

Consolidated Financial Results for the Nine Months Ended December 31, 2014

<under Japanese GAAP>

February 12, 2015

Company name: J Trust Co., Ltd.

Stock exchange listings: Tokyo Stock Exchange

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

Securities code: 8508

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Scheduled date for commencement of dividend payment: -

Preparation of supplemental materials for the quarterly financial results: Yes

Holding of presentation of quarterly financial results: No

Note: Figures are rounded down to the nearest million yen

I. Consolidated financial results for the nine months ended December 31, 2014

(April 1, 2014 – December 31, 2014)

1. Consolidated operating results (cumulative)

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

	Operating revenue		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Nine months ended December 31, 2014	48,120	9.3	Δ3,321	-	Δ316	-	Δ1,142	-
Nine months ended December 31, 2013	44,017	8.3	6,079	Δ47.5	5,608	Δ57.1	2,585	Δ79.9

Note: Comprehensive income First nine months of FY 2015: 360 million yen (Δ91.7%)
First nine months of FY 2014: 4,355 million yen (Δ66.9%)

	Net income per share	Diluted net income per share
	yen	yen
Nine Months ended December 31, 2014	Δ9.68	-
Nine months ended December 31, 2013	26.85	26.35

Note: Diluted net income per share for the 3rd quarter of FY 2015 is not published since we recorded net loss 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 December 31, 2014	463,671	183,058	38.0	1,490.78
As of March 31, 2014	334,736	184,230	53.0	1,502.54

Reference : Equity capital 176,031 million yen (December 31, 2014); 177,263 million yen (March 31, 2014)

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: Corrections to the latest dividend forecast: 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: Corrections to the latest earnings forecast: No

* Annotations

- (i) Material changes in subsidiaries during the current fiscal year : Yes
(addition and exclusion of specified subsidiaries leading to the change in the scope of consolidation)

Addition: PT Bank Mutiara Tbk.

Exclusion: None

Please refer to II. Notes on summary information (annotations), 1. Material changes in subsidiaries during the current fiscal year

- (ii) Special accounting procedures adopted for consolidated quarterly financial statements : No

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

[1] Changes in accounting policy based on revisions of accounting standards : No

[2] Changes in accounting policy other than those indicated in [1] : No

[3] Changes in accounting estimates : No

[4] Retrospective re-statements : No

- (iv) Number of outstanding shares (common share)

Number of outstanding shares (including treasury shares)	December 31, 2014	118,489,754	March 31, 2014	118,385,834
Number of treasury shares	December 31, 2014	409,600	March 31, 2014	409,372
Average number of outstanding shares during the period (cumulative)	April 1, 2014 – December 31, 2014	118,028,515	April 1, 2013 – December 31, 2013	96,310,638

* 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

- 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. Qualitative information regarding financial results, 3 Explanation regarding the disclosure of consolidated financial forecast" in the attached document shows the assumptions and premises on which the financial forecast is based.
- Supplemental materials can be found on J Trust website (<http://www.jt-corp.co.jp/en/>).

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I. Qualitative information regarding financial results

1. Qualitative information on operational results

During the past nine months, recovery of US economy became increasingly clear. On the other hand, uncertainty regarding global economic outlook such as slowdown in Chinese economy and concern on deflation in Europe remained center of attention. Currency market, money market and stock market were fairly volatile on occasion especially in Asia because of the possibility of interest rate increase in US. Japanese economy experienced the progress of yen depreciation and rise in stock price on the back of monetary policy and economic policy by government and Bank of Japan to end deflation. There were some positive developments such as signs of improvement in corporate results, business sentiment and consumer sentiment. On the other hand, issues such as effect of yen depreciation and concern regarding corporate result on the back of prolonged weakness in consumer sentiment after the increase in consumption tax prevent us from being optimistic on outlook.

Under such circumstances, J Trust Group (hereinafter, “the Group”) finds it essential to transform its business ahead of change in global and Japanese economy. It is our major task to expand business especially in Asia which has huge growth potential and conduct business to maximize synergy by capitalizing on its network.

Based on aforementioned business strategy, during the current fiscal year, we have been focusing on the establishment of foundation to increase profit. Through proactive execution of M&A and organization restructuring in and outside of Japan, we aim to achieve further growth by capturing new growth opportunities and make progress in terms of the effective use of management resources and management efficiency.

In Southeast Asia, we acquired 99.0% shares of Indonesian commercial bank, PT Bank Mutiara Tbk. (Republic of Indonesia, hereinafter, “Bank Mutiara”), making it a consolidated subsidiary of J Trust Co., Ltd. (hereinafter “the Company”) in November 2014. Prior to the acquisition, Indonesia Deposit Insurance Corporation owned 99.996% shares of Bank Mutiara. Going forward, Bank Mutiara will mainly cater to small and medium enterprises and wage earners, whose presence is growing rapidly as economy expands, and offer comprehensive financial services such as various loans (including mortgage etc.), card services and foreign exchange transactions. We will also establish a network of our group and partnered companies in Asia and combine our strength in financial, real estate and amusement area to provide premium services in Asia. Through these efforts, we will contribute to the further economic development in Indonesia and the rest of Asia.

