The following is an English translation of The Company's System and Policy to Implement Appropriate and Efficient Operations, Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements of J Trust Co., Ltd.
The Company provides this translation for your reference and convenience only and without any warranty as to its accuracy.

Matters for Internet Disclosure under Laws and Regulations and the Articles of Incorporation

The Company's System and Policy to Implement Appropriate and Efficient Operations

Notes to Consolidated Financial Statements

Notes to Non-Consolidated Financial Statements

(from April 1, 2015 to March 31, 2016)

J Trust Co., Ltd.

"The Company's System and Policy to Implement Appropriate and Efficient Operations", "Notes to Consolidated Financial Statements" and "Notes to Non-Consolidated Financial Statements" are provided to our shareholders by posting the same on the Company's website (www.jt-corp.co.jp/en) pursuant to laws and regulations, and Article 15 of our Articles of Incorporation.

The Company's system and policy to implement appropriate and efficient operations

Overview of decisions regarding the Company's system and policy to implement appropriate and efficient operations and the implementation status thereof is as shown below. (latest revision: April 9, 2015)

1. System to ensure that execution of duties by directors and employees of the Company and its subsidiaries conforms to laws, regulations and the Articles of Incorporation

(1) The Company shall stipulate "Code of Ethics," "Corporate Philosophy" and "Behavioral Principles" as the basis of management. The Company and its subsidiaries, in accordance with its size and business characteristics, shall reinforce efficiency in business operation, accuracy of information, and compliance system in pursuit of sound business operation. To put these policies into practice, the Company shall strictly adhere to a code of conduct and ethics based on "Compliance Rules," and others as well as complying with laws, regulations and the Articles of Incorporation. Moreover, directors and employees of the Company and its subsidiaries shall take the initiative in compliance with and spread of these social norms, ethics, laws and regulations, etc. in order to carry out fair and sound corporate activities and attain harmony with society.

(2) The Company shall further reinforce compliance system through "Compliance and Risk Management Committee" established to oversee, review, and improve the internal compliance system stated above.

(3) The Company shall establish an internal control system regarding financial reporting to ensure reliability of financial reporting. The Company shall maintain and improve its system through regular assessment of the implementation status.

【Overview of implementation status】

(1) The Company has developed a "Code of Ethics," "Corporate Philosophy," and set of "Behavioral Principles" and has disseminated them via the internal groupware, etc. for thorough implementation thereof.

(2) The Company held Compliance and Risk Management Committee meetings 4 times during the business year under review to report on the status of compliance with laws and regulations and issues in the Company Group and discuss the causes giving rise to compliance issues, measures to be taken, and strategies to improve the status of compliance.

(3) Internal Control and Audit Office of the Company makes the assessment of internal control over financial reporting covering each of business locations of the Company Group and makes improvements, if necessary.

2. System concerning storage and management of information pertaining to execution of duties by directors of the Company and system concerning reporting to the Company pertaining to execution of duties by directors and other relevant personnel of its subsidiaries

(1) Based on "Document Management Rules," legal minutes, minutes of the Management Meetings and other documents pertaining to execution of important duties, together with their appendices, shall be properly stored and managed by the relevant department of the Company as prescribed by internal rules. These documents can be accessed at any time by directors and Audit & Supervisory Board Members of the Company.

(2) Based on "Document Management Rules for Affiliates," directors and other relevant personnel of the Company's subsidiaries shall report matters concerning the execution of duties by directors and other relevant personnel of subsidiaries by submitting copies, etc. of legal minutes and other documents. These documents can be accessed at any time by directors and Audit & Supervisory Board Members of the Company.

【Overview of implementation status】

(1) The relevant department of the Company has properly stored and managed legal minutes of the meetings of the Board of Directors, minutes of the Management Meetings, and other documents for the storage periods prescribed in the “Document Management Rules.” When so requested, the relevant department has appropriately made them available to a Director or Audit & Supervisory Board Member of the Company.

(2) The Corporate Management Department of the Company receives a copy of legal minutes of the meetings of subsidiaries from time to time and stores and manages them. When so requested, the relevant department has appropriately made them available to a Director or Audit & Supervisory Board Member of the Company.

3. Rules and system pertaining to management of potential loss at the Company and its subsidiaries

Risk management shall be addressed in the following manner.

