

Consolidated Financial Results for the Six Months Ended September 30, 2014 <under Japanese GAAP>

November 13, 2014

Company name: J Trust Co., Ltd.

Stock exchange listings: Tokyo Stock Exchange

URL: <http://www.jt-corp.co.jp/en/>

Securities code: 8508

Representative: Nobuyoshi Fujisawa, President and CEO

Contact: Taiji Hitachi, Director

Telephone: +81-3-4330-9100

Scheduled date of filing of quarterly securities report: November 14, 2014

Scheduled date for commencement of dividend payment: December 5, 2014

Preparation of supplemental materials for the quarterly financial results: Yes

Holding of presentation of quarterly financial results: Yes (for analysts)

Note: All amounts are rounded down to the nearest million yen

I. Consolidated Financial Results for the six months ended September 30, 2014 (1st half of FY2015; April 1, 2014 – September 30, 2014)

1. Consolidated Operating Results (cumulative)

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

	Operating revenue		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2014	31,979	10.9	Δ2,632	—	Δ2,459	—	Δ3,754	—
Six months ended September 30, 2013	28,845	17.9	2,232	Δ70.2	1,661	Δ77.8	1,144	Δ84.6

Note: Comprehensive income 1st half of FY2015: Δ5,409 million yen (—%), 1st half of FY2014: 2,126 million yen (Δ71.8%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six Months ended September 30, 2014	Δ31.81	—
Six months ended September 30, 2013	13.38	13.01

Note: Diluted net income per share for 1st half of FY 2015 is omitted since the net income was negative although dilutive shares existed.

2. Consolidated Financial Position

	Total Assets	Net Assets	Capital Adequacy Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
As of September 30, 2014	361,339	178,045	47.3	1,448.09
As of March 31, 2014	334,736	184,230	53.0	1,502.54

Reference : Equity capital As of September 30, 2014: 170,938 million yen, as of March 31, 2014: 177,263 million yen

II. Dividends

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Total
	Yen	Yen	Yen	Yen	Yen
FY2014	—	5.00	—	5.00	10.00
FY2015	—	5.00			
FY2015 (forecast)			—	5.00	10.00

Note: Have there been any corrections to recently announced dividend forecasts? : No

III. Consolidated forecasts for the fiscal year ending March 31, 2015 (April 1, 2014 - March 31, 2015)

(% indicates year-on-year increase/decrease)

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	69,291	11.9	2,656	Δ80.7	2,738	Δ79.5	11,239	0.8	95.24

Note: Have there been any corrections to recently announced earnings forecasts? : No

* Annotations

(i) Material changes in subsidiaries during current fiscal year

(movements resulting in changed status of inclusion within the scope of consolidation) : No

(ii) Special accounting processes used for these consolidated quarterly financial statements: No

(iii) Changes in accounting policies, accounting estimates and retrospective re-statements

- [1] Changes to accounting policy based on revisions of accounting standards : Not applicable
- [2] Changes to accounting policy other than that indicated in [1] : Not applicable
- [3] Changes to accounting estimates : Not applicable
- [4] Retrospective re-statements of changes : Not applicable

(iv) Number of outstanding shares (common share)

Number of outstanding shares at the end of the period (including treasury shares)	FY 2015, 2Q	118,453,554 shares	FY2014	118,385,834 shares
Number of treasury shares at the end of the period	FY 2015, 2Q	409,504 shares	FY2014	409,372 shares
Average number of outstanding shares during the period	FY 2015, 2Q	118,011,429 shares	FY2014, 2Q	85,489,286 shares

* Statement regarding implementation status of regular quarterly procedures

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

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

- Please be aware that 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 that J Trust makes no undertaking to guarantee the achievement of this performance. Actual financial performance may vary widely from the forecasts contained herein. For details of assumptions and premises behind these performance forecasts, please refer to "I. Qualitative information regarding financial results, 3 Explanation regarding the disclosure of consolidated financial forecast" in the attached document.
- Supplemental materials and other information can be found on the J Trust home page(<http://www.jt-corp.co.jp/en/>). Also, earnings presentation for analysts is scheduled to be held on November 25, 2014. The materials of the presentation will be subsequently posted on the website.

Table of attached document

I. Qualitative information regarding financial results.....	-2-
1. Qualitative information on operational results.....	-2-
2. Analysis on financial position.....	-6-
3. Explanation regarding the disclosure of consolidated financial forecast.....	-6-
II. Notes on summary information (annotations).....	-7-
III. Consolidated quarterly financial statements.....	-8-
1. Consolidated quarterly balance sheet.....	-8-
2. Consolidated quarterly statement of income and consolidated quarterly statement of comprehensive income.....	-10-
Consolidated quarterly statement of income	
Consolidated statement of income for the six months.....	-10-
Consolidated quarterly statement of comprehensive income	
Consolidated statement of comprehensive income for the six months.....	-11-
3. Consolidated cash flow statement	-12-
4. Notes regarding consolidated quarterly financial statements.....	-14-
(Notes regarding going concern assumption).....	-14-
(Notes in the event of major changes regarding shareholders' equity).....	-14-
(Segment information, etc.).....	-14-
IV. Supplemental Information.....	-16-

I. Qualitative information regarding financial results

1. Qualitative information on operational results

During first 6 months of FY2015, yen depreciation and rise in stock price progressed on the back of monetary policy and economic policy etc. by government and Bank of Japan toward ending deflation and there were signs of improvement in business profit, business sentiment and consumer confidence. External factors like economic recovery in US worked as a tailwind for the change in economic structure. On the other hand, uncertainty on outlook still remained with slowdown in Chinese economy, effect by yen depreciation and concern about business results due to prolonged deterioration in consumer sentiment after hike in consumption tax.

