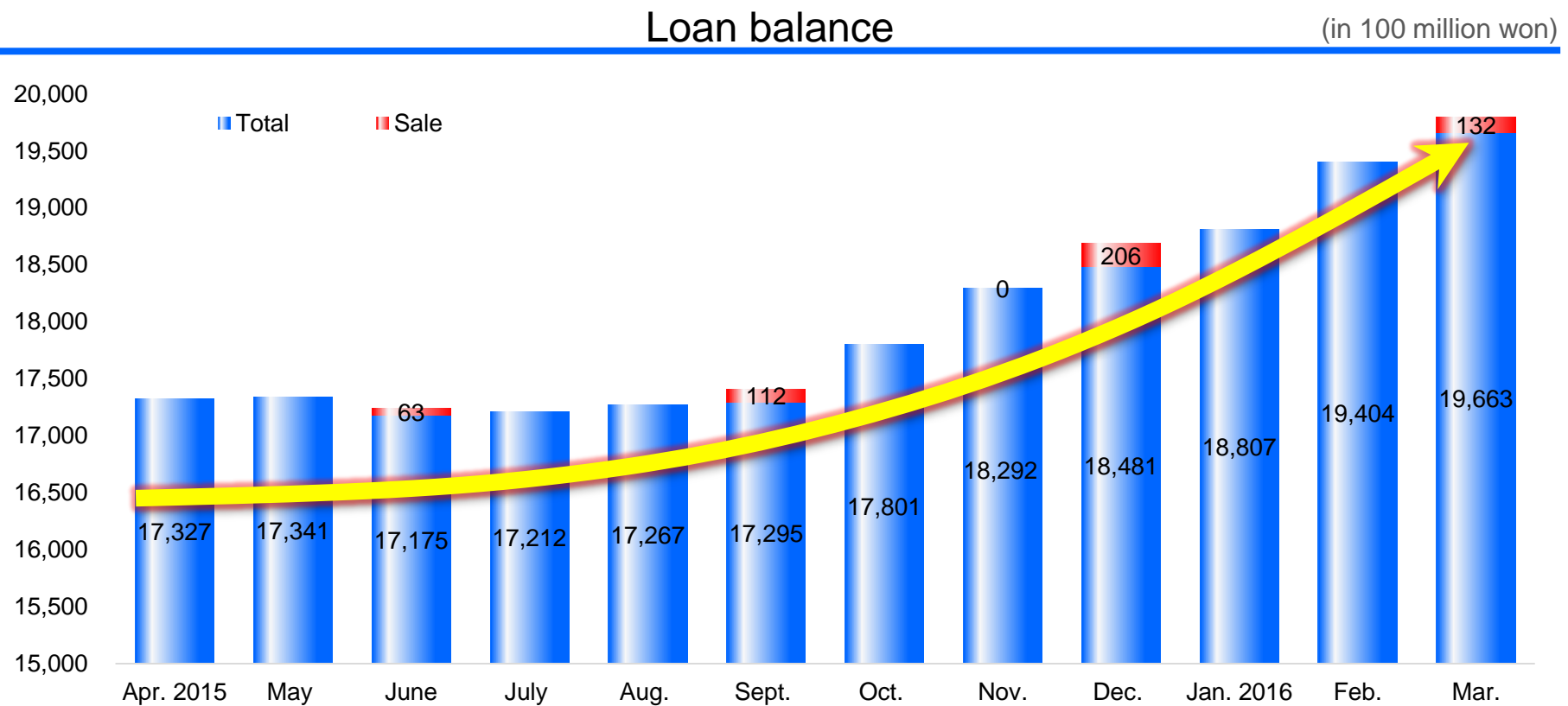
Amount of loan disbursed per month

(in 100 million won)



1KRW = 0.0986 yen

- Loan balance increased steadily.

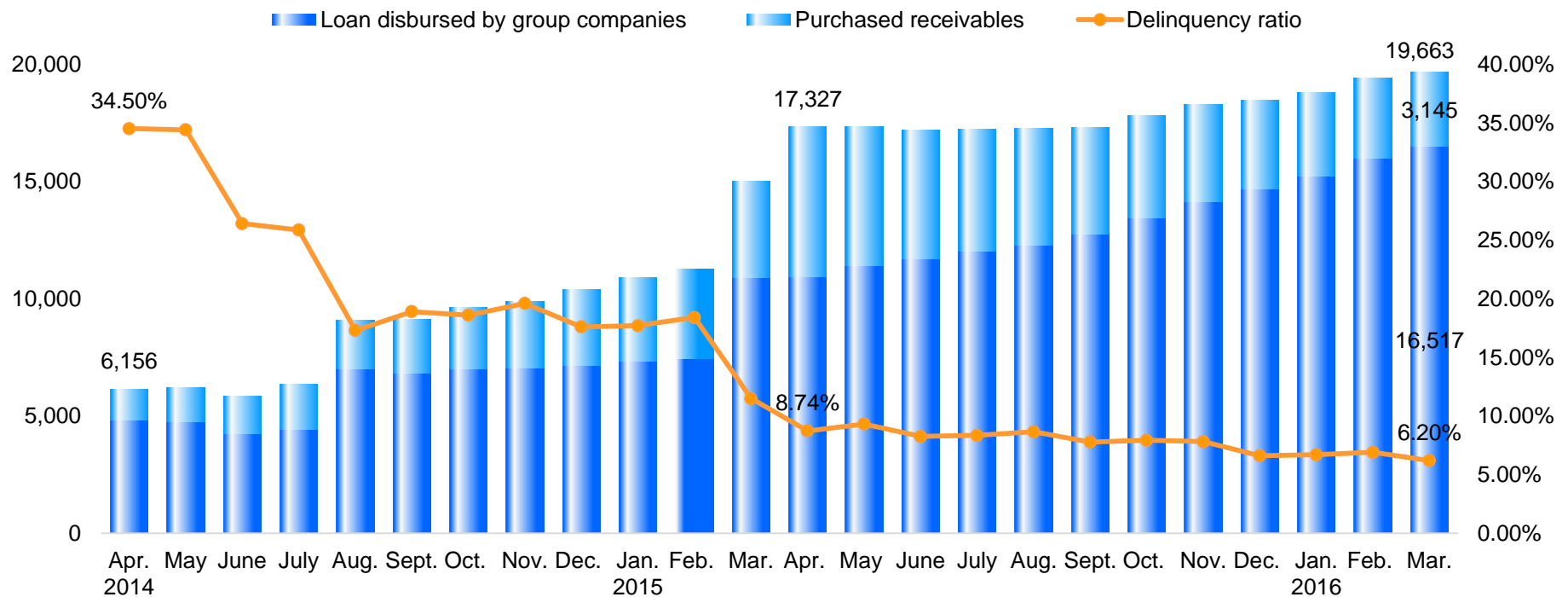


1KRW = 0.0986 yen

➤ Revenue base became solid.

Balance of loan balance and NPLs* at savings banks/capital company

(in 100 million won)



1KRW = 0.0986 yen

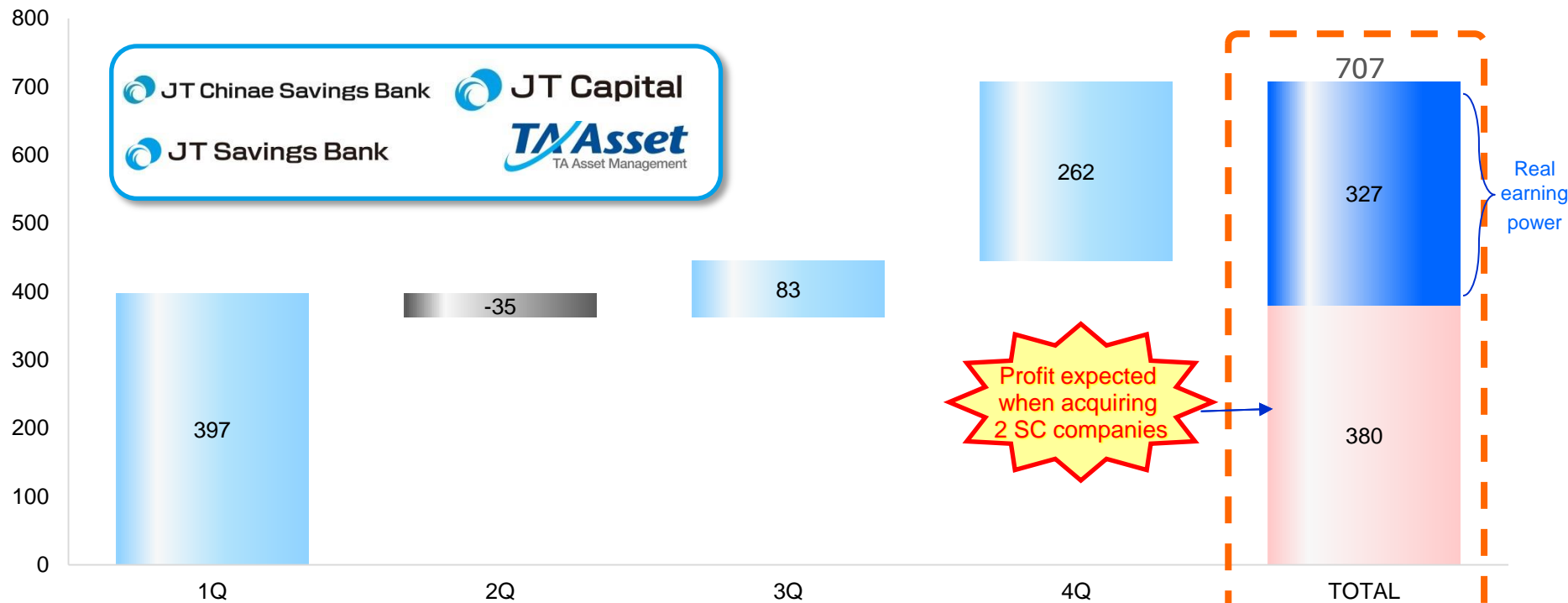
* Definition of NPL: loans that are delinquent for 30 days or more

- Consolidated operating profit of 4 subsidiaries in South Korea recorded the highest at 70.7 billion won.
- **The real earning power is estimated at 32.7 billion won**, net of gain on sale of loans (38.0 billion won) already expected when acquiring 2 SC companies*.
- We are now on a sustainable growth.