(1) Based on “Risk Management Rules,” the Company shall prescribe basic policy and structure concerning operational risk management to raise employee awareness toward risks at all times.

(2) Based on the rules stated above, the Company shall establish “Risk Management Manual,” which covers detailed procedure and extract and assess information pertaining to potential risks, so that it can address such risks promptly and practically.

(3) The main task of risk management team is to accurately forecast and organize expected future risks inside and outside of the Company. Led by the risk management team, the Company shall further strengthen risk management structure within each department of the Company and its subsidiaries.

(4) Should any contingencies arise despite above initiatives, the Company shall establish a task force with chief risk supervisor as a general manager, to promptly investigate and take countermeasures.

【Overview of implementation status】

(1) The Company specifies the policies and systems relating to risk management in the “Risk Management Rules” and strives to enhance the awareness of risks by thoroughly disseminating the “Risk Management Rules” via the internal groupware, etc.

(2)(3)The Company has established the process to extract and assess risk information in the “Risk Management Manual” and has properly implemented the manual. The manual specifies the defined risk collection approach and risk management process and the Company promptly and practicably addresses future risks or potential risks that may take place in and out of the Company in accordance with the manual.

(4) The Risk Management Rules of the Company specifies the procedures to create a relevant task force and decide and implement measures when any unexpected incident requiring action takes place. For the business year under review, there are no applicable items.

4. System to ensure effective execution of duties by directors of the Company and its subsidiaries

(1) The Board of Directors of the Company passes a resolution concerning important management issues and individual projects at a regular monthly meeting of the Board of Directors and an extraordinary meeting of the Board of Directors that is held as

needed. The Board of Directors of subsidiaries also passes resolutions on important management issues and individual projects at a regular meeting of the Board of Directors and an extraordinary meeting of the Board of Directors that is held as needed. Moreover, the Management Meeting is held, attended by executives of the Company and subsidiaries, to track the performance and progress of each department, to examine the execution of duties and to implement appropriate measures.

(2) An online approval system, which can be accessed from outside the Company, expedites the decision-making process. Through this system, requests can be reviewed and approval can be obtained for any issues under consideration, further accelerating the decision-making process and enhancing management efficiency.

(3) With regard to the execution of duties based on decision, director in charge shall give instructions to each person in charge for execution, according to “Organization Rules,” “Policies of Division of Duties” and “Policies of Administrative Authority,” etc. If the issue concerns multiple departments, necessary coordination is made between directors in charge of the departments, to ensure efficient implementation system.

【Overview of implementation status】

(1) The Company held 12 regular meetings of the Board of Directors and 10 extraordinary meetings of the Board of Directors during the business year under review and adopted relevant resolutions on significant issues concerning corporate management and other issues arising on an ad hoc basis.
The subsidiaries hold regular meetings of their Boards of Directors every three months at minimum, as well as extraordinary meetings when necessary, to adopt relevant resolutions on significant issues concerning the corporate management and other issues arising on an ad hoc basis. In addition, relevant management meetings are held for each operating segment to discuss management policies and work execution policies and determine measures to achieve them.

(2) In order to achieve prompt decision-making on issues requiring approval, the Company has put an online approval system in place which could be accessed outside of the Company.

(3) The Company has clarified the segregation of duties for respective division and department and roles of each position and established the system to ensure the organizational and efficient operation of businesses by developing “Organization Rules,” “Policies on the Division of Duties,” and “Policies on Administrative Authority.”

5. System to ensure proper operation as a group constituted by the Company and its subsidiaries

(1) As a general rule, employees of the Company shall assume the offices of directors or Audit & Supervisory Board Members, to oversee if operations at subsidiaries are properly carried out. Also, at subsidiaries, the Company’s Internal Audit Team, Audit & Supervisory Board Members and the Audit & Supervisory Board shall be able to conduct a direct audit and report its results directly to the President & CEO of the Company.

(2) The general accounting & finance team is in charge of management of subsidiaries’ accounting figures and supervises preparation of consolidated financial statements.

(3) At the Management Meeting attended by executives of the Company and its subsidiaries, discussions are made pertaining to execution of duties at subsidiaries and appropriate countermeasures are implemented.

(4) In principle, the Board of Directors is installed for all corporations inside the Group.