In South Korea, we transferred 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 said transfer, loan business is primarily handled by Chinae Savings Bank and HICAPITAL, KJI and Neoline Credit specialize in purchase and collection of non-performing loans.

In June 2014, the Company signed an agreement with Standard Chartered Korea Limited (headquarters: Seoul Special City) to acquire shares of Standard Chartered Capital (Korea) Co., Ltd. (headquarters: Seoul Special City, hereinafter, “SC Capital”) and Standard Chartered Savings Bank Korea Co., Ltd. (headquarters: Seongnam-si, Gyeonggi-do, hereinafter, “SC Savings Bank”). In January 2015, we acquired all shares of SC Savings Bank, making it a consolidated subsidiary and changed its trade name to “JT Savings Bank Co., Ltd.” We intend to proceed with its merger with Chinae Savings Bank as soon as possible. The operating area of savings bank business after the merger will cover about 70% of South Korea. This will enable us to reinforce our marketing effort and provide services throughout the country. Therefore, we expect the increase in loan balance and deposit balance, better cost performance in marketing and advertising and improvement in name recognition etc. Moreover, we can hire competent people throughout the country. Utilizing our knowledge in debt collection and recovery, we can generate profit from SC Savings Bank’s loan receivables and it will contribute to the increase in overall profit. Additionally, we can benefit from SC Savings Bank’s expertise in global operation as a subsidiary of international financial institution, Standard Chartered Bank, and globally competent employees. It will lead to the further enhancement of the Company’s overseas business mainly in fast growing Asia.

In September 2014, the Company’s subsidiary, ADORES, Inc. (hereinafter, “ADORES”) subscribed to the third party allotment by JB Amusement Co., Ltd. (South Korea, listed on KOSDAQ, hereinafter, “JB Amusement”) and

agreed to establish the partnership with JB Amusement. Going forward, they promote collaboration through provision of know-how regarding casino business etc., generate synergy by leveraging both party's strength and expand added value and business in the Group's amusement business.

In January 2015, the Group conducted organization restructuring as follows: transfer a part of KC Card Co., Ltd.'s (hereinafter, "KC Card") business mainly operated under the name of "KC Card" brand to Yahoo Japan Corporation (headquarters: Minato-ku, Tokyo) and SoftBank Payment Service Corp. (headquarters: Minato-ku, Tokyo); transfer a part of NUCS Co., Ltd.'s (hereinafter, "NUCS") business mainly operated under the name of "NUCS" brand to KC Card through absorption type corporate split; and change its trade name to "J TRUST Card Co., Ltd." We attempt at expansion and reinforcement of client base mainly focusing on "J TRUST Card" brand to expand credit card business.

In November 2014, ADORES acquired all shares of Japan Care Welfare Group Co., Ltd. (hereinafter, "JC-Group") and the Group started care provider business. Going forward, the Group plans to develop business proactively through measures as follows: capitalizing on JC-Group's know-how in care and welfare business and its relationship with users, families and local communities cultivated by JC-Group; conversion of care facilities to the ones which conform to administrative demand; and startup of new service which meets various demands.

Operating revenue for the first nine months of the current fiscal year was 48,120 million yen (year-on-year increase by 9.3%). Installment payment paying for commission decreased because of decline in advances paid-installment mainly with cash advances and sales on amusement business decreased affected by increase in consumption tax. On the other hand, banking business revenue increased because of the transfer of loan business from subsidiaries to Chinae Savings Bank in South Korea. 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 first quarter of the current fiscal year. Sales on real estate business increased since the completion and delivery of property was carried over to the current fiscal year due to the high volume of order prior to the increase in consumption tax.

Operating loss for the 3rd quarter was 688 million yen due to factors such as posting of provision of allowance for doubtful accounts by business in South Korea. Operating expenses increased due to temporary factors as follows: provision for loss on interest repayment at KC Card increased during the first half; consolidation of KJI and HICAPITAL; provision of allowance for doubtful accounts at Chinae Savings Bank increased when it disposed non-performing loans; and Chinae Savings Bank posted loss on sales of loans receivable when it sold non-performing loans during the 1st quarter in view of effective use of the Group's funding and business restructuring in South Korea. Operating loss for the first nine months of the current fiscal year was 3,321 million yen (operating income of 6,079 million yen for the same period of the previous fiscal year).

Ordinary income for the 3rd quarter was 2,142 million yen supported by foreign exchange gain of 2,918 million yen due to our overseas business development. For the first nine months of the current fiscal year, we posted ordinary loss of 316 million yen (ordinary income of 5,608 million yen for the same period of previous fiscal year).