Under K-GAAP

Total operating profit of 4 subsidiaries in South Korea

(in 100 million won)



1KRW = 0.0986 yen

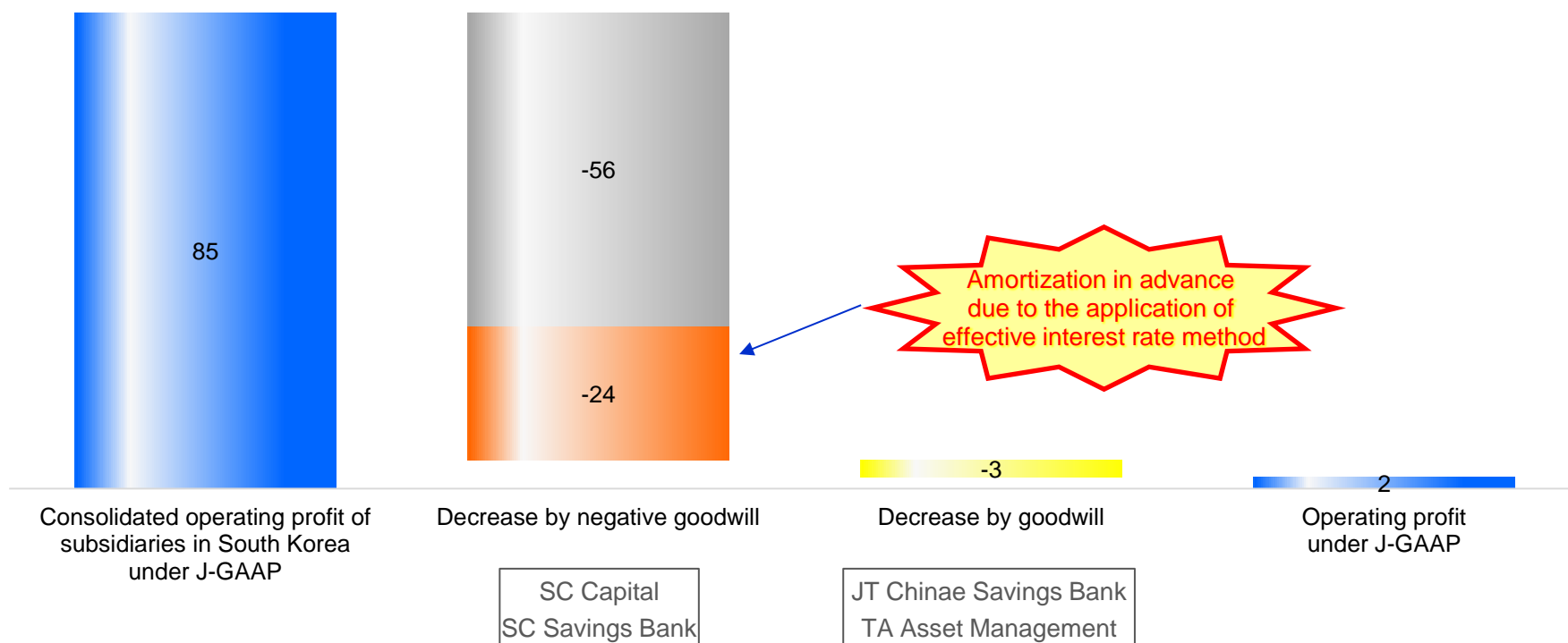
* Standard Chartered Savings Bank Korea Co., Ltd. and Standard Chartered Capital (Korea) Co., Ltd.

- Negative goodwill posted in FY2015 impacted consolidated operating profit.

Under J-GAAP

Impact of negative goodwill on operating profit

(in 100 million yen)

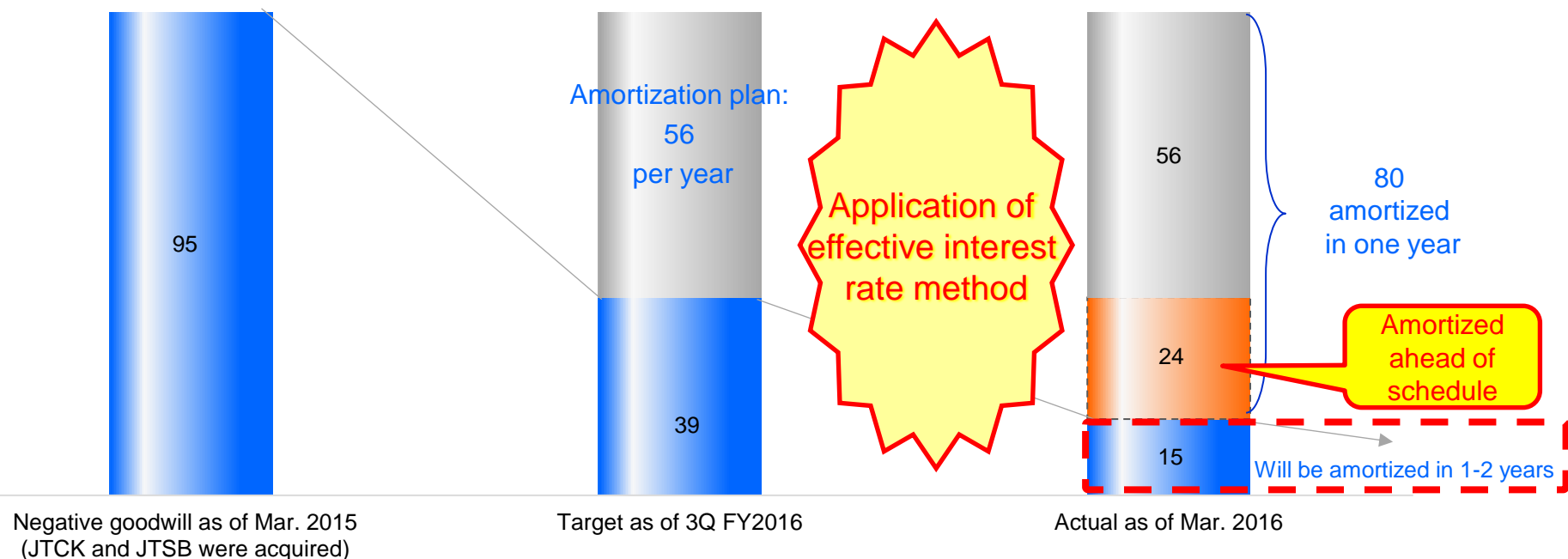


- Negative goodwill recorded in FY2015 had an impact worth 8.0 billion yen on FY2016.
- Expect **less impact on FY2017 onward** because goodwill of 2.4 billion yen was amortized ahead of schedule.

Under J-GAAP

Impact of goodwill amortization on operating profit (as of the end of March 2016)

(in 100 million yen)



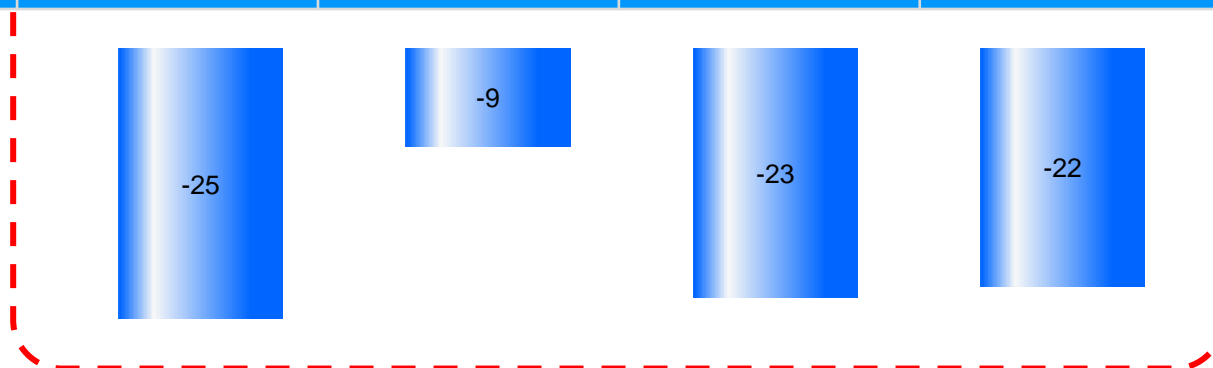
Financial Business in Southeast Asia

- Under J-GAAP, a 3-month timing difference in account closing arises when consolidating results of Financial Business in Southeast Asia.

- Image of consolidating results of Financial Business in Southeast Asia (operating profit)

(in 100 million yen)

| FY2016 | 1Q | 2Q | 3Q | 4Q | TOTAL |
|------------------|----------------|----------------|-----------------|----------------|-------|
| J-GAAP | Jan.-Mar. 2015 | Apr.-June 2015 | July-Sept. 2015 | Oct.-Dec. 2015 | |
| Operating profit | -25 | -9 | -23 | -22 | -79 |

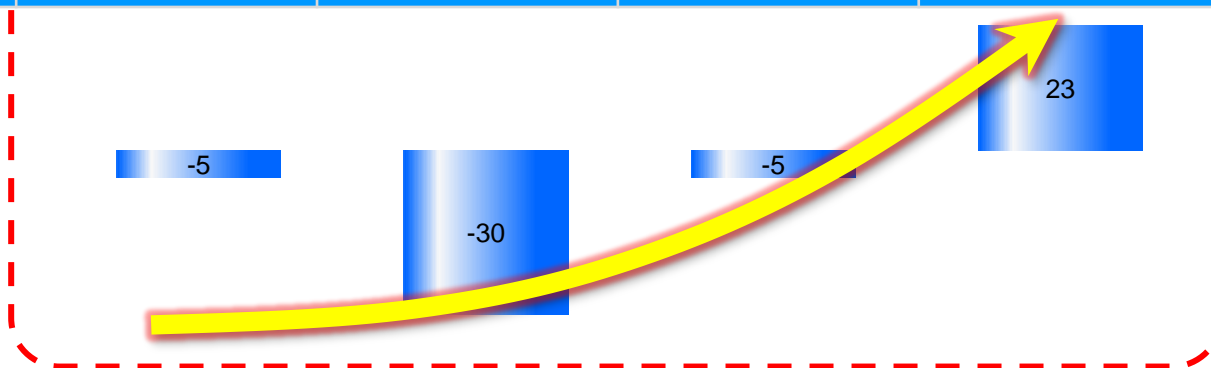


- Operating profit improved every quarter under IFRS.

