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Fiscal year ended March 2014

Earnings Presentation

J Trust Co., Ltd.

May 29, 2014

1. Overview of Consolidated financial results for the fiscal year ended March 2014 Delayed Disclosure of Financial Forecast for the Full-Year Ending March 2015

Taiji Hitachi

Director and GM of Accounting & Planning Dept.

2. Upcoming management strategy based on the current status of the Company

Nobuyoshi Fujisawa

President & CEO

3. Q&A session

■ Disclaimer

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- All figures in this document are rounded down to the nearest 100 million yen, therefore difference in the total number may arise.
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Major commitments made in the fiscal year ended March 2014

Aiming for further business growth, “Rights Offering”

➤ In July 2013, the company raised approx 97.6 Billion yen to secure cash reserve and enhance equity capital

- No. of outstanding shares = 62,753,624 \Rightarrow 117,976,462

1.9x

- No. of shareholders holding share units = 7,097 \Rightarrow 18,222

2.6x



Entering into new areas expecting synergetic effects with the Group's businesses

- In October 2013, J Trust Asia PTE. LTD. was founded in Singapore
- Invested 9.8 billion yen out of the fund raised in founding capital of J Trust Asia
- Dec 2013: Acquired 10% of Bank Mayapada International Tbk PT shares (Approx 4.7 Billion yen)
- Concluded partnership agreement on credit card and consumer finance businesses with the bank



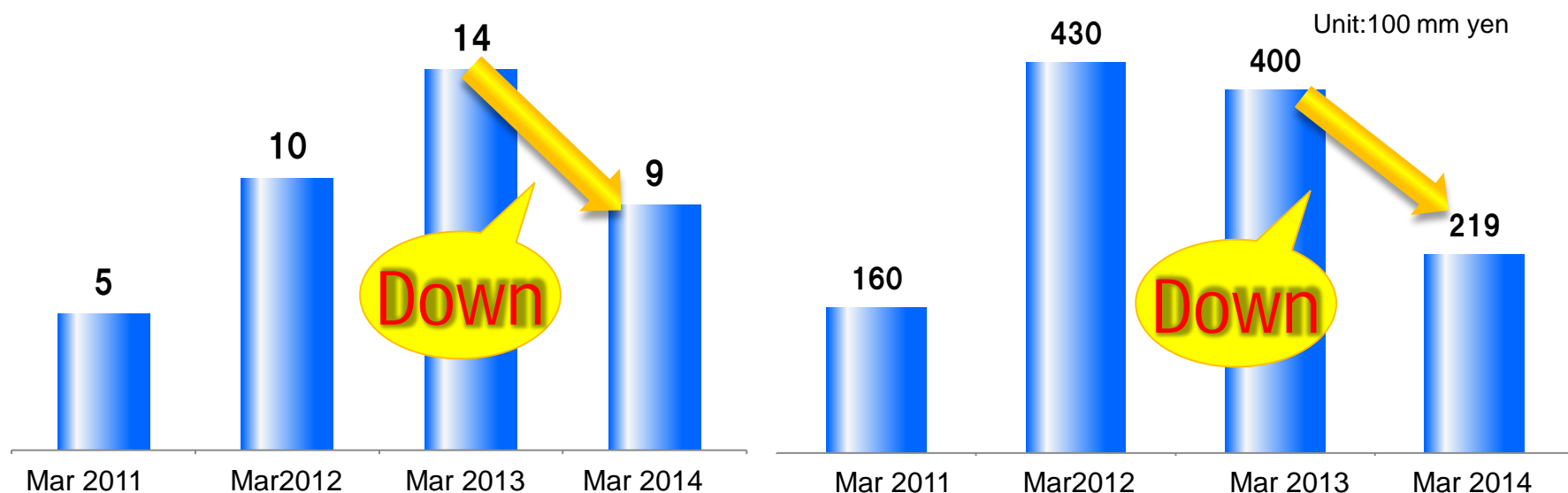
Enhancement of financial base

➤ Refunded 22.1 Billion yen loan, etc. to the Resolution and Collection Corporation (RCC)

- Among 22.1 Billion yen, 14.5 Billion yen was newly raised capital
- Aimed at alleviating financial burden of loan interest and increasing equity capital

Interest on loans

Interest-bearing debt



※ Interest -bearing debt: Debt and corporate bonds of KJI and HICAPITAL that were acquired at the end of March 2014 are not included.

Mar 2014 Acquired South Korean consumer financing companies

Acquired shares of HICAPITAL /KJI Consumer Finance

- Combined loan balance of these 2 companies and Neoline Credit ranks No. 4 in South Korean consumer loan industry

※ 1 won=0.0957yen

Rank	Company name	Loan Balance (100mm won)	Loan Balance (100mm yen)
1	A&P FINANCIAL Co.,Ltd.	14,774	1,413
2	Sanwa Finance Co., Ltd.	12,099	1,157
3	Welcome Creditline Corporation	4,805	459
4	KJI Consumer Finance /HICAPITAL/ Neoline Credit	4,378	419
5	The LEADCORP, Inc.	3,375	322
6	Baro Credit Co., Ltd.	3,061	292
7	Green Credit & Finance Co., Ltd.	2,717	260
8	Taegang Corporation	2,477	237
9	Miz Sarang Co.,Ltd.	1,748	167
10	Joy Credit Co., Ltd.	1,647	157

※ Source : Regular audit material of South Korean Diet. Data for KJI/HICAPITAL/ Neoline Credit is as of March 2014 and the data for others are as of December 2012.

