



J TRUST

Q2 FY12/2019

Earnings Presentation Material

November 2019
J Trust Co., Ltd.

Web version



FY12/2019

- 1. Summary of Consolidated Results in Q2
FY12/2019**
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- VTR: Overview of J Trust Royal Bank
(Cambodia) and Future Growth Strategy**

Disclaimer

- In conjunction with the change in the accounting period, the current period will be nine months from April 2019 to December 2019.
- J Trust has classified the results of Highlights Entertainment, which it sold in FY03/2019, as discontinued operations and has similarly classified “operating revenue”, “operating profit” and “profit before tax” as such in year-on-year (“YOY”) comparisons.
- As a principle, the units listed on each page have been rounded down to the nearest unit of display. In addition, differences listed next to the charts and graphs illustrating YOY comparisons are calculated using the display unit of billions.
- Segment revenue shown here does not include operating revenue from external customers.
- Information regarding forecasts listed in this document is estimated based on the knowledge, opinions and judgement of the company at the time of the document’s creation and contains underlying risks and uncertainties. Therefore, please understand that actual results and the forecast described here are subject to change greatly depending upon various factors such as the business environment.
- This document is intended to provide information about J Trust and is not intended to solicit investments in securities issued by the company.
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1. Summary of Consolidated Results

**Deputy General Manager of
Finance Department
Keiichi Shimamura**

➤ Summary of Consolidated Results

Financial Business in Japan/South Korea & Mongolia

**As in Q1, results continued to be favorable.
Our South Korean segment are projected to exceed the
forecast established at the beginning of the fiscal period.**

Financial Business in Southeast Asia

**In Cambodia, we acquired shares in ANZ Royal Bank and
booked gains incurred from negative goodwill.**

Other

Booked expenses related to share acquisition of banks

➤ We secured a surplus of operating profit.

Consolidated Results (YOY)

	Q2 FY03/2019 (2018/4/1~2018/9/30)	Q2 FY12/2019 (2019/4/1~2019/9/30)	Difference
Operating revenue[※]	36.5 billion JPY	36.3 billion JPY	-0.2 billion JPY
Operating profit[※]	0.02 billion JPY	0.1 billion JPY	+0.1 billion JPY
Profit before tax[※]	1.1 billion JPY	-0.4 billion JPY	-1.5 billion JPY
Profit (or loss) attributable to owners of parent	-2.1 billion JPY	-1.2 billion JPY	+0.9 billion JPY

※ Operating revenue, Operating profit, and Profit before tax do not include amounts resulting from discontinued operations.

➤ Operating revenue remained largely unchanged year-on-year.

Operating revenue by segment (YOY)

	Q2 FY03/2019 (2018/4/1~2018/9/30)	Q2 FY12/2019 (2019/4/1~2019/9/30)	Difference
Financial Business in Japan	4.8 billion JPY	4.9 billion JPY	+0.1 billion JPY
Financial Business in South Korea and Mongolia	20.2 billion JPY	18.9 billion JPY	-1.3 billion JPY
Financial Business in Southeast Asia	6.2 billion JPY	5.8 billion JPY	-0.4 billion JPY
Investment Business	0.5 billion JPY	0.4 billion JPY	-0.1 billion JPY
Non-financial Business (Entertainment and Real Estate)	3.1 billion JPY	5.5 billion JPY	+2.4 billion JPY
Other business	1.5 billion JPY	0.4 billion JPY	-1.1 billion JPY
Consolidated operating revenue	36.5 billion JPY	36.3 billion JPY	-0.2 billion JPY

Amounts shown do not include discontinued operations.

- After subtracting company-wide expenses, the combined total of each business segment resulted in a surplus.

Operating profit by segment (YOY)

	Q2 FY03/2019 (2018/4/1~2018/9/30)	Q2 FY12/2019 (2019/4/1~2019/9/30)	Difference
Financial Business in Japan	2.1 billion JPY	2.2 billion JPY	+0.1 billion JPY
Financial Business in South Korea and Mongolia	2.4 billion JPY	4.2 billion JPY	+1.8 billion JPY
Financial Business in Southeast Asia	-2.4 billion JPY	-1.9 billion JPY	+0.5 billion JPY
Investment Business	-0.2 billion JPY	-1.0 billion JPY	-0.8 billion JPY
Non-financial Business (Entertainment and Real Estate)	0.0 billion JPY	0.2 billion JPY	+0.2 billion JPY
Other business	0.0 billion JPY	-0.1 billion JPY	-0.1 billion JPY
(Adjustments, etc.)	-1.9 billion JPY	-3.5 billion JPY	-1.6 billion JPY
Consolidated operating profit	0.0 billion JPY	0.1 billion JPY	+0.1 billion JPY

Amounts shown do not include discontinued operations.