■ Operating profit of Financial Business in Southeast Asia under IFRS

(in 100 million yen)

| FY2016 | 1Q | 2Q | 3Q | 4Q | TOTAL |
|------------------|----------------|-----------------|----------------|----------------|-------|
| IFRS | Apr.-June 2015 | July-Sept. 2015 | Oct.-Dec. 2015 | Jan.-Mar. 2016 | |
| Operating profit | -5 | -30 | -5 | 23 | -17 |

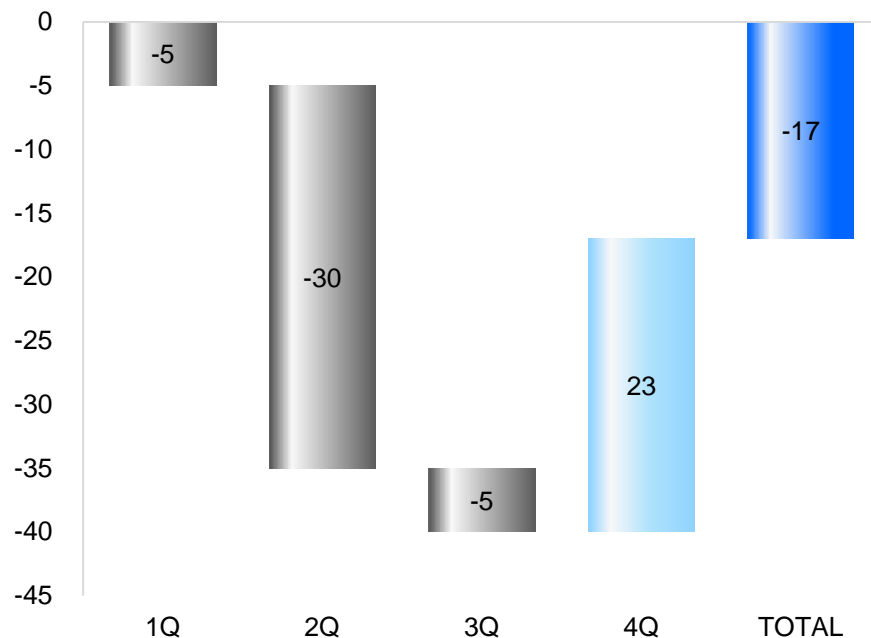


- Under IFRS, operating profit improved every quarter.
- Under J-GAAP, operating loss was 6.0 billion yen, excluding an impact of goodwill amortization.
- Under IFRS, operating profits in 4Q included a reversal of reserve for bad debts worth 2.6 billion.

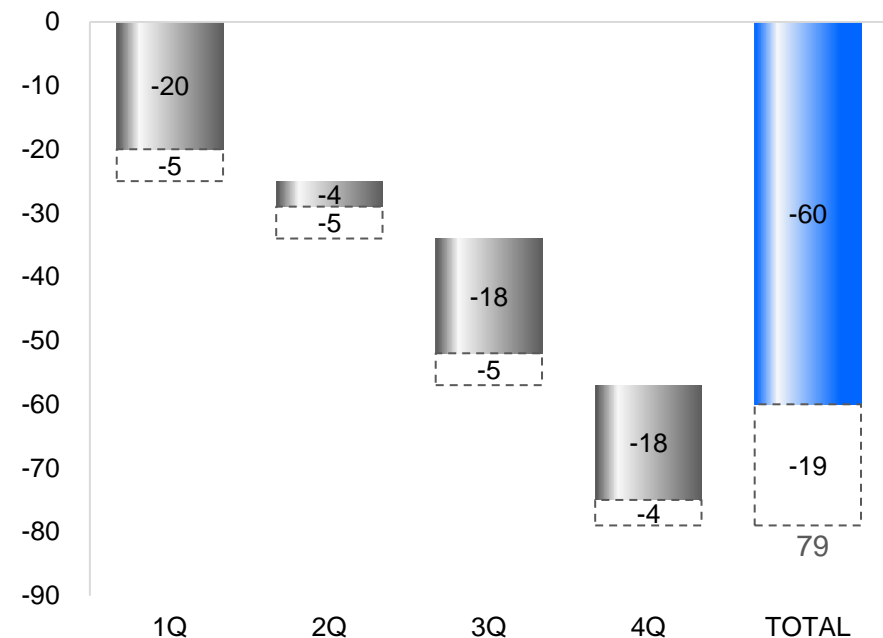
Operating profit of Financial Business in Southeast Asia

(in 100 million yen)

Under IFRS (unaudited)

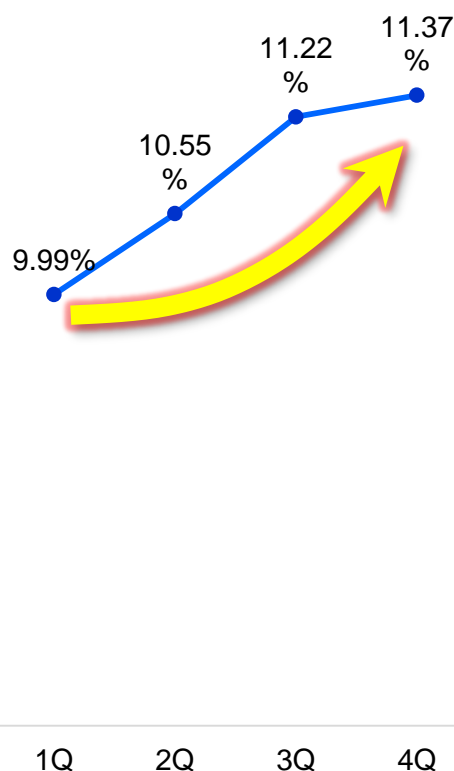


Under J-GAAP

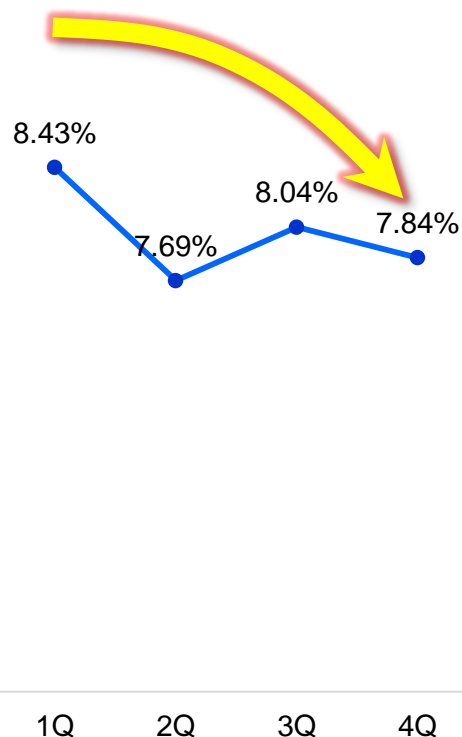


- Interest income increased by accumulating operating assets and raising average lending interest rates.
- A reduction in deposit costs also contributed to the steady growth of net interest income (interest income minus interest costs).

