Translation for reference only

Consolidated Financial Results for the Fiscal Year Ended March 31, 2016 <under Japanese GAAP>

May 13, 2016

Company name: J Trust Co., Ltd. Stock exchange: Tokyo Stock Exchange
URL: http://www.jt-corp.co.jp/en/ Securities code: 8508
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Scheduled date of annual general meeting of shareholders: June 29, 2016
Scheduled date of commencement of dividend payment: June 30, 2016
Scheduled date of filing of securities report: June 30, 2016
Preparation of supplemental materials for the annual financial results: Yes
Holding of earnings presentation (for analysts): Yes

(Figures rounded down to the nearest million yen)

I. Consolidated financial results for the fiscal year ended March 31, 2016 (April 1, 2015 – March 31, 2016)

1. Consolidated operating results

(% indicates comparison with the same period of the previous fiscal year)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
Fiscal year ended:	million yen	%	million yen	%	million yen	%	million yen	%
March 31, 2016	75,478	19.3	(4,114)	-	(4,678)	-	(5,712)	-
March 31, 2015	63,281	2.2	(5,217)	-	(2,385)	-	10,143	(9.0)

[Note] Comprehensive income (Million yen) FY2016: (18,426) ; - %
FY2015: 12,131; (29.6)%

	Net income per share	Diluted net income per share	Return on equity	Ordinary income on total assets	Operating income on operating revenue
Fiscal year ended:	yen	yen	%	%	%
March 31, 2016	(49.65)	-	(3.3)	(0.9)	(5.5)
March 31, 2015	85.92	85.61	5.6	(0.5)	(8.2)

[Reference] Share of loss of entities accounted for using equity method (Million yen) FY2016: (101)
FY2015: (117)

Note: Diluted net income per share is not shown in the fiscal year ended March 31, 2016 because dilutive shares did exist but yielded negative earnings per share.

2. Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of:	million yen	million yen	%	yen
March 31, 2016	508,659	168,656	32.1	1,455.90
March 31, 2015	540,718	194,865	34.8	1,591.09

[Reference] Equity capital (Million yen) March 31, 2016: 163,115
March 31, 2015: 188,034

3. Consolidated cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Fiscal year ended:	million yen	million yen	million yen	million yen
March 31, 2016	(32,186)	(8,144)	13,026	88,226
March 31, 2015	15,452	(15,148)	(20,593)	118,060

II. Dividends

	Dividends per share					Total dividends	Dividend payout ratio (consolidated)	Dividend on net assets (consolidated)
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Total			
Fiscal year ended:	yen	yen	yen	yen	yen	million yen	%	%
March 31, 2015	-	5.00	-	5.00	10.00	1,181	11.6	0.6
March 31, 2016	-	5.00	-	7.00	12.00	1,357	-	0.8
Fiscal year ending: March 31, 2017 (forecast)	-	6.00	-	6.00	12.00		14.0	

Note 1: Breakdown of year-end dividend (forecast) for FY2016: Ordinary dividend 5.00 yen; Commemorative dividend 2.00 yen

Note 2: Dividend payout ratio in the fiscal year ended March 31, 2016 is not shown due to negative earnings per share.

III. Consolidated forecasts for the fiscal year ending March 31, 2017 (April 1, 2016 - March 31, 2017)

	Operating revenue		Operating income		Ordinary income		Net Income attributable to owners of parent		Net Income per share
	million yen	%	million yen	%	million yen	%	million yen	%	million yen
Full year	98,218	30.1	11,266	-	11,413	-	9,586	-	85.56

* General notes

1. Material changes in subsidiaries during the current fiscal year : No
   (Change in specified subsidiaries resulting in change in scope of consolidation)
2. Changes in accounting policies, accounting estimates and retrospective re-statements
   [1] Changes in accounting policy based on revisions of accounting standards : Yes
   [2] Changes in accounting policy other than those indicated in [1] : No
   [3] Changes in accounting estimates : No
   [4] Retrospective re-statements : No

   Note: For details, please see “V. Consolidated financial statements, 5. Notes regarding consolidated financial statements” on page 23 in the attached document.
3. Number of outstanding shares (common share)

[1] Number of outstanding shares (including treasury shares)	March 31, 2016	112,447,154	March 31, 2015	118,589,354
[2] Number of treasury shares	March 31, 2016	409,748	March 31, 2015	409,540
[3] Average number of outstanding shares during the period	From April 1, 2015 till March 31, 2016	115,050,972	From April 1, 2014 till March 31, 2015	118,050,426

Note: We cancelled 6,250,000 shares of treasury shares on December 29, 2015.

* Statement regarding implementation status of audit procedures

This financial summary does not fall within the scope of audit procedures based on the Financial Instruments and Exchange Act. At the time of disclosure of this financial summary, audit procedures for financial statements based on the Financial Instruments and Exchange Act have not been completed.

* Explanation regarding the appropriate use of financial forecast and other special remarks

1. Any information contained in this document pertaining to future financial performance etc. is based on the information currently available to J Trust and certain other premises judged to be reasonable and J Trust does not guarantee the achievement of this performance. Actual financial performance may vary significantly from the forecasts contained herein. “I. Analysis on operating results and financial position, 1. Analysis on operating results” on page 2 in the attached document shows the assumptions and premises on which the financial forecast is based.
2. Supplemental materials will be posted on the J Trust website (http://www.jt-corp.co.jp/en/). Earnings presentation for analysts is scheduled for May 16, 2016. Video and materials of the presentation will be available on the J Trust website after the presentation.

Table of attached document

I. Analysis on operating results and financial position

1. Analysis on operating results

In the current consolidated fiscal year, the US economy showed a sign of recovery and the European economy was expected to see a modest rebound. The future outlook of the world economy, however, remained uncertain mainly due to a clear slowdown in the Chinese economy and concern about a downturn in the economy of emerging countries. In Japan, the performance of some companies and the employment condition have improved under the economic and monetary policy adopted by the Japanese government and the Bank of Japan, but we need to keep paying attention to the current trend because there still remains the impact of yen depreciation, decrease in real wages, prolonged stagnation of consumer confidence due to increased consumption tax, and concern on business results of some companies. Meanwhile, the growth potential of emerging regions including Southeast Asian countries appears promising from a medium- and long-term point of view. In particular, Indonesia is likely to continue growing economically, backed by further consumer spending, financial expenditure and monetary easing.

In this economic environment, we consider that it is inevitable to transform our business ahead of changes in global and Japanese economy. We drew up a medium-term business plan covering FY2016 till FY2018 under the group vision of “aiming to provide unique financial services not constrained by existing paradigms.” We are expanding businesses in Asia, whose economy is expected to continue growing at high pace, and seeking to maximize synergies generated by our network of Group companies with the aim of further enhancing our operational base and achieving sustainable growth.

In the current consolidated fiscal year, we proactively strived for improving the corporate value and reinforcing our operational base in and out of Japan so as to shift from a rapid business expansion led by M&As to a sustainable profit increase mainly from our banking business.

(i) Business development in Southeast Asia

In Indonesia, the J Trust Group puts a priority on the revitalization of PT Bank Mutiara Tbk. (a commercial bank acquired in November 2014) whose trade name was changed to PT Bank JTrust Indonesia Tbk. (hereinafter, “Bank J Trust Indonesia”) in June 2015. To this end, we transferred non-performing loans (hereinafter, “NPLs”) to PT JTRUST INVESTMENTS INDONESIA (hereinafter, “JTII”) in October 2015. This transfer enabled JTII to focus on NPL collection and expand profit through an increase in collection amount by utilizing various methods including speedy sale of real estate (collateral for receivable) and business rehabilitation. It also allowed Bank J Trust Indonesia to improve financial health with reduced NPL ratio and establish a fundamental profit-making structure based on its primary banking business. In addition, Bank J Trust Indonesia renewed the management team including a newly hired director with a proven track record in the local banking business.

In Singapore, we acquired 6.43% of the outstanding common shares of Group Lease PCL (listed on the Stock Exchange of Thailand; hereinafter, “GL”) in December 2015 by exercising the right attached to its convertible bond underwritten by JTRUST ASIA PTE. LTD. (hereinafter, “JTA”) in May 2015. This was followed by an announcement of a plan to set up a new joint venture company. We will work together with GL to expand leasing and consumer financing businesses in Southeast Asia including Indonesia, with an eye to the provision of finance by Bank J Trust Indonesia, joint operation of hire-purchase financing business in Indonesia which is expected to achieve sustainable growth, and business tie-up that allows the J Trust Group to develop operations in Southeast Asia.

(ii) Business development in South Korea

J Trust Group became a comprehensive financial group which provides savings bank business, purchase and collection of receivables, and leasing and installment financing business through the acquisition of shares of JT Savings Bank Co., Ltd. (hereinafter, “JT Savings Bank”) in January 2015 and JT Capital Co., Ltd. (hereinafter, “JT Capital”) in March 2015. We have thus developed an operational base to offer financial service in South Korea. As part of this move, we sold Neoline Credit Co., Ltd. and HICAPITAL Co., Ltd. in October 2015 after confirming that business efficiency was achieved through the intensive management of their normal claims by our savings banks and NPLs by TA Asset Management Co., Ltd. (hereinafter, “TA Asset Management”). They are no longer our consolidated subsidiaries. In addition, we have successfully increased operating assets with steady growth of new loans. This achievement resulted from changing the trade name of Chinae Savings Bank Co., Ltd. to JT Chinae Savings Bank Co., Ltd. (hereinafter, “JT Chinae Savings Bank”) in July 2015 to enhance the brand value and taking effective marketing strategies to cope with various advertising regulations in South Korea.