【Overview of implementation】

(1) In principle, employees of the Company assume the offices of directors or Audit & Supervisory Board members of subsidiaries to oversee if operations at subsidiaries are

properly carried out. In addition, the Company has developed a system under which the Internal Control and Audit Office and Audit & Supervisory Board Members of the Company may directly audit the operation and performance of the subsidiaries and report the audit results to the Representative Director and CEO of the Company.

(2) The Finance Department and General Accounting Department of the Company are charged with the relevant management of subsidiaries' accounting figures and supervise the preparation of the consolidated financial statements of the subsidiaries of the Company.

(3) The Company holds a monthly Management Meeting attended by executives of the Company and subsidiaries to discuss the performance results and manage the progress of works of each business department and implement appropriate countermeasures.

(4) In principle, the Board of Directors is installed for all corporations inside the Group.

6. System to ensure the employee's independence from directors and effectiveness of instruction to such employees in case Audit & Supervisory Board Members request the assignment of employee who assists Audit & Supervisory Board Members' duties

(1) If Audit & Supervisory Board Members find it necessary, an employee shall be appointed as their assistant. In such case, personnel matters such as appointment, transfer, and evaluation of the assistant shall be decided in consideration of opinions by the Audit & Supervisory Board, to ensure its independence and effectiveness of instruction by Audit & Supervisory Board Members.

(2) Assistant who assists Audit & Supervisory Board Members' duties follows none but their instructions.

【Overview of implementation status】

(1)(2)The policy and procedures for appointing employees to assist with the duties of the Audit & Supervisory Board Members in the "Audit Standards for Audit & Supervisory Board Members." There are no applicable matters for the business year under review. Upon the request of the Audit & Supervisory Board, the Company appointed two employees concurrently to assist the duties of the Audit & Supervisory Board Members as of May 1, 2016.

7. System to report to Audit & Supervisory Board Members and system to ensure that employees shall not receive any disadvantageous treatment due to his/her submission of reports

(1) Directors and employees of the Company and its subsidiaries (including persons who received reports from those: hereinafter collectively referred to as "Directors and Employees of the Company and Subsidiaries" in this paragraph) report the status regarding the execution of duties upon request by Audit & Supervisory Board Members of the Company.

(2) Directors and Employees of the Company and Subsidiaries shall immediately report to Audit & Supervisory Board Members of the Company any matters that may cause material harm to the Company and its subsidiaries and when they find serious violations by Directors and Employees of the Company and Subsidiaries.

(3) Audit & Supervisory Board Members of the Company may request clarification directly from Directors and Employees of the Company and Subsidiaries as needed.

(4) Audit & Supervisory Board Members of the Company may attend Committee Meetings, etc. at any time for their understanding of the decision-making process and status of execution, in addition to the Board of Directors' meeting and Management Meeting of the Company and its subsidiaries. Audit & Supervisory Board Members of the Company shall endeavor to facilitate mutual understanding on matters such as confirmation of management policy, through regular exchange of views with the President & CEO

(5) The Company shall ensure prompt reporting to Audit & Supervisory Board Members of

the Company with regard to violations of the law and other compliance issues through the proper management of the Group's internal reporting system or external consultation contact.

(6) A person who submits reports applicable to the (1) and (2) shall not receive any disadvantageous treatment for filing such reports. The Group's internal reporting system shall stipulate prohibiting any disadvantageous treatment for filing internal report and ensure its proper operation.

【Overview of implementation status】

(1)(3)The Company's "Audit Standards for Audit & Supervisory Board Members" provide that Audit & Supervisory Board members may directly request directors and employees of the Company and officers and employees of subsidiaries to explain the status of their work performance. The Directors and employees of the Company and officers and employees of subsidiaries have appropriately responded to any such requests by the Audit & Supervisory Board Members.

(2) The Company's "Audit Standards for Audit & Supervisory Board Members" provide that when a Director or employee of the Company or officer or employee of a subsidiary observes any event likely to cause significant damage to the Company or subsidiaries or discovers any significant breach of laws and rules by others, he or she shall report the incident to the Audit & Supervisory Board Members. The Company has appropriately implemented the related standards.

(4) The Company's "Audit Standards for Audit & Supervisory Board Members" provide that Audit & Supervisory Board Members may attend the Board of Directors and Management Meetings of the Company and subsidiaries and express their opinions and views at the meetings. The Company has implemented the related standards. Representative Directors and Audit & Supervisory Board Members exchange opinions once every quarter and share information on management policies and issues the Company is required to address. In addition, the Company monthly holds the liaison meeting with the Audit & Supervisory Boards of the Group and strives to exchange and share the views and opinions with the Audit & Supervisory Boards of subsidiaries.