Under such circumstances, J Trust Group (hereinafter, "the Group") observes that change in business structure in anticipation of future reform in Japan and global economy is essential. It is our major task to expand business especially in Asia which has huge growth potential and conduct business to generate maximum synergy by capitalizing on its network.

Based on the above business strategy, during the current fiscal year, the Group focused on establishing business foundation for future profit generation. The Group has been conducting M & A and organization restructuring proactively in and outside of Japan to achieve further growth by capturing new growth opportunities and to promote efficient use of business resource and improvement of business efficiency.

Firstly, in Southeast Asia, J Trust Co., Ltd. (hereinafter, "the Company") participated in the public bid process to acquire shares of Indonesian commercial bank, PT Bank Mutiara Tbk. (Republic of Indonesia) held by Indonesia Deposit Insurance Corporation (shareholding ratio, 99.996%) and the Company was selected as the successful bidder and signed a conditional share sale and purchase agreement in September 2014. The Company aims at completing the acquisition of the said bank quickly and building its business model in timely manner so that it will be the basis of the Group's strategy in Asia.

In the same month, the Group acquired 29.5% of LCD Global Investments LTD. (Republic of Singapore, listed on Singapore Exchange mainboard, hereinafter, "LCD") shares through its subsidiary, JTRUST ASIA PTE. LTD. (hereinafter, "JTA"). LCD is a property developer whose main operation is hotel management and owns serviced apartments in Southeast Asia such as Thailand, Vietnam and Lao PDR and also renowned hotel in UK. Additionally, in China, LCD is involved in development of large scale integrated facility including commercial, hotel and residential property etc. Through LCD, the Group will be able to conduct real estate business globally which benefits from growth in population and economy in ASEAN and other countries.

In South Korea, the Company signed an agreement with Standard Chartered Korea Limited (headquarter: Seoul Special City, South Korea) to acquire all shares of Standard Chartered Capital (Korea) Co., Ltd. (headquarter: Seoul Special City, South Korea) and Standard Chartered Savings Bank Korea Co., Ltd. (headquarter: Seongnam-si ,Gyeonggi-do, South Korea) in June 2014. Moreover, the Group decided to transfer the loan business of subsidiaries, HICAPITAL Co., Ltd. (hereinafter, "HICAPITAL"), KJI Consumer Finance LLC (hereinafter, "KJI") and Neoline Credit Co., Ltd. (hereinafter, "Neoline Credit") to another subsidiary, Chinae Savings Bank Co., Ltd. (hereinafter, "Chinae Savings Bank") in August 2014. After the business transfer, Chinae Savings Bank will specialize in lending and HICAPITAL, KJI and Neoline Credit will specialize in purchase and collection of non-performing loans. This will enable efficient business conduct and further business restructuring is to be considered. These restructuring will lead to the enhancement of the Group's operation in South Korea, pursuit of scale merit and improvement in profit structure and it will make significant contribution to the expansion of the Group's business through the dramatic increase in loans receivables and profit. Moreover, this will enable us to respond to wider range of client's demand by provision of low interest rate loans and improvement in convenience.

Additionally, in September 2014, ADORES, Inc. (hereinafter, "ADORES") subscribed to the third party allotment by JB Amusement Co., Ltd. (South Korea, listed on KOSDAQ) and agreed to collaborate with JB Amusement. Going forward, they promote collaboration through provision of know-how regarding casino business etc., generate synergy which leverages both party's strength and intend to expand added value and business in the Group's amusement business.

Also in June 2014, the Company and KC Card Co., Ltd. (hereinafter, "KC Card") resolved to establish a subsidiary of KC Card to take over a part of KC Card's business which is mainly operated under the name of "KC Card" brand through absorption-type company split and transfer all the shares of the newly established company to Yahoo Japan Corporation(headquarter: Minato-ku, Tokyo) and SoftBank Payment Service Corp.(headquarter: Minato-ku, Tokyo) by the effective date on January 5, 2015. The Company also resolved to transfer a part of business of NUCS Co., Ltd. (hereinafter, "NUCS") whose business is mainly operated under the name of "NUCS" brand, to KC Card through absorption-type company split to restructure the Group's credit card business under new system. As for the credit card business going forward, the Group will continue credit card business mainly under "NUCS" brand name but also the Group will develop and offer attractive service and product through M&A and affiliation with companies with business foundation which can be expected to generate synergy with the Group. The Group also intends to expand credit card business by expansion and enhancement of client base through acquisition of competitors at fair value who lost profitability due to the fierce competition with major credit card companies and slowdown of regional economy.