2. Results By Segment

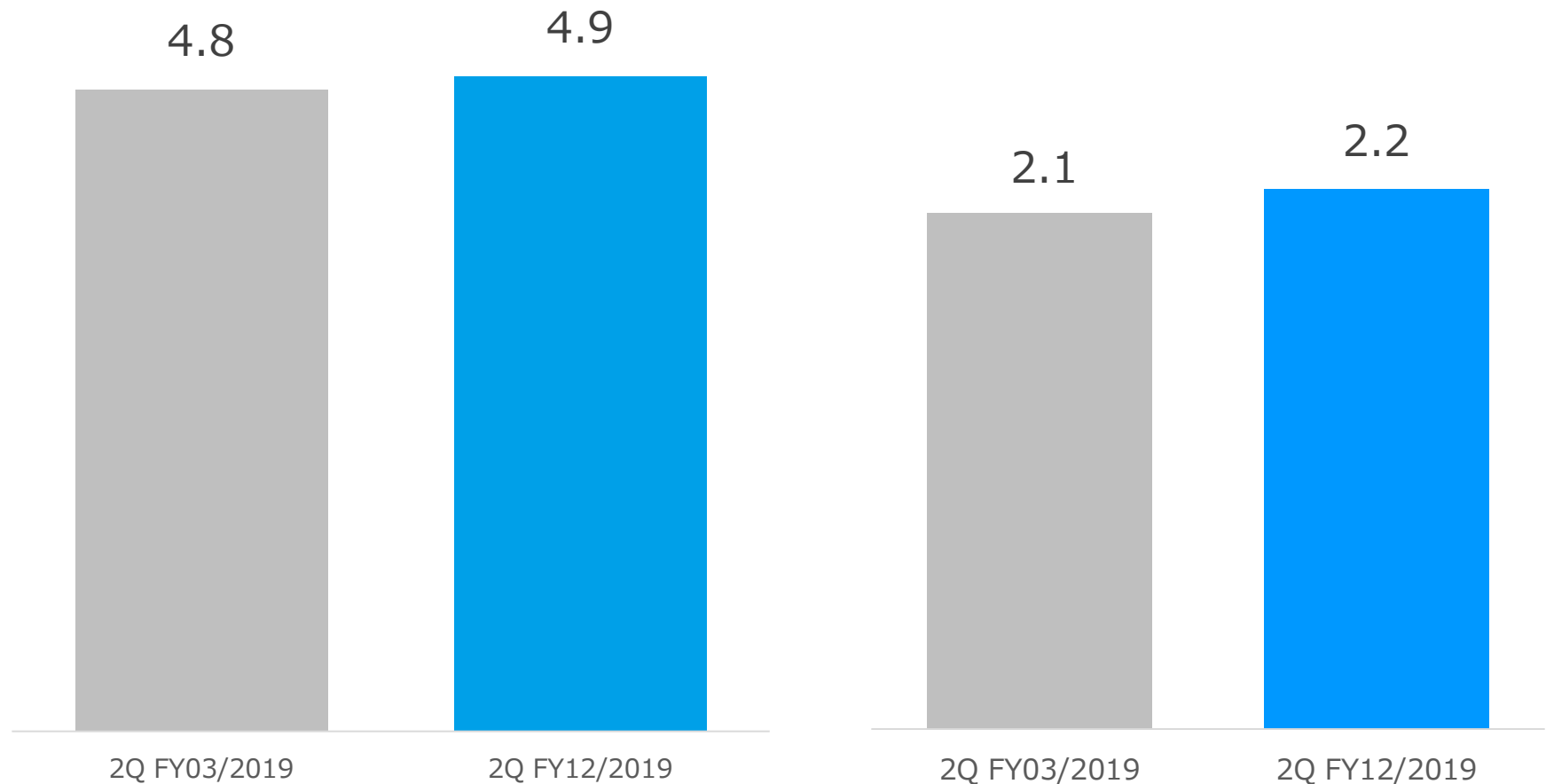
2 – 1. Financial Business in Japan

- Both operating revenue and operating profit continued to be stable.

Operating revenue

Operating profit

Unit: Billions of yen



- The outstanding balance of credit guarantees increased by 34.9 billion yen year-on-year.

Outstanding balance of credit guarantees

Unit: Billions of yen

Light blue = Condominium loan guarantees
Yellow = Overseas property-backed loan guarantees
Blue = Other guarantees



➤ We are expanding our product lineup to include new guarantees and increase our outstanding guarantee balance.

- ✓ Released 3 guarantee products for property-backed loans; all three reached the target amount within 24 hours.
- ✓ Increased the number of partnerships with banks for guarantees on overseas property-backed loans; assets are steadily increasing as well.

運用中 満額成立

SAF日本保証不動産ローンファンド1号

日本保証 × SAMURAI証券

目標利回り (税引前)	運用期間	募集上限金額
5 %	11.5 ヶ月	1,300万円
		目標募集金額 100万円

運用中 満額成立

SAF日本保証不動産ローンファンド2号

日本保証 × SAMURAI証券

目標利回り (税引前)	運用期間	募集上限金額
4 %	22.9 ヶ月	2,300万円
		目標募集金額 100万円

運用中 満額成立

日本保証 保証付き SAFさくらビジネスローンファンド1号

日本保証 × SAMURAI証券

目標利回り (税引前)	運用期間	募集上限金額
4 %	11.5 ヶ月	5,000万円
		目標募集金額 100万円

東京スター銀行の「ハワイ不動産担保ローン」

— HAWAIIAN ESTATE SECURED LOAN —

柔軟かつ幅広い用途にご利用いただけます。円建て 固定金利 年2.8%

- ハワイ州オアフ島オアフに所在する賃貸不動産の返済入会金
- 12箇月の貸付で輸入家具の返済に活用可能なエクステリアファイナンスも対応となります
- 現地エリアに滞在する賃貸不動産を担保とした仕入れ期間からの仕入れ資金
- 日本国内で生まれる事業に活用する資金 等