(iii) Domestic business development

To create a new business using Bitcoin, in May 2015, the Group underwrote 26.46% of common shares which BTCBox Co., Ltd., an operator of Bitcoin exchange, issued through the third party allotment of shares (BTCBox Co., Ltd. is now excluded from the scope of equity method, with part of the acquired shares transferred in the third quarter of the current consolidated fiscal year), and then established JTRUST BITCOIN PTE. LTD. (currently JTRUST FINTECH PTE. LTD.), a consolidated subsidiary of JTA, in July 2015. This was followed by the establishment of J Trust Marketing Co., Ltd. (currently, JTRUST FINTECH CO., LTD.) in November 2015. With regard to FinTech business, we currently operate a web portal on FinTech-related information. While recognizing the current government’s approach toward legislation on the Bitcoin business, we are now striving to develop FinTech systems and applications for early opening of a Bitcoin exchange house and, going forward, will create new business using Bitcoin to improve our corporate value.

In addition, we implemented business restructuring. In September 2015, we transferred a part of the unsecured loan business (consumer finance business) of Nihon Hoshou Co., Ltd. (hereinafter, “Nihon Hoshou”) to CREDIA Co., Ltd. through a corporate split. Consequently, we withdrew from the unsecured loan business (consumer finance business), and established the business structure focusing on credit guarantee for property related loans.

(iv) Capital Policy

We conducted share buyback of 6,250,000 shares to return profits to shareholders through improvements in capital efficiency and ensure flexible implementations of capital policy in response to changes in business environments. In December 2015, for the purpose of returning profits to shareholders through reduction in the total number of outstanding shares, we cancelled all the treasury shares acquired during the period.

Operating revenue in the current consolidated fiscal year was 75,478 million yen (up 19.3% year on year). Interest on loans declined because installment payment paying for commission decreased after the transfer of “KC Card” brand in January 2015 and, in South Korea, TA Asset Management, Neoline Credit Co., Ltd. and HICAPITAL Co., Ltd. (collectively called “Affiliated Financial Companies”) transferred their loan businesses to JT Chinae Savings Bank. Meanwhile, new loans expanded steadily due to the assumption of the loan business of the Affiliated Financial Companies and aggressive marketing activities. Also, JT Savings Bank and Bank J Trust Indonesia, which were acquired in the previous consolidated fiscal year, contributed to the growth in banking business revenue. In addition, other operating revenue increased because JTA recorded unrealized profit and capital gain on GL’s convertible bond.

As for operating income/loss, we reported an operating loss of 4,144 million yen (operating loss of 5,217 million yen during the same period of the previous fiscal year). In selling, general and administrative expenses, bad debts expense declined because provision of allowance for doubtful accounts decreased from the previous consolidated fiscal year, during which JT Chinae Savings Bank recorded temporary losses on sales of receivables as part of the NPL disposal and further provision of allowance for doubtful accounts, and provision for loss on interest repayment was reduced due to a decline in interest repayment claim related liabilities corresponding to the transfer of the “KC Card” brand and the partial transfer of Nihon Hoshou’s unsecured loan business through a corporate split. However, other expenses expanded mainly because personnel expenses became larger due to the increased number of employees for business expansion of the Group and amortization of goodwill increased after the acquisition of Bank J Trust Indonesia.

For ordinary income/loss, we recorded ordinary loss of 4,678 million yen (ordinary loss of 2,385 million yen during the same period of the previous fiscal year) because of foreign exchange loss. Meanwhile, loss attributable to owners of parent stood at 5,712 million yen (profit attributable to owners of parent of 10,143 million yen during the same period of the previous fiscal year) due to impairment losses on suspension of elderly care business and closing of ADORES' stores and the absence of gain on bargain purchase, which was posted as extraordinary income in the previous consolidated fiscal year in response to the acquisition of JT Savings Bank and JT Capital.

Segment performance is detailed below.
Reportable segments are reclassified from the current consolidated fiscal year. Year-on-year comparisons use reclassified figures accordingly.

[1] Domestic financial business

(Credit guarantee services)

Credit guarantee services are handled by Nihon Hoshou. Under our medium-term business plan, its priority is to focus on real estate related credit guarantee business. We currently provide guarantee for syndicated rental housing loans including "Flat 35" in partnership with a major housing developer, Flat 35 loan agencies and others. Our new guarantee structure centering on Flat 35 boosts credit guarantee balance steadily. Although the transfer of "KC Card" brand reduced the number of partnered financial institutions by six, we have partnership with five regional financial institutions as of the end of March 2016.

As a result, the balance of credit guarantees was 53,354 million yen (up 45.3% year on year) as of the end of the current consolidated fiscal year. The breakdown was 15,376 million yen in credit guarantees on unsecured loans (up 10.7%) and 37,978 million yen in credit guarantees on secured loans (up 66.4%) with an increase in guarantees for rental housing loans.

(Collection of accounts receivable)

Collection of accounts receivable in Japan is mainly handled by Nihon Hoshou and Partir Servicer Co., Ltd. (hereinafter, "Partir Servicer"). Under our medium-term business plan, we aim to expand the receivable collection business. Since the number of domestic servicers is decreasing, we will pursue profits as a remaining player through M&As on the strength of our superior collection capability. We will also reinforce collection of corporate loans receivable and start business rehabilitation services.

As a result, the balance of purchased receivables was 3,353 million yen (down 14.2% year on year) as of the end of the current consolidated fiscal year, reflecting a steady progress on collection.

(Credit and consumer credit services)

Credit and consumer credit services are mainly handled by J TRUST Card Co., Ltd. The loan balance declined significantly with the transfer of the KC Card brand. We, however, strive to increase the loan balance and earnings by focusing on consumer credit services for installment sales along with promoting a variety of services and products to receive fees from purchase transaction, cash advances and loans.

As a result, the balance of advances paid – installment, including long-term operating loans receivable, was 2,454 million yen (up 72.6% year on year) as of the end of the current consolidated fiscal year. The breakdown was 2,449 million yen in advances paid – installment (up 75.6%) and 5 million yen in long-term operating loans receivable (down 81.4%).

(Other financial services)

Other financial services in Japan are mainly handled by Nihon Hoshou. Under our medium-term business plan, Nihon Hoshou shifted its focus onto the real estate related credit guarantee business after executing a structural reform including large-scale early retirement programs and a reorganization including partial transfer of the unsecured loan business through a corporate split. To this end, Nihon Hoshou withdrew from the unsecured consumer finance business in Japan, separated liabilities involving risk of interest repayment claims and mitigated contingent liabilities risk.

As a result, the loan balance including long-term operating loans (for business) was 4,280 million yen (down

1.9%) as of the end of the current consolidated fiscal year. The breakdown was 1,428 million yen in commercial notes (down 39.4%), 2,755 million yen in accounts receivable – operating loans (up 44.6%) due to an increase in property secured loans and 96 million yen in long-term operating loans (down 5.0%). Meanwhile, the loan balance including long-term operating loans (for consumers) dropped to 2,765 million yen (down 53.8%). The breakdown was 2,546 million yen in accounts receivable – operating loans (down 51.2%) and 218 million yen in long-term operating loans (down 71.3%).

In summary, operating revenue in domestic financial business was 11,037 million yen (down 41.3%). Segment income was 3,799 million yen (up 105.1%) as a result of Nihon Hoshou's cost reduction measures including early retirement programs and a decrease in provision for loss on interest repayment.

[2] Financial business in South Korea

(Savings bank business and capital business)

JT Chinae Savings Bank and JT Savings Bank conduct savings bank business. JT Capital provides installment financing and leasing services. We have already established an operational base as a comprehensive financial group through M&As executed in prior fiscal years. Going forward, we will expand profit through the organic collaboration of each business and proactively increase the balance of receivables. Under the medium-term business plan, we will improve profitability by increasing high-quality consumer loans and ensure stable loan portfolio by focusing on loans for large corporations, secured loans and government-backed loans. For loans by banking business, the balance increased significantly due to JT Chinae Savings Bank's assumption of loan business from Affiliated Financial Companies in August 2014, acquisition of JT Savings Bank in January 2015 and steady rises in the number and amount of new loan contracts. Meanwhile, accounts receivable – operating loans decreased as a result of the transfer of loan business to JT Chinae Savings Bank from Affiliated Financial Companies, but increased due to the acquisition of JT Capital in March 2015.

As a result, the loan balance increased steadily as of the end of the current consolidated fiscal year. However, because of the weaker won, loans by banking business were 150,255 million yen (up 1.0% year on year). Accounts receivable – operating loans including long-term operating loans receivable were 45,966 million yen (down 23.0%) The breakdown was 44,203 million yen (down 24.0%) in accounts receivable – operating loans and 1,763 million yen (up 16.5%) in long-term operating loans.

(Receivable collection business)

TA Asset Management is engaged in purchase and collection of NPLs. Under the medium-term business plan, we have accumulated the balance of receivables on the strength of our superior collection capability and high-level legal compliance.

As a result, the balance of purchased receivables was 2,651 million yen (down 44.1% year on year) as of the end of the current consolidated fiscal year, reflecting collections by sale of receivables along with ordinary collections.

In summary, operating revenue in financial business in South Korea was 25,480 million yen (up 35.5%). Segment income was 260 million yen (segment loss of 6,296 million yen during the same period of the previous fiscal year) because costs for collection and write-off of loans receivables increased due to the amortization of negative goodwill, which was recorded in the previous fiscal year as a valuation difference on such loans receivables.

[3] Financial business in Southeast Asia

(Banking Business)

Bank J Trust Indonesia conducts banking business in Indonesia. Under our medium-term business plan, we focus on the rehabilitation of the bank which used to be supervised by Indonesia Deposit Insurance Corporation over a long time. Bank J Trust Indonesia transferred its NPLs to JTII to reduce Bank J Trust

Indonesia's NPL ratio and improve its financial health. Going forward, we will particularly make a shift to the management structure with seasoned knowledge of the local banking business, aiming to expand revenue through such measures as quantitative increase and qualitative improvements in operating assets with the expansion of loan balance for small and medium-sized enterprises and consumers, a decrease in inefficient loans executed under the control of Indonesia Deposit Insurance Corporation, a decrease in funding cost and an increase in commission income by using our overseas network.