How to use 97.6 Billion yen raised

- J Trust Asia PTE. Ltd. (Capital)
- Repayment to Resolution and Collection Corporation (RCC)
- Acquisition of HICAPITAL
- Acquisition of KJI Consumer Finance

Total ¥40.4 Bill

Balance ¥57.2 Bill

Highly liquid cash reserves =

¥142.2Bill



Asset expansion of South Korea-based Chinae Savings Bank

- Assumed consumer credit loan receivables of 15.3 Billion yen from HK Savings Bank in June 2013

**Chinae Savings Bank's loan balance
as of the end of March 2014**

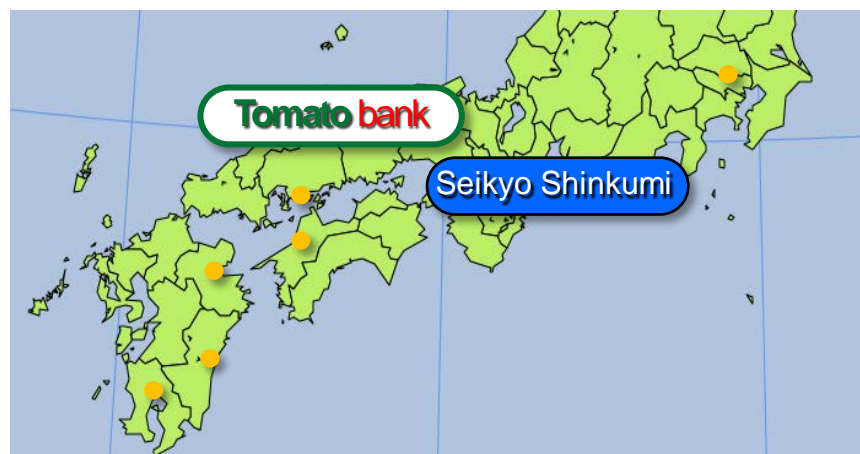
¥46.7Bill



Expansion of credit guarantee business partner network and new product lineup

- Business tie-up with Tomato Bank (Okayama Prefecture) in August
- Business tie-up with Seikyo Shinkumi (Osaka Prefecture) in March
- Start rental housing loan guarantee business under the partnership with The Saikyo Bank Ltd. (Yamaguchi Prefecture) in March

**No. of tie-up partner financial
institutions increased to 8**



Overview of consolidated financial results for the fiscal year ended March 2014

Change of consolidated financial statements preparation method ①

Changed account closing month of some subsidiaries to get their accounting period aligned with J Trust's

- Chinae Savings Bank From December to March
- Nihon Hoshou From February to March

Chinae Saving Bank's accounting period ended March 2014 was 15 months

That of Nihon Hoshou was 13 months

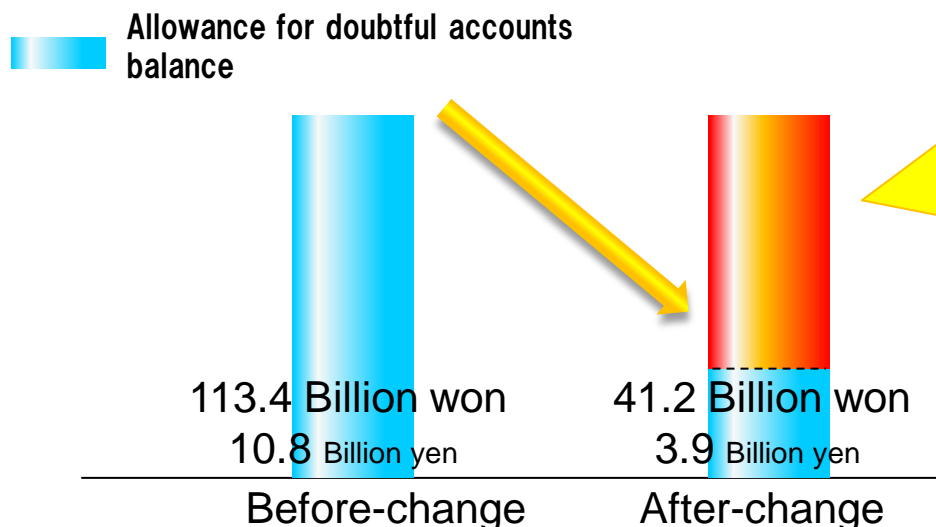


Change of consolidated financial statements preparation method ②

Chinae Savings Bank has adopted a new method of posting allowances for doubtful accounts

- Allowance for doubtful accounts is posted as concerned receivable's past loan loss ratio data is accumulated enough for the calculation