On November 5, 2014, ADORES acquired all shares of Japan Care Wellbeing-Group co.,ltd (hereinafter, "JC-Group") and the J Trust Group started care provider business. Going forward, the J Trust Group intends to develop business proactively such as utilizing know-how in care and welfare business cultivated by JC-Group and relationship with users, families and local communities, conversion to care facility which conforms to administrative demand and start up of new service which meets various demands.

Operating revenue during first half of FY 2015 was 31,979 million yen (year-on-year increase by 10.9%). Installment payment paying for commission decreased due to the decline in advances paid-installment balance mainly in cash advance and other financial revenue decreased due to the relatively slow progress in collection. Moreover, sales on amusement business decreased affected by hike in consumption tax. On the other hand, operating revenue from banking business increased since loan business of subsidiaries was transferred to Chinae Savings Bank and interest on loans at KJI and HICAPITAL whose statements of income were not in the scope of consolidation during the previous fiscal year contributed during the 1st quarter. Sales from real estate business increased since the completion and delivery of property was carried over to this fiscal year due to the high volume of order prior to the increase of consumption tax. However, temporary factors such as increase in provision for loss on interest repayment at KC Card, consolidation of KJI and HICAPITAL, increase in provision for doubtful accounts at Chinae Savings Bank due to disposal of non-performing loans etc. resulted in increase in selling, general and administrative expenses (year-on-year increase by 5,982 million yen). Operating expenses increased (year-on-year increase by 2,016 million yen) because Chinae Savings Bank recorded loss on sales of loans receivables caused by sales of non-performing loans seeking more efficient use of the Group's funding and business restructuring inside the Group etc. Operating loss was 2,632 million yen (operating income of 2,232 million yen for the same period of FY 2014) and ordinary loss was 2,459 million yen (ordinary income of 1,661 million yen for the same period of FY 2014). Since Chinae Savings Bank recorded extraordinary loss due to impairment loss on goodwill etc., the Company recorded net loss of 3,754 million yen (net income of 1,144 million yen for the same period of FY 2014). Chinae Savings Bank recorded temporary loss for future turnaround such as loss on sales of loans receivable and increase in provision for doubtful accounts and we expect the steady improvement of profit structure going forward.

Performances by business segment are as follows.

(i) Financial business

(Credit guarantee services)

Credit guarantee services are provided by Nihon Hoshou Co., Ltd. (hereinafter, "Nihon Hoshou"), CREDIA Co., Ltd. (hereinafter, "CREDIA") and KC Card. The expansion of credit guarantee business is mid-long term strategy and the Group has partnership with 10 regional financial institutions (as of the end of October 2014) in credit guarantee business. The Group also intends to increase the balance through new scheme like providing credit guarantee for rental housing loans since April 2014. By unifying the credit know-how in the Group's financial business and the name value of partnered financial institutions, the Group will endeavor to expand the credit

guarantee business and to retain the stable revenue through increase in the number of partnered financial institutions for credit guarantee business while responding to the wide range of client's funding demand.

As a result, the balance of credit guarantee business at the 2nd quarter end was as follows. Guarantee for unsecured loans was 22,718 million yen (year-on-year increase by 37.6%), guarantee for secured loans was 21,654 million yen (year-on-year increase by 18.3%) and the total of credit guarantee balance was 44,373 million yen (year-on-year increase by 27.5%).

(Credit and consumer credit services)

Credit and consumer credit services are mainly provided by KC Card and NUCS. The expansion of credit card business is mid-long term strategy. Although we endeavored to secure profit such as increase in commission from shopping by provision of various services and products which utilize settlement function of credit card to increase number of credit card holders and unit price per customer, the loan balance decreased due to the progress in collection mainly in cash advance.

As a result, the balance at the 2nd quarter end was as follows. Advances paid-installment was 36,147 million yen (year-on-year decrease by 15.8%), long-term operating loans receivable was 754 million yen (year-on-year decrease by 56.4%), the total of advances paid-installment including long-term operating loans receivable was 36,902 million yen (year-on-year decrease by 17.3%).

(Purchase of accounts receivable)

Purchase of accounts receivable is handled by Nihon Hoshou, Partir Servicer, United Partir, United Partir One and United Partir KC. They have been proactively purchasing new receivables and the balance of purchased receivable at the 2nd quarter end was 2,814 million yen (year-on-year increase by 25.7%).

(Business loan services)

Business loan services are mainly provided by Nihon Hoshou. Accounts receivable-operating loans decreased year-on-year. This was due to the fact that the collection such as complete payoff of mortgage by prime borrower progressed smoothly although the loan secured by receivables increased. The volume of commercial notes, which was once on decline, increased year-on-year as a result of strong efforts on the back of the increases in the volume of commercial notes handled by the partnered financial institutions. The total loan balance increased year-on-year.

As a result, the loan balance at the 2nd quarter end was as follows. Commercial notes was 2,362 million yen (year-on-year increase by 40.2%), account receivable-operating loans receivable was 2,001 million yen (year-on-year decrease by 10.2%), long-term loans receivable was 89 million yen (year-on-year increase by 40.5%). The overall loan balance including long-term operating loans receivable was 4,453 million yen (year-on-year increase by 12.0%).