Quarterly net income for the 3rd quarter was 2,611 million yen. Since Chinae Savings Bank posted extraordinary loss due to the impairment loss of goodwill and overall corporate tax for the Group increased during the 2nd quarter, the Company posted net loss of 1,142 million yen (net income of 2,585 million yen for the same period of the previous fiscal year) for the first nine months of the current fiscal year. Because Chinae Savings Bank posted temporary expenses such as loss on sales of loans receivable to dispose non-performing loans and increase in provision of allowance for doubtful accounts, it posted net loss of 4,238 million yen for the 1st half. Chinae Savings Bank's net loss for the 3rd quarter was 341 million yen, declined significantly from the 1st half. We expect to generate profit through steady improvement in profit structure.

The following is the performance by each segment.

(i) Financial business

(Credit guarantee services)

Credit guarantee services are handled 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 end December 2014) in credit guarantee

business. We also intend to increase the balance through new scheme like providing credit guarantee for rental housing loans since April 2014. By combining the credit know-how in the Group's financial business and the good reputation of partnered financial institutions, we will try to expand the credit guarantee business and to retain the stable revenue through increase in the number of partnered financial institutions while responding to a wide range of client's funding demand.

As a result, the balance of credit guarantee business at the 3rd quarter end was as follows: guarantee for unsecured loans was 23,272 million yen (year-on-year increase by 38.1%); guarantee for secured loans was 22,452 million yen (year-on-year increase by 17.0%); and the total balance was 45,725 million yen (year-on-year increase by 26.8%).

(Credit and consumer credit services)

Credit and consumer credit services are mainly handled by KC Card and NUCS. We provide variety of services and products which utilize credit card's settlement function to increase number of credit card holders and spend per customer and to secure profit such as increase in fees from purchase transaction. However, the loan balance decreased due to the progress in collection mainly in cash advance.

As a result, the balance at the 3rd quarter end was as follows: advances paid-installment was 35,181 million yen (year-on-year decrease by 14.5%); long-term operating loans receivable was 714 million yen (year-on-year decrease by 44.3%); and the total of advances paid-installment including long-term operating loans receivable was 35,896 million yen (year-on-year decrease by 15.4%).

(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 3rd quarter end was 3,168 million yen (year-on-year increase by 40.3%).

(Business loan services)

Business loan services are mainly handled by Nihon Hoshou. The volume of commercial notes, which was once on decline, increased as a result of strong efforts on the back of the increases in the volume of commercial notes handled by the partnered financial institutions. Accounts receivable-operating loans decreased. Although the balance of accounts receivable secured loans increased, the collection progressed smoothly due to factors including complete payoff of property secured loans by a prime borrower.

As a result, the loan balance at the 3rd quarter end was as follows: commercial notes was 2,381 million yen (year-on-year increase by 8.0%); accounts receivable-operating loans was 2,055 million yen (year-on-year decrease by 18.4%); and long-term operating loans receivable was 97 million yen (year-on-year increase by 33.6%). The overall loan balance including long-term operating loans receivable was 4,534 million yen (year-on-year decrease by 5.5%).

(Consumer services)

Regarding consumer services, the Group plans to focus on credit guarantee business. Although consumer services are mainly handled by Nihon Hoshou and CREDIA, they no longer disburse new loans.

The loan balance at the 3rd quarter end decreased due to the smooth progress of collection primarily 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 5,437 million yen (year-on-year decrease by 39.9%); the balance of long-term operating loans receivable was 1,049 million yen (year-on-year decrease by 25.8%); and the overall loan balance including long-term operating loans receivable was 6,487 million yen (year-on-year decrease by 38.0%).

As a result, the operating revenue in financial business was 15,616 million yen (year-on-year decrease by 13.9%) and segment income was 1,427 million yen (year-on-year decrease by 83.1%) due to the increase in selling, general and administrative expenses caused by factors including the increase in provision for loss on interest repayment at KC Card.

(ii) Real estate business

Keynote Co., Ltd. (hereinafter, "Keynote") mainly handles sales of ready-built housing. Keynote saw steady increase in number of housings sold even when the market sentiment was weak 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. The property asset business was progressing smoothly supported by significant contribution from gain on sales of property in metropolitan area owned by ADORES and stable rental income from other property.

As a result, operating revenue in real estate business was 4,760 million yen (year-on-year increase by 22.9%) and segment income was 414 million yen (year-on-year decrease by 9.4%).

(iii) Amusement business

BREAK Co., Ltd. (hereinafter, "BREAK") manufactures and sells assorted merchandise for amusement machines and ADORES undertakes management of amusement facilities and relevant operations. Regarding the management of amusement facilities, various events and sales promotion activities focusing on medal game were carried out. As a part of sales promotion/branding activity which has been our focus since the previous fiscal year, many collaborative projects between stores superior in information dissemination and character contents were also conducted. We opened "Anime Plaza Ikebukuro", a café operated in collaboration with various character contents, as a new business to attract new customers. Although these efforts helped support spending per customer and number of customers, they were not enough to offset the slowdown in personal consumption due to the increase in consumption tax. As a result, both sales and income were weak.