Before/ after the change of allowance for doubtful accounts estimation method

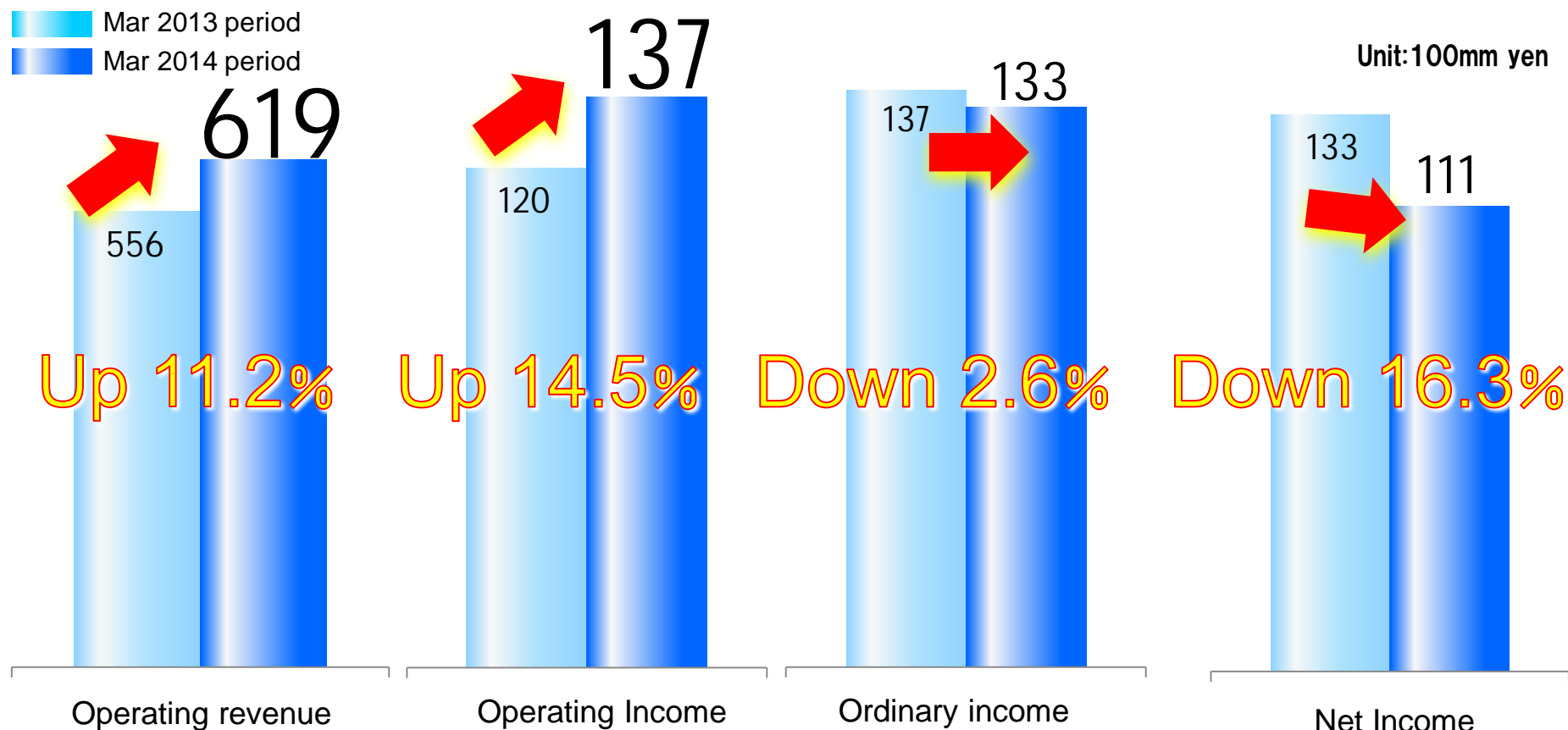


Impact of the changing method of loan loss estimation

72.1 Bill won
6.9 Bill yen

Point

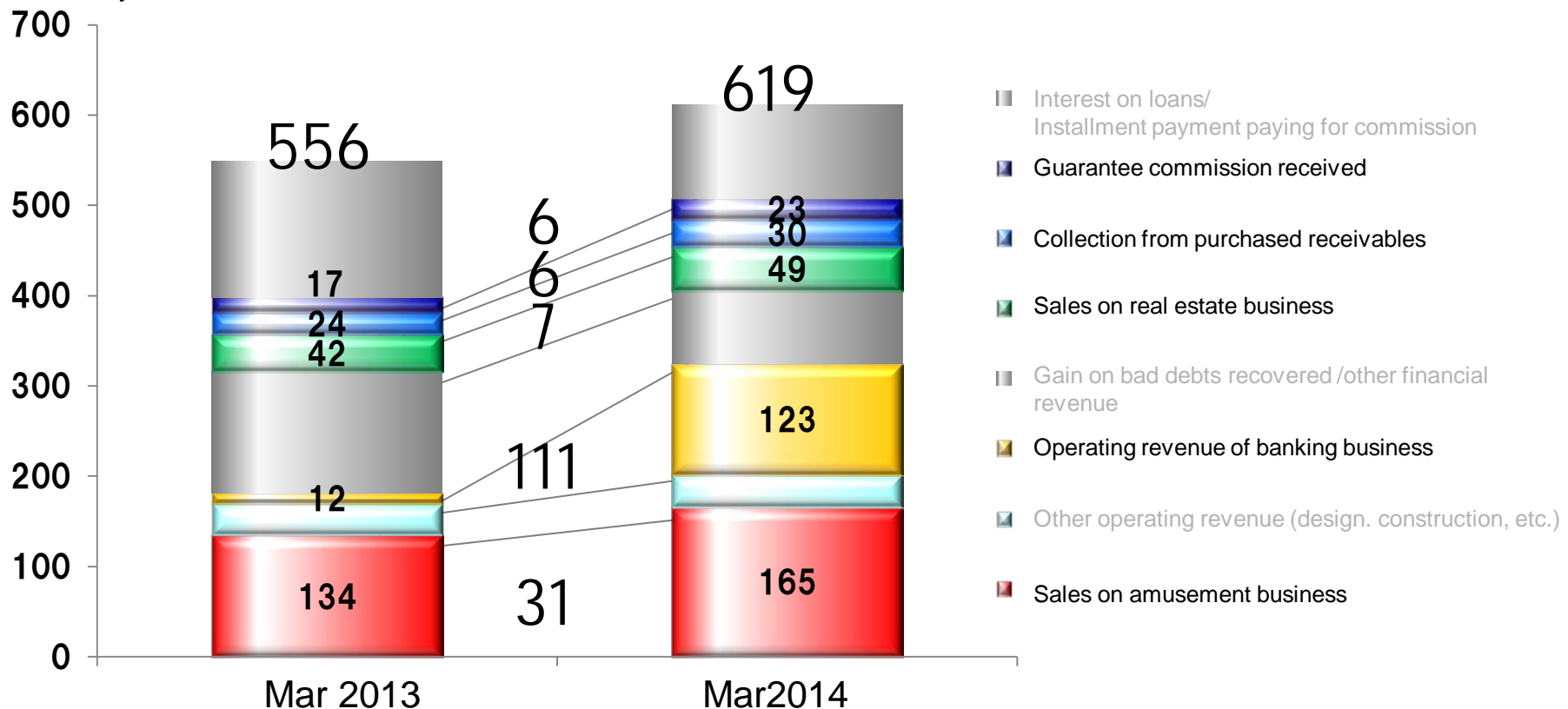
- Operating revenue was up by 11.2% to 61.9 Billion yen and operating income was also up by 14.5% to 13.7 Billion yen achieving 7-consecutive-year growth in both revenue and income.
- Ordinary income was down by 2.6% to 13.3 Billion yen and net income was also down by 16.3% to 11.1 Billion yen.