(Consumer services)

Consumer services are mainly provided by Nihon Hoshou and CREDIA. The loan balance at the 2nd quarter end decreased due to the smooth progress of collection mainly from consumer finance business assumed from Takefuji (current TFK Corporation) by Nihon Hoshou and sales of Saikyo Card during the 4th quarter of the previous fiscal year. The balance of account receivable – operating loans was 5,683 million yen (year-on-year decrease by 43.0%), the balance of long-term operating loans receivable was 1,057 million yen (year-on-year decrease by 19.7%) and the overall loan balance including long-term operating loans receivable was 6,741 million yen (year-on-year decrease by 40.2%).

As a result, the operating revenue in financial business was 10,162 million yen (year-on-year decrease by 17.0%) and segment income was 810 million yen (year-on-year decrease by 79.1%) due to the increase in selling, general and administrative expenses caused by the increase in provision for loss on interest repayment at KC Card etc.

(ii) Real estate business

Keynote Co., Ltd. (hereinafter, "Keynote") mainly handles brokerage of ready-built housing. Properties on the land purchased in Kanto Jonan area and Kansai area on the back of strong potential demand for housing were sold and the completion and delivery of property was carried over from the previous fiscal year due to the hike in demand prior to the rise in consumption tax. In addition, the steady increase in number of sold housing contributed to the profit. Moreover, stable rental income from commercial property which ADORES purchased during the previous fiscal year and sale of partial property contributed significantly to the profit in property asset business.

As a result, operating revenue was 3,472 million yen (year-on-year increase by 70.6%) and segment income was 358 million yen (year-on-year increase by 139.4%).

(iii) Amusement business

With regard to amusement business, Break Co., Ltd. manufactures and sells assorted merchandise for amusement machines and ADORES undertakes management of amusement facilities and relevant operations. Regarding management of amusement facilities, various events and sales promotion activities were carried out focusing on medal game and many collaboration projects between stores superior in information dissemination and character contents as part of sales promotion/branding activity which was the focus area since the previous fiscal year were conducted. As a result, it helped in supporting the unit price per customer and number of customers. However, it was not enough to supplement the effect of slowdown in personal consumption due to the hike in consumption tax. Both sales and income were weak.

As for manufacturing and sales of amusement machine prizes, although manufacturing and sales of original prizes and sundries was stagnant, it was in line with forecast.

As a result, the operating revenue in amusement business was 7,697 million yen (year-on-year decrease by 12.2%) and segment income was 399 million yen (year-on-year decrease by 49.4%).

(iv) International business

In Singapore, JTA conducts investment business and management support services for invested entities. In South Korea, Chinae Savings Bank operates savings bank business and Neoline Credit, KJI and HICAPITAL conduct purchase and collection of non-performing loans.

In August 2014, loans by banking business increased because loan business of subsidiaries was transferred to Chinae Savings Bank in South Korea. As for accounts receivable-operating loan, the increase caused by making KJI and HICAPITAL consolidated subsidiaries at the end of previous fiscal year exceeded the decrease due to the transfer of loan business to a subsidiary. As a result, the loan balance at the quarter end was as follows. Loans by banking business was 71,364 million yen (year-on-year increase by 38.0%), accounts receivable-operating loans was 10,346 million yen (year-on-year increase by 236.7%), long-term loans receivable was 1,714 million yen (zero at the same period of previous fiscal year), the overall balance including long-term loans receivable was 12,061 million yen (year-on-year increase by 292.5%). The year-on-year comparison for accounts receivable-operating loans refers to the figure at Neoline Credit as of the 2nd quarter of previous fiscal year.

As a result, operating revenue in international business was 9,817 million yen (year-on-year increase by 92.4%) and segment loss was 3,318 million yen (segment loss of 1,510 million yen for the same period of previous fiscal year). This was mainly due to the temporary factor such as recording of loss on sale of loans receivable and increase in provision for doubtful account at Chinae Savings Bank and we expect business in South Korea will make steady progress towards improvement in profit.

(v) Other business

System development and computer operational and administrative services for the Group are provided by J Trust System Co., Ltd. Keynote conducts design & construction business. AAD Co., Ltd. provides printing services. JT Investment Co., Ltd., which was involved in investment business, business management consulting and group management, is currently under the process of liquidation.

As a result, operating revenue in other business was 1,320 million yen (year-on-year increase by 2.4%) and segment income was 35 million yen (segment loss of 35 million yen for the same period of the previous fiscal year).

2. Analysis on financial position

(i) Assets, liabilities and net assets

Total assets at the 2nd quarter end were 361,339 million yen, increased by 26,603 million yen compared with the end of previous fiscal year. Advances paid-installment decreased by 3,628 million yen due to the smooth progress in collection and available-for-sale securities decreased by 4,945 million yen. Investment securities decreased by 2,216 million owing to the decline etc. in market value of available-for-sale securities held by JTA. On the other hand, cash and deposit increased by 34,530 million yen since deposit taking by Chinae Savings Bank progressed smoothly. Stocks of subsidiaries and associates etc. increased by 7,571 million due to the acquisition of LCD shares.