Avg. lending interest rate

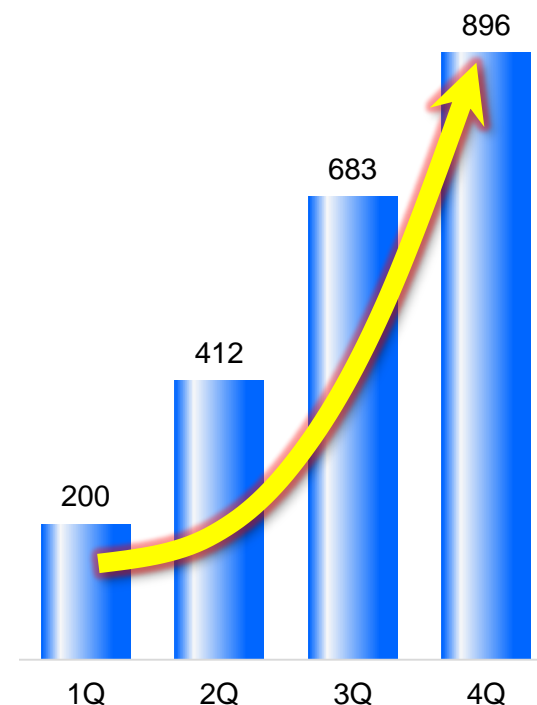


Avg. deposit interest rate



Net interest income

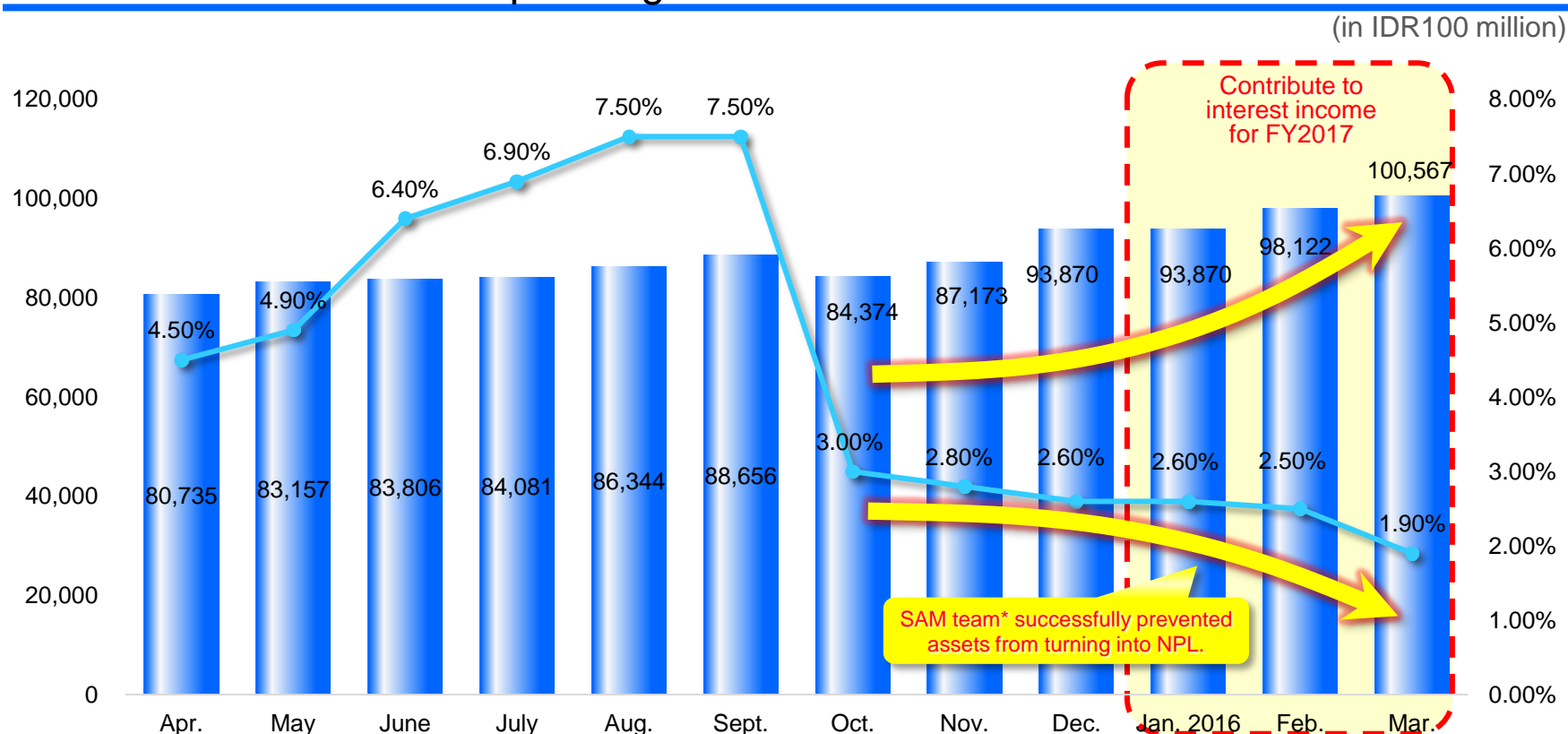
(in IDR 100 million)



1IDR = 0.0085 yen

- Operating assets accumulated steadily by strengthening sales force.
- Our knowledge and expertise accumulated in Japan and South Korea successfully prevented assets from turning into NPLs.
- We will speed up new loan originations by developing a screening process.

Operating assets and NPL ratio



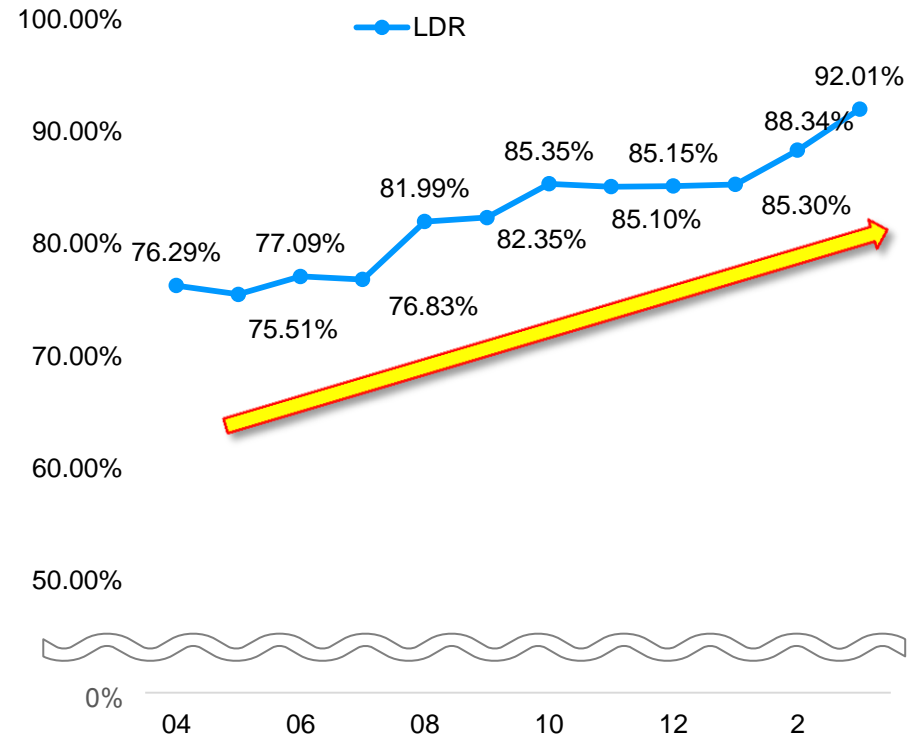
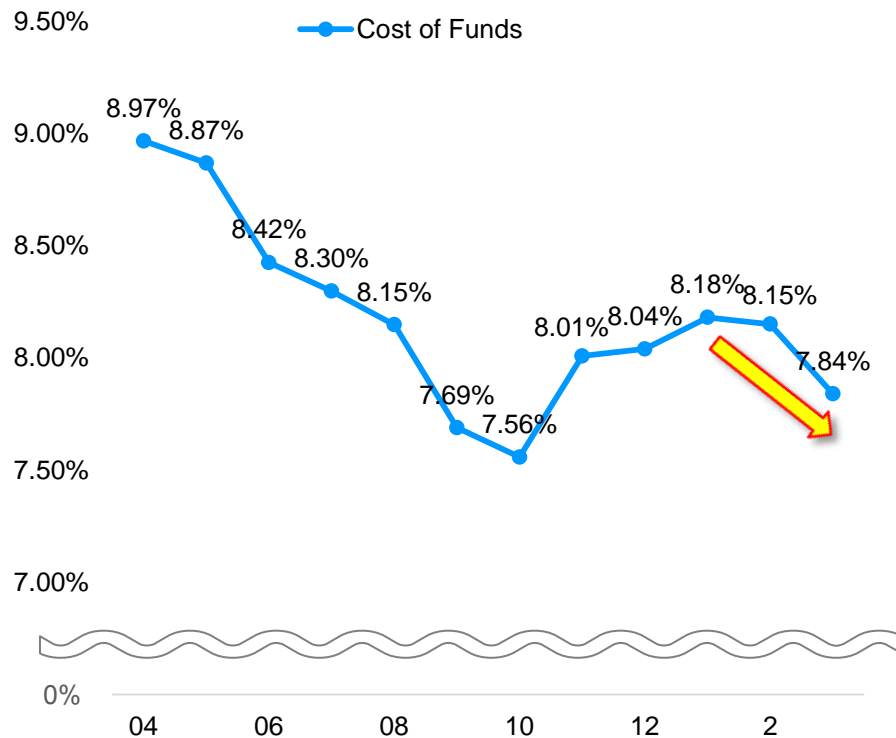
1IDR = 0.0085 yen

* SAM team: Special Asset Management team

- Decreased COF (Cost of Funds) steadily.
- Loan-To-Deposit ratio (LDR) increased due to our control of the deposit amount in view of the loan balance (to reduce baseline costs).

COF and LDR

(in IDR100 million)



1IDR = 0.0085 yen

- J Trust Investments Indonesia (JTII) has steadily collected NPL receivables since November 2015.
- Successfully recorded positive net income in the very first fiscal year by utilizing our collection knowledge and expertise accumulated in Japan and South Korea.

Under J-GAAP

P/L statement of JTII *

(in million yen)

| | Full-year |
|--|------------|
| Operating revenue (collected amount) | 291 |
| Operating profit | 136 |
| Ordinary profit | 144 |
| Net income | 97 |

Start of
operation



| 3Q FY2016 (July-Sept. 2015) | 4Q FY2016 (Oct.-Dec. 2015) |
|--------------------------------|-------------------------------|
| - | 291 |
| -11 | 148 |
| -31 | 176 |
| -31 | 129 |

1IDR = 0.0089 yen

1IDR = 0.0087 yen

* Non-consolidated results under J-GAAP (before consolidation adjustment)
Results of 4Q FY2016 are based on the financial statements ended December 31, 2015
due to a timing difference in account closing within 3 months.
Please refer to our FY2016 Supplementary Materials for detail.

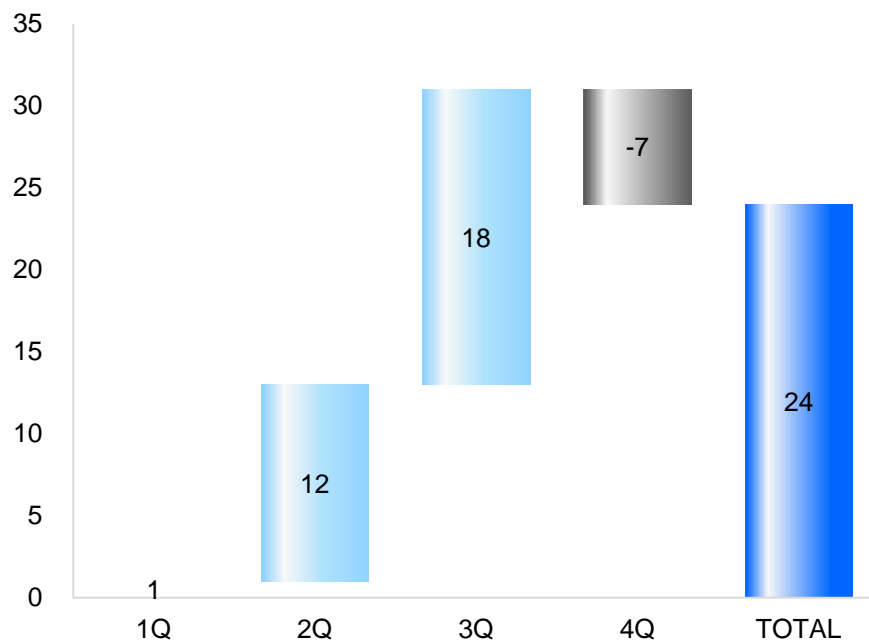
Non-financial Business / Investment Business

- In Investment business, earnings from subscription and exercise of convertible bonds of Group Lease PCL contributed greatly to our consolidated financial results.