(5)(6)The "Audit Standards for Audit & Supervisory Members" provide that the Company shall have in place a system under which no person who makes a report to an Audit & Supervisory Board member shall be treated disadvantageously due to the report, and the system has been properly implemented. The Company has also created internal report desks in and outside of the Company and has ensured that any information disclosed to a desk is promptly escalated to the Audit & Supervisory Board Members. The Group's "Compliance Rules" provide that no employee who reports to or consults with an internal report desk shall be treated disadvantageously in promotion or other matters as a result of such report or consultation. The Company has disseminated this requirement thoroughly to prevent any unfair treatment of employees.

8. System concerning settlement of expenses, etc. pertaining to execution of duties by Audit & Supervisory Board Members

The Company shall set procedures for the settlement of expenses pertaining to execution of duties by Audit & Supervisory Board Members. If Audit & Supervisory Board Members request for prepayment or repayment, except when deemed unnecessary for execution of their duties, the Company shall accept such requests in accordance with the prescribed procedures.

【Overview of implementation status】

The "Audit Standards for Audit & Supervisory Members" provide for procedures of the request of settlement of expenses pertaining to execution of duties by Audit & Supervisory Board Members. Request for the settlement of expenses by them and the payments thereto have been carried out in accordance with the defined procedures.

9. Basic policy on exclusion of criminal elements and its status

(1) The Company and its subsidiaries shall steer away from all criminal elements and stand resolutely against any unreasonable demand by them.

(2) If the Company receives unreasonable demand from criminal elements, Corporate Management Department shall address the issue, and closely work with department heads and external specialist organizations such as the police to handle the issue systematically.

【Overview of implementation status】

(1) The Group has specified basic policies and measures for eliminating criminal organization in its “Rules on Measures to Address Criminal Organizations” and its “Manual Against Undue Demands and Violent Acts.” The Company has required all the employees to abide by the policies and measures by thoroughly disseminating them.

(2) The Company designated the Corporate Management Department of the Company as the department to handle undue demands, etc. and has established a system to closely work with police departments or the National Center for Removal of Criminal Organizations as appropriate.

Notes to Consolidated Financial Statements

1. Significant Matters Regarding the Preparation of Consolidated Financial Statements

(1) Scope of consolidation

(i) Number of consolidated subsidiaries: 22 All subsidiaries are included in the scope of consolidation.

Names of major consolidated subsidiaries
Nihon Hoshou Co., Ltd.
Partir Servicer Co., Ltd.
J TRUST Card Co., Ltd.
ADORES, Inc.
Keynote Co., Ltd.
BREAK Co., Ltd.
Highlights Entertainment Co., Ltd. (former AI Denshi Co., Ltd.)
J Trust System Co., Ltd.
JT Chinae Savings Bank Co., Ltd. (former Chinae Savings Bank Co., Ltd.)
TA Asset Management Co., Ltd. (former TA Asset Management LLC)
JT Savings Bank Co., Ltd.
JT Capital Co., Ltd.
JTRUST ASIA PTE. LTD.
PT BANK JTRUST INDONESIA Tbk. (former PT Bank Mutiara Tbk.)
PT JTRUST INVESTMENTS INDONESIA
7 others

During the current consolidated fiscal year, PT JTRUST INVESTMENTS INDONESIA and two other companies were newly established and included in the scope of consolidation.
In addition, we transferred all shares of CREDIA Co., Ltd., Japan Care Welfare Group Co., Ltd., Neoline Credit Co., Ltd. and HICAPITAL Co., Ltd., and liquidated two other subsidiaries. Therefore, these companies were excluded from the scope of consolidation.
One other company was extinguished due to an absorption-type merger in which Highlights Entertainment Co., Ltd. (former AI Denshi Co., Ltd.) became the surviving company.

(2) Application of equity method

(i) Number of non-consolidated subsidiaries in the scope of equity method: 0

(ii) Number of associates in the scope of equity method: 0
During the current consolidated fiscal year, the Company acquired shares of BTC Box Co., Ltd. and it was included in the scope of equity method. However, we sold part of our holdings, and therefore it was excluded from the scope of equity method during the current consolidated fiscal year.