Liabilities were 183,293 million yen, increased by 32,787 million yen compared with the end of the previous fiscal year. Long-term loans payable including current portion decreased by 12,335 million yen. Moreover, provision for loss on interest repayment decreased by 1,196 million yen on the back of the stabilization in the number of interest refund claims etc. On the other hand, the deposit taking by Chinae Savings Bank progressed well and this resulted in the increase of deposit by banking business by 45,515 million yen.

Net assets were 178,045 million yen, decreased by 6,184 million yen compared with the end of the previous fiscal year. Foreign currency translation adjustment increased by 1,633 million yen. On the other hand, the dividend from surplus of 589 million yen and net loss of 3,754 million yen decreased retained earnings. In addition, the decline in the market value of available-for-sale securities held by JTA etc. decreased valuation difference for available-for-sale securities by 3,631 million yen.

As a result, the net assets per share were 1,448.09 yen, decreased by 54.45 yen compared with the end of the previous fiscal year. Capital adequacy ratio was 47.3%, decreased by 5.7 points from the end of previous fiscal year (53.0%).

(ii) Situation regarding cash flow

Cash and cash equivalent (hereinafter, "fund") at the 2nd quarter end was 159,664 million yen, increased by 28,315 million yen compared with the end of previous fiscal year.

Situation regarding each cash flow during the 1st half of FY2015 and its background was as follows.

(Net cash provided by (used in) operating activities)

The increase in cash flow from operating activities during the 1st half of FY2015 was 55,720 million yen (year-on-year increase by 169.3%). Net loss before tax of 3,216 million yen decreased fund. On the other hand, following factors contributed to the increase in fund. Deposit by banking business increased by 38,545 million yen. Net decrease of advances paid-installment due to smooth collection was 2,680 million yen, bad debts written off was 6,354 million yen and depreciation expense was 1,393 million yen.

(Net cash provided by (used in) investing activities)

The decrease in cash flow from investing activities during the 1st half of FY2015 was 13,316 million yen (decrease of 33,688 million yen for the same period of previous fiscal year). Following factors resulted in decrease in fund. Net decrease in cash flow related to fixed assets was 3,660 million yen and expenditure to acquire stocks of subsidiaries and associates was 8,037 million yen. The expenditure to acquire investment securities was 1,424 million yen.

(Net cash provided by (used in) financing activities)

The decrease in cash flow from financing activities during the 1st half of FY2015 was 17,926 million yen (increase of 96,893 million yen for the same period of previous fiscal year). Following factors resulted in decrease in fund. Net decrease in cash flow related to long-term loans payable was 12,850 million yen, net decrease in cash flow related to bonds was 4,057 million yen and dividend payment was 589 million yen.

3. Explanation regarding the disclosure of consolidated financial forecast

The consolidated financial forecast for the fiscal year ending March 31, 2015 has not been changed from the

forecast disclosed on August 13, 2014.

II. Notes on summary information (annotation)

Not applicable.

III. Consolidated quarterly financial statements

1. Consolidated quarterly balance sheet

(Unit: million yen)

	Previous fiscal year (March 31, 2014)	Current quarter (September 30, 2014)
Assets		
Current assets		
Cash and deposits	132,235	166,766
Commercial notes	2,369	2,362
Accounts receivable-operating loans	49,242	18,031
Loans by banking business	46,701	71,364
Advances paid-installment	39,776	36,147
Purchased receivables	2,527	2,814
Subrogation receivable	798	973
Securities	10,787	5,842
Merchandise and finished goods	2,152	1,831
Work in process	418	489
Other	14,520	16,790
Allowance for doubtful accounts	△11,657	△12,513
Total current assets	289,872	310,901
Fixed assets		
Tangible fixed assets	12,309	11,293
Intangible assets		
Goodwill	5,694	4,459
Other	2,939	4,687
Total intangible assets	8,633	9,146
Investments and other assets		
Shares of subsidiaries and associates	—	7,571
Long-term operating loans receivable	3,951	3,616
Other	24,466	22,745
Allowance for doubtful accounts	△4,498	△3,934
Total investments and other assets	23,919	29,999
Total fixed assets	44,863	50,438
Total assets	334,736	361,339

(Unit: million yen)

	Previous fiscal year (March 31, 2014)	Current quarter (September 30, 2014)
Liabilities		
Current liabilities		
Notes discounted	2,173	2,215
Current portion of bonds	2,610	205
Short-term loans payable	6,225	6,076
Current portion of long-term loans payable	16,423	4,691
Income taxes payable	1,034	1,285
Deposits by banking business	77,142	122,657
Provision for loss on interest repayment	4,055	3,606
Provision for loss on business liquidation	28	—
Other provision	139	78
Other	9,070	13,730
Total current liabilities	118,904	154,546
Fixed liabilities		
Bonds payable	1,875	406
Long-term loans payable	14,454	13,851
Provision for loss on interest repayment	9,382	8,634
Provision for loss on guarantees	441	453
Net defined benefit liability	197	153
Provision for loss on litigation	2,951	2,951
Other	2,296	2,296
Total fixed liabilities	31,601	28,747
Total liabilities	150,505	183,293
Net assets		
Shareholders' equity		
Capital stock	53,578	53,587
Capital surplus	52,920	52,929
Retained earnings	64,626	60,281
Treasury shares	△197	△197
Total shareholders' equity	170,928	166,601
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,330	△301
Foreign currency translation adjustment	3,032	4,665
Remeasurements of defined benefit plans	△27	△27
Total accumulated other comprehensive income	6,335	4,337
Subscription rights to shares	117	144
Minority interests	6,848	6,963
Total net assets	184,230	178,045
Total liabilities and net assets	334,736	361,339