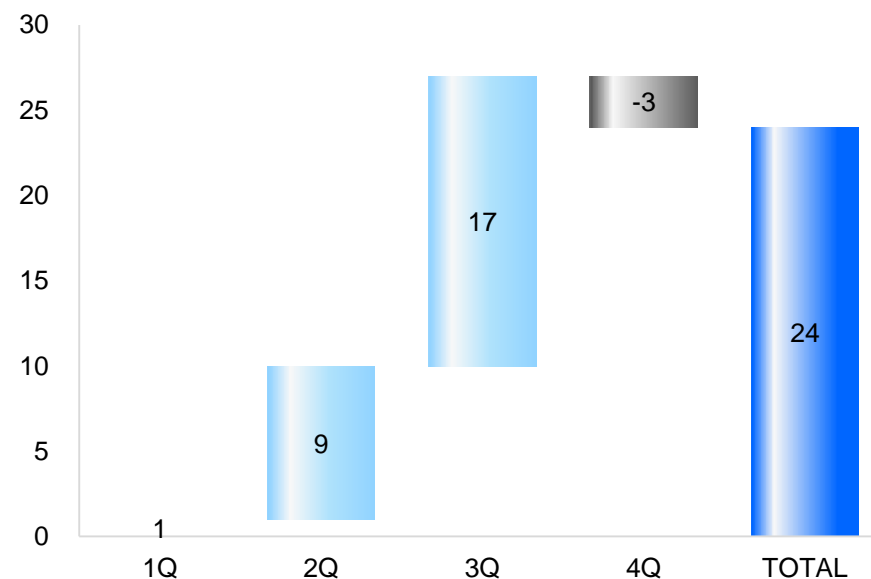
Operating profit of Non-financial Business / Investment Business

(in 100 million yen)

Under IFRS (unaudited)



Under J-GAAP



Targets for FY2017

- Consolidated operating profit is estimated at 15.1 billion yen under IFRS and 11.3 billion yen under J-GAAP.
- Under J-GAAP, the profit will be negatively affected by goodwill of 3.0 billion yen and timing difference in account closing of 0.8 billion yen.

Targets for FY2017 (2nd year in the medium-term business plan) (in 100 million yen)

| | IFRS (medium-term business plan) | J-GAAP | Differences | Reason for differences |
|-------------------|--|--------|-------------|--------------------------------------|
| Operating revenue | 1,068 | 982 | -86 | Timing difference: 86 |
| Operating profit | 151 | 113 | -38 | Goodwill: 30 Timing difference: 8 |
| Net profit | 131 | 95 | -35 | Goodwill: 30 Timing difference: 5 |

Full-year targets for FY2017: Segment profit

- Financial Business in Southeast Asia is overemphasis to the 2nd half of FY2017. We focus on banking business and *Servicer* business to achieve the target.
- Profits on sale of shares of Bank Mayapada will be recorded in 1Q of FY2017 as operating revenue of 1.4 billion yen.
- Earn profits of 3.0 billion yen or more from Investment Business to cover an additional expense of JTG.

Segment profit targets for FY2017 (the 2nd year in the medium-term business plan)

(in 100 million yen)

| FY2017 | IFRS (medium-term business plan) | IFRS (after adjustment) | J-GAAP |
|---|--|----------------------------|--------|
| Domestic Financial Business | 40 | 40 | 39 |
| Financial Business in South Korea | 55 | 55 | 51 |
| Financial Business in Southeast Asia | 32 | 32 | 3 |
| Non-financial Business | 18 | 18 | 15 |
| Investment Business | 15 | 30 | 30 |
| Total consolidated operating profit | 151 | 151 | 113 |

Current Initiatives and Future Vision

- Expand credit guarantee business and receivable collection business to achieve results above targets in the medium-term business plan.

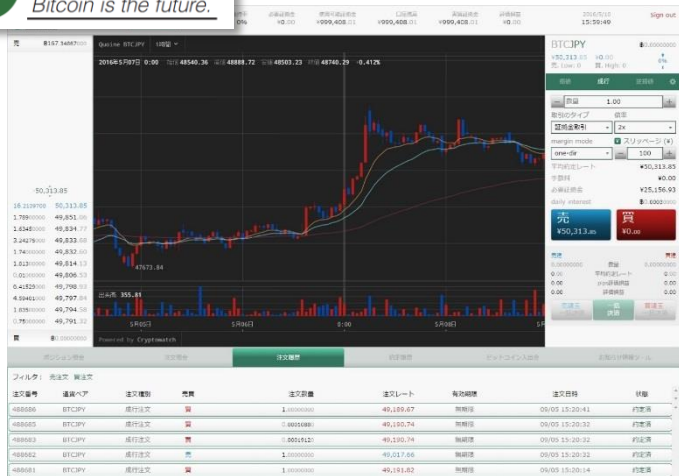


Credit guarantee business (*Apartment Loan*):
Apartment construction



Credit guarantee business:
Daily operation

- Plan to launch a bitcoin exchange “J-Bits” for June 2016.
- “Bitcoin business as financial service” is our principle. Former bank officers or FX traders will play a core role.
- Focus on providing safe and reliable bitcoin service.



J-Bits website (PC)*



J-Bits smartphone app*



Coin Portal website

* The website/app are currently under development and subject to change.

- We amortized most of the negative goodwill at the end of FY2016. FY2017 results under J-GAAP will accordingly reflect our real earning power.
- Seek to further increase operating assets through M&As and receivable purchases.
- Ensure Financial Business in South Korea will be JTG's growth driver.



JT Chinae Savings Bank:
Exterior



JT Chinae Savings Bank:
Inside

- Financial Business in Southeast Asia successfully turned a profit on a monthly basis in 1.5 years after joining JTG. It is expected to generate a surplus constantly.
- Then, profitability will grow with accumulation of operating assets.
- JTII has collected NPLs in a steady manner. This contributes to profits from the start of 2016.



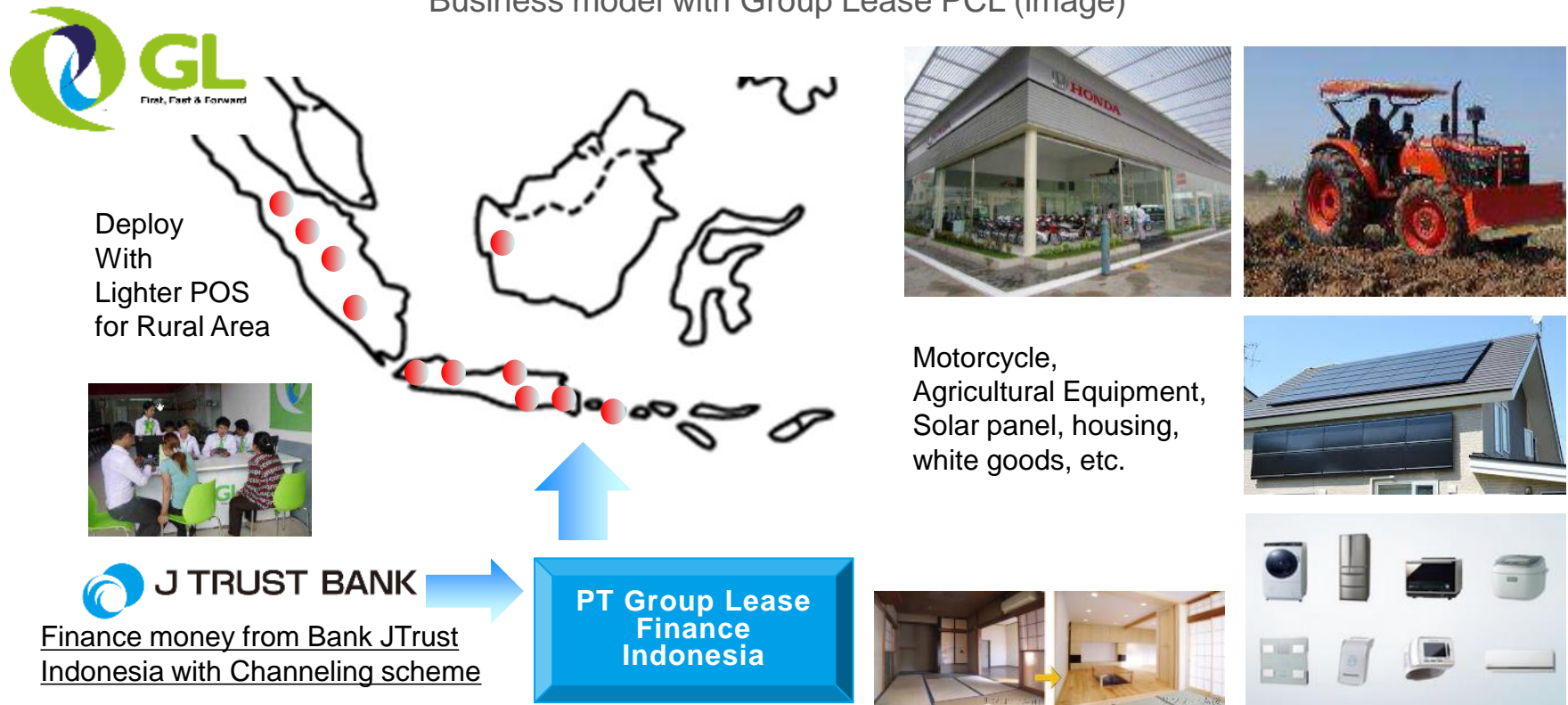
Bank JTrust Indonesia (branch):
Exterior



Bank JTrust Indonesia (branch):
Inside

- Final adjustments with Group Lease PCL are underway regarding a joint venture (JV), which is due for launch in June 2016.
- Date of establishment for GLFI* (JV with Group Lease): April 14, 2016
- An application for the license is already submitted.