As for the manufacturing and sales of merchandize for amusement machines, manufacturing and sales of original prize and miscellaneous goods which was firm early in the current fiscal year experienced some headwinds. Supported by sales of other prizes with popular characters, overall sales were strong. Since we had some difficulties with the stock up of original goods with high profitability, income was weak.

As a result, operating revenue in amusement business was 11,525 million yen (year-on-year decrease by 9.5%) and segment income was 439 million yen (year-on-year decrease by 51.1%).

(iv) International business

JTRUST ASIA PTE. LTD. (hereinafter, "JTA") in Singapore conducts investment business and management support services for investees and Bank Mutiara is engaged in banking business in Indonesia. In South Korea, Chinae Savings Bank operates savings bank business and Neoline Credit, KJI and HICAPITAL mainly conduct purchase and collection of non-performing loans. Since we acquired Bank Mutiara in November 2014, only the balance sheet is consolidated for the 3rd quarter of the current fiscal year.

Loans by banking business increased significantly because loan business of subsidiaries was transferred to Chinae Savings Bank in August 2014 and we acquired Bank Mutiara in Indonesia in November 2014. As for accounts receivable-operating loans, 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 154,941 million yen (year-on-year increase by 219.5%); accounts receivable-operating loans was 8,033 million yen (year-on-year increase by 182.8%); long-term operating loans receivable was 1,372 million yen (zero at the 3rd quarter end of previous fiscal year); and the overall balance of accounts receivable - operating loans including long-term operating loans receivable was 9,405 million yen (year-on-year increase by 231.1%). The balance of purchased receivables was 2,770 million yen (zero at the 3rd quarter end of previous fiscal year) due to the purchase of non-performing loans. The year-on-year comparison for accounts receivable-operating loans refers to the figure at Neoline Credit as of the 3rd quarter end of previous fiscal year.

As a result, operating revenue in international business was 3,925 million yen for the 3rd quarter and 13,743 million yen for the first nine months of the current fiscal year (year-on-year increase by 73.6%). Segment loss was 979 million yen for the 3rd quarter and 4,298 million yen (segment loss of 2,078 million yen for the same period of previous fiscal year) for the first nine months of the current fiscal year due to the temporary factors such as

recording of loss on sales of loans receivable and increase in provision of allowance for doubtful accounts at Chinae Savings Bank during the 1st half. Loss for the 3rd quarter in international business, especially in South Korea, already decreased significantly and we are confident that our international business will make steady progress towards generating profit.

(v) Other business

J Trust System Co., Ltd. handles system development and computer operational and administrative services for the Group. Keynote conducts design & construction business. JC-Group is involved in care provider business. We liquidated JT Investment Co., Ltd., involved in investment business, business management consulting and group management and sold AAD Co., Ltd., printing services provider. Therefore, both companies are excluded from the scope of consolidation. Since we acquired JC-Group in November 2014, only the balance sheet is consolidated for the 3rd quarter of the current fiscal year.

As a result, operating revenue in other business was 3,160 million yen (year-on-year increase by 41.9%) and segment income was 110 million yen (segment income of 0 million yen for the same period of the previous fiscal year).

2. Analysis on financial position

Total assets at the 3rd quarter end were 463,671 million yen, increased by 128,935 million yen from the end of previous fiscal year. Advances paid-installment decreased by 4,594 million yen due to the smooth progress in collection and accounts receivable - operating loans decreased by 33,716 million yen owing to the transfer of loan business of HICAPITAL, KJI and Neoline Credit to Chinae Savings Bank. Loans by banking business increased by 108,240 million yen due to the said transfer of loans receivable to Chinae Savings Bank and making Bank Mutiara a subsidiary. There was increase in accounting items as follows: goodwill by 35,287 million yen; securities by 6,735 million yen; and cash and deposits by 11,289 million yen. They contributed to the increase in total assets.

Liabilities were 280,612 million yen, up by 130,106 million yen from the end of the previous fiscal year. Long-term loans payable including current portion decreased by 15,394 million yen. On the other hand, the deposit taking by Chinae Savings Bank progressed well and making Bank Mutiara a consolidated subsidiary resulted in the increase in deposits by banking business by 145,007 million yen.

Net assets were 183,058 million yen, down by 1,171 million yen from the end of the previous fiscal year. Foreign currency translation adjustment increased by 4,768 million yen. On the other hand, the dividends of surplus of 1,180 million yen and quarterly net loss of 1,142 million yen decreased retained earnings. In addition, the decline in the market value of available-for-sale securities held by JTA decreased valuation difference on available-for-sale securities by 3,859 million yen.