2. Consolidated quarterly statement of income and consolidated quarterly statement of comprehensive income
(Consolidated quarterly statement of income)
(Consolidated statement of income for the six months)

(Unit: million yen)

	1 st Half of Fiscal 2014 (From April 1, 2013 to September 30, 2013)	1 st Half of Fiscal 2015 (From April 1, 2014 to September 30, 2014)
Operating revenue	28,845	31,979
Operating expenses	12,426	14,442
Operating gross profit	16,419	17,536
Selling, general and administrative expenses	14,187	20,169
Operating income (loss)	2,232	Δ2,632
Non-operating income		
Interest income	3	11
Dividend income	153	29
House rent income	82	81
Foreign exchange gains	114	96
Contribution income	227	—
Miscellaneous income	95	61
Total non-operating income	676	279
Non-operating expenses		
Interest expenses	116	79
Depreciation	11	10
Share issuance cost	1,102	—
Miscellaneous loss	15	15
Total non-operating expenses	1,246	106
Ordinary income (loss)	1,661	Δ2,459
Extraordinary income		
Gain on sales of fixed assets	24	3
Gain on negative goodwill	60	22
Penalty income	88	—
Other	0	3
Total extraordinary income	173	28
Extraordinary loss		
Loss on sales of fixed assets	52	5
Loss on abandonment of fixed assets	28	86
Impairment loss	28	691
Loss on valuation of investment securities	0	—
Other	0	2
Total extraordinary loss	108	786
Income (loss) before income taxes and minority interests	1,726	Δ3,216
Income taxes – current	368	1,023
Income taxes – deferred	Δ234	Δ755
Total income taxes	133	268
Net income (loss) before minority interests	1,593	Δ3,485
Minority interests in income	449	269
Net income (loss)	1,144	Δ3,754

(Consolidated quarterly statement of comprehensive income)

(Consolidated statement of comprehensive income for the six months)

(Unit: million yen)

	1 st Half of Fiscal 2014 (From April 1, 2013 to September 30, 2013)	1 st Half of Fiscal 2015 (From April 1, 2014 to September 30, 2014)
Income (loss) before minority interests	1,593	Δ3,485
Other comprehensive income		
Valuation difference on available-for-sale securities	Δ15	Δ3,571
Foreign currency translation adjustment	549	2,113
Remeasurements of defined benefit plans	—	Δ0
Share of other comprehensive income of entities accounted for using equity method	—	Δ465
Total other comprehensive income	533	Δ1,924
Comprehensive income	2,126	Δ5,409
(Breakdown)		
Comprehensive income attributable to owners of parent	1,668	Δ5,752
Comprehensive income attributable to minority interests	458	343

3. Consolidated cash flow statement

(Unit: million yen)

	1 st Half of Fiscal 2014 (From April 1, 2013 to September 30, 2013)	1 st Half of Fiscal 2015 (From April 1, 2014 to September 30, 2014)
Cash flows from operating activities		
Income (loss) before income taxes and minority interests	1,726	Δ3,216
Share-based compensation expenses	26	34
Depreciation	1,051	1,393
Loss (gain) on sales of fixed assets	27	2
Impairment loss	28	691
Gain on negative goodwill	Δ60	Δ22
Amortization of goodwill	525	677
Share issuance cost	1,102	—
Increase(decrease) in allowance for doubtful accounts	Δ1,297	Δ470
Bad debts written off	4,278	6,354
Increase(decrease) in provision for loss on business liquidation	Δ47	Δ28
Increase(decrease) in provision for loss on interest repayment	Δ3,038	Δ1,196
Increase(decrease) in provision for loss on guarantees	58	11
Increase(decrease) in provision for retirement benefits	Δ1	—
Increase(decrease) in other provision	Δ40	Δ60
Increase (decrease) in net defined benefit liability	—	Δ56
Increase (decrease) in deposits by banking business	10,689	38,545
Interest and dividend income	Δ156	Δ40
Discount expenses and interest expenses	2,431	2,370
Foreign exchange loss (gain)	Δ136	—
Decrease(increase) in inventories	Δ663	249
Decrease(increase) in long-term operating loans receivable	1,493	171
Decrease(increase) in pledged deposit	248	128
Other	3,736	4,073
Subtotal	21,983	49,611
Interest and dividend income received	156	40
Interest expenses paid	Δ2,650	Δ2,473
Income taxes paid	Δ1,331	Δ1,300
Subtotal	18,158	45,878
Increase in commercial notes	Δ2,879	Δ3,641
Decrease in commercial notes	2,838	3,642
Increase in operating loans receivable	Δ2,148	Δ5,686
Decrease in operating loans receivable	4,359	12,839
Net decrease(increase) in loans by banking business	Δ2,552	605
Increase in advances paid-installment	Δ36,255	Δ36,813
Decrease in advances paid-installment	39,126	39,493
Increase in purchased receivables	Δ152	Δ900
Decrease in purchased receivables	390	551
Increase in subrogation receivable	Δ277	Δ504
Decrease in subrogation receivable	85	256
Net cash provided by (used in) operating activities	20,691	55,720