As a result, the balance of loans by banking business grew steadily to 80,277 million yen (up 6.0% year on year) as of the end of the current consolidated fiscal year.

(Collection of Accounts Receivable)
JTII conducts collection of accounts receivable business in Indonesia. Bank J Trust Indonesia transferred its NPL to JTII in October 2015. We aim to increase revenue by NPL collection with various measures including prompt disposal of collateralized assets and business rehabilitation.

As a result, the balance of purchased receivables was 3,936 million as of the end of the current consolidated fiscal year.

In summary, operating revenue of financial business in Southeast Asia was 12,292 million yen and segment loss was 7,898 million yen (segment loss of 157 million yen during the same period of the previous fiscal year) mainly due to the amortization of goodwill corresponding to the acquisition of Bank J Trust Indonesia and an increase in provision of allowance for doubtful accounts.

[4] General entertainment business
BREAK Co., Ltd. (hereinafter, "BREAK") produces and sells toys for amusement machines. ADORES, Inc. (hereinafter, "ADORES") operates amusement facilities. Highlights Entertainment Co., Ltd. (hereinafter, "Highlights Entertainment") develops, produces and sells computer systems for peripheral equipment of Japanese amusement machines. Under our medium-term business plan, ADORES proactively conducts collaborative events featuring characters of popular anime at existing stores. Going forward, we will expand the type of operation through development of own content in addition to content business using existing facilities. In Highlights Entertainment, we aim to establish group-wide general entertainment business by utilizing ADORES' own content in development of Japanese amusement machines and other measures.

As a result, operating revenue in general entertainment business was 16,559 million yen (up 3.7% year on year). Segment loss was 475 million yen (segment income of 385 million yen during the same period of the previous fiscal year) mainly because Highlights Entertainment recorded research and development costs.

[5] Real estate business
Keynote Co., Ltd. (hereinafter, "Keynote") mainly handles sales and brokerage of ready-built residential housing and ADORES conducts real estate asset business. Under our medium-term business plan, we will take advantage of our business operations in Southeast Asia, supported by our ability to plan and design housing and commercial facilities of Japanese quality handled by Keynote. In addition, with our operational base in Southeast Asia, we aim to increase profit opportunities with a view to operating overseas real estate business. We have expanded marketing areas and increased property sales in existing areas supported by a gradual recovery of the housing starts including condominiums.

As a result, operating revenue in real estate business was 6,224 million yen (up 6.9% year on year) and segment income was 500 million yen (up 24.3%).

[6] Investment business
JTA conducts investment business and provides management support for investees mainly in Singapore. JTA underwrote convertible bond of Group Lease PCL, listed on the Stock Exchange of Thailand in May

2015 and acquired 6.43% of GL's shares by exercising conversion rights attaching to the convertible bond. JTA formed a strategic partnership with GL and plans to develop business to maximize synergy generated from the establishment of network while expanding its business in fast-growing Southeast Asia.

As a result, operating revenue in investment business was 2,828 million yen (up 167.1% year on year) and segment income was 2,562 million yen (up 309.8% year on year).

[7] Other business

J Trust System Co., Ltd. handles system development, operation and management of computers. Keynote constructs commercial facilities. Japan Care Welfare Group Co., Ltd., which conducts elderly care business, was excluded from the scope of consolidation due to its sale in August 2015.

As a result, operating revenue in other business was 1,857 million yen (down 49.5% year on year) and segment loss was 193 million yen (segment income of 45 million yen during the same period of the previous fiscal year).

Future outlook

The Group will drive our business forward steadily for continued growth and better corporate value, aiming to achieve the target set for the second year under the 3-year medium term business plan toward the fiscal year ending March 2018. Our medium term business plan is based on the voluntary adoption of IFRS. As stated in "IV. Basic policy on adoption of accounting standard", however, we will prepare consolidated financial statements under JGAAP, along with IFRS, for the next fiscal year and manage objectives by recalculating figures using JGAAP.

For the next fiscal year, we will strive for better profits in a continued manner, as in the previous fiscal year, centering on the banking business. Financial business in South Korea is steadily expanding in the size of business because the business structure was finally established with the infrastructure, which was set up in the previous fiscal year to provide comprehensive financial services, and net income became positive on a full-year basis with accumulated operating assets even in the stagnant economy. For the next fiscal year as well, we will expand operating assets for stable earnings by increasing purchased receivables through corporate acquisitions and new loan through effective sales promotions including marketing activity and brand strategy.

With regard to financial business in Southeast Asia, we took steps on reinforcing the operational base in the previous fiscal year, such as a transfer of NPLs, a cut in funding costs and a renewal of the management, because earnings were rather weak. These measures, however, eventually led us to a profit-making structure based on our primary banking business. For the next fiscal year, we will expand earnings through the following: quantitative expansion and qualitative improvement of operating assets by increasing the volume of SME/consumer loans; reduction in low-profit loans executed under the control of Deposit Insurance Corporation; lowering of funding costs; and larger commission income using our overseas network.

Considering the above factors, business results for the next fiscal year (from April 1, 2016 to March 31, 2017) are expected to record operating revenue of 98,218 million yen (up 30.1% year on year), operating income of 11,266 million yen (operating loss of 4,114 million yen during the same period of the previous year), ordinary income of 11,413 million yen (ordinary loss of 4,678 million yen during the same period of the previous year) and profit attributable to owners of parent of 9,586 million yen (loss attributable to owners of parent of 5,712 million yen during the same period of the previous year).

2. Analysis on financial position

Analysis on assets, liabilities, net assets and cash flows

[1] Assets, liabilities and net assets

Total assets as of the end of the current consolidated fiscal year decreased by 32,059 million yen to 508,659 million yen from the end of the previous consolidated fiscal year. Primary drivers of growth were as follows:

loans by banking business increased by 6,131 million yen with the assigned receivables and the increased new loans; investment securities increased by 7,413 million yen due to the accumulated balance at JT Chinae Savings Bank; and the provision of allowance for doubtful accounts decreased by 10,923 million yen due to the transfer of NPLs by Bank J Trust Indonesia. The balance, however, decreased in the end because of the following: cash and cash equivalents declined by 33,060 million yen; loan assets decreased by 15,810 due to the business transfer, receivables assignment, collection, write-off, etc. in the financial business in South Korea; and goodwill decreased by 6,902 million yen.

Liabilities decreased by 5,850 million yen to 340,002 million yen from the end of the previous consolidated fiscal year. This is mainly because long-term loans payable including the current portion of long-term loans payable increased by 18,183 million yen due to JT Capital's borrowing of operating funds while deposits by banking business decreased by 16,334 million yen and provision for loss on interest repayment decreased by 6,295 million yen due to the partial transfer of Nihon Hoshou's unsecured loan business through the corporate split and the sale of CREDIA Co., Ltd.

Net assets decreased by 26,208 million yen to 168,656 million yen from the end of the previous consolidated fiscal year. This is mainly because retained earnings decreased by 12,931 million yen due to cancellation of treasury shares of 6,055 million yen, dividends of surplus of 1,164 million yen and loss attributable to owners of parent of 5,712 million yen and foreign currency translation adjustment declined by 11,475 million yen.
As a result, net assets per share decreased by 135.19 yen to 1,455.90 from the end of the previous consolidated fiscal year. Capital adequacy ratio decreased 2.7 percentage points to 32.1%, from 34.8% as of the end of the previous fiscal year.

[2] Cash Flow

Consolidated cash and cash equivalents (hereinafter, "Funds") as of the end of the current consolidated fiscal year declined by 29,833 million yen to 88,226 million yen from the end of the previous consolidated fiscal year. The following overviews cash flow in the current consolidated fiscal year with relevant factors:

(Cash flows from operating activities)
In the current consolidated fiscal year, Funds provided by operating activities decreased by 32,186 million yen (an increase of 15,452 million yen during the same period of the previous year). Primary factors were as follows: Funds boosted by net increase in deposits by banking business of 10,981 million yen and net decrease in operating loans receivable of 7,332 million yen; and Funds reduced by net loss before income taxes and minority interests of 5,602 million yen, net increase in loans by banking business of 40,298 million yen due to assumed receivables and increased new loans, and income taxes paid of 3,251 million yen.

(Cash flows from investing activities)
In the current consolidated fiscal year, Funds provided by investing activities decreased by 8,144 million yen (a decrease of 15,148 million yen during the same period of the previous year). Funds increased with proceeds from sales of securities of 34,770 million yen and proceeds from redemption of securities of 34,419 million yen. However, purchase of securities of 76,581 million yen reduced Funds.

(Cash flows from financing activities)
In the current consolidated fiscal year, Funds provided by financing activities increased by 13,026 million yen (a decrease of 20,593 million yen during the same period of the previous year). Funds decreased due to the purchase of treasury shares of 6,271 million yen and cash dividends paid of 1,164 million yen. However, net increase in short-term loans payable of 6,960 million yen and net increase in long-term loans payable of 15,040 million yen boosted Funds.

Changes in cash flow indicators

	36th period FY2012	37th period FY2013	38th period FY2014	39th period FY2015	40th period FY2016
Capital adequacy ratio	40.9%	29.1%	53.0%	34.8%	32.1%

Capital adequacy ratio (market value basis)	41.6%	95.7%	46.0%	22.6%	20.0%
Years of debt redemption	16.7 years	8.3 years	9.9 years	-	-
Interest coverage ratio	2.2	3.1	1.6	-	-

- Capital adequacy ratio: Equity capital divided by total assets
- Capital adequacy ratio (market value basis): Market capitalization divided by total assets
- Years of debt redemption: Interest-bearing liabilities divided by cash flows
- Interest coverage ratio: Cash flows divided by interest expenses

Note 1: All indicators are calculated on a consolidated basis.

Note 2: Market capitalization is calculated by multiplying the number of outstanding shares at the end of the period (excluding treasury shares) by the closing share price at the end of the period.

Note 3: Cash flows are calculated by subtracting proceeds or payments related to accounts receivable – operating loans before bad debts written off and "Net decrease (increase) in deposits by banking business", from net cash provided by operating activities on the consolidated statements of cash flows.