As a result, the net assets per share were 1,490.78 yen, decreased by 11.76 yen from the end of the previous fiscal year. Making Bank Mutiara a subsidiary increased assets and liabilities significantly. Because of that, capital adequacy ratio was 38.0%, down by 15.0 points from the end of previous fiscal year (53.0%).

3. Explanation regarding the disclosure of consolidated financial forecast

The Group is tackling the structural reform through M&A and business restructuring to establish the business foundation to achieve further growth. Our focus for the current fiscal year is reinforcement of the basis. While the reform is under way, we expect temporary increase in operating expenses etc. to cause the significant decrease in operating income and ordinary income. During the 1st half, Chinae Savings Bank posted loss on sales of loans receivables when it disposed non-performing loans and increased provision of allowance for doubtful accounts. These are the move for future turnaround. During the 3rd quarter, profit improved with large increase in foreign exchange gain from our overseas business development and decrease in loss from international business. Going forward, we expect the steady improvement in profit structure leading to the further increase in profit.

During the first nine months of the current fiscal year, increase in operating revenue and foreign exchange gain contributed to the performance. Since the increase in expenses preceded the improvement in profit structure

during the 1st half, operating income, ordinary income and net income declined. However, we forecast to achieve the full year consolidated forecast by carrying out measures specified below.

Going forward, the Group forecasts the recovery in performance through measures specified below.

(i) Execution of various M&A to expand business

- Acquisition of shares of SC Capital and SC Savings Bank in South Korea
- Improvement in profit at Chinae Savings Bank and KJI etc. through the transfer of loans receivable in relation to the said share acquisition

(ii) Improve profit structure through business restructuring

- Restructuring of credit card business
- Transfer of loan business from Neoline Credit, KJI and HICAPITAL to Chinae Savings Bank in South Korea

(iii) Gain on sales of LCD Global Investments LTD. shares

Therefore, the consolidated financial forecast for the current fiscal year remains the same as the one disclosed on August 13, 2014.

Note: Please be aware that the above financial forecast is based on the information currently available to the Company and that the Company makes no undertaking to guarantee the achievement of this performance. Since the Group intends to further expand its scope of business through active involvement in M&A and purchase of receivables and improve the efficiency of the overall Group through business restructuring, actual financial performance may vary largely from the forecasts contained herein.

II. Notes on summary information (annotations)

1. Material changes in subsidiaries during the current fiscal year

We acquired 99.0% shares of PT Bank Mutiara Tbk., Indonesian commercial bank during the 3rd quarter of the current fiscal year, making it a consolidated subsidiary. For the 3rd quarter, only balance sheet was consolidated.

III. Consolidated quarterly financial statements

1. Consolidated quarterly balance sheet

(unit: million yen)

	Previous fiscal year (March 31, 2014)	Current quarter (December 31, 2014)
Assets		
Current assets		
Cash and deposits	132,235	143,524
Commercial notes	2,369	2,381
Accounts receivable - operating loans	49,242	15,526
Loans by banking business	46,701	154,941
Advances paid-installment	39,776	35,181
Purchased receivables	2,527	5,939
Subrogation receivable	798	1,043
Securities	10,787	17,522
Operational investment securities	8,918	13,843
Merchandise and finished goods	2,152	2,323
Work in process	418	689
Other	14,520	23,491
Allowance for doubtful accounts	△11,657	△24,879
Total current assets	298,790	391,528
Non-current assets		
Property, plant and equipment	12,309	13,507
Intangible assets		
Goodwill	5,694	40,982
Other	2,939	5,237
Total intangible assets	8,633	46,220
Investments and other assets		
Long-term operating loans receivable	3,951	3,233
Other	15,547	12,880
Allowance for doubtful accounts	△4,498	△3,698
Total investments and other assets	15,001	12,415
Total non-current assets	35,945	72,143
Total assets	334,736	463,671

(unit: million yen)

	Previous fiscal year (March 31, 2014)	Current quarter (December 31, 2014)
Liabilities		
Current liabilities		
Notes discounted	2,173	2,221
Current portion of bonds	2,610	174
Short-term loans payable	6,225	6,792
Current portion of long-term loans payable	16,423	5,219
Income taxes payable	1,034	696
Deposits by banking business	77,142	222,150
Provision for loss on interest repayment	4,055	3,328
Provision for loss on business liquidation	28	—
Other provision	139	81
Other	9,070	15,756
Total current liabilities	118,904	256,421
Non-current liabilities		
Bonds payable	1,875	2,302
Long-term loans payable	14,454	10,263
Provision for loss on interest repayment	9,382	8,485
Provision for loss on guarantees	441	447
Net defined benefit liability	197	400
Provision for loss on litigation	2,951	—
Other	2,296	2,291
Total non-current liabilities	31,601	24,190
Total liabilities	150,505	280,612
Net assets		
Shareholders' equity		
Capital stock	53,578	53,592
Capital surplus	52,920	52,934
Retained earnings	64,626	62,421
Treasury shares	△197	△197
Total shareholders' equity	170,928	168,750
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,330	△529
Foreign currency translation adjustment	3,032	7,800
Remeasurements of defined benefit plans	△27	9
Total accumulated other comprehensive income	6,335	7,281
Subscription rights to shares	117	158
Minority interests	6,848	6,868
Total net assets	184,230	183,058
Total liabilities and net assets	334,736	463,671