(iii) Name, etc. of non-consolidated subsidiaries and associates that are outside the scope of equity method
An associate, OLIVESPA Co., Ltd. does not have a significant impact on net income (corresponding to our share) and retained earnings (corresponding to our share) and are not important as a whole. Therefore, it was excluded from the scope of equity method.

(3) Accounting period of consolidated subsidiaries

Following consolidated subsidiaries have the closing date different from the consolidated closing date. In principle, provisional settlement of accounts as of the consolidated closing date are prepared for those subsidiaries.

As for PT BANK JTRUST INDONESIA Tbk. and PT TRUST INVESTMENTS INDONESIA, financial statements as of each company's fiscal closing date were used as the basis, and adjustments necessary for consolidation were made in relation to important transactions between each company's closing date and the consolidated closing date.

Company name	Closing date
NL Value Capital Co., Ltd.	End of November
JT Chinae Savings Bank Co., Ltd.	End of December
JT Savings Bank Co., Ltd.	End of December
JT Capital Co., Ltd.	End of December
PT BANK JTRUST INDONESIA Tbk.	End of December
PT TRUST INVESTMENTS INDONESIA	End of December

Closing dates of other consolidated subsidiaries are the same as the consolidated closing date.

(4) Matters regarding accounting standards

(i) Valuation standards and methods for significant assets

1. Securities

Securities available for sales: Market value method (cost of sales is determined on a moving average basis)

Bonds held to maturity: Amortized cost method (interest method)

Other securities

Securities with market price:

Market value method based on the market price on the consolidated closing date (valuation differences are directly charged to the shareholders' equity and cost of securities sold is computed using the moving average method.)

Securities without market price:

Cost method by moving average method

2. Derivatives: Market value method

3. Inventories

Merchandise and finished goods, and work in process:

Mainly cost method by specific identification method (computed by writing down the book value, based on the decline in profitability)

(ii) Depreciation method for significant depreciable assets

1. Property, plant and equipment (excluding leased assets): Mainly by declining balance method
2. Intangible assets (excluding leased assets): Straight-line method
   Software for internal use is amortized over a useful life of five years.
3. Long-term prepaid expenses: Straight-line method
4. Leased assets: Declining balance method for tangible leased assets using its lease period as its depreciation period
   Straight-line method for intangible leased assets using its lease period as its amortization period

(iii) Accounting standards for significant allowance

1. Allowance for doubtful accounts	To prepare for loss on doubtful accounts, allowance for doubtful accounts is recorded taking following factors into consideration; the historical loan loss ratio for general receivable; and collectability of each receivable for specific receivable potentially falling into doubtful accounts.
2. Provision for loss on guarantees	To prepare for loss due to the fulfillment of obligations in relation to credit guarantee services with partnered financial institutions, the loss projected at the end of the current consolidated fiscal year is recorded.
3. Provision for loss on litigation	To prepare for loss on litigation, the loss estimated at the end of the current consolidated fiscal year is recorded.

(iv) Accounting standards for significant revenue and expenses

1. Customer fees (Revolving credit)	Credit card revenue: Mainly based on declining balance method Under declining balance method, interest is calculated by multiplying a prescribed rate by principal balance and recorded as operating revenue (installment payment paying for commission) after the due date.
2. Merchant fees	Merchant fees are recorded in a lump-sum as operating revenue (installment payment paying for commission) at the fulfillment of reimbursement payment agreements with merchants.
3. Accounting standards for revenue and costs related to collection of purchased receivables	At subsidiaries in financial business, difference between principal amount and acquisition cost is recorded as operating revenue (other financial revenue). Amortized cost method is adopted for receivable whose future cash flows can be estimated, while operating revenue is recorded based on the recovered amount for receivable whose future cash flows are difficult to estimate. At subsidiaries that provide receivable collection services, the recovered amount is recorded as operating revenue (collection from purchased receivables). Regarding costs, amortized cost method is adopted for receivable whose future cash flows can be estimated. Regarding receivable whose future cash flows are difficult to estimate, total recovered amount is recorded as operating expenses (cost of purchased receivables) until such amount reaches the acquisition cost.