詳しくはこちらをご覧ください。お問い合わせ先 0120-505-311

東京スター銀行

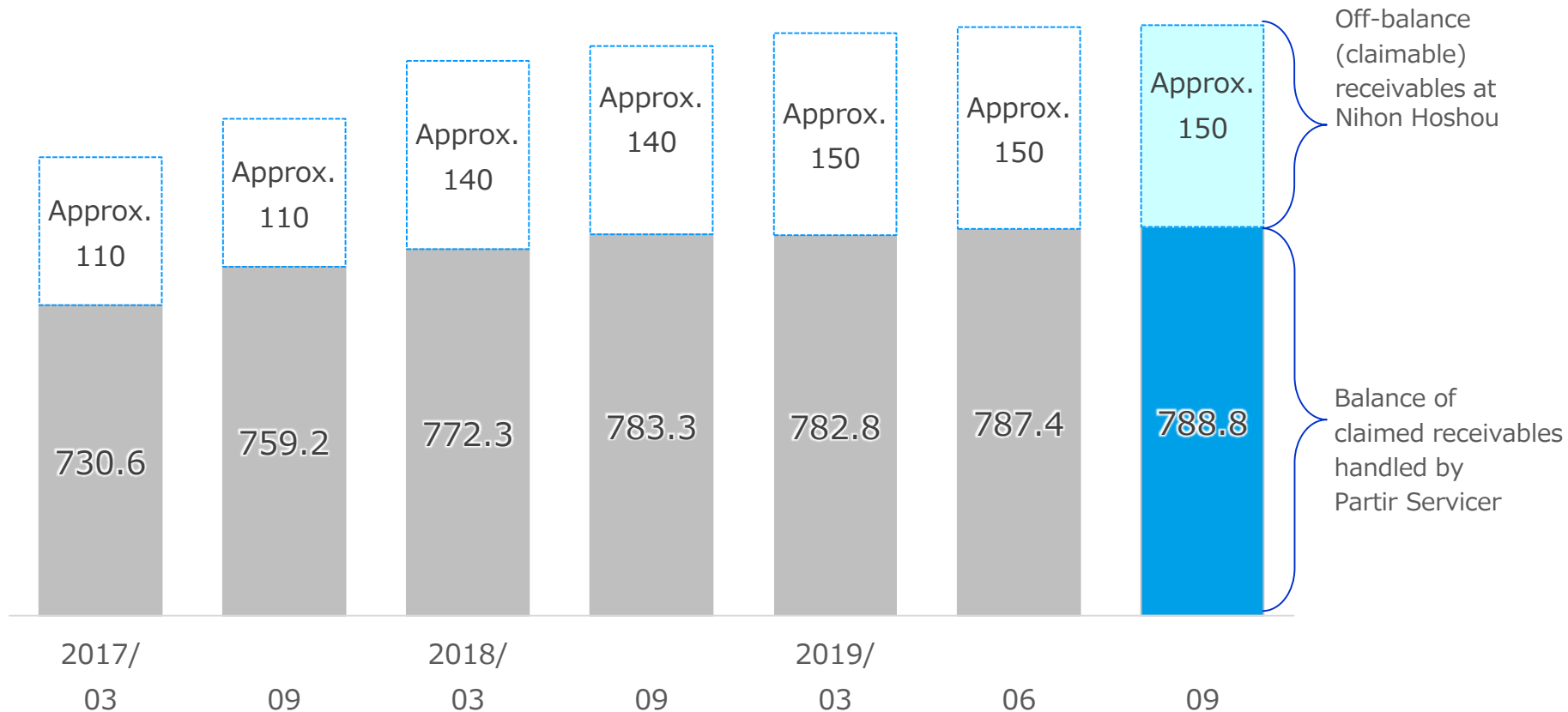


➤ Purchases of NPLs continued to be successful.

Unit: Billions of yen

Balance of claimed receivables in servicer business

Total:
900+ billion



Balance includes both purchased and claimed receivables.
Balance includes some on-balance receivables.

2. Results By Segment

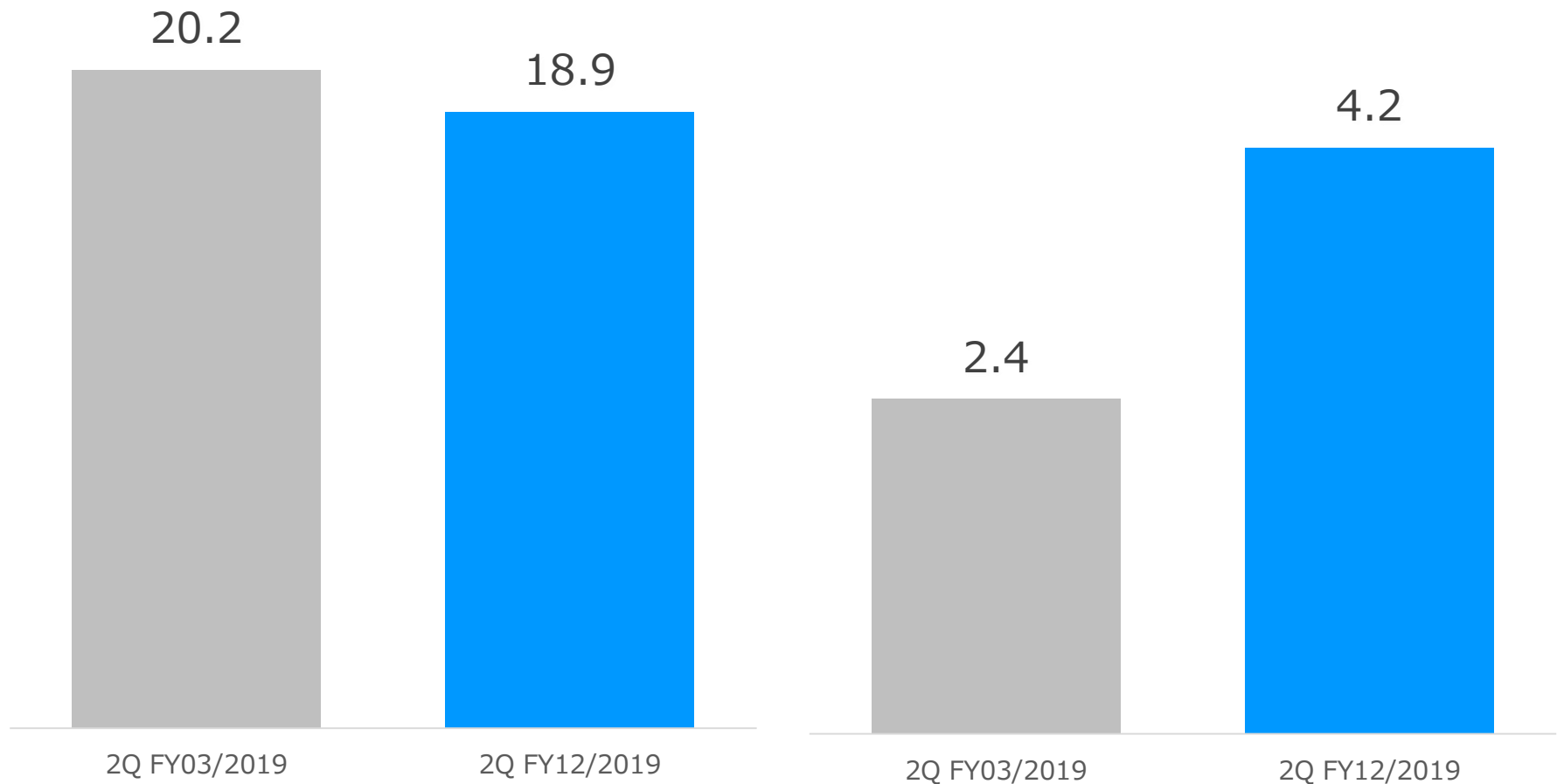
2 – 2. Financial Business in South Korea and Mongolia