Note 4: Interest-bearing liabilities include all liabilities for which the interest is being paid. Interest expenses is the same amount as the "Interest expenses paid" on the consolidated statements of cash flows.

Note 5: For the 39th and 40th periods, years of debt redemption and interest coverage ratio are omitted since cash flows calculated using the method specified in note 3 are negative.

3. Basic policy for distribution of profits and dividends for FY2016 and FY2017

The Company recognizes an appropriate return of profits to its shareholders as one of the highest priorities and basically takes a proactive stance in returning profits while giving full consideration to the future operating environment and industry trends.

As announced in Consolidated Financial Results for the Fiscal Year Ended March 31, 2015 (released on May 14, 2015), we plan to pay a year-end dividend of 7 yen per share for FY2016. This is the sum of 5 yen as ordinary dividend and 2 yen as commemorative dividend to mark the 40th fiscal year of the Company. Annual dividends including an interim dividend of 5 yen per share will be accordingly 12 yen per share.

For the next fiscal year, we plan to allocate annual dividends of 12 yen per share comprised of 6 yen at the end of the second quarter and another 6 yen at the end of the fiscal year.

II. Overview of the J Trust Group

In the J Trust Group, the Company (J Trust Co., Ltd.), as a holding company, creates a comprehensive business strategy for group companies and supports their operations. The Group conducts domestic financial business, financial business in South Korea, financial business in Southeast Asia, general entertainment business, real estate business, investment business and other business.

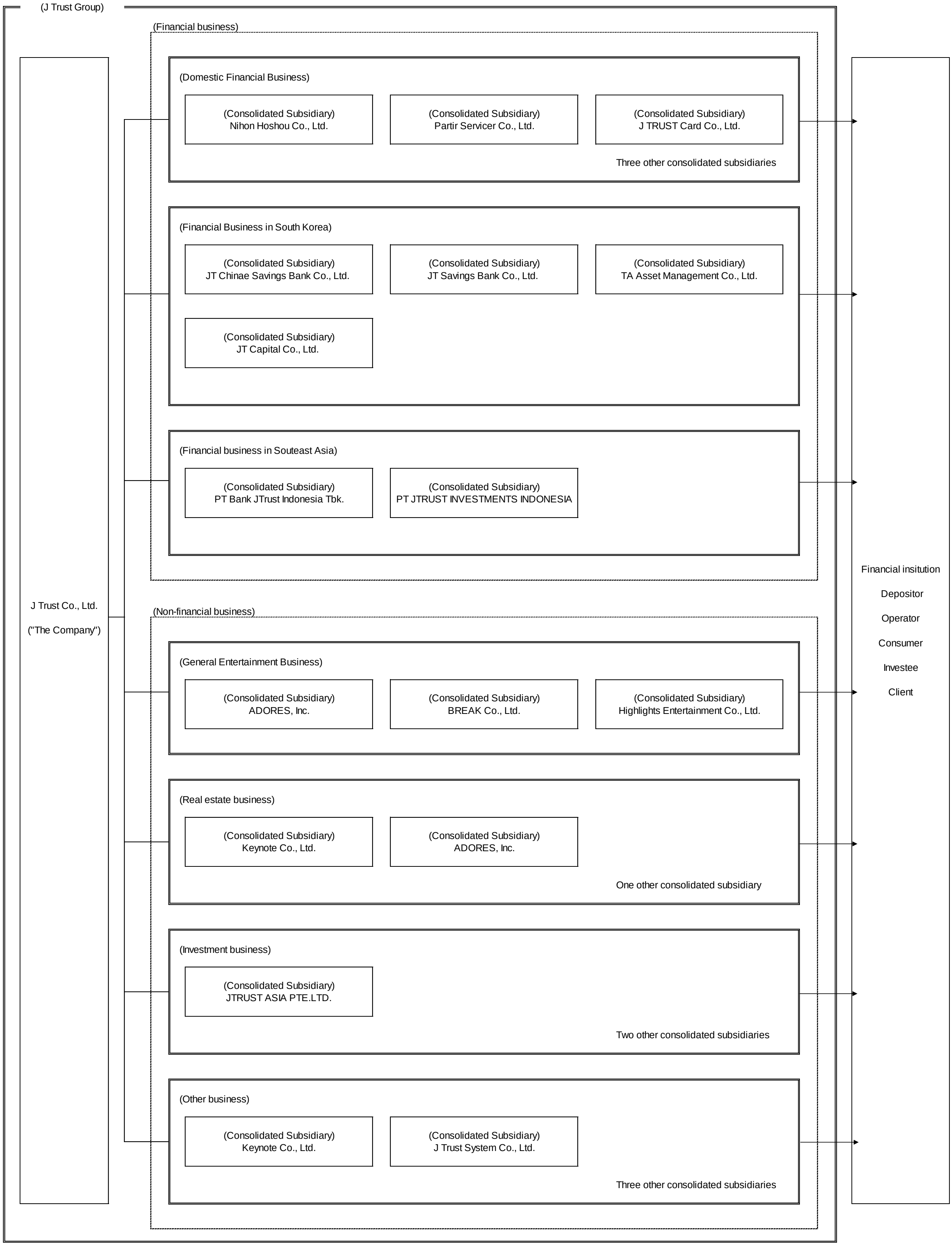
The table below shows major services of the Group and the positioning of each company. The 7 business segments are the same as those in “V. Consolidated financial statements, 5. Notes regarding consolidated financial statements.”

<table>
<tr><th colspan="2">Business sector</th><th>Major services</th><th>Company name</th></tr>
<tr><td rowspan="5">Domestic Financial business</td><td>Credit guarantee business</td><td>Credit guarantee for business loan to SMEs/sole proprietors, consumer loan and rental housing loan granted mainly by banks, credit unions and credit associations</td><td>Nihon Hoshou Co., Ltd.</td></tr>
<tr><td>Collection of accounts receivable business</td><td>Purchase and collection of accounts receivable from financial institutions, nonbanks, etc.</td><td>Partir Servicer Co., Ltd.
Nihon Hoshou Co., Ltd</td></tr>
<tr><td rowspan="2">Credit and consumer credit business</td><td>Credit granting to consumers including fund settlement using credit cards and card loans</td><td>J TRUST Card Co., Ltd.</td></tr>
<tr><td>Credit granting to consumers for installment sales</td><td>J TRUST Card Co., Ltd.</td></tr>
<tr><td>Other business</td><td>Lending business</td><td>Nihon Hoshou Co., Ltd.</td></tr>
<tr><td rowspan="3">Financial business in South Korea</td><td>Savings bank business</td><td>Banking business including deposit taking and lending</td><td>JT Chinae Savings Bank Co., Ltd.
JT Savings Bank Co.,</td></tr>
<tr><td>Collection of accounts receivable business</td><td>Purchase and collection of accounts receivable from financial institutions, nonbanks, etc.</td><td>TA Asset Management Co., Ltd.</td></tr>
<tr><td>Capital business</td><td>Leasing and installment business</td><td>JT Capital Co., Ltd.</td></tr>
<tr><td rowspan="2">Financial business in Southeast Asia</td><td>Banking business</td><td>Banking business including deposit taking and lending</td><td>PT Bank JTrust Indonesia Tbk.</td></tr>
<tr><td>Collection of accounts receivable business</td><td>Purchase and collection of accounts receivable from financial institutions, nonbanks, etc.</td><td>PT JTRUST INVESTMENTS INDONESIA</td></tr>
<tr><td colspan="2" rowspan="2">General entertainment business</td><td>Operation of amusement facilities, Sale of toys for amusement machines</td><td>ADORES, Inc.
BREAK Co., Ltd.</td></tr>
<tr><td>Development, production and sales of computer systems for peripheral equipment of Japanese amusement machines</td><td>Highlights Entertainment Co., Ltd.</td></tr>
<tr><td colspan="2" rowspan="2">Real estate business</td><td>Purchase, sale, renovation and brokerage of real estate centering on detached housing</td><td>Keynote Co., Ltd.</td></tr>
<tr><td>Purchase and sale of properties for liquidation and income properties mainly in urban areas</td><td>ADORES, Inc.</td></tr>
<tr><td colspan="2">Investment business</td><td>Inbound and outbound investment business</td><td>JTRUST ASIA PTE.LTD.</td></tr>
<tr><td colspan="2" rowspan="2">Other business</td><td>Design and construction of commercial facilities centering on Japanese amusement machine halls</td><td>Keynote Co., Ltd.</td></tr>
<tr><td>Operation and management of computers, System business including operational guidance and contract-based software development</td><td>J Trust System Co., Ltd.</td></tr>
</table>

Note: In the current consolidated fiscal year, trade names of Chinae Savings Bank Co., Ltd., KJI Consumer Finance LLC and PT Bank Mutiara Tbk. were changed to JT Chinae Savings Bank Co., Ltd., TA Asset Management Co., Ltd. and PT Bank JTrust Indonesia Tbk., respectively.

Translation for reference only

The following diagram shows the above mentioned corporate group:



III. Management policies

1. Management policy

The Company adheres to a code of ethics, set forth by the following five principles.

(i) The Company shall acknowledge its social responsibility and public mission, conduct sound business operations as a listed company, ensure transparency in its business activities, and aim to grow into a trusted company.

(ii) Not only shall the Company comply with the letter of the law, it shall embrace the spirit in which it was written in its efforts to achieve a fair and more affluent society for future generations.

(iii) The Company shall respect the rights of all stakeholders, contribute to the growth and development of society and economy, and honor and respect the differences in cultures and customs.

(iv) When faced with a conflict of interest, the Company shall choose an ethical solution without fail and stand resolutely against any and all criminal elements.

(v) When faced with a difficult ethical decision, the Company shall resolve to ensure a satisfactory outcome for all parties involved in the matter.