Point

- Due to throughout-the-year contribution by amusement related business, operating revenue increased by 3.1 Billion yen
- Chinae Savings Bank's operating revenue increased by 11.1 Billion yen due to change of accounting period
- Guarantee commission received, collection from purchased receivables and real estate sales ,in combine, increased by 1.9 Billion yen

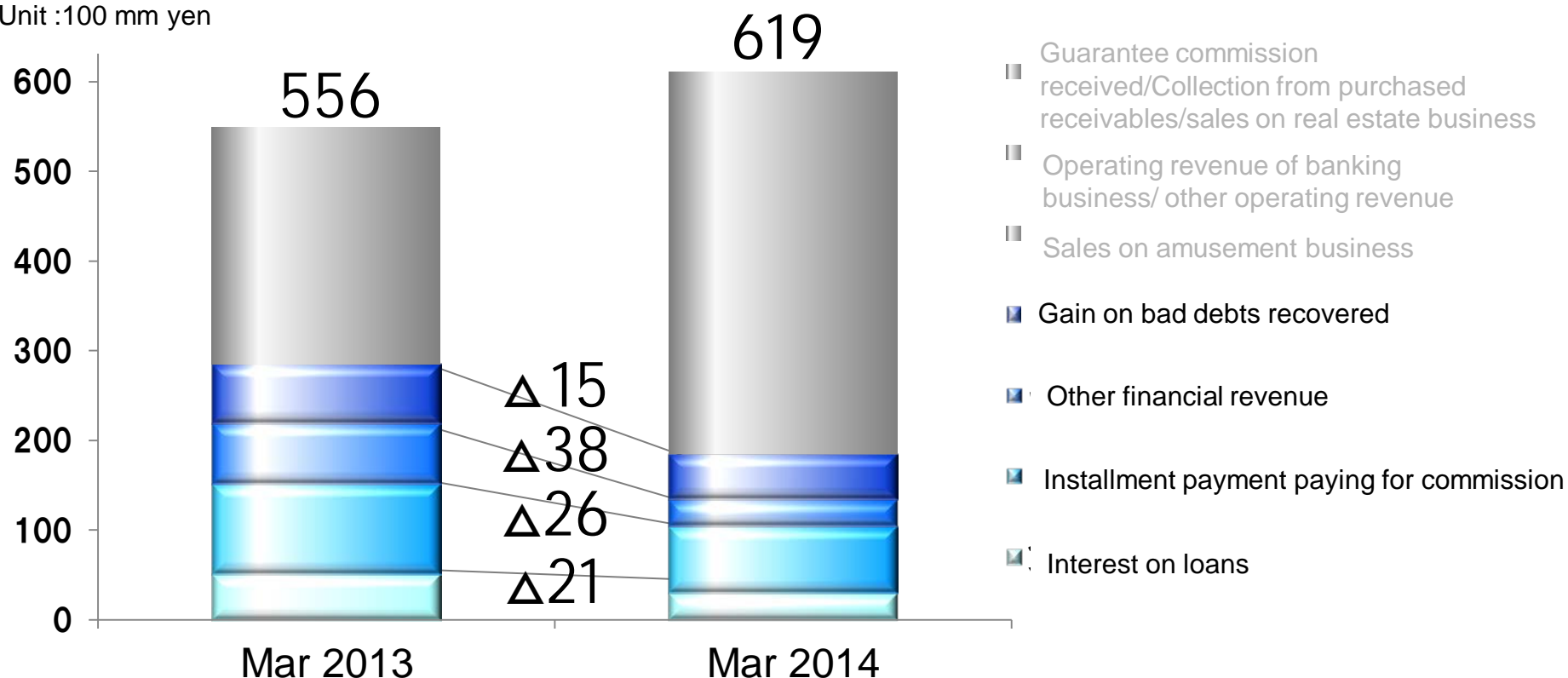
Unit:100 mm yen



Point

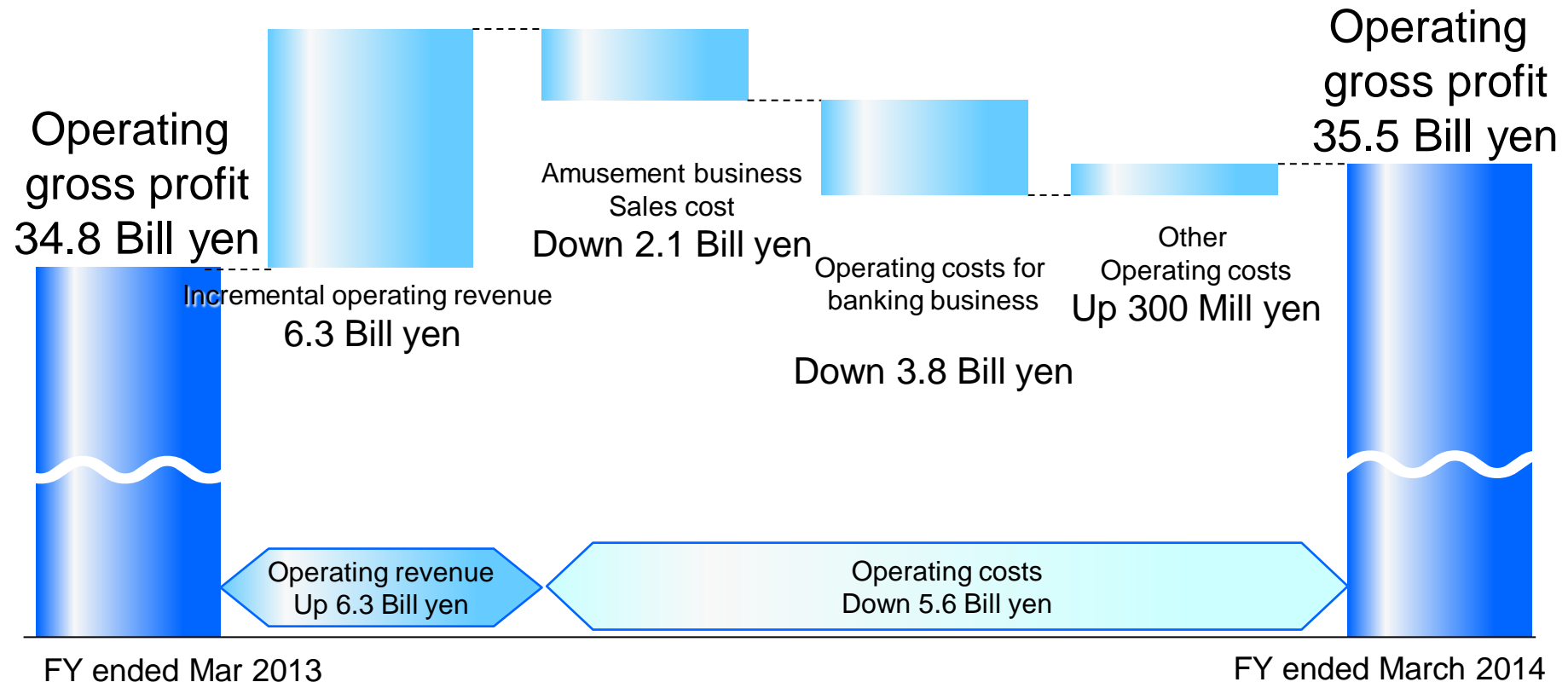
- Due to decline in operating loan balance, loan interest decreased by 2.1 Billion yen
- Due to decline in balance of advance paid-installment, installment payment paying for commission decreased by 2.6 Billion yen
- Due to progress in collection during the FY ended March 2013, other financial revenue decreased by 3.8 Billion yen
- Gain on bad debts recovered of Nihon Hoshou/ KC Card decreased by 1.5 Billion yen

Unit :100 mm yen



Point

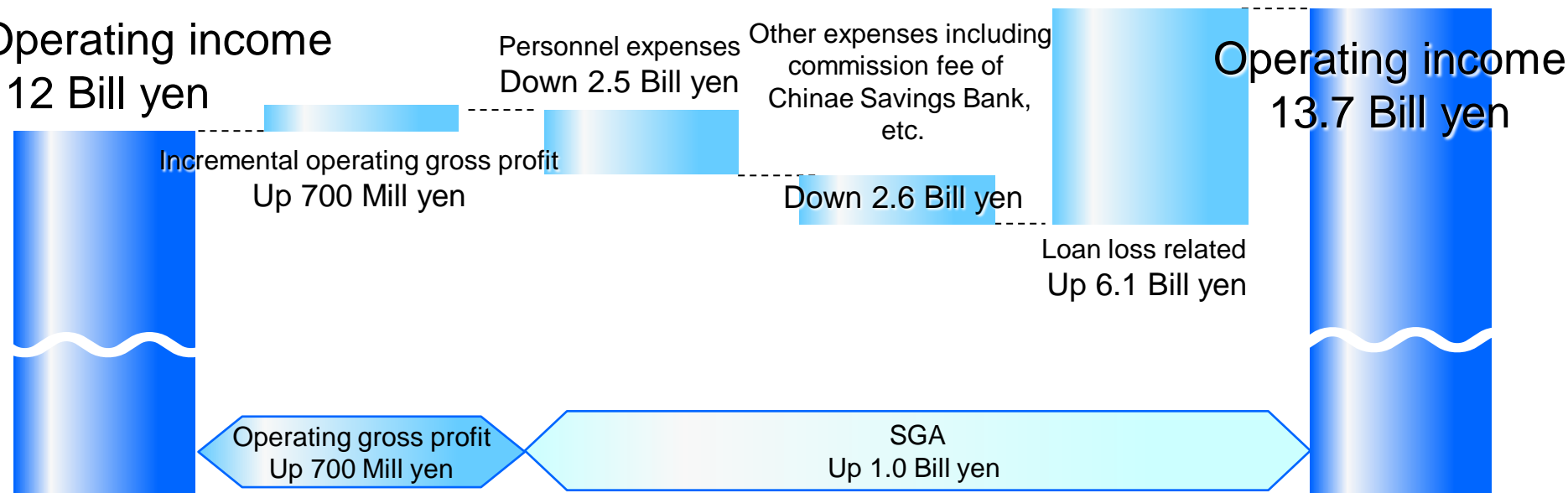
- Due to full-year contribution by amusement business, sales cost increased by 2.1 Billion yen
- Due to change of accounting period, operating costs of banking business increased by 3.8 Billion yen
- Due to increase of operating revenue, operating gross profit rose by 700 Million yen YOY



Point

- Personnel expenses of Adores /Break /Chinae Savings Bank increased by 2.5 Billion yen
- Due to commission hike of Chinae Savings Bank, etc., other expenses increased by 2.6 Billion yen
- Due to full repayment of debts to RCC, provision for loss on guarantees decreased by 5 billion yen. KC Card's provision for loss on interest payments was also down by 1.4 Billion yen
- Operating income increased by 1.7 Billion yen YOY from 12 Billion yen to 13.7 Billion yen

Operating income
12 Bill yen



Operating income
13.7 Bill yen

FY ended Mar 2013

FY ended Mar 2014

Point

- Posted 1.1 billion yen costs for rights offering as non-operating expenses
- Dividend income in non-operating income fell by 700 Million yen
- Ordinary income declined by 400 Million yen YOY from 13.7 Billion yen to 13.3 Billion yen