(v) Conversion standard for significant foreign currency-denominated assets or liabilities from foreign currency to Japanese currency

Foreign currency-denominated monetary claims and liabilities are converted into Japanese currency using an exchange rate as of the consolidated closing date. Differences arising from currency conversion are processed as profit or loss. Assets and liabilities of overseas subsidiaries are converted into Japanese currency using an exchange rate as of the consolidated closing date. Revenues and expenses are converted into Japanese currency using an average exchange rate. Differences arising from currency conversion are included in foreign currency translation adjustment and non-controlling interests under net assets.

(vi) Significant hedge accounting

1. Hedge accounting method	With regard to interest rate swap, a special treatment is adopted since it meets requirements for the exceptional processing.
2. Hedging Instrument and hedged item	Hedge accounting is adopted for following instrument and item. Instrument: Interest rate swap Item: Loans payable
3. Policy on hedge	In order to reduce interests on loans payable and to improve financial revenue, risk of future interest rate change is hedged. Subsidiaries conducted such transaction. Prior to the transaction, an approval at the subsidiary's Board of Directors' meeting had been obtained with respect to terms of contract and maximum amount of notional principal.
4. Method to evaluate hedging effectiveness	Significant terms regarding hedging instrument and hedged items are the same and the transaction is deemed to offset the risk of interest rate change. Therefore, the hedging efficacy is omitted.

(vii) Amortization method and period for goodwill

Goodwill is amortized over the period during which investment is effective within 20 years from the posted date, using the straight-line amortization method.

(viii) Other significant matters which constitute the basis for preparation of the consolidated financial statements

1. Accounting for retirement benefits

To provide for the retirement benefits, defined benefit liability is recorded by subtracting the pension assets from the retirement benefit obligations based on the projection at the end of the current consolidated fiscal year.

If the pension assets exceed retirement benefit obligations, the excess is recorded as assets.

As for actuarial losses (gains), the accrued amount divided by a certain year not exceeding the average remaining service years of employees using the straight-line method is recorded as expenses starting from the following consolidated fiscal year.

Unrecognized actuarial losses (gains) are recorded as remeasurements of defined benefit plans in the accumulated other comprehensive income under the net assets after taking the tax effect into account.
Some of overseas subsidiaries adopt simplified method in calculating defined benefit obligations and retirement benefit expenses.

2. Accounting for consumption taxes
Consumption taxes are accounted for using the tax exclusion method. However, non-deductible consumption taxes related to non-current assets are recorded as "Other" under investments and other assets and amortized over 5 years using the straight-line method.

(5) Matters regarding changes in accounting policies
(Application of Accounting Standard for Business Combinations, etc.)
The Company applied Accounting Standard for Business Combinations (ASBJ Statement No. 21, effective from September 13, 2013: hereinafter "Business Combination Standard"), Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, September 13, 2013; hereinafter "Consolidation Standard"), and Accounting Standard for Business Divestitures (ASBJ Statement No.7, effective from September 13, 2013; hereinafter "Business Divesture Standard"), etc. from this consolidated fiscal year. As a result, accounting method has been changed and differences that arise from changes in the Company's interests in a subsidiary without loss of control are recorded in capital surplus, and acquisition-related costs are expensed in the consolidated fiscal year in which those costs are incurred. Further, the accounting method for business combinations that occur on or after the beginning of this consolidated fiscal year has been changed, and revisions of allocated amount of acquisition costs due to confirmation of provisional accounting are reflected to consolidated financial statements of a consolidated fiscal year to which the combination date belongs. In addition, the presentation of net income has been changed, and minority interests have been changed to non-controlling interests.
Business Combination Standard, etc. were applied prospectively from the beginning of this consolidated fiscal year, in pursuant to transitional provisions specified in Paragraph 58-2 (4) of Business Combination Standard, Paragraph 44-5 (4) of Consolidation Standard and Paragraph 57-4 (4) of Business Divesture Standard.
As a result, operating loss, ordinary loss, net loss before income taxes for the consolidated fiscal year each declined by 54 million yen, and the capital surplus for the consolidated fiscal year declined by 385 million yen.
Net assets per share and net loss per share for the consolidated fiscal year also declined by 2.95 yen and 0.47 yen, respectively.