- Operating revenue decreased YOY due to a decline in average loan interest rates.
- The full-year target for operating profit was achieved due to, among other things, a decrease in provisions against potential loan losses.

Operating revenue

Operating profit

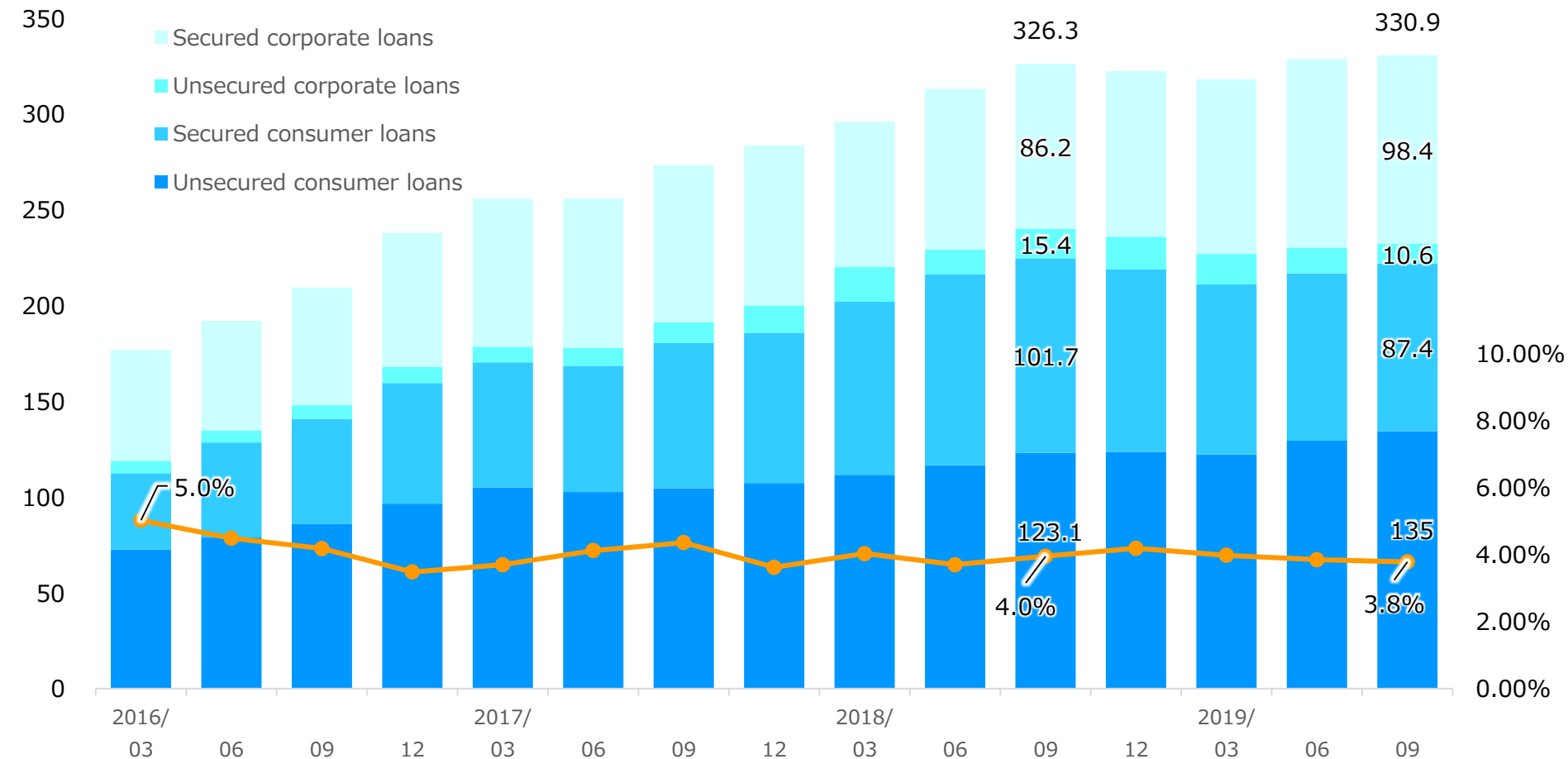
Unit: Billions of yen



- Loans delinquent over 90 days remained at a low level.
- We worked toward accumulating stable assets while focusing on the assets' "quality".

Loan portfolio (bar graph) and balance of loans delinquent over 90 days at three companies (line graph)