Unit:100 mm yen

	FY ended Mar13	FY ended Mar 14	Difference
Operating income	120	137	17
Dividend income	9	2	Down 7
Foreign exchange gains	5	2	Down 3
Other	5	6	1
Non-operating income	19	10	Down 9
Stock issuance cost	0	11	11
Other	2	3	1
Non-operating expenses	2	14	Down 12
Ordinary income	137	133	Down 4

Point

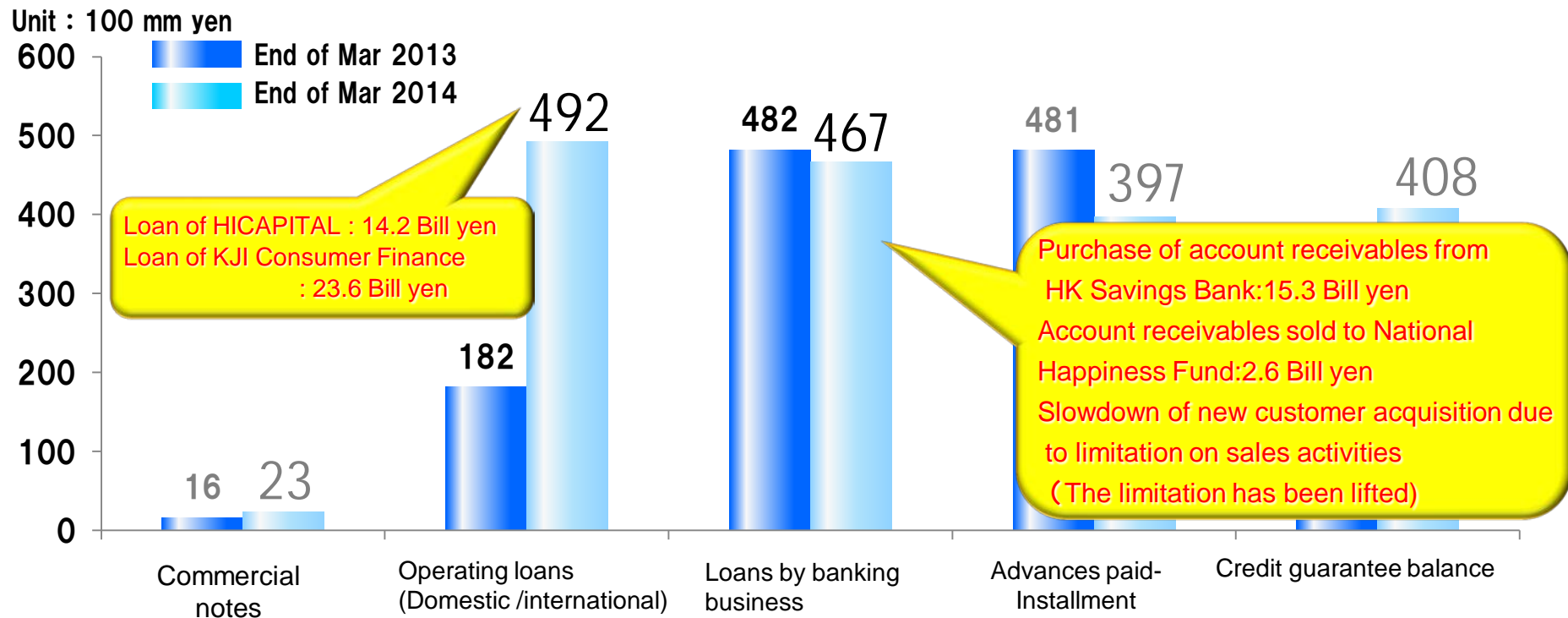
- Posted 1 billion yen gain on negative goodwill from acquisition of HICAPITAL and NUCS,etc.
- Posted 2.9 Billion yen provision for loss on litigation as an extraordinary loss
- Net income fell by 2.2 Billion yen YOY from 13.3 Billion yen to 11.1 Billion yen

Unit :100 mm yen

	FY ended Mar 13	FY ended Mar 14	Difference
Ordinary income	137	133	Down 4
Gain on sales of investment securities	1	4	3
Gain on negative goodwill	3	10	7
Other	2	5	3
Extraordinary income	6	19	13
Provision for loss on litigation	—	29	29
Other	5	6	1
Extraordinary loss	5	35	30
Corporate tax/ minority interests (Down)	5	5	0
Net income	133	111	Down 22