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

(unit: million yen)

	First nine months of FY 2014 (From April 1, 2013 till December 31, 2013)	First nine months of FY 2015 (From April 1, 2014 till December 31, 2014)
Operating revenue	44,017	48,120
Operating expenses	19,360	21,522
Operating gross profit	24,656	26,597
Selling, general and administrative expenses	18,576	29,918
Operating income (loss)	6,079	△3,321
Non-operating income		
Interest income	4	11
Dividend income	153	32
House rent income	122	121
Foreign exchange gains	209	3,014
Contribution income	227	—
Miscellaneous income	136	104
Total non-operating income	854	3,285
Non-operating expenses		
Interest expenses	170	118
Depreciation	17	15
Investment loss by equity method	—	117
Share issuance cost	1,102	—
Miscellaneous loss	35	29
Total non-operating expenses	1,325	281
Ordinary income (loss)	5,608	△316
Extraordinary income		
Gain on sales of non-current assets	65	5
Gain on sales of investment securities	462	—
Gain on bargain purchase	311	1,042
Penalty income	88	—
Other	0	13
Total extraordinary income	928	1,061
Extraordinary losses		
Loss on sales of non-current assets	58	25
Loss on abandonment of non-current assets	38	94
Impairment loss	28	704
Loss on valuation of investment securities	0	—
Provision for loss on litigation	2,951	—
Other	6	19
Total extraordinary losses	3,083	844
Income (loss) before income taxes and minority interests	3,453	△100
Income taxes-current	475	821
Income taxes-deferred	△243	△61
Total income taxes	232	760
Income (loss) before minority interests	3,220	△860
Minority interests in income	635	282
Net income (loss)	2,585	△1,142

(Consolidated quarterly statement of comprehensive income)

(Consolidated statement of comprehensive income for the nine months)

(unit: million yen)

	First nine months of FY 2014 (From April 1, 2013 till December 31, 2013)	First nine months of FY 2015 (From April 1, 2014 till December 31, 2014)
Income (loss) before minority interests	3,220	Δ860
Other comprehensive income		
Valuation difference on available-for-sale securities	Δ15	Δ3,601
Foreign currency translation adjustment	1,149	4,786
Remeasurements of defined benefit plans, net of tax	—	36
Total other comprehensive income	1,134	1,221
Comprehensive income	4,355	360
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,712	Δ197
Comprehensive income attributable to minority interests	642	558

3. 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.

(Additional information)

(Change in assignment)

(Consolidated quarterly balance sheet)

All investment securities held by JTRUST ASIA PTE. LTD., the Company's consolidated subsidiary, were included in "Other" under investments and other assets during the previous fiscal year. In the 3rd quarter, we came to the conclusion that the significance of JTA's investment business will increase in the future and enforced JTA's structure by having a director permanently stationed at JTA for effective business execution such as contemplation of investment deals. We judged that it is necessary for financial statements to reflect JTA's transactions more appropriately and decided to record JTA's investment securities as "Operational investment securities" separately under current assets from the 3rd quarter. To reflect the change in assignment, we rearranged 24,466 million yen of "Other" under investments and other assets for the previous fiscal year as follows: 8,918 million yen of "Operational investment securities" and 15,547 million yen of "Other".

(Segment information, etc.)

Segment information

(i) First nine months of FY 2014 (From April 1, 2013 till December 31, 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	18,055	3,866	12,663	7,915	42,502	1,515	44,017
Intersegment sales and transfers	88	5	68	—	161	711	873
Total	18,143	3,871	12,732	7,915	42,663	2,226	44,890
Segment income or loss (Δ)	8,460	457	898	Δ2,078	7,738	0	7,738

(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 sum of income or loss of reportable segments and figure on consolidated quarterly statements of income and the breakdown of the difference (matters pertaining to reconciliation)

(unit: million yen)

Income	Amount
Total reportable segments	7,738
Income in “Other”	0
Intersegment transaction elimination	16
Corporate expenses (note)	Δ1,675
Operating income recorded in consolidated quarterly statements of income	6,079

(note) “Corporate expenses” refer to general and administrative expenses, not attributable to the reportable segments.

[3] Information regarding impairment loss on non-current assets and goodwill for each reportable segment

(Significant impairment loss on non-current assets)

Not applicable.

(Significant changes in amount of goodwill)

Not applicable.

(Significant gain on bargain purchase)

Omitted since the amount is not significant.

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

Not applicable.