Unit: Billions of yen

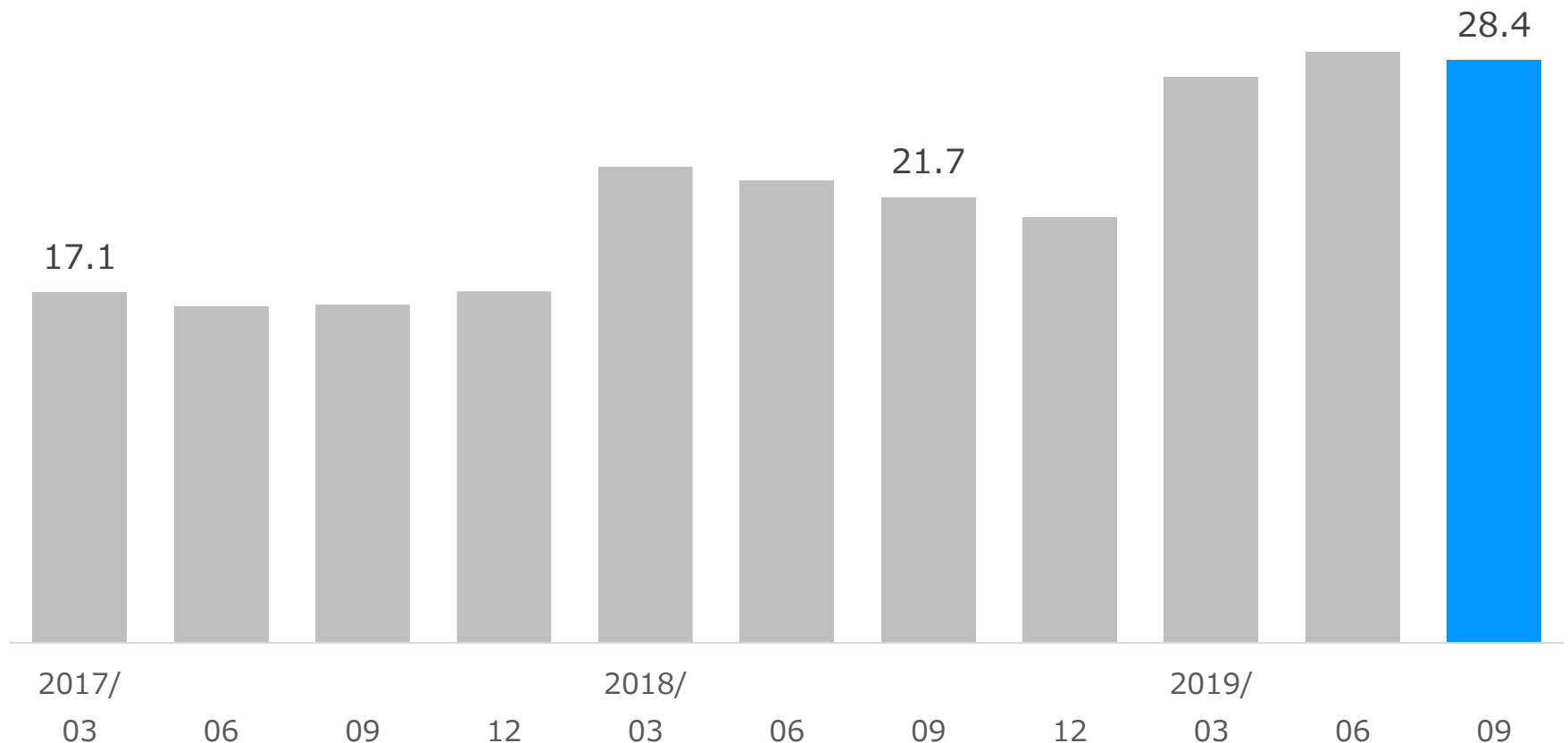


Combined total of JT Chinae Savings Bank JT Savings Bank and JT Capital
 Figures are displayed in local currency and multiplied by the following rate:
 Reference rate: 1 KRW = 0.0899 JPY (Closing rate on September 30th, 2019)

- Due to the rising price of non-performing loans, we are currently watching the situation to consider new purchases of receivables.

Unit: Billions of yen

Balance of receivables at TA Asset Management



Figures are displayed in local currency and multiplied by the following rate:
1 KRW = 0.0899 JPY (Closing rate on September 30th, 2019)