Point

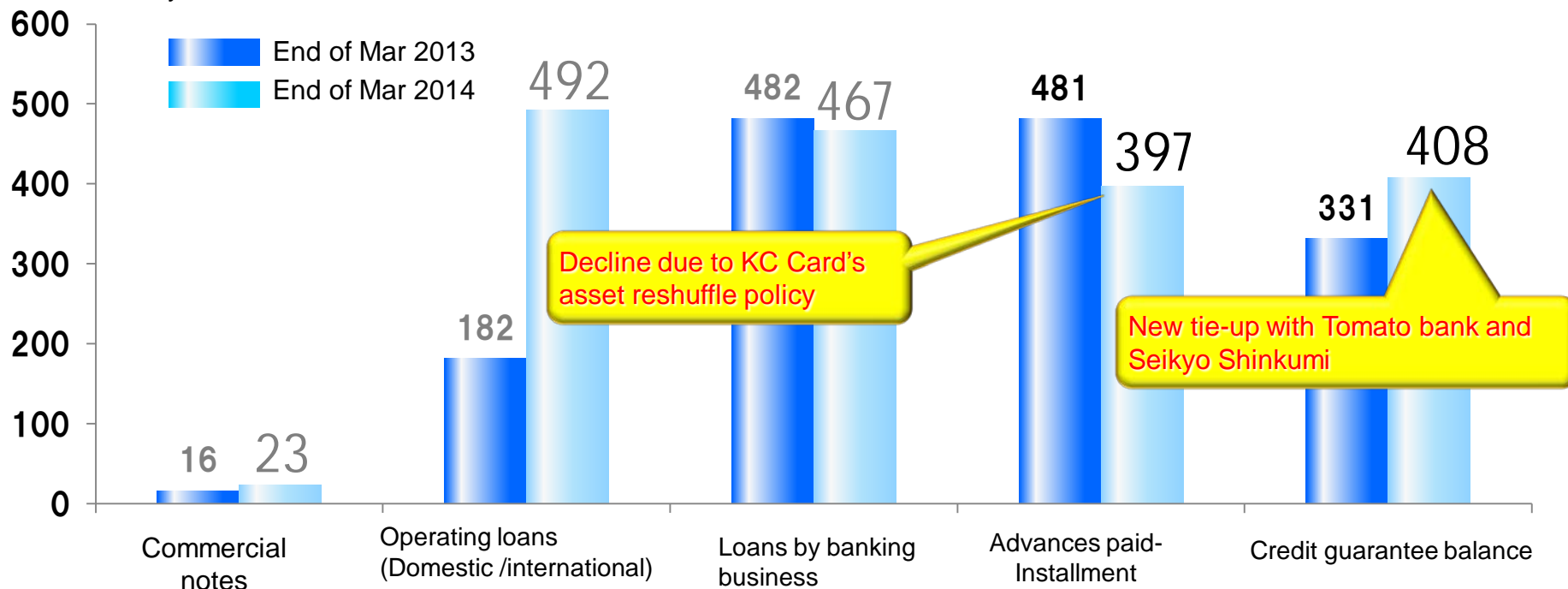
- Acquisition of HICAPITAL and KJI Consumer Finance as consolidated subsidiaries boosted operating loan balance by 31.0 Billion yen to 49.2 billion yen
- Sale of account receivables to National Happiness Fund and limitation on sales activities pushed down loan amount in banking business declined by 1.5 Billion yen to 46.7 Billion yen despite of increase due to purchases of account receivables by HK Savings Bank Co., Ltd.



Point

- Advances paid-installment was hit by KC Card's asset reshuffle initiative aiming for risk reduction, as seen in flat growth of amount of shopping transaction and decline of cashing advance to 39.7 Billion yen
- As for credit guarantee balance, due to tie-up with 2 financial institutions No. of tie-up partners became 8 and credit guarantee balance increased by 7.7 Billion yen to 40.8 Billion yen