Business model with Group Lease PCL (image)



* GLFI: abbreviation of PT Group Lease Finance Indonesia

- Improve/strengthen the capability (quality) of each department with new hires.
- Set up an exclusive team at headquarter to increase loans targeting mid-size companies.
- Placed loan units at branches to expand loans targeting SMEs.
- Hired personnel with strong connection with Japanese companies and set up Japan desk in March 2016.
- Proceed for launch of Indonesian Rupiah-denominated Deposit, a collaborative business with a regional bank in Japan.
- Collaborated with IT team in South Korea, a country with a highly advanced technology, to maximize group synergies.



Headquarters of Bank JTrust Indonesia

- Profits on sale of shares of Bank Mayapada will be recorded in 1Q of FY2017 as operating revenue of 1.4 billion yen.
- General Entertainment Business pursues further earnings through collaboration with other business like OLIVE SPA.
- Proactively seek earnings from new investments.



J Trust Asia



OLIVE SPA



OLIVE SPA

- Target investees are financial companies or other companies that are expected to create synergies with financial businesses.
- IRR target: 15% or above
- Invest in growing markets of any regions.



- Started a project of applying for a transfer to the First Section of the Tokyo Stock Exchange.
- Focus on ensuring a surplus from 1Q to 4Q in FY2017.
- Overemphasize to the 2nd half of FY2017 to achieve the target.



APPENDIX

FY2016 financial data

I. Domestic Financial Business

- Both operating revenue and operating went according to the plan, backed by steady performance in credit guarantee business and successful NPL purchases in receivable collection business.

II. Financial Business in South Korea

- Under K-GAAP, consolidated operating profit of subsidiaries in South Korea successfully recorded 70 billion won. Although targets under J-GAAP were not met due to an impact of negative goodwill in the previous fiscal year, consolidated operating profit remained profitable.

In 4Q, we amortized negative goodwill worth 24.0 billion won, which was supposed to appear from FY2017 onward, ahead of schedule. This responded to a change of amortization methods from the straight-line method to the effective interest rate method as a part of IFRS preparation. As a result, a future impact of amortization became smaller.

III. Financial Business in Southeast Asia

- Under IFRS, operating loss decreases drastically compared to J-GAAP because there is no impact of timing difference in account closing and goodwill amortization.

We completed rehabilitation of a failed bank in one year and seven months. Financial Business in Southeast Asia recorded a monthly surplus at the end of FY2016.

Although results are behind the medium-term business plan, our focus on strengthening the operational base will satisfy the plan under new management in FY2017.

IV. Non-financial Business / Investment Business

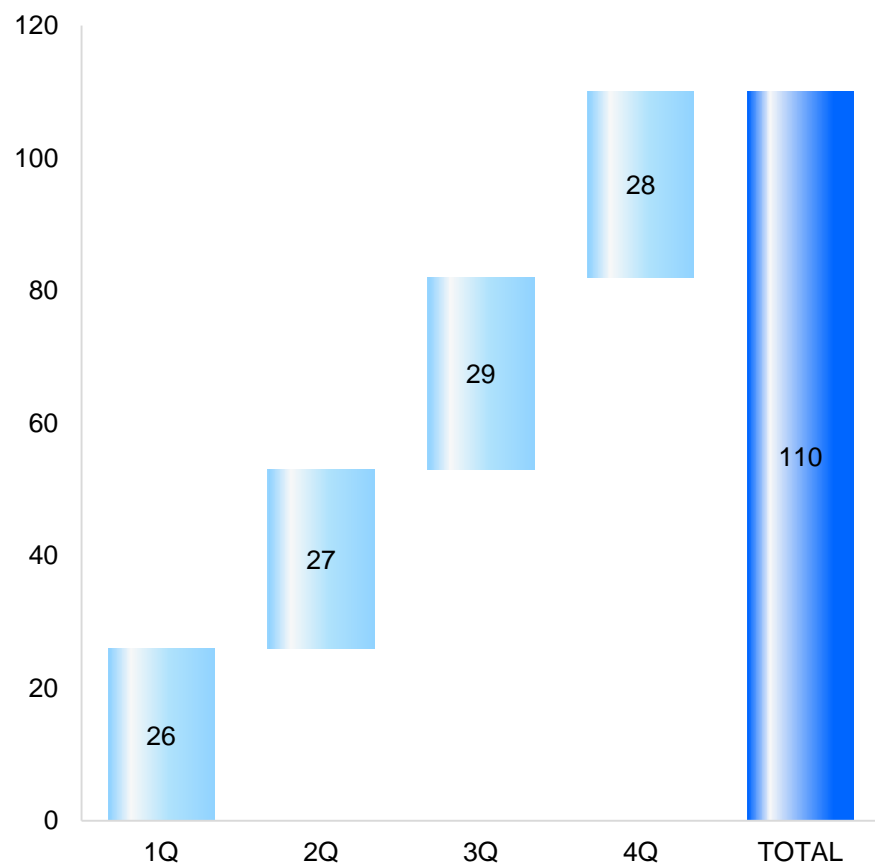
- Benefited greatly from investment business of JTRUST ASIA.

Under J-GAAP

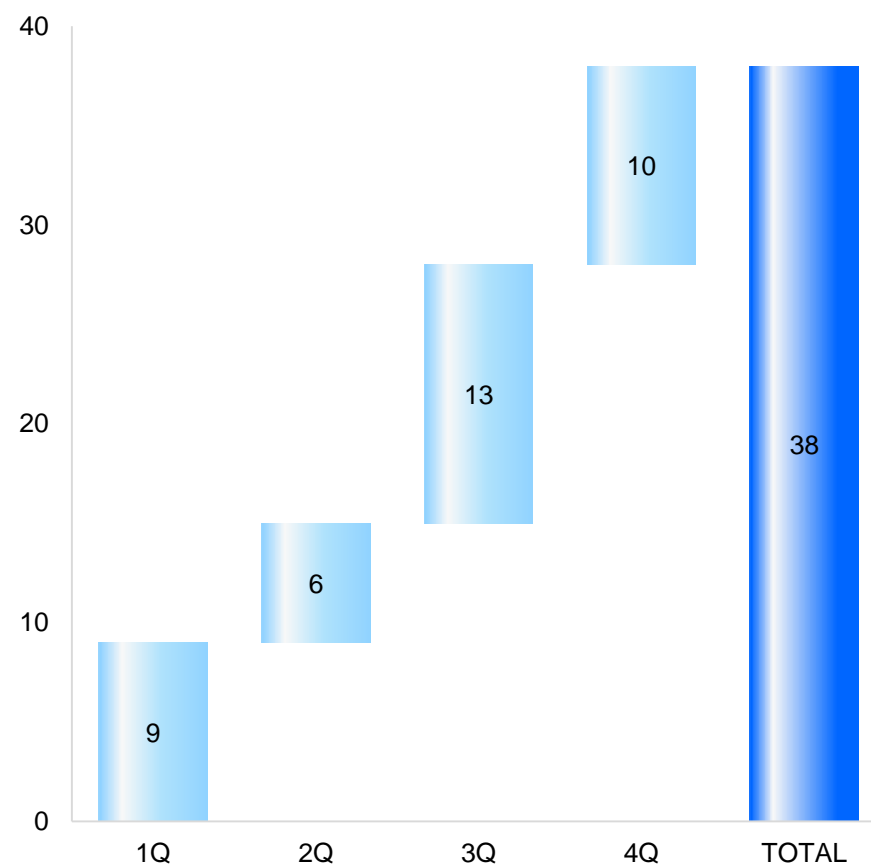
Highlights of Domestic Financial Business

(in 100 million yen)