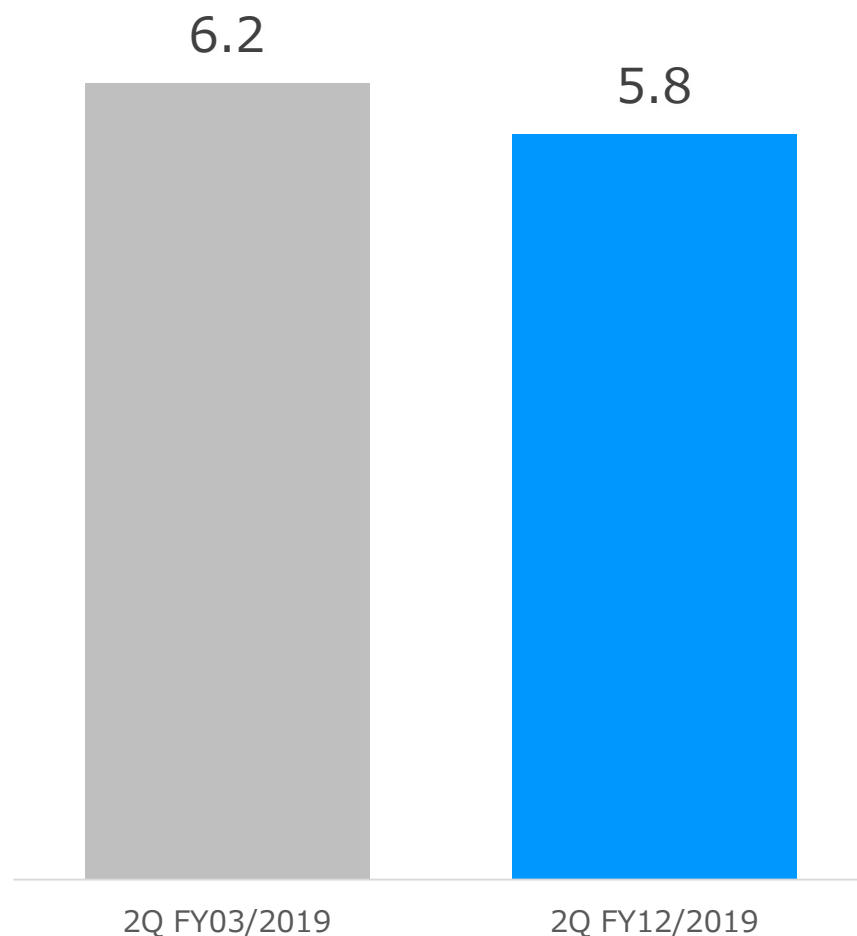
2. Results By Segment

2 – 3. Financial Business in Southeast Asia

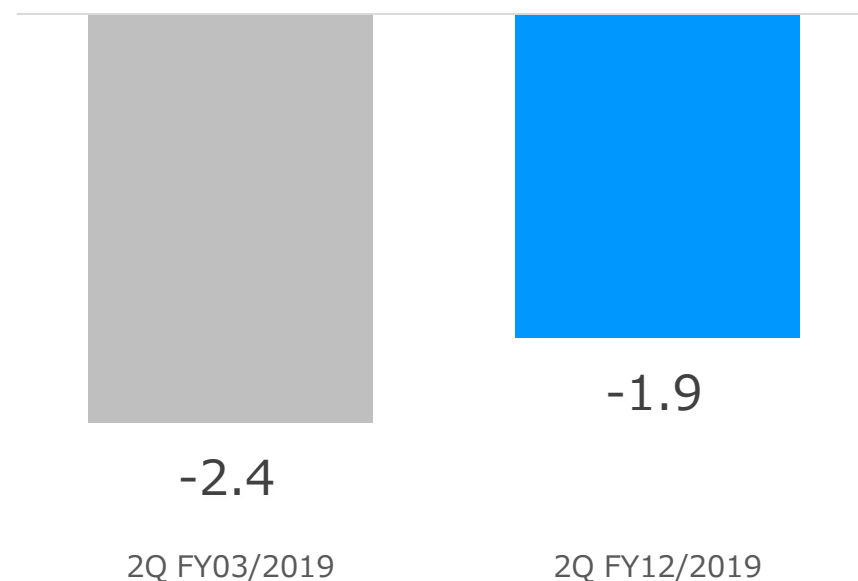
- Operating profit improved YOY due to gains incurred through negative goodwill following the acquisition of shares in ANZ Royal Bank.

Unit: Billions of yen

Operating revenue



Operating profit



- Starting in Q2, the Indonesian and Cambodian business segments have been tallied together.

Summary By Country

Q2 FY12/2019	Indonesia (Total of 3 companies)	Cambodia	Transactions between segments, other (Goodwill, etc.)	Total for Financial Business in Southeast Asia
	JTrust Bank JTRUST INVESTMENTS JTRUST OLYMPINDO	J Trust Royal Bank		
Operating revenue	5.6 billion JPY	0.4 billion JPY	-0.2 billion JPY	5.8 billion JPY
Operating profit	-4.2 billion JPY	0.1 billion JPY	2.2 billion JPY	-1.9 billion JPY

Indonesia

- As the bank's loan balance is currently below the break-even point, a return to profitability on a monthly basis is expected to occur in the next fiscal year or later.
- Currently rebuilding our three-pronged system of bank, nonbank and servicer companies

Cambodia

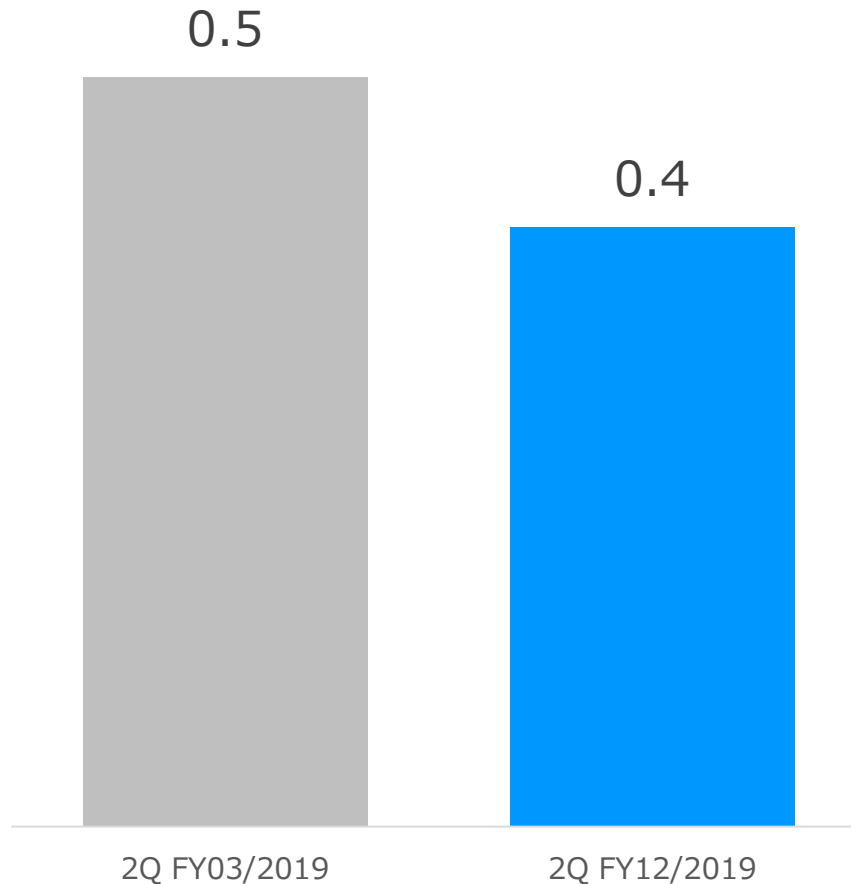
- The period of incorporation for J Trust Royal Bank's consolidated results consist of 42 days from August 19th to September 30th.
- 2.2 billion JPY booked in gains from negative goodwill