(ii) First nine months of FY 2015 (From April 1, 2014 till December 31, 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	15,584	4,759	11,513	13,743	45,600	2,519	48,120
Intersegment sales and transfers	32	0	11	—	45	641	686
Total	15,616	4,760	11,525	13,743	45,645	3,160	48,806
Segment income or loss (Δ)	1,427	414	439	Δ4,298	Δ2,016	110	Δ1,905

(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] Information pertaining to assets per reportable segment

In international business segment, we acquired shares of Indonesian commercial bank, PT Bank Mutiara Tbk., making it a consolidated subsidiary. Assets in international business segment at the end of 3rd quarter of the current fiscal year increased by 185,318 million yen, compared with the end of previous fiscal year. Additionally, assets in other business at the end of 3rd quarter of the current fiscal year increased by 3,881 million yen, compared with the end of previous fiscal year due to the acquisition of a subsidiary.

[3] Difference between the sum of income or loss of reportable segments and figure on consolidated quarterly statements of income and the breakdown of the difference (matters pertaining to reconciliation)

(unit: million yen)

Income	Amount
Total reportable segment	Δ2,016
Income in "Other"	110
Intersegment transaction elimination	50
Corporate expenses (note)	Δ1,466
Operating loss recorded in consolidated quarterly statement of income (Δ)	Δ3,321

Note: "Corporate expenses" refer to general and administrative expense, not attributable to the reportable segments.

[4] Information regarding impairment loss on non-current assets and goodwill for each reportable segment

(Significant impairment loss on non-current assets)

Omitted since the amount is not significant.

(Significant changes in amount of goodwill)

In international business segment, we acquired shares of Indonesian commercial bank, PT Bank Mutiara Tbk., making it a consolidated subsidiary during the 3rd quarter of the current fiscal year.

Owing to this acquisition, goodwill increased by 35,676 million yen.

(Significant gain on bargain purchase)

In other business, acquisition of a subsidiary resulted in recording of gain on bargain purchase in 884 million yen. This was recorded as extraordinary income (gain on bargain purchase) during the first nine months of the current fiscal year.

[5] Matters pertaining to changes, etc. on reportable segments
Not applicable.

(Important subsequent events)

- [1] At the Board of Directors' meeting on June 16, 2014, the Company resolved to acquire all the shares of SC Savings Bank held by Standard Chartered Korea Limited (hereinafter, "SC Korea"), making it a subsidiary. The Company signed a share acquisition agreement with SC Korea on June 16, 2014 and the share acquisition was completed on January 19, 2015.

The overview of the acquisition is shown below.

(A) Purpose of share acquisition

Expand the business and reinforce profitability by meeting wide variety of customer's requirements in South Korea

(B) Counterparty

Standard Chartered Korea Limited

(C) Overview of acquired company

(a) Name	Standard Chartered Savings Bank Korea Co., Ltd. (current JT Savings Bank Co., Ltd.)
(b) Headquarters	324 Hwangsaеul-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, South Korea
(c) Representative	Young-Seok Jung
(d) Capital	99.9 billion won (as of end June 2014)
(e) Business	Savings bank

(D) Acquisition date

January 19, 2015

(E) Number of shares to be acquired, acquisition price and shareholdings after acquisition

(a) Number of shares to be acquired	19,996,800 shares
(b) Acquisition price	5,642 million yen (1 Korean won = approximately 0.108 yen)
(c) Shareholdings after acquisition	100.0%

(F) Financing method

We used part of funds obtained through exercise of subscription rights (non-commitment type/gratis allotment of listed subscription rights) issued on May 31, 2013.

- [2] At the Board of Directors' meeting of each company on June 25, 2014, the Company and its consolidated subsidiary, KC Card resolved to have KC Card establish its subsidiary, KC Co., Ltd. (hereinafter, "KC"), to assume a part of KC Card's business which is mainly operated under "KC Card" brand through absorption-type corporate split, transfer all shares of KC to Yahoo Japan Corporation and SoftBank Payment Service Corp. effective January 5, 2015 and signed a share transfer agreement on June 25, 2014. The corporate split and share transfer completed as of January 5, 2015. The overview of the share transfer is as follows:

(A) The background of corporate split and share transfer

Competition between major internet companies' financial business and KC Card's business is expected to intensify as KC Card expands its business leveraging its business assets including its competitive edge, know-how on integrating the internet with finance. Yahoo values KC Card brand highly. The Group can continue its credit card business mainly under NUCS brand after the share transfer. The Company can allocate consideration to reinvest in credit card business, enhancement of existing business and start-up of new business in and out of Japan along with the fund raised through rights offering in July 2013. Aforementioned investment optimizes the Group's business portfolio and improves investment return and corporate value.

(B) Counterparty

Yahoo Japan Corporation
SoftBank Payment Service Corp.