Operating revenue



Operating profit

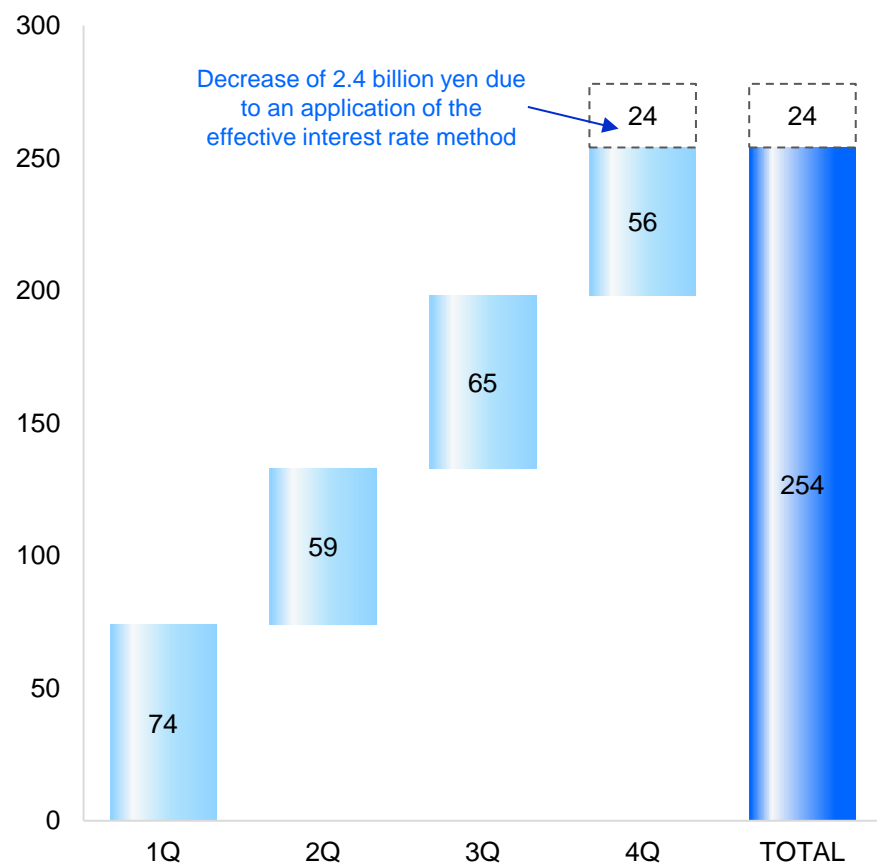


Under J-GAAP

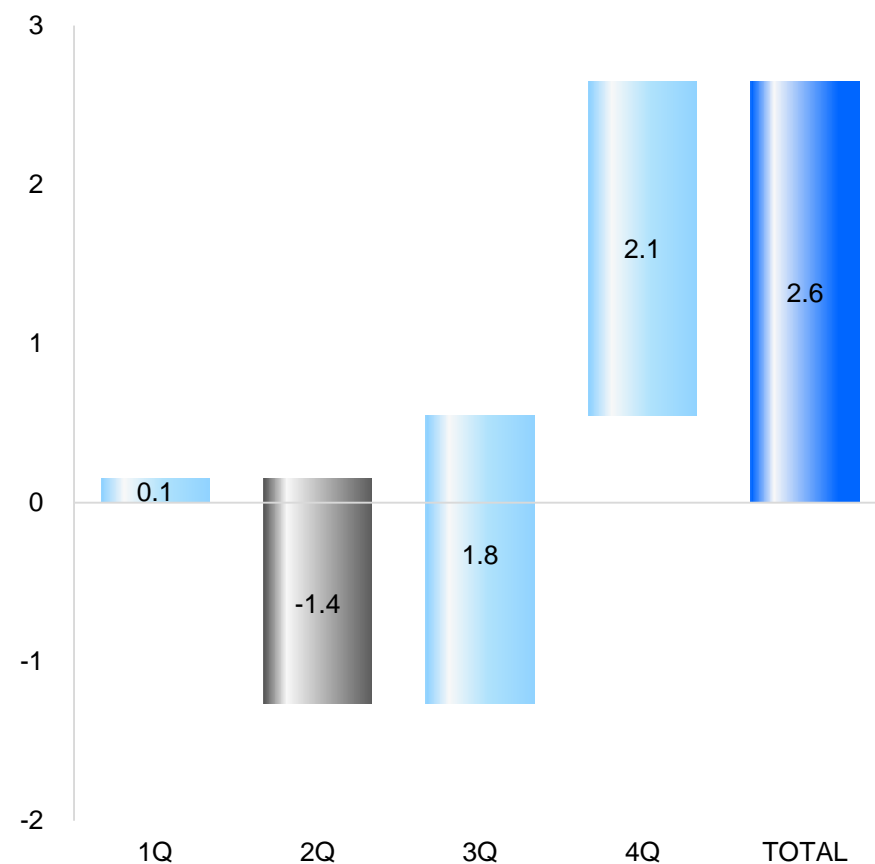
Highlights of Financial Business in South Korea

(in 100 million yen)

Operating revenue



Operating profit



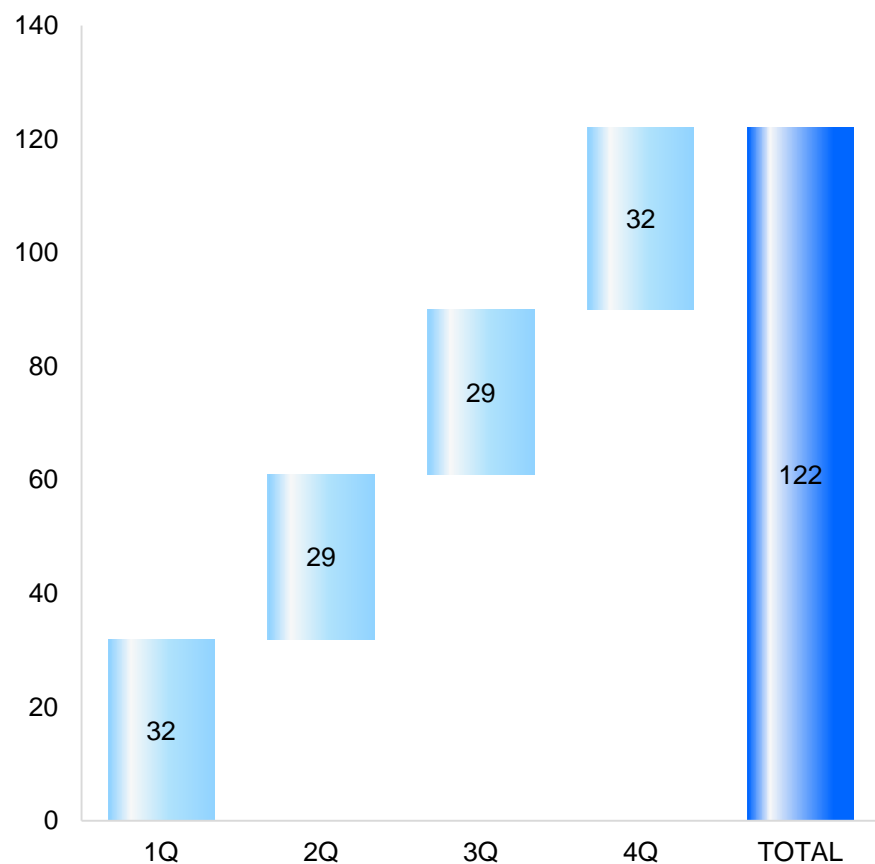
FY2016 Financial Business in Southeast Asia: Highlights

Under J-GAAP

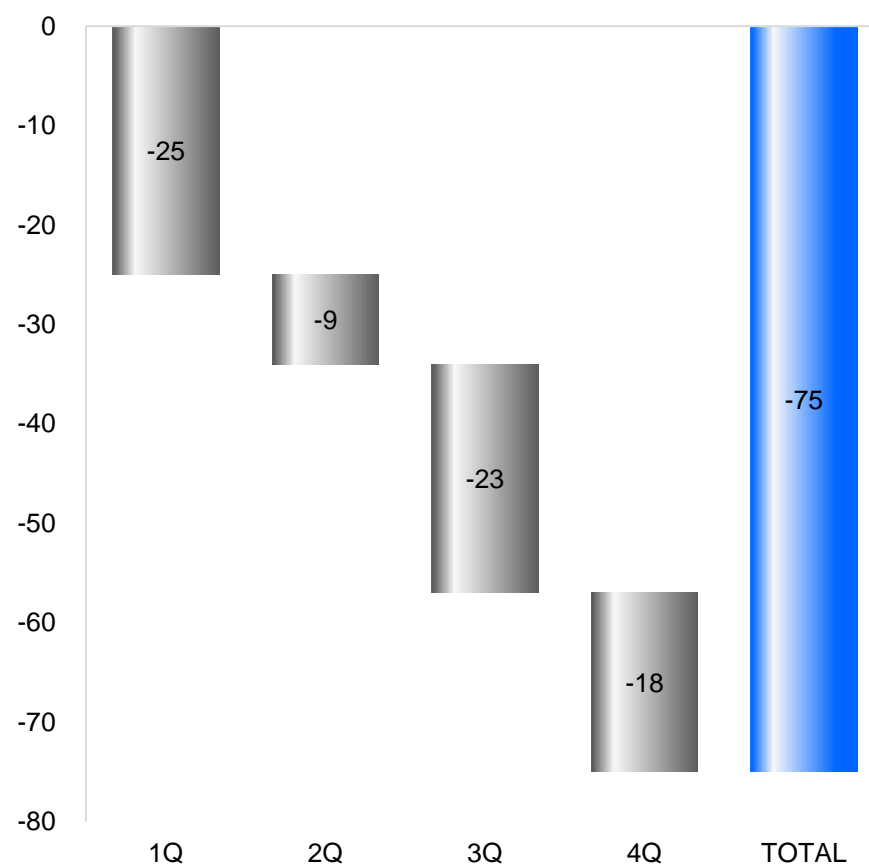
Highlights of Financial Business in Southeast Asia

(in 100 million yen)