Under its corporate philosophy, “For our customers, shareholders and ourselves, we make continuous effort to respond quickly to changing environment and challenge ourselves diligently to create better future for the world,” the Company promotes,

(i) Treat all stakeholders, including customers, shareholders and business partners as our customers and take “customer oriented approach” to meet their expectations,

(ii) Tackle various issues “swiftly” while pursuing “ingenuity and improvements” without being satisfied with the status quo,

(iii) Ensure “accurate and timely information disclosure” as well as upholding “high ethical standards” for business execution, and

(iv) “Create new services and value” to contribute to the economic expansion.

Furthermore, based on the code of ethics, the Company has established its Behavioral Principles, “J / T / R / U / S/ T” to practice Corporate Philosophy.

“J”	=	Justice	Conduct our business fairly
“T”	=	Teamwork	Respect our employee’s personality
“R”	=	Revolution	Drive innovations to create new values
“U”	=	Unique	Focus on our originality
“S”	=	Safety	Keep our stakeholders feel safe
“T”	=	Thankful	Always be thankful

2. Target Management Indices

Disclosure is omitted since there have been no significant changes since the description in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2014 (disclosed on May 14, 2014).

(J Trust website) http://www.jt-corp.co.jp/en/

3. Medium-to-long-term management strategies and key issues to be addressed

[1] Financial business in Southeast Asia

We endeavor to lower NPL ratio and improve financial health towards the rehabilitation of Bank J Trust Indonesia. The bank, which had been long supervised by the Indonesia Deposit Insurance Corporation for rehabilitation purpose, had no chance of taking a proactive approach to increase loans and deposits. This led to the insufficient volume of loans and deposits per branch, only half the competitor average. In addition, the heavy dependence on large-lot customers kept the average deposit rate higher than the level of competitors. Going forward, we intend to provide comprehensive financial services such as various loans (including automobile loan and mortgage loan), card services and foreign exchange related services targeting small and medium-sized enterprises and salaried workers because their presence is rapidly growing in Indonesia along with the expansion of economy. Also, we will actively invest in IT infrastructure, which includes the renewal of core banking systems to offer comprehensive financial services flexibly and promptly as well as the launch of online/mobile banking for corporate and individual customers and branchless banking services to broaden the customer base with diversified distribution channels and enhanced convenience. At the same time, we will tackle the issue of revitalizing Bank J Trust Indonesia by increasing the loan balance through wholesale financial services to multi-finance companies (mainly auto lease companies) and direct leasing to individual customers in collaboration with multi-finance companies and by accumulating deposits from and loans to overseas customers through high value-added financial services, capitalizing on the Group's network.

[2] Financial business in South Korea

In South Korea, we have 4 financial subsidiaries, namely JT Chinae Savings Bank, JT Savings Bank, JT Capital and TA Asset Management. The infrastructure is now ready for development of comprehensive financial services. We will expand business there so as to achieve a synergy effect through the organic growth of each business entity: JT Chinae Savings Bank will raise low-cost funds mainly through bank deposits and also increasingly offer corporate loan; JT Savings Bank will focus on mortgage loan and consumer loan; JT Capital will increase the balance of mortgage loan and lease asset, with an interest rate ranging between 6 and 20%, targeting customers with good credit history; and TA Asset Management will accumulate loans receivable on the back of our superior collection capability and high-level legal compliance. As a financial group in South Korea, we will further increase the balance by raising convenience through a dedicated app with the first-ever automatic remittance function and enhancing the brand through marketing activities to create the "customer-oriented and trustworthy" images.

[3] Domestic financial business

In March 2015, Nihon Hoshou implemented an early retirement program, aiming for a lean management structure to ensure stable profits in the medium and long term. Going forward, we will develop business centering on credit guarantee services for rental housing loans and property-based loan and also focus on property-based loan. For the *Servicer* business, we will develop operations with a high pricing strategy backed by the Group's strong collection capability in the shrinking market.

[4] Domestic non-financial business

In the General Entertainment business, ADORES proactively holds events at existing stores such as collaborative events featuring popular animation characters. Going forward, we will expand the type of operation through development of own content in addition to the content business using existing facilities. Meanwhile, Highlights Entertainment develops, produces and sells computer systems for peripheral equipment of Japanese amusement machines. We will build a group-wide structure for general entertainment business, such as the use of ADORES' own content, in development of Japanese amusement machines.

In the real estate business, we will expand profit opportunities with a view to launching overseas operations using the Group's operating base in Southeast Asia, based on Keynote's capability to plan and build residential houses and commercial facilities of Japanese quality.

IV. Basic policy on adoption of accounting standard

The Group planned a voluntary adoption of International Financial Reporting Standards (IFRS) from FY2016 with the purpose of enhancing operational transparency for quicker decision-making and stronger international comparability of financial information under the unified group-wide accounting method and raising the convenience of stakeholders. However, we decided to postpone the timing of adopting IFRS as announced in "Postponement of Voluntary Adoption of IFRS" released on May 12, 2016.

We are to have a new audit firm, as stated in the news release titled "Change of Certified Public Accountant" dated May 12, in view of the Group's further global expansion going forward. For this reason, our consolidated financial statements will be prepared under JGAAP, along with IFRS, for the foreseeable future. We will decide the timing of a voluntary adoption of IFRS-based disclosure in consultation with the new audit firm.

V. Consolidated financial statements

1. Consolidated balance sheets

(Unit: million yen)

	Previous consolidated fiscal year (March 31, 2015)	Current consolidated fiscal year (March 31, 2016)
Assets		
Current assets		
Cash and deposits	141,742	108,682
Commercial notes	2,355	1,428
Accounts receivable – operating loans	65,315	49,505
Loans by banking business	224,401	230,532
Advances paid – installment	1,395	2,449
Purchased receivables	8,647	9,940
Subrogation receivable	1,124	1,462
Securities	17,874	25,287
Operational investment securities	6,595	13,057
Merchandise and finished goods	2,688	2,445
Work in process	515	1,604
Deferred tax assets	2,273	1,106
Accounts receivable – other	2,399	9,754
Other	11,457	7,684
Allowance for doubtful accounts	(20,525)	(16,809)
Total current assets	468,260	448,131
Non-current assets		
Property, plant and equipment		
Buildings and structures	11,200	9,915
Accumulated depreciation	(7,471)	(6,611)
Buildings and structures, net	3,729	3,304
Amusement machine	17,519	16,244
Accumulated depreciation – amusement machine	(16,168)	(15,263)
Amusement machine, net	1,351	981
Land	3,359	2,050
Other	3,854	3,775
Accumulated depreciation	(2,942)	(2,600)
Other, net	911	1,174
Total property, plant and equipment	9,352	7,510
Intangible assets		
Goodwill	41,438	34,536
Other	5,664	4,820
Total intangible assets	47,102	39,356
Investments and other assets		
Investment securities	3,171	970
Investments in capital	350	355
Net defined benefit asset	3	-
Long-term operating loans receivable	2,405	2,083
Deferred tax assets	2,228	1,445
Other	17,936	11,690
Allowance for doubtful accounts	(10,092)	(2,884)
Total investments and other assets	16,002	13,660
Total non-current assets	72,458	60,527
Total assets	540,718	508,659

(Unit: million yen)

	Previous consolidated fiscal year (March 31, 2015)	Current consolidated fiscal year (March 31, 2016)
Liabilities		
Current liabilities		
Notes discounted	2,226	1,381
Current portion of bonds	130	60
Short-term loans payable	7,862	14,317
Current portion of long-term loans payable	5,987	13,391
Income taxes payable	1,157	769
Deposits by banking business	287,452	271,117
Provision for loss on litigation	200	-
Provision for loss on interest repayment	1,089	-
Provision for loss on business liquidation	905	-
Other	15,587	10,604
Total current liabilities	322,598	311,642
Non-current liabilities		
Bonds payable	2,241	2,169
Long-term loans payable	11,009	21,788
Provision for loss on interest repayment	5,219	-
Provision for loss on guarantees	422	424
Net defined benefit liability	414	579
Provision for loss on litigation	399	1,192
Other	3,546	2,205
Total non-current liabilities	23,254	28,360
Total liabilities	345,853	340,002
Net assets		
Shareholders' equity		
Capital stock	53,604	53,616
Capital surplus	52,945	52,572
Retained earnings	73,709	60,777
Treasury shares	(197)	(406)
Total shareholders' equity	180,062	166,560
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(42)	136
Foreign currency translation adjustment	8,005	(3,469)
Remeasurements of defined benefit plans	9	(112)
Total accumulated other comprehensive income	7,972	(3,445)
Subscription rights to shares	167	167
Non-controlling interests	6,663	5,373
Total net assets	194,865	168,656
Total liabilities and net assets	540,718	508,659

2. Consolidated statements of income and consolidated statements of comprehensive income

(Consolidated statements of income)

(Unit: million yen)

	Previous consolidated fiscal year (From April 1, 2014 till March 31, 2015)	Current consolidated fiscal year (From April 1, 2015 till March 31, 2016)
Operating revenue		
Discount revenue	188	122
Interest on loans	4,934	3,475
Collection from purchased receivable	3,439	3,466
Installment payment paying for commission	4,701	229
Commission fee	273	511
Sales on real estate business	5,821	6,217
Interest on deposits	239	152
Other financial revenue	1,051	840
Sales on general entertainment business	15,962	16,557
Banking business revenue	14,376	31,716
Other operating revenue	12,292	12,189
Total operating revenue	63,281	75,478
Operating expenses		
Discount on notes payable expense	63	48
Interest on loans	1,076	1,020
Cost of purchased receivable	843	1,060
Cost of sales – real estate	4,919	5,183
Cost of sales on general entertainment business	13,605	13,829
Banking business expenses	6,031	16,217
Other operating expenses	2,744	1,597
Total operating expenses	29,285	38,957
Operating gross profit	33,996	36,521
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	9,513	7,389
Bad debts expenses	54	109
Provision for loss on interest repayment	2,229	344
Provision for loss on guarantees	108	18
Directors' compensations	690	656
Salaries and allowances	9,432	10,866
Share-based compensation expenses	72	31
Retirement benefit expenses	328	520
Commission fee	3,824	4,504
Amortization of goodwill	1,334	3,147
Other	11,624	13,047
Total selling, general and administrative expenses	39,214	40,635
Operating loss	(5,217)	(4,114)