(Unit: million yen)

	1 st Half of Fiscal 2014 (From April 1, 2013 to September 30, 2013)	1 st Half of Fiscal 2015 (From April 1, 2014 to September 30, 2014)
Cash flows from investing activities		
Decrease(increase) in time deposits	Δ4,921	Δ197
Decrease(increase) in negotiable certificates of deposit	Δ5,000	—
Purchase of tangible fixed assets	Δ1,152	Δ1,293
Proceeds from sales of tangible fixed assets	250	13
Purchase of intangible assets	Δ605	Δ2,380
Proceeds from sales of intangible assets	3	—
Purchase of securities	Δ61,738	—
Proceeds from sales of securities	59	—
Proceeds from redemption of securities	39,638	2
Purchase of investment securities	Δ1	Δ1,424
Proceeds from redemption of investment securities	4	0
Purchase of shares of subsidiaries and associates	—	Δ8,037
Purchase of treasury shares of subsidiaries	Δ226	Δ0
Net cash provided by (used in) investing activities	Δ33,688	Δ13,316
Cash flows from financing activities		
Increase in notes discounted	2,670	3,570
Decrease in notes discounted	Δ2,767	Δ3,529
Increase in short-term loans payable	3,854	7,020
Decrease in short-term loans payable	Δ2,537	Δ7,318
Proceeds from long-term loans payable	2,885	6,920
Repayments of long-term loans payable	Δ3,635	Δ19,771
Proceeds from issuance of bonds	—	300
Redemption of bonds	—	Δ4,357
Proceeds from issuance of common shares	96,669	—
Repayments of lease obligations	Δ17	Δ110
Proceeds from sales and leasebacks	—	86
Proceeds from disposal of treasury shares	0	—
Purchase of treasury shares	Δ2	Δ0
Proceeds from exercise of share options	104	9
Cash dividends paid	Δ251	Δ589
Cash dividends paid to minority shareholders	Δ79	Δ158
Net cash provided by (used in) financing activities	96,893	Δ17,926
Effect of exchange rate change on cash and cash equivalents	1,637	3,837
Net increase(decrease) in cash and cash equivalents	85,533	28,315
Cash and cash equivalents at beginning of period	56,288	131,349
Cash and cash equivalents at end of period	141,821	159,664

4. Notes regarding consolidated quarterly financial statements

(Notes regarding going concern assumption)

Not applicable.

(Notes in the event of major changes regarding shareholders' equity)

Not applicable.

(Segment information, etc.)

Segment information

(i) First half of FY 2014 (From April 1, 2013 till September 30, 2013)

[1] Information pertaining to operating revenue and income or loss by reportable segment

(Unit: million yen)

	Reportable segment					Other (note)	Total
	Financial business	Real estate business	Amusement business	International business	Total		
Operating revenue							
External customers	12,181	2,030	8,716	5,102	28,030	814	28,845
Intersegment sales and transfers	62	4	47	—	115	474	590
Total	12,243	2,035	8,763	5,102	28,145	1,289	29,435
Segment income or loss (Δ)	3,884	149	788	Δ1,510	3,312	Δ35	3,276

(Note) "Other" refers to business segments not included in the reportable segment and includes computer operations and management, commissioned software development, operational guidance services, printing business and design/construction business.

[2] Difference between the total amount of income or loss of reportable segments and figure on consolidated quarterly statements of income and the main contents of the difference (matters pertaining to reconciliation)

(Unit: million yen)

Income	Amount
Total reportable segments	3,312
Income in "Other"	Δ35
Intersegment transaction elimination	10
Corporate expense (note)	Δ1,055
Operating income recorded in consolidated quarterly statements of income	2,232

Note: "Corporate expense" refers to general and administrative expense that is not attributable to the reportable segments.

[3] Information on impairment loss on fixed assets and goodwill for each reportable segment

(Significant impairment loss on fixed assets)

Omitted since the amount is not significant.

(Significant changes in amount of goodwill)

Not applicable.

(Significant gain on negative goodwill)

Omitted since the amount is not significant.

[4] Matters pertaining to changes, etc. on reportable segments

Not applicable.

(ii) First half of FY 2015 (From April 1, 2014 till September 30, 2014)

[1] Information pertaining to operating revenue, income or loss by reportable segment

(Unit: million yen)

	Reportable segment					Other (note)	Total
	Financial business	Real estate business	Amusement business	International business	Total		
Operating revenue							
External customers	10,133	3,472	7,686	9,817	31,110	869	31,979
Intersegment sales and transfers	29	0	11	—	40	451	492
Total	10,162	3,472	7,697	9,817	31,150	1,320	32,471
Segment income or loss (Δ)	810	358	399	Δ3,318	Δ1,750	35	Δ1,714

(Note) "Other" refers to business segments not included in the reportable segment and includes computer operations and management, commissioned software development, operational guidance services, printing business and design/construction business.