Operating revenue



Operating profit

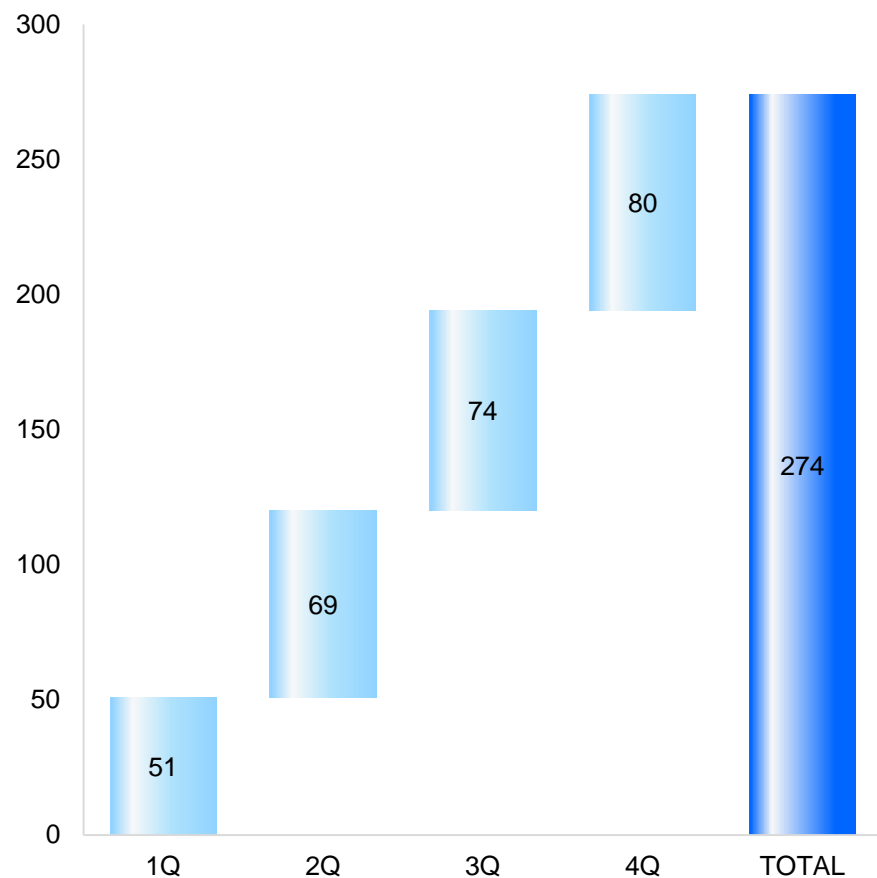


Under J-GAAP

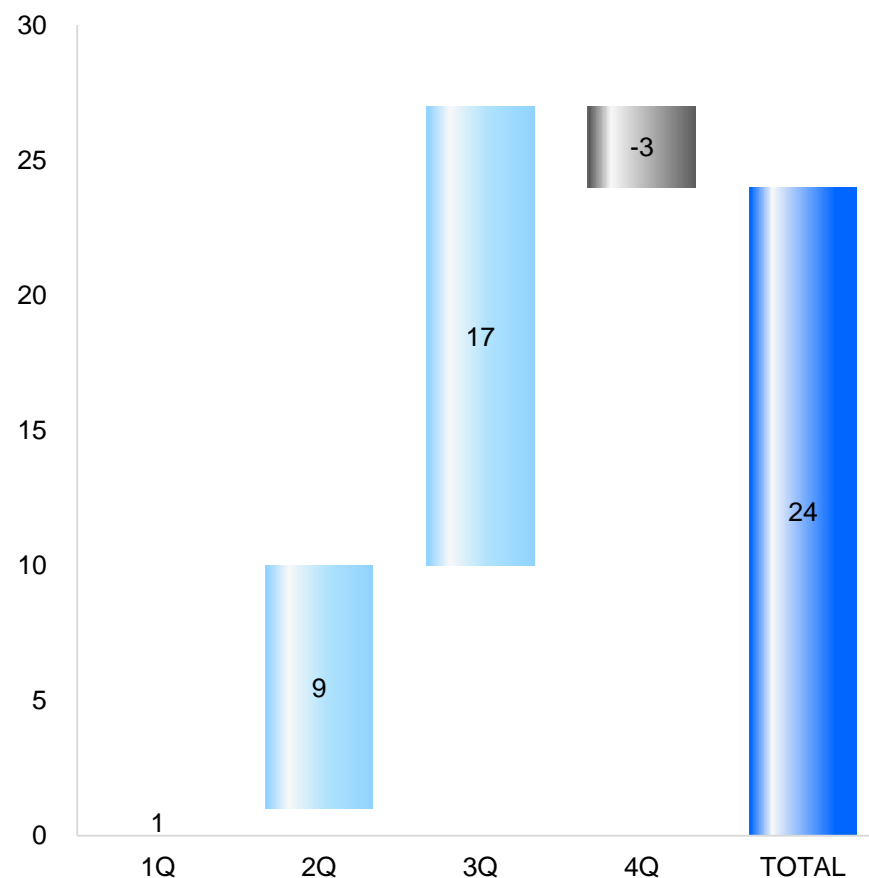
Highlights of Non-financial Business

(in 100 million yen)

Operating revenue



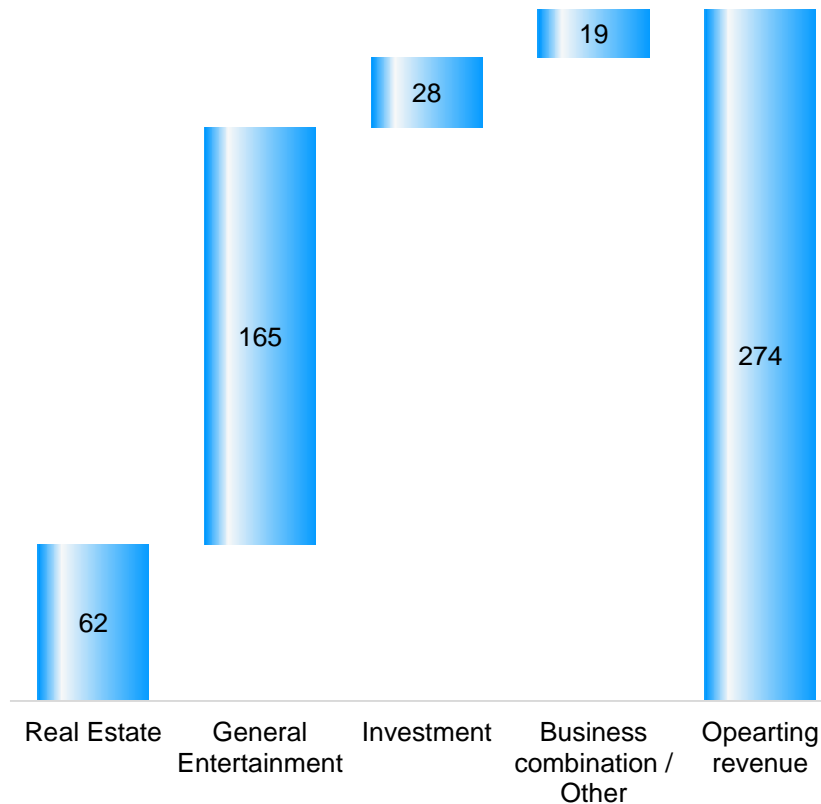
Operating profit



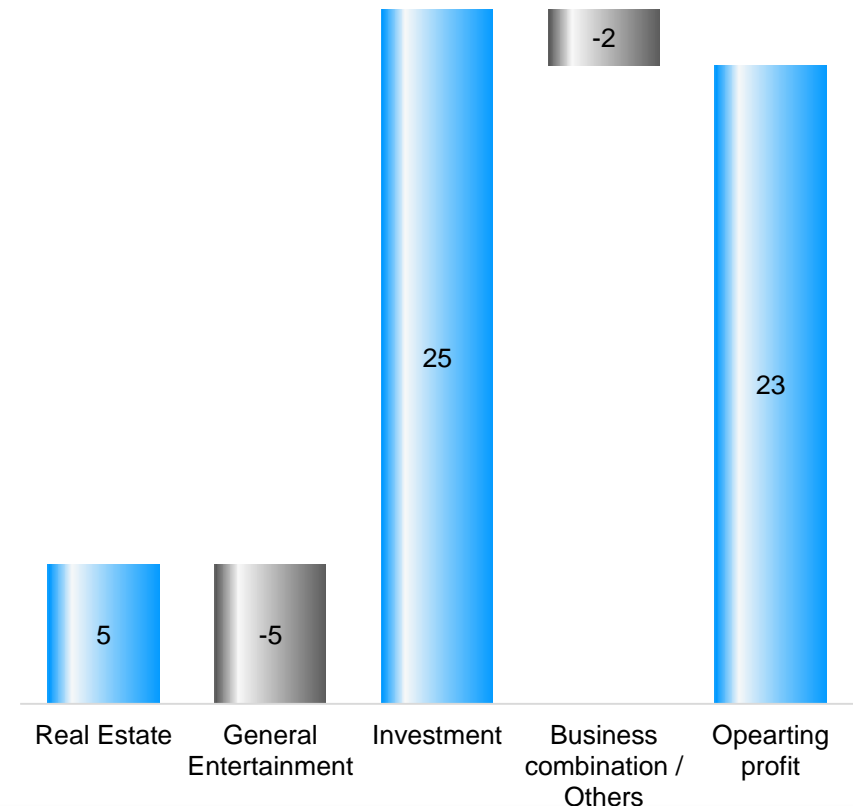
Under J-GAAP

Non-financial and Investment Businesses: Breakdown by segment (in 100 million yen)

Operating revenue



Operating profit



Monthly Financial data from March 2016 to March 2017 <<Preliminary figures>>

■ Domestic Financial Business

in 100 million yen (rounded down to the nearest 100 million)

| Nihon Hoshou | | Mar. 2016 | Apr. 2016 | May 2016 | June 2016 | July 2016 | Aug. 2016 | Sept. 2016 | Oct. 2016 | Nov. 2016 | Dec. 2016 | Jan. 2017 | Feb. 2017 | Mar. 2017 |
|------------------------------|--|--------------|--------------|-------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Size of credit guarantee | | 533 | 548 | | | | | | | | | | | |
| Proportion of Apartment Loan | | 121 | 145 | | | | | | | | | | | |

■ Financial Business in South Korea

in 100 million won (rounded down to the nearest 100 million)

| Financial Business in South Korea | | Mar. 2016 | Apr. 2016 | May 2016 | June 2016 | July 2016 | Aug. 2016 | Sept. 2016 | Oct. 2016 | Nov. 2016 | Dec. 2016 | Jan. 2017 | Feb. 2017 | Mar. 2017 |
|-----------------------------------|--|--------------|--------------|-------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total | | 19,662 | 20,148 | | | | | | | | | | | |

| | | Mar. 2016 | Apr. 2016 | May 2016 | June 2016 | July 2016 | Aug. 2016 | Sept. 2016 | Oct. 2016 | Nov. 2016 | Dec. 2016 | Jan. 2017 | Feb. 2017 | Mar. 2017 |
|---------------------------|------------------------|--------------|--------------|-------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Loans by banking business | JT Chinae Savings Bank | 12,143 | 12,265 | | | | | | | | | | | |
| | JT Savings Bank | 3,399 | 3,681 | | | | | | | | | | | |
| Total | | 15,542 | 15,946 | | | | | | | | | | | |

| | | Mar. 2016 | Apr. 2016 | May 2016 | June 2016 | July 2016 | Aug. 2016 | Sept. 2016 | Oct. 2016 | Nov. 2016 | Dec. 2016 | Jan. 2017 | Feb. 2017 | Mar. 2017 |
|---------------------------------------|------------|--------------|--------------|-------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Accounts receivable - operating loans | JT Capital | 4,119 | 4,202 | | | | | | | | | | | |

■ Financial Business in Southeast Asia

in 100 million rupiah (rounded down to the nearest 100 million)

| J Trust Bank Indonesia | | Mar. 2016 | Apr. 2016 | May 2016 | June 2016 | July 2016 | Aug. 2016 | Sept. 2016 | Oct. 2016 | Nov. 2016 | Dec. 2016 | Jan. 2017 | Feb. 2017 | Mar. 2017 |
|----------------------------|--|--------------|--------------|-------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Loans by banking business* | | 99,924 | 101,798 | | | | | | | | | | | |

* These figures are not identical to those stated in our quarterly Supplementary Materials due to a 3-month timing difference in account closing.
e.g. Figures recorded in Supplementary Materials for March 2016 are based on the balance sheet as of December 2015.