(Unit: million yen)

	Previous consolidated fiscal year (From April 1, 2014 till March 31, 2015)	Current consolidated fiscal year (From April 1, 2015 till March 31, 2016)
Non-operating income		
Interest income	19	2
Dividend income	32	13
House rent income	139	65
Gain on investment of securities	-	147
Foreign exchange gains	2,814	-
Compensation income	-	107
Miscellaneous income	159	316
Total non-operating income	3,166	652
Non-operating expenses		
Interest expenses	164	156
Depreciation	18	10
Foreign exchange losses	-	871
Share of loss of entities accounted for using equity method	117	101
Miscellaneous loss	33	75
Total non-operating expenses	333	1,216
Ordinary loss	(2,385)	(4,678)
Extraordinary income		
Gain on sales of non-current assets	12	277
Gain on sales of investment securities	25	-
Gain on transfer of business	848	-
Gain on sales of shares of subsidiaries and associates	-	601
Gain on bargain purchase	14,573	-
Gain on reversal of foreign currency translation adjustment	-	830
Other	23	43
Total extraordinary income	15,482	1,753
Extraordinary losses		
Loss on sales of non-current assets	46	57
Loss on abandonment of non-current assets	115	22
Impairment loss	782	1,711
Loss on sales of shares of subsidiaries and associates	-	285
Provision for loss on litigation	200	420
Business structure improvement expenses	908	-
Other	27	179
Total extraordinary losses	2,080	2,676
Profit (loss) before income taxes	11,016	(5,602)
Income taxes – current	437	1,513
Income taxes – deferred	241	(307)
Total income taxes	679	1,206
Profit (loss)	10,337	(6,808)
Profit (loss) attributable to non-controlling interests	194	(1,095)
Profit (loss) attributable to owners of parent	10,143	(5,712)

(Consolidated statements of comprehensive income)

(Unit: million yen)

	Previous consolidated fiscal year (From April 1, 2014 till March 31, 2015)	Current consolidated fiscal year (From April 1, 2015 till March 31, 2016)
Profit (loss)	10,337	(6,808)
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,202)	(20)
Foreign currency translation adjustment	4,959	(11,474)
Remeasurements of defined benefit plans, net of tax	36	(123)
Total other comprehensive income	1,793	(11,618)
Comprehensive income	12,131	(18,426)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,779	(17,129)
Comprehensive income attributable to non-controlling interests	351	(1,296)

3. Consolidated statements of changes in net assets

Previous fiscal year (from April 1, 2014 till March 31, 2015)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	53,578	52,920	64,626	(197)	170,928
Changes of items during period					
Issuance of new shares	25	25			50
Dividends of surplus			(1,180)		(1,180)
Profit attributable to owners of parent			10,143		10,143
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		0		0	0
Change of scope of equity method			120		120
Net changes of items other than shareholders' equity					
Total changes of items during period	25	25	9,083	(0)	9,133
Balance at end of current period	53,604	52,945	73,709	(197)	180,062

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	3,330	3,032	(27)	6,335	117	6,848	184,230
Changes of items during period							
Issuance of new shares							50
Dividends of surplus							(1,180)
Profit attributable to owners of parent							10,143
Purchase of treasury shares							(0)
Disposal of treasury shares							0
Change of scope of equity method							120
Net changes of items other than shareholders' equity	(3,373)	4,973	36	1,636	49	(184)	1,501
Total changes of items during period	(3,373)	4,973	36	1,636	49	(184)	10,635
Balance at end of current period	(42)	8,005	9	7,972	167	6,663	194,865

Current fiscal year (from April 1, 2015 till March 31, 2016)

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	53,604	52,945	73,709	(197)	180,062
Changes of items during period					
Issuance of new shares	12	12			24
Dividends of surplus			(1,164)		(1,164)
Profit attributable to owners of parent			(5,712)		(5,712)
Purchase of treasury shares				(6,264)	(6,264)
Disposal of treasury shares		0		0	0
Retirement of treasury shares		(0)	(6,055)	6,055	-
Change in treasury shares of parent arising from transactions with non-controlling shareholders		(385)			(385)
Net changes of items other than shareholders' equity					
Total changes of items during period	12	(373)	(12,931)	(208)	(13,501)
Balance at end of current period	53,616	52,572	60,777	(406)	166,560

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities Accumulated other comprehensive income	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	(42)	8,005	9	7,972	167	6,663	194,865
Changes of items during period							
Issuance of new shares							24
Dividends of surplus							(1,164)
Profit attributable to owners of parent							(5,712)
Purchase of treasury shares							(6,264)
Disposal of treasury shares							0
Retirement of treasury shares							-
Change in treasury shares of parent arising from transactions with non-controlling shareholders							(385)
Net changes of items other than shareholders' equity	179	(11,475)	(121)	(11,417)	0	(1,290)	(12,707)
Total changes of items during period	179	(11,475)	(121)	(11,417)	0	(1,290)	(26,208)
Balance at end of current period	136	(3,469)	(112)	(3,445)	167	5,373	168,656

4. Consolidated statements of cash flows

(Unit: million yen)

	Previous consolidated fiscal year (From April 1, 2014 till March 31, 2015)	Current consolidated fiscal year (From April 1, 2015 till March 31, 2016)
Cash flows from operating activities		
Profit (loss) before income taxes	11,016	(5,602)
Share-based compensation expenses	72	31
Depreciation	2,957	2,549
Loss (gain) on sales of non-current assets	34	(219)
Loss on abandonment of non-current assets	-	22
Impairment loss	782	1,711
Loss (gain) on sales of shares of subsidiaries and associates	-	(315)
Loss (gain) on sales of investment securities	(25)	-
Loss (gain) on transfer of business	(848)	-
Gain on reversal of foreign currency translation adjustment	-	(830)
Gain on bargain purchase	(14,573)	-
Amortization of goodwill	1,334	3,147
Loss (gain) on securities operation	-	(147)
Increase (decrease) in allowance for doubtful accounts	(6,518)	(7,207)
Bad debts written off	9,532	7,701
Increase (decrease) in provision for point card certificates	(58)	-
Increase (decrease) in provision for loss on business liquidation	877	(905)
Increase (decrease) in provision for loss on interest repayment	(1,538)	61
Increase (decrease) in provision for loss on guarantees	(19)	18
Increase (decrease) in provision for loss on litigation	(2,751)	635
Increase (decrease) in net defined benefit liability	(121)	195
Increase (decrease) in deposits by banking business	60,271	10,981
Interest and dividend income	(52)	(16)
Discount expenses and interest expenses	4,617	14,106
Foreign exchange losses (gains)	(2,814)	1,442
Decrease (increase) in inventories	(157)	(846)
Decrease(increase) in long-term operating loans receivable	326	(756)
Decrease(increase) in pledged deposit	360	(2,431)
Decrease (increase) in restricted deposits	4,612	1,653
Other, net	(3,526)	(662)
Subtotal	63,789	24,318
Interest and dividend income received	43	16
Interest expenses paid	(4,811)	(15,309)
Income tax paid	(2,411)	(3,251)
Subtotal	56,609	5,774
Increase in commercial notes	(7,184)	(4,356)
Decrease in commercial notes	7,192	5,277
Increase in operating loans receivable	(9,483)	(25,830)
Decrease in operating loans receivable	22,273	33,163
Net decrease(increase) in loans by banking business	(43,878)	(40,298)
Decrease (increase) in investment securities for sale	(6,595)	(7,045)
Increase in advances paid – installment	(57,142)	(2,300)
Decrease in advances paid – installment	60,392	1,242
Increase in purchased receivables	(8,116)	(836)
Decrease in purchased receivables	1,965	3,530
Increase in subrogation receivable	(997)	(1,155)
Decrease in subrogation receivable	419	648
Net cash provided by (used in) operating activities	15,452	(32,186)

(Unit: million yen)

	Previous consolidated fiscal year (From April 1, 2014 till March 31, 2015)	Current consolidated fiscal year (From April 1, 2015 till March 31, 2016)
Cash flows from investing activities		
Decrease (increase) in time deposits	(256)	1,592
Purchase of property, plant and equipment	(2,948)	(2,593)
Proceeds from sales of property, plant and equipment	755	1,526
Purchase of intangible assets	(2,771)	(953)
Proceeds from sales of intangible assets	37	-
Purchase of securities	(1,621)	(76,581)
Proceeds from sales of securities	94	34,770
Proceeds from redemption of securities	10	34,419
Purchase of investment securities	(1,398)	(198)
Proceeds from sales of investment securities	38	724
Proceeds from redemption of investment securities	1	-
Purchase of shares of subsidiaries and associates	-	(206)
Proceeds from sales of shares of subsidiaries and associates	-	100
Purchase of treasury shares of subsidiaries	(0)	-
Payments for sale s of shares of subsidiaries resulting in change in scope of consolidation	-	(499)
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	19	374
Purchase of subsidiaries stocks and others resulting in change in scope of consolidation	(34,436)	-
Payment for transfer of business	-	(620)
Proceeds from transfer of business	27,327	-
Net cash provided by (used in) investing activities	(15,148)	(8,144)
Cash flows from financing activities		
Increase in notes discounted	7,073	4,488
Decrease in notes discounted	(7,021)	(5,332)
Increase in short-term loans payable	10,986	22,190
Decrease in short-term loans payable	(10,151)	(15,229)
Proceeds from long-term loans payable	17,004	36,718
Repayments of long-term loans payable	(32,642)	(21,667)
Proceeds from issuance of bonds	300	200
Redemption of bonds	(4,742)	(81)
Repayments of lease obligations	(176)	(132)
Proceeds from sales and leasebacks	86	7
Proceeds from disposal of treasury shares	0	0
Purchase of treasury shares	(0)	(6,271)
Proceeds from issuance of subscription rights to shares	-	13
Proceeds from exercise of share options	28	14
Cash dividends paid	(1,180)	(1,164)
Dividends paid to non-controlling interests	(158)	(158)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	(558)
Other, net	-	(0)
Net cash provided by (used in) financing activities	(20,593)	13,026
Effect of exchange rate change on cash and cash equivalents	7,000	(2,529)
Net increase (decrease) in cash and cash equivalents	(13,288)	(29,833)
Cash and cash equivalents at beginning of period	131,349	118,060
Cash and cash equivalents at end of period	118,060	88,226

5. Notes regarding consolidated financial statements

(Notes regarding going concern assumption)

Not applicable.