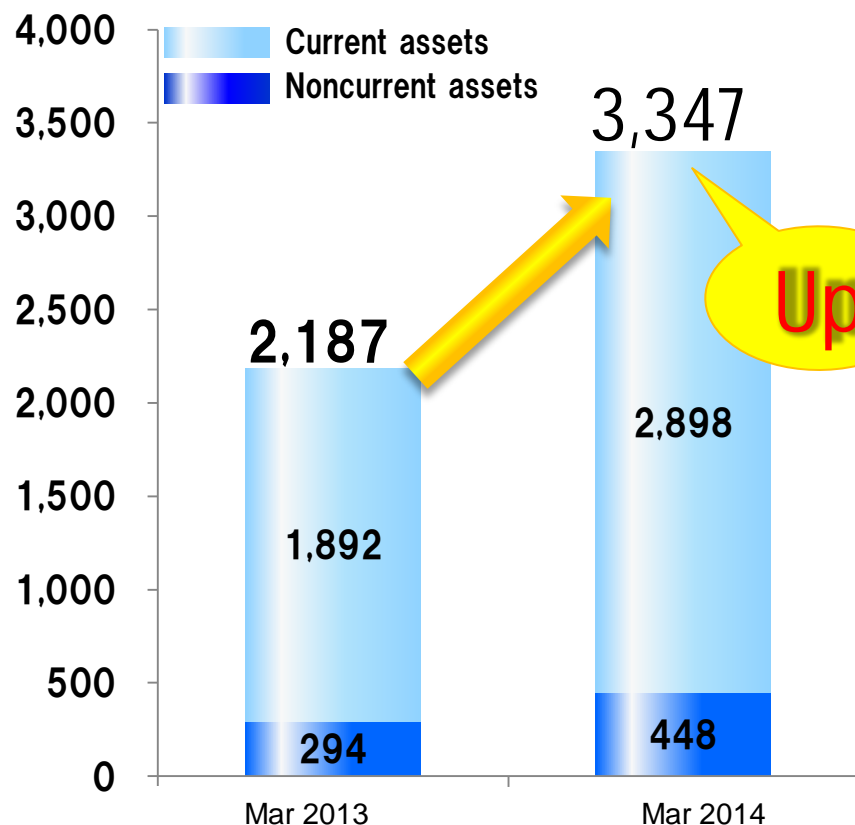
Unit 100 mm yen



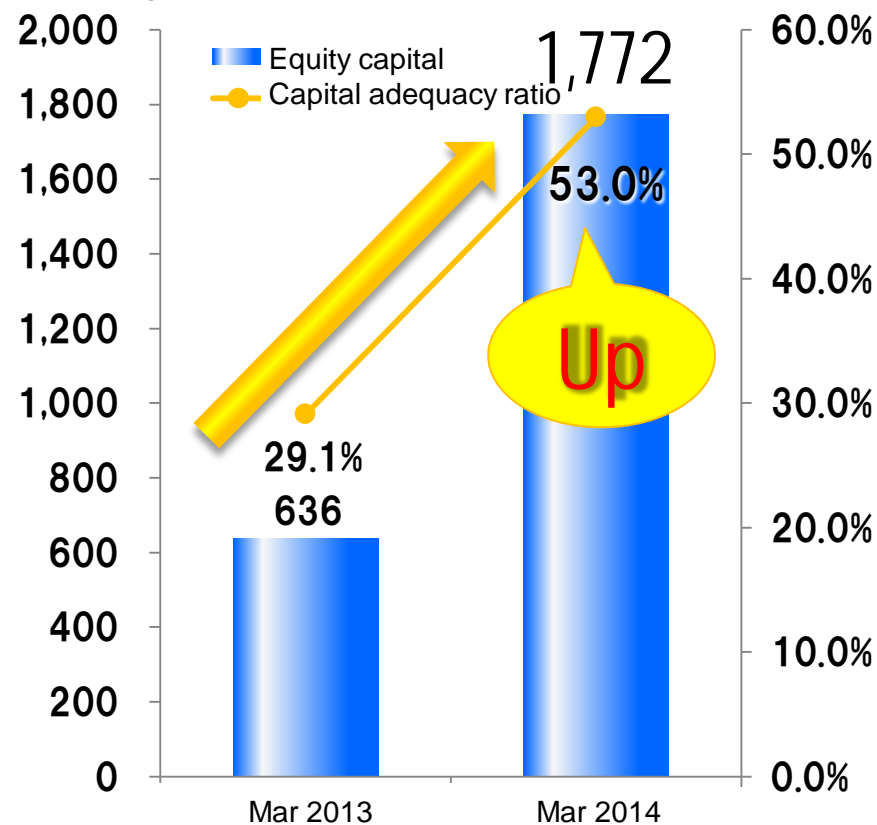
Point

- Consolidated total asset grew by 116.0 billion yen from 218.7 Billion yen to 334.7 billion yen.
- Capital adequacy ratio increased by 23.9 points from 29.1% to 53.0%.

Unit: 100mm yen

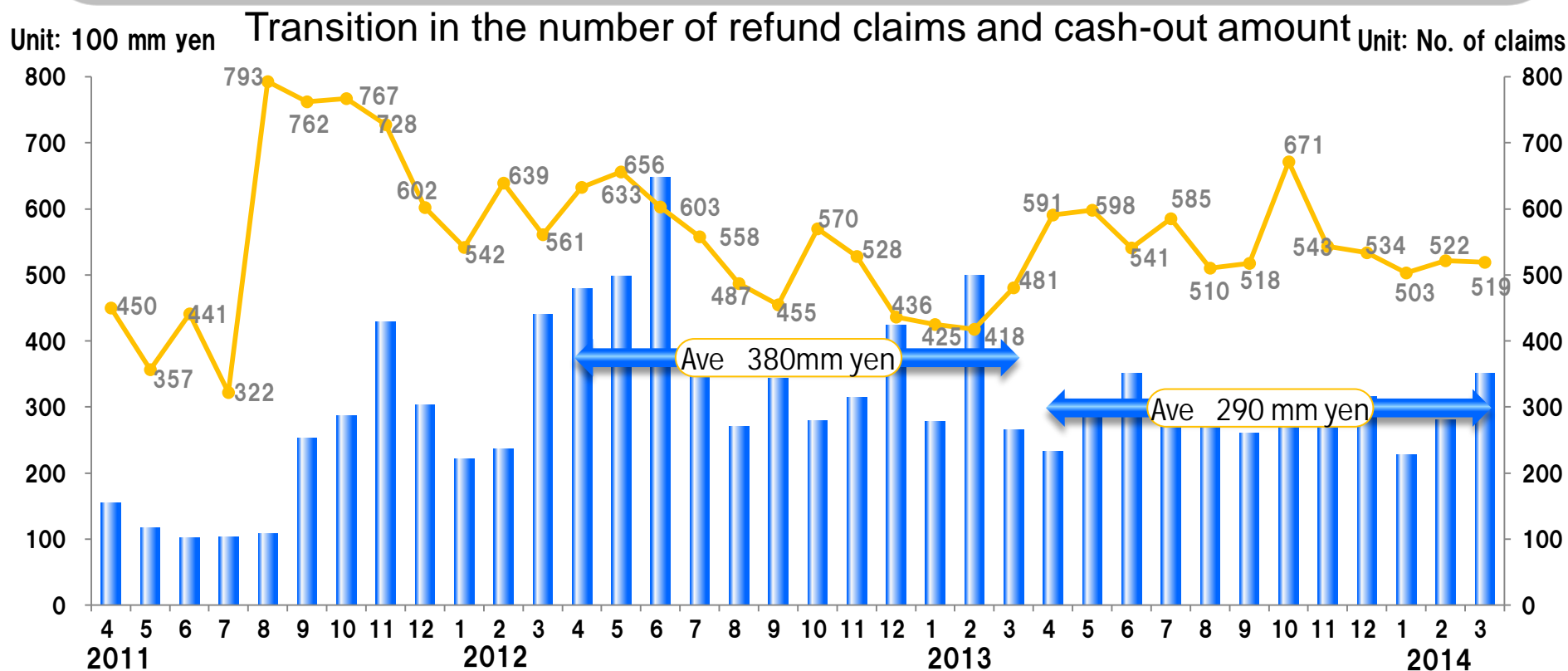


Unit: 100mm yen



Point

- No. of refund claims is expected to be phased out after a slight increase as lawyers conducted investigation on local consumers who have completed payment but yet to exercise their right to file claims.
- After being increased by the Company's policy to promote voluntary settlement, cash-out amount has been in a decline trend.



Reason for delayed disclosure of full-year financial forecast for the fiscal year ending March 2015

Point

➤ As progress of strategy is unsteady, rational forecasting is difficult

1. Earnings of J Trust may be largely affected by results of M&A, account receivable purchases and other investment deals.
2. Business reconstruction plans at new consolidated subsidiaries are under discussion, that have significant impact on earnings of the Company. Accordingly, its financial performance may be affected by progress of required approval filing process.
3. When Chinae Savings Bank posts allowance for doubtful accounts for receivables at the point of one year from their purchase under the new posting method, part of the allowance may be reversed.

Upcoming management strategy based on the current status of the Company

Nobuyoshi Fujisawa
President & CEO

Direction of international business expansion

- M&A and business expansion in South Korea
- Shift from consumer loan business to NPL business

Direction of international business expansion (2)

- Progress status of ongoing M&A projects in Southeast Asia

Direction of domestic financial business



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Engagement in credit card business

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若者向け
ファイナンス事業



Direction of domestic business

■ Current situation of Adores