2. Results By Segment

2 – 4. Investment Business

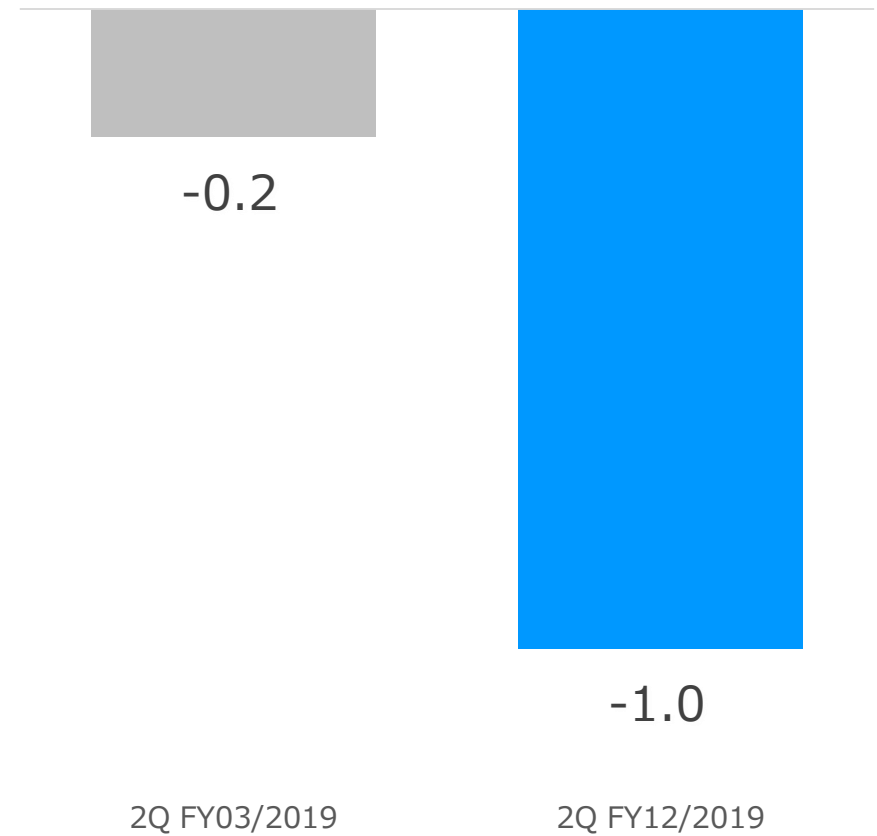
- SG&A expenses increased due to an increase in litigation costs.

Operating revenue



Operating profit

Unit: Billions of yen



2. Results By Segment

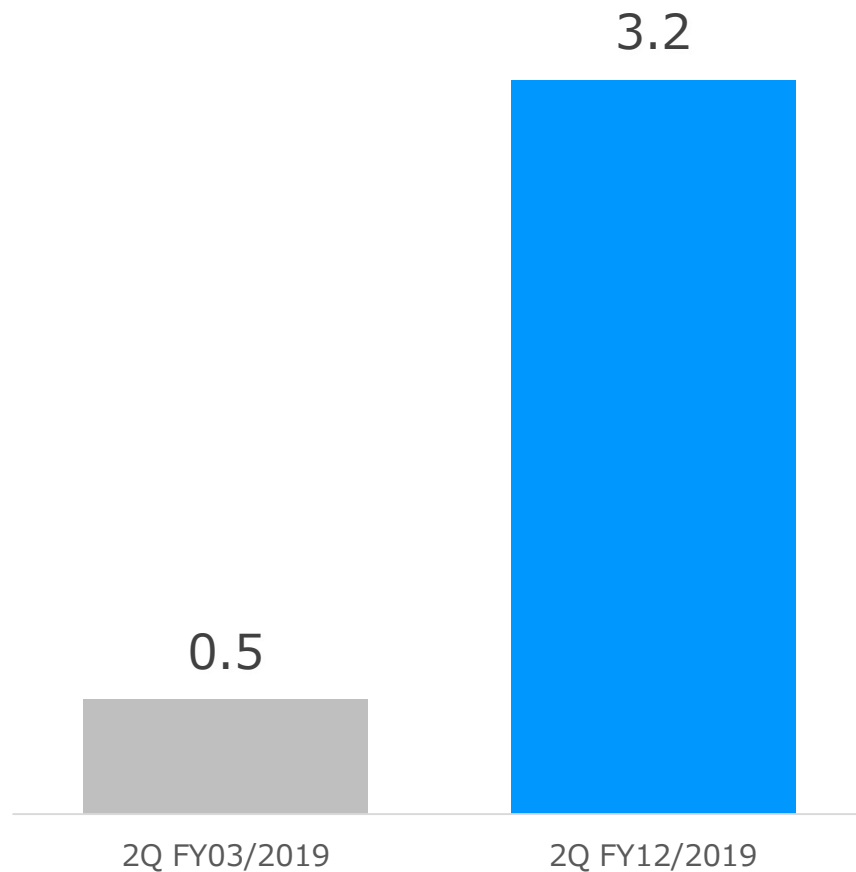
2 – 5. General Entertainment and Real Estate Business

(General Entertainment Business)

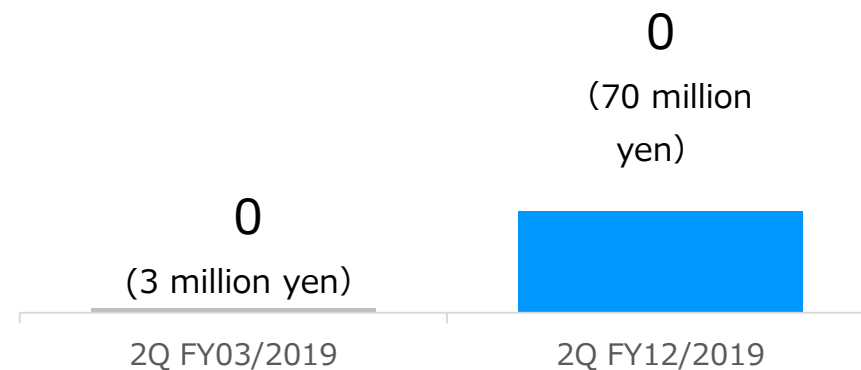
- Both revenue and profit increased in conjunction with business expansion through M&A