[2] Difference between the total amount of income or loss of reportable segments and figure on consolidated quarterly statements of income and the main contents of the difference (matters pertaining to reconciliation)

(Unit: million yen)

Income	Amount
Total reportable segment	Δ1,750
Income in "Other"	35
Intersegment transaction elimination	32
Corporate expense (note)	Δ950
Operating loss recorded in consolidated quarterly statement of income (Δ)	Δ2,632

Note: "Corporate expense" refers to general and administrative expense that is not attributable to the reportable segments.

[3] Information on impairment loss on fixed assets and goodwill for each reportable segment

(Significant impairment loss on fixed assets)

Since recoverable value of goodwill in "International business" segment fell below book value, the book value was changed to recoverable value and the change was recorded as impairment loss in extraordinary loss. The recorded amount for aforementioned impairment loss was 691 million yen for the first half of FY 2015.

(Significant changes in amount of goodwill)

Not applicable.

(Significant gain on negative goodwill)

Omitted since the amount is not significant.

[4] Matters pertaining to changes, etc. on reportable segments

Not applicable.

IV. Supplemental information

Operating results

1. Breakdown of balance of loans receivable

Category			2Q of FY 2014 (As of September 30, 2013)		2Q of FY 2015 (As of September 30, 2014)	
			Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)
Domestic	Consumer services	Unsecured loans	10,721 (1,219)	15.3	6,222 (932)	6.5
		Adjustment after business combination	Δ185	Δ0.3	Δ32	Δ0.0
		Secured loans	746 (96)	1.1	551 (125)	0.6
		Subtotal	11,282 (1,316)	16.1	6,741 (1,057)	7.1
	Business loan services	Discount on commercial notes	1,690 (5)	2.4	2,368 (5)	2.5
		Unsecured loans	662 (40)	1.0	627 (36)	0.7
		Secured loans	1,624 (16)	2.3	1,457 (46)	1.5
		Subtotal	3,977 (63)	5.7	4,453 (89)	4.7
	Discount on commercial notes – total		1,690 (5)	2.4	2,368 (5)	2.5
	Account receivable- operating loans - total		13,568 (1,374)	19.4	8,826 (1,141)	9.3
Total		15,259 (1,379)	21.8	11,194 (1,146)	11.8	
International	Consumer loan services	Unsecured loans	3,072 (－)	4.4	11,997 (1,665)	12.7
		Secured loans	－ (－)	－	64 (48)	0.1
		Subtotal	3,072 (－)	4.4	12,061 (1,714)	12.8
	Loans by banking business		51,698 (－)	73.8	71,364 (－)	75.4
	Total		54,770 (－)	78.2	83,425 (1,714)	88.2
Grand total			70,030 (1,379)	100.0	94,620 (2,861)	100.0

Figures in parenthesis () refer to long-term loans receivable. They are included in above figures.

2. Balance of advances paid-installment

Category	2Q of FY 2014 (September 30, 2013)	2Q of FY 2015 (September 30, 2014)
	Amount (million yen)	Amount (million yen)
Advances paid-installment	44,635 (1,730)	36,902 (754)

Figures in parenthesis () refer to long-term loans receivable. They are included in above figures.

3. Breakdown of credit guarantee balance

Category	2Q of FY 2014 (September 30, 2013)		2Q of FY 2015 (September 30, 2014)	
	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)
Unsecured	16,506	47.4	22,718	51.2
Secured	18,308	52.6	21,654	48.8
Total	34,814	100.0	44,373	100.0

4. Breakdown of operating revenue

(Unit: million yen)

Category			First half of FY 2014 (From April 1, 2013 till September 30, 2013)	First half of FY 2015 (From April 1, 2014 till September 30, 2014)	Previous fiscal year (From April 1, 2013 till March 31, 2014)
I . Interest on loans					
Discount revenue	1. For consumers	(1) Unsecured	1,519	3,844	2,720
		(2) Secured	49	46	91
		For consumers - total	1,569	3,891	2,812
	2. For businesses	(1) Discount on commercial notes	73	95	183
		(2) Unsecured loans	31	37	68
		(3) Secured loans	80	52	173
		For businesses - total	185	185	425
	Subtotal		1,754	4,076	3,237
II . Operating revenue from banking business			4,632	6,278	12,392
III . Collection of purchased receivable			1,293	1,412	3,018
IV . Sales on real estate business			2,030	3,472	4,970
V . Sales on amusement business			8,716	7,686	16,510
VI . Installment payment paying for commission	1. Credit card revenue	1,403	1,465	2,848	
	2. Financing revenue	2,457	1,667	4,450	
	3. Installment payment paying for commission	109	37	164	
	Subtotal	3,970	3,171	7,463	
VII . Other	1. Commission received	96	134	258	
	2. Guarantee commission received	1,101	1,315	2,377	
	3. Gain on bad debts recovered	2,386	2,344	5,135	
	4. Interest on deposits	22	72	67	
	5. Other financial revenue	1,307	582	3,091	
	6. Other	1,531	1,432	3,403	
	Subtotal	6,446	5,881	14,333	
Operating revenue - total			28,845	31,979	61,926

Note: "VII. Other, 5. Other financial revenue" refers mainly to the recorded difference between the collection from loans under debt purchasing services and the corresponding acquisition cost.