(C) Date of corporate split and share transfer

January 5, 2015

(D) Name, business and transaction with the Company regarding concerned subsidiary which was sold after the assumption of business

(a)	Name	KC Co., Ltd.
(b)	Headquarters	3-4-2 Hakataekimae, Hakata-ku, Fukuoka-shi, Fukuoka
(c)	Representative	Satoshi Ando, Representative Director
(d)	Net assets	34,887 million yen (January 5, 2015) (note)
(e)	Total assets	50,916 million yen (January 5, 2015) (note)
(f)	Capital	100 million yen
(g)	No. of employees	305 (January 5, 2015)
(h)	Business	Credit card, credit card loan, credit guarantee, installment loan business etc.
(i)	Transaction with the Company	Not applicable.

Note: Amount assumed through corporate split

(E) Number of shares to be sold, sales price and change in shareholdings

(a)	Number of shares to be sold	2,000
(b)	Sales price	35,638 million yen
(c)	Profit/loss from sale	We forecast that profit/loss from transfer will be insignificant.
(d)	Shareholdings after sale	—%

IV. Supplemental Information

Operating results

1. Breakdown of balance of loans receivable

Category			3Q of FY 2014 (As of December 31, 2013)		3Q of FY 2015 (As of December 31, 2014)	
			Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)
Domestic	Consumer services	Unsecured loans	9,910 (1,314)	14.9	5,934 (931)	3.4
		Adjustment after business combination	Δ132	Δ0.2	Δ30	Δ0.0
		Secured loans	687 (100)	1.0	582 (118)	0.3
		Subtotal	10,465 (1,414)	15.7	6,487 (1,049)	3.7
	Business loan services	Discount on commercial notes	2,211 (5)	3.3	2,387 (5)	1.4
		Unsecured loans	663 (50)	1.0	601 (37)	0.3
		Secured loans	1,920 (16)	2.9	1,545 (53)	0.9
		Subtotal	4,796 (72)	7.2	4,534 (97)	2.6
	Discount on commercial notes - total		2,211 (5)	3.3	2,387 (5)	1.4
	Accounts receivable – operating loans – total		13,049 (1,481)	19.6	8,634 (1,141)	4.9
Total		15,261 (1,487)	22.9	11,021 (1,147)	6.3	
International	Consumer loan services	Unsecured loans	2,840 (－)	4.3	9,342 (1,347)	5.3
		Secured loans	－ (－)	－	63 (24)	0.0
		Subtotal	2,840 (－)	4.3	9,405 (1,372)	5.3
	Loans by banking business		48,489 (－)	72.8	154,941 (－)	88.4
	Total		51,329 (－)	77.1	164,346 (1,372)	93.7
Grand total			66,591 (1,487)	100.0	175,368 (2,519)	100.0

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

2. Balance of advances paid-installment

Category	3Q of FY 2014 (December 31, 2013)	3Q of FY 2015 (December 31, 2014)
	Amount (million yen)	Amount (million yen)
Advances paid-installment	42,452 (1,282)	35,896 (714)

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

3. Breakdown of credit guarantee balance

Category	3Q of FY 2014 (December 31, 2013)		3Q of FY 2015 (December 31, 2014)	
	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)
Unsecured	16,853	46.8	23,272	50.9
Secured	19,196	53.2	22,452	49.1
Total	36,050	100.0	45,725	100.0

4. Breakdown of operating revenue

(unit: million yen)

Category			3Q of FY 2014 (From April 1, 2013 till December 31, 2013)	3Q of FY 2015 (From April 1, 2014 till December 31, 2014)	Previous fiscal year (From April 1, 2013 till March 31, 2014)
I. Interest on loans/ Discount revenue					
1. For consumers	(1) Unsecured		2,121	4,331	2,720
	(2) Secured		73	63	91
	For consumers - total		2,194	4,395	2,812
2. For businesses	(1) Discount on commercial notes		117	143	183
	(2) Unsecured loans		50	50	68
	(3) Secured loans		116	84	173
	For businesses – total		283	278	425
Subtotal			2,478	4,673	3,237
II. Banking business revenue			7,255	9,729	12,392
III. Collection of purchased receivables			2,056	2,541	3,018
IV. Sales on real estate business			3,866	4,759	4,970
V. Sales on amusement business			12,663	11,512	16,510
VI. Installment payment paying for commission	1. Credit card revenue		2,122	2,205	2,848
	2. Financing revenue		3,517	2,399	4,450
	3. Installment payment paying for commission		163	56	164
	Subtotal		5,803	4,662	7,463
VII. Other	1. Commission fee		170	202	258
	2. Guarantee commission		1,663	1,992	2,377
	3. Gain on bad debts recovered		3,575	3,619	5,135
	4. Interest on deposits		47	162	67
	5. Other financial revenue		1,826	835	3,091
	6. Other		2,608	3,429	3,403
	Subtotal		9,892	10,240	14,333
Operating revenue - total			44,017	48,120	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.

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