(Changes in accounting policies)

(Adoption of accounting standards and others regarding business combination)

We have adopted "Accounting Standards regarding Business Combination" (No. 21 of Corporate Accounting Standards, September 13, 2013, hereinafter, "Accounting Standards for Business Combination"), Accounting Standards regarding Consolidated Financial Statements" (No. 22 of Corporate Accounting Standards, September 13, 2013, hereinafter, "Consolidated Accounting Standards") and "Accounting Standards regarding Business Divestiture" (No. 7 of Corporate Accounting Standards, September 13, 2013, hereinafter, "Accounting Standards for Business Divestiture etc.") since the current consolidated fiscal year. A difference caused by the change in our equity interests in subsidiaries under continued control is now recorded as capital surplus. Also, acquisition costs are recorded as costs in the consolidated fiscal year on an accrual basis. For business combinations executed after the beginning of the current consolidated fiscal year, when provisional accounting treatments are confirmed, the acquisition cost allocation will be revised in the consolidated financial statements for the consolidated fiscal year to which the dates of business combination belong. Furthermore, we made changes to the presentation of net income and changes to the presentation from minority interests to non-controlling interests. To reflect the said changes, items on the consolidated financial statements of the previous fiscal year were reclassified.

For the application of Accounting Standards for Business Combination, we follow the transitional treatment specified in Paragraph 2-4, No. 58 of Accounting Standards for Business Combination, Paragraph 5-4, No. 44 of Corporate Accounting Standards and Paragraph 4-4, No. 57 of Accounting Standards regarding Business Divestiture from the beginning of the current consolidated fiscal year forward.

As a result, operating loss, ordinary loss and loss before income taxes and minority interests for the current consolidated fiscal year decreased by 54 million yen. Capital surplus at the end of the current consolidated fiscal year decreased by 385 million yen.

In the consolidated statements of cash flows for the current consolidated fiscal year, the category of "Cash flows from financing activities" covers cash flow associated with "Purchase or sales of shares of subsidiaries that do not result in change in scope of consolidation." Meanwhile, cash flow associated with "Costs relating to the purchase of shares of subsidiaries resulting in change in scope of consolidation" or "Costs arising from the purchase or sales of shares of subsidiaries that do not result in change in scope of consolidation" falls under "Cash flows from investing activities."

In consolidated statements of changes in net assets, capital surplus at the end of the current consolidated fiscal year decreased by 385 million yen.

Net assets per share and net loss per share in the current consolidated fiscal year declined by 3.44 yen and 0.47 yen, respectively. Meanwhile, diluted net income per share is not shown because dilutive shares did exist but yielded negative earnings per share.

(Changes in presentation method)

(Consolidated statements of income)

In the previous consolidated fiscal year, operating revenue and operating expenses of Highlights Entertainment, our consolidated subsidiary, appeared in "Other operating revenue" under "Operating revenue" and "Other operating expenses" under "Operating expenses", respectively. In the current consolidated fiscal year, however, we reviewed the management classification of group businesses and, to present reclassified segment information appropriately, changed account titles of "Sales on amusement business" and "Cost of sales on amusement business" to "Sales on general entertainment business" and "Cost of sales on general entertainment business", respectively. The renamed accounts accordingly covered relevant items. To reflect the change in the presentation method, we also rearranged items on consolidated financial statements of the previous consolidated fiscal year.

In consolidated statements of income for the previous consolidated fiscal year, we reclassified “Other operating revenue” of 888 million yen under “Operating revenue” into “Sales on general entertainment business” under “Operating revenue” and “Other operating expenses” of 663 million yen under “Operating expenses” into “Cost of sales on general entertainment business” under “Operating expenses.” This resulted in 15,962 million yen as “Sales on general entertainment business” under “Operating revenue”, 12,292 million yen as “Other operating revenue” under “Operating revenue”, 13,605 million yen as “Cost of sales on general entertainment business” under “Operating expenses” and 2,744 million yen as “Other operating expenses” under “Operating expenses.”

(Consolidated statements of cash flows)

In the previous consolidated fiscal year, “Decrease (increase) in restricted deposits” and “Decrease (increase) in operational investment securities” appeared in “Other, net” under “Cash flows from operating activities.” In the current consolidated fiscal year, however, we reported these items as a separate account title in light of the increased significance. To reflect the change in the presentation method, we also rearranged items on consolidated financial statements of the previous consolidated fiscal year.

In consolidated statements of cash flows for the previous consolidated fiscal year, we reclassified “Other, net” of 4,612 million yen under “Cash flows from operating activities” into “Decrease (increase) in restricted deposits” under “Cash flows from operating activities” and that of minus 6,595 million yen into “Decrease (increase) in operational investment securities” of under “Cash flows from operating activities.” This resulted in minus 3,526 million yen as “Other, net” under “Cash flows from operating activities.”

(Segment information, etc.)

(i) Segment information

[1] Overview of reportable segment

Financial information that is isolated from the constituent units of the Group can be obtained for the reportable segments of the Group. These reportable segments are subject to periodic reviews as the Board of Directors is responsible for making decisions on the allocation of management resources and the appraisal of business performance.

The Group reports business activities of 6 segments, namely “Domestic financial business”, “Financial business in South Korea”, “Financial business in Southeast Asia”, “General entertainment business”, “Real estate business” and “Investment business.”

“Domestic financial business” provides credit guarantee services, collection of accounts receivable, credit and consumer credit services, and other financial services. “Financial business in South Korea” offers savings bank business, collection of accounts receivable business and capital business. “Financial business in Southeast Asia” handles banking business and collection of accounts receivable. “General entertainment business” operates amusement facilities, sells toys for amusement machines, and develops, produces and sells computer systems for peripheral equipment of Japanese amusement machines. “Real estate business” sells, buys, provides brokerage service for and rents buildings or housing. “Investment business” makes investments at home and abroad.

In the first quarter of the current consolidated fiscal year, after reviewing the management category for our group operations, we renamed the existing four segments and reclassified them into five. Former “Financial Business” and “Amusement Business” were changed to “Domestic Financial Business” and “General Entertainment Business”, respectively. “International Business” was subdivided into “Financial Business in South Korea” and “Financial Business in Southeast Asia.” “Real Estate Business” remained unchanged.

Meanwhile, “Overseas Investment Business”, which previously belonged to “International Business”, was shifted to “Other.” “Development, manufacturing and sales of computer systems for peripheral equipment of

Japanese amusement machines", which used to be part of "Other", was included in "General Entertainment Business."

In the second quarter of the current consolidated fiscal year, in line with a growing quantitative importance of the investment business, we added another segment called "Investment Business." Our reportable segments accordingly consist of six groups of business, namely "Domestic Financial Business", "Financial Business in South Korea", "Financial Business in South Asia", "General Entertainment Business", "Real Estate Business" and "Investment Business."

Meanwhile, segment information for the previous consolidated fiscal year is disclosed based on the current six reportable segments.

[2] Method of calculating operating revenue, income or loss, assets, liabilities and other items by reportable segment

The accounting method applied to reportable segments is generally the same as the one used for preparation of consolidated financial statements.

Figures indicated as income in reportable segments are operating income.

Intersegment sales and transfers are based on prevailing market prices or transaction prices between third parties.

[3] Operating revenue, income or loss, assets, liabilities and other items by reportable segments
Previous fiscal year (from April 1, 2014 till March 31, 2015)

(Unit: million yen)

	Reportable segment				
	Domestic financial business	Financial business in South Korea	Financial business in Southeast Asia	General entertainment business	Real estate business
Operating revenue					
External customers	18,731	18,799	-	15,962	5,821
Intersegment sales and transfers	58	-	-	11	1
Total	18,790	18,799	-	15,974	5,822
Segment income (loss)	1,852	(6,296)	(157)	385	402
Segment assets	58,030	266,068	163,831	17,034	5,236
Segment liabilities	25,124	206,413	114,735	4,086	3,223
Other items					
Depreciation expenses	734	557	157	1,339	28
Increase in property, plant and equipment and intangible assets	1,416	1,493	-	1,197	1,468
Impairment loss	13	691	-	77	-

	Reportable segment		Other*	Total
	Investment business	Subtotal		
Operating revenue				
External customers	1,058	60,373	2,908	63,281
Intersegment sales and transfers	-	71	770	842
Total	1,058	60,445	3,678	64,124
Segment income (loss)	625	(3,188)	45	(3,142)
Segment assets	18,676	528,878	2,310	531,188
Segment liabilities	628	354,212	1,877	356,089
Other items				
Depreciation expenses	4	2,821	60	2,882
Increase in property, plant and equipment and intangible assets	0	5,576	16	5,592
Impairment loss	-	782	-	782

* Note: "Other" refers to business segments not included in the reportable segments, and includes the following - computer operations and management; commissioned software development; printing related services; elderly care; and design/construction business.