(6) Matters regarding changes in presentation method
In order to fairly present information regarding the Group's corporate management categories, the Company changed the titles of line items from "Sales on amusement business" to "Sales on general entertainment business", and from "Cost of sales on amusement business" to "Cost of sales on general entertainment business".
Accordingly, operating revenue and operating expenses of consolidated subsidiary, Highlights Entertainment Co., Ltd. (888 million yen and 663 million yen, respectively for the previous consolidated fiscal year) which were included in "Other operating

revenue" and "Other operating expenses" of "Operating revenue" and "Operating expenses" in the consolidated income statement are now included in "Sales on general entertainment business" and "Cost of sales on general entertainment business," respectively.

2. Notes to Consolidated Balance Sheet

(1) The amount less than 1 million yen is rounded down.

(2) Pledged assets

Assets pledged as collateral

	(Millions of yen)
Deposits	1,581
Accounts receivable - operating loans	21,774
Advances paid - installment	1,087
Merchandise and finished goods	1,599
Work in process	1,215
Current assets – other	245
Building and structure	1,092
Land	762
Intangible assets – other	555
Investments and other assets – other	1,466
Total	31,380

Debts corresponding to the above

Short-term loans payable	2,745
Current portion of long-term loans payable	10,686
Long-term loans payable	19,514
Total	32,947

Some assets pledged as collateral are also used as collateral for guarantee obligations in relation to credit guarantee services.

In addition to the above, shares of subsidiaries of 4,077 million yen that have been eliminated on consolidation are pledged as collateral, and a part of the revolving mortgage for 119 million accounts receivable (operating loans) is re-pledged for loans from financial institutions. Further, overseas consolidated subsidiaries had deposits of 14,870 million yen and securities of 758 million yen as payment reserve assets, etc. based on regulations of each jurisdiction. The Company holds the deposits 2,366 million yen which may be pledged as collateral against the maximum use limit of domestic exchange.

(3) Accumulated depreciation on property, plant and equipment 24,474 million yen

(4) Guarantee obligations

Subject of guarantee	Guaranteed amount	Type of guarantee
52,060 cases (business entities and consumers)	52,930 million yen	Borrowings from financial institutions and others

Note: The Group recorded provision for loss on guarantees in the amount of 424 million yen for the total guarantee obligations of 53,354 million yen.

In addition to the above, 3,934 million yen of guarantee obligation existed in relation to banking business.

(5) Specified account for from business combination

Specified account for business combination of 425 million yen is included in “Other” under non-current liabilities. The provision was incurred due to the acquisition of shares of an Indonesian commercial bank, PT Bank Mutiara Tbk. (currently PT Bank JTrust Indonesia Tbk.), as of November 20, 2014. It consists of contingent liabilities in relation to lawsuits, etc. expected as at the date of the acquisition.

3. Notes to Consolidated Statement of Income

(1) The amount less than 1 million yen is rounded down.

(2) Impairment loss

For the consolidated fiscal year under review, the Group recorded impairment loss for the following asset groups.

Location	Use	Type of assets
Sumida-ku, Tokyo and others	Business assets (general entertainment business)	Buildings and structures, etc.
Minato-ku, Tokyo and others	Business assets (elderly care business)	Intangible assets (other), etc.
Kita-ku, Osaka	Real estate for leasing	Buildings and structures
Koto-ku, Tokyo and others	Idle assets	Amusement machine
Kurayoshi-shi, Tottori-ken and others	Idle assets	Land

The Group classifies its assets as business assets, assets for lease, and idle assets. Business assets related to stores to be closed and stores with reduced profitability (general entertainment business), and business assets related to business that has been determined to be withdrawn (elderly care business) were reduced to their value in use or their net realizable value, and other assets were reduced to their net realizable value. As a result, the reduction of 1,325 million yen was recorded as extraordinary losses.

The breakdown comprises 631 million yen for buildings and structures, 121 million yen for amusement machine, 21 million yen for land, 23 million yen for property, plant and equipment (other) and 516 million yen for intangible assets (other).

Value in use was calculated based on future cash flows. However, the Company does not use discount rates as the expected period till closing of shops is rather short. Net realizable value was calculated based on Real Estate Appraisal Standards, roadside land price, and fixed asset appraisal value, etc.

In addition, following the decision to withdraw from the elderly care business and to transfer shares of subsidiaries in South Korea, the Company reduced the book value of goodwill to its recoverable amount, and recognized the reduction of 385 million yen as extraordinary losses.