Unit: Billions of yen

Operating revenue



Operating profit



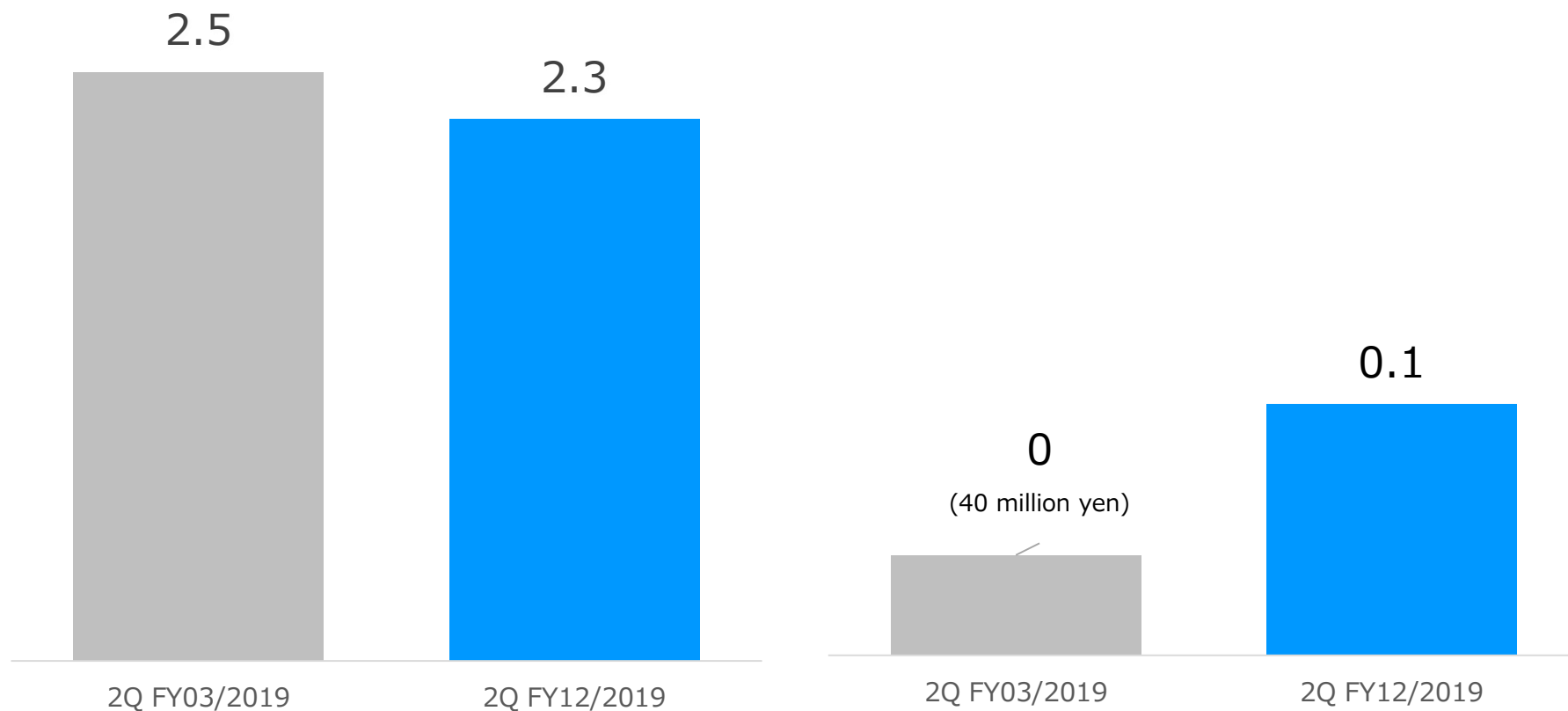
(Real Estate Business)

- Cuts to administrative expenses and gains booked from the sale of fixed assets led to an increase of operating profit year-on-year.

Operating revenue

Operating profit

Unit: Billions of yen



3. Forecast for Consolidated Results in FY12/2019

➤ Assumed conditions for consolidated results forecast

- J Trust adopts the average exchange rates from the time when the company entered each country until March 30th, 2019.

1 SGD : 82.63 JPY

1 IDR : 0.0084 JPY

1 MNT : 0.0437 JPY

1 KRW : 0.093 JPY

1 USD : 110.99 JPY

Furthermore, closing rates from September 30th, 2019 are as follows:

1 SGD : 78.08 JPY

1 IDR : 0.0076 JPY

1 MNT : 0.0404 JPY

1 KRW : 0.0899 JPY

1 USD : 107.92 JPY

- Figures for Investment Business do not reflect any gains or losses other than those which normally occur.

➤ Results Forecast By Segment and Progress Status

Operating Revenue and Operating Profit By Segment

		FY12/2019 End Forecast ※9 mos. from 4/1~12/31	2Q FY12/2019 Actual Results ※6 mos. from 4/1~9/30	Progress
Financial Business in Japan	Operating revenue	6.9 billion yen	4.9 billion yen	71%
	Operating profit	2.9 billion yen	2.2 billion yen	76%
Financial Business in South Korea & Mongolia	Operating revenue	28.9 billion yen	18.9 billion yen	65%
	Operating profit	3.3 billion yen	4.2 billion yen	127%
Financial Business in Southeast Asia	Operating revenue	12.9 billion yen	5.8 billion yen	45%
	Operating profit	-1.7 billion yen	-1.9 billion yen	-
Investment Business	Operating revenue	1.0 billion yen	0.4 billion yen	40%
	Operating profit	-0.6 billion yen	-1.0 billion yen	-
Non-financial Business	Operating revenue	13.3 billion yen	5.5 billion yen	41%
	Operating profit	0.4 billion yen	0.2 billion yen	50%
Company-wide expenses/Consolidated adjustments/Other	Operating revenue	1.3 billion yen	0.8 billion yen	-
	Operating profit	-4.3 billion yen	-3.6 billion yen	-
Consolidated total	Operating revenue	64.3 billion yen	36.3 billion yen	56%
	Operating profit	0.06 billion yen	0.1 billion yen	167%