Current fiscal year (from April 1, 2015 till March 31, 2016)

(Unit: million yen)

	Reportable segment				
	Domestic financial business	Financial business in South Korea	Financial business in Southeast Asia	General entertainment business	Real estate business
Operating revenue					
External customers	10,842	25,480	12,292	16,557	6,217
Intersegment sales and transfers	194	-	-	2	7
Total	11,037	25,480	12,292	16,559	6,224
Segment income (loss)	3,799	260	(7,898)	(475)	500
Segment assets	24,549	252,413	151,391	14,048	6,693
Segment liabilities	18,228	204,153	111,468	4,449	4,792
Other items					
Depreciation expenses	129	889	256	1,177	39
Increase in property, plant and equipment and intangible assets	115	363	402	1,429	704
Impairment loss	-	30	-	665	-

	Reportable segment		Other*	Total
	Investment business	Subtotal		
Operating revenue				
External customers	2,634	74,024	1,453	75,478
Intersegment sales and transfers	193	397	404	801
Total	2,828	74,422	1,857	76,280
Segment income (loss)	2,562	(1,250)	(193)	(1,444)
Segment assets	20,959	470,056	494	470,551
Segment liabilities	1,344	344,437	380	344,817
Other items				
Depreciation expenses	6	2,499	35	2,534
Increase in property, plant and equipment and intangible assets	32	3,046	34	3,081
Impairment loss	-	696	967	1,664

*Note: “Other” refers to business segments not included in the reportable segments, and includes the following - construction of commercial facilities; system business; and elderly care.

[4] Difference between the total reportable segments and book value on the consolidated financial statements, and the main contents of such difference (matters pertaining to reconciliation)

(Unit: million yen)

Operating revenue	Previous consolidated fiscal year	Current consolidated fiscal year
Total reportable segments	60,445	74,422
Operating revenue in “Other”	3,678	1,857
Intersegment transaction elimination	(842)	(801)
Operating revenue on consolidated financial statements	63,281	75,478

(Unit: million yen)

Income	Previous consolidated fiscal year	Current consolidated fiscal year
Total reportable segments	(3,188)	(1,250)
Income in “Other”	45	(193)
Intersegment transaction elimination	62	39
Company-wide expenses*	(2,137)	(2,709)
Operating income on consolidated financial statements	(5,217)	(4,114)

*Note: Company-wide expenses refer to general and administrative expenses that are not attributable to the reportable segments.

(Unit: million yen)

Assets	Previous consolidated fiscal year	Current consolidated fiscal year
Total reportable segments	528,878	470,056
Assets in “Other”	2,310	494
Intersegment elimination	(15,618)	(9,242)
Company-wide assets*	25, 149	47,350
Total assets on consolidated financial statements	540,718	508,659

*Note: Company-wide assets refer to cash and deposits at the Company and its subsidiaries not attributable to the reportable segments.

(Unit: million yen)

Liabilities	Previous consolidated fiscal year	Current consolidated fiscal year
Total reportable segments	354,212	344,437
Liabilities in “Other”	1,877	380
Intersegment elimination	(15,699)	(9,244)
Company-wide liabilities*	5,462	4,330
Total liabilities on consolidated financial statements	345,853	340,002

*Note: Company-wide liabilities refer to long-term loans payable of our subsidiaries not attributable to the reportable segments.

(Unit: million yen)

Other items	Total reportable segments		Others		Adjustments		Book value on consolidated financial statements	
	Previous consolidated fiscal year	Current consolidated fiscal year	Previous consolidated fiscal year	Current consolidated fiscal year	Previous consolidated fiscal year	Current consolidated fiscal year	Previous consolidated fiscal year	Current consolidated fiscal year
Depreciation	2,821	2,499	60	35	75	14	2,957	2,549
Increase in property, plant and equipment and intangible assets	5,576	3,046	16	34	8	29	5,600	3,111
Impairment loss	782	696	-	967	-	47	782	1,711

(Per share information)

Previous consolidated fiscal year (from April 1, 2014 till March 31, 2015)		Current consolidated fiscal year (from April 1, 2015 till March 31, 2016)	
Net assets per share	1,591.09 yen	Net assets per share	1,455.90 yen
Net income per share	85.92 yen	Net income per share	(49.65) yen
Diluted net income per share	85.61 yen	Diluted net income per share	- yen

Note 1: Diluted net income per share is not shown in the current consolidated fiscal year because dilutive shares did exist but yielded negative earnings per share.

Note 2: Basis for calculation of net income (loss) per share and diluted net income per share is shown below.

(Unit: million yen)

	Previous consolidated fiscal year (from April 1, 2014 till March 31, 2015)	Current consolidated fiscal year (from April 1, 2015 till March 31, 2016)
Net income per share		
Profit attributable to owners of parent	10,143	(5,712)
Amount not attributable to shareholders of common shares	-	-
Profit attributable to owners of parent, applicable to common shares	10,143	(5,712)
Average number of shares during the fiscal year (thousand shares)	118,050	115,050
Diluted net income per share		
Adjustments to profit attributable to owners of parent	-	-
Increase in number of common shares (thousand shares)	427	-
Breakdown of the above [Subscription rights to shares]	[427]	[-]
Overview of dilutive shares excluded from the calculation of “Diluted net income per share” due to a lack of dilution effect	J Trust Co., Ltd. 5th Subscription Right (to 187,000 shares)	J Trust Co., Ltd. 5th Subscription Right (to 145,000 shares) J Trust Co., Ltd. 6th Subscription Right (to 864,000 shares)

Note 3: Basis for calculation of net assets per share is shown below.

(Unit: million yen)

	Previous consolidated fiscal year (March 31, 2015)	Current consolidated fiscal year (March 31, 2016)
Total net assets	194,865	168,656
Amount to be excluded from net assets	6,831	5,541
Breakdown of the above [Subscription rights to shares] [Non-controlling interests]	 [167] [6,663]	 [167] [5,373]
Year-end net assets attributable to common shares	188,034	163,115
Year-end number of common shares used to calculate net assets per share (thousand shares)	118,179	112,037

(Operating results)

(i) Breakdown of balance of loans receivable

Category			End of previous consolidated fiscal year (March 31, 2015) Amount (million yen)	End of previous consolidated fiscal year (March 31, 2015) Breakdown (%)	End of current consolidated fiscal year (March 31, 2016) Amount (million yen)	End of current consolidated fiscal year (March 31, 2016) Breakdown (%)
Domestic	Consumer services	Unsecured loans	5,441 690	1.8	2,455 197	0.9
		Adjustment for business combination	(26)	(0.0)	(0)	(0.0)
		Secured loans	570 72	0.2	310 21	0.1
		Subtotal	5,985 762	2.0	2,765 218	1.0
	Business loan services	Discount on commercial notes	2,361 5	0.8	1,428 -	0.5
		Unsecured loans	465 41	0.2	220 5	0.1
		Secured loans	1,535 54	0.5	2,630 90	0.9
		Subtotal	4,362 101	1.5	4,280 96	1.5
	Discounts on commercial notes – total		2,361 5	0.8	1,428 -	0.5
	Accounts receivable – operating loans – total		7,986 858	2.7	5,617 315	2.0
	Total		10,347 864	3.5	7,045 315	2.5
International	Consumer loan services	Unsecured loans	18,072 1,499	6.1	20,497 1,750	7.2
		Secured loans	35,603 14	12.1	21,886 12	7.7
		Subtotal	53,675 1,513	18.2	42,384 1,763	14.9
	Business loan services	Unsecured loans	467 -	0.2	451 -	0.2
		Secured loans	5,558 -	1.9	3,130 -	1.1
		Subtotal	6,025 -	2.1	3,581 -	1.3
	Accounts receivable – operating loans - total		59,701 1,513	20.3	45,966 1,763	16.2
	Loans by banking business	South Korea	148,701 -	50.5	150,255 -	53.0
		Indonesia	75,699 -	25.7	80,277 -	28.3
		Subtotal	224,401 -	76.2	230,532 -	81.3
	Total		284,102 1,513	96.5	276,499 1,763	97.5
Grand total			294,450 2,377	100.0	283,544 2,078	100.0

Note: Figures shaded in gray refer to long-term operating loans receivable. They are included in above figures.

(ii) Breakdown of balance of credit guarantee

Category	End of previous consolidated fiscal year (March 31, 2015)		End of current consolidated fiscal year (March 31, 2016)	
	Amount (million yen)	Breakdown (%)	Amount (million yen)	Breakdown (%)
Unsecured	13,890	37.8	15,376	28.8
Secured	22,821	62.2	37,978	71.2
Total	36,712	100.0	53,354	100.0

(iii) Breakdown of operating revenue

(Unit: million yen)

Category			Previous consolidated fiscal year (from April 1, 2014 till March 31, 2015)	Current consolidated fiscal year (from April 1, 2015 till March 31, 2016)
I. Interest on loans & Discount revenue				
	1. For consumers	(1) Unsecured loans	4,674	2,179
		(2) Secured loans	80	1,019
		For consumers – total	4,755	3,199
	2. For business	(1) Discount on commercial notes	188	122
		(2) Unsecured loans	62	78
		(3) Secured loans	117	197
		For business – total	367	398
	Total		5,123	3,597
II. Banking business revenue		1. South Korea	14,376	19,716
		2. Indonesia	-	12,000
		Subtotal	14,376	31,716
III. Collection from purchased receivable			3,439	3,466
IV. Sales on real estate business			5,821	6,217
V. Sales on general entertainment business			15,962	16,557
VI. Installment payment paying for commission			4,701	229
VII. Other		1. Commission fee	273	511
		2. Guarantee commission	2,443	1,853
		3. Gain on bad debts recovered	4,809	5,311
		4. Interest on deposits	239	152
		5. Other financial revenue	1,051	840
		6. Other	5,039	5,024
		Subtotal	13,856	13,693
Total operating revenue			63,281	75,478

Note 1: "VII. Other, Other financial revenue" refers mainly to the difference between the collection from loans under receivable purchasing services and the corresponding acquisition cost.

Note 2: The above figures do not include consumption taxes.

Note 3: From the current consolidated fiscal year, "V. Sales on amusement business" and "sales on development, production and sales of computer systems for peripheral equipment of Japanese amusement machines" are integrated into "V. sales on general entertainment business." Figures in the previous consolidated fiscal year reflect the said changes accordingly.