4. Notes to Consolidated Statement of Changes in Net Assets

(1) Class and number of issued shares as at the end of the consolidated fiscal year under review

112,447,154 common shares

(2) Matters pertaining to dividends

(i) Dividend payments

Resolution	Class	Total dividend (millions of yen)	Dividend per share (yen)	Reference date	Effective date
The Board of Directors' meeting (May 14, 2015)	Common share	590	5	March 31, 2015	June 29, 2015
The Board of Directors' meeting (November 12, 2015)	Common share	573	5	September 30, 2015	December 4, 2015

(ii) Of dividends for which the reference date belongs to the fiscal year under review, the effective date belongs to the following fiscal year.

Resolution	Class	Total dividend (millions of yen)	Source of funds	Dividend per share (yen)	Reference date	Effective date
The Board of Directors' meeting (May 13, 2016)	Common share	784	Retained earnings	7	March 31, 2016	June 30, 2016

(3) Class and number of shares underlying subscription rights to shares at the end of the consolidated fiscal year under review (excluding subscription rights to shares of which the exercise period has not yet commenced):

396,320 common shares

5. Notes to Financial Products

(1) Matters regarding financial products

In addition to comprehensive financial business which includes loans, credit card, banking, purchase of accounts receivable, and credit guarantee services, the Group engages in real estate business and general entertainment business. In order to conduct these businesses, funds are procured by obtaining loans from banks in consideration of the market conditions and the balance of short-term and long-term financing, and by providing savings accounts and time deposits to individuals and business customers in South Korea and Indonesia where the Group conducts banking business.

Financial assets owned by the Group are mainly commercial notes, accounts receivable - operating loans and advances paid-installment payable by small and medium-sized enterprises, business owners and individuals. In the banking business, the Group's financial assets are loans extended to small and medium-sized enterprises, business owners and individuals in South Korea and Indonesia. In accordance with various rules regarding credit risk, we try to minimize such risk. With regard to purchase of accounts receivable, such receivable is purchased at discount from business corporations and financial institutions. To comprehend the appropriate value and reduce risk, the Group obtains the material on current price calculation from a third party valuation agency and uses it as a reference in determining the purchase price. In credit guarantee services, the Group has guarantee obligations mainly in relation to loans extended by Japanese financial institutions as well as subrogation receivable arising from fulfillment of guarantee obligation. The Group aims to reduce risk during the screening process by complying with various rules related to credit risk. Securities are mostly composed of public and corporate bonds which are held for asset management purposes in relation to the banking business. Operational investment securities are stocks and corporate bonds held for investment purpose. Investment securities are mostly stocks held for business promotion purpose. The Group reviews market price of public and corporate bonds, and listed stocks on a quarterly basis.

Financial liabilities are used for operational purposes. The Group raises fund from financial institutions and in South Korea and Indonesia where the Group operates financial institutions and banking business, the Group raises fund by providing savings accounts and time deposits to individuals and business customers.

With regard to derivative transactions, the Company has a policy to maintain a guarded stance and will not conduct any speculative transactions.

(2) Matters regarding market value of financial products and others

The following are the balance on consolidated balance sheet, market value and differences between them as of March 31, 2016. Unlisted stocks, the market value of which is extremely difficult to determine, are excluded from the table below. In addition, accounts with little significance for the consolidated balance sheet amount are omitted.

(Millions of yen)

	Balance on consolidated balance sheet	Market value	Difference
(1) Cash and deposits	108,682	108,682	-
(2) Commercial notes	1,428		
Allowance for doubtful accounts (*)	(18)		
	1,410	1,410	-
(3) Accounts receivable - operating loans	49,505		
Allowance for doubtful accounts (*)	(1,959)		
	47,545	49,870	2,324
(4) Loans by banking business	230,532		
Allowance for doubtful accounts (*)	(9,816)		
	220,716	216,401	(4,315)
(5) Advances paid - installment	2,449		
Allowance for doubtful accounts (*)	(7)		
	2,442	2,442	-
(6) Purchased receivables	9,940		
Allowance for doubtful accounts (*)	(65)		
	9,875	11,416	1,541
(7) Subrogation receivable	1,462		
Allowance for doubtful accounts (*)	(280)		
	1,181	1,181	-
(8) Securities	25,287	25,339	51
(9) Operational investment securities	13,057	13,057	-
(10) Investment securities	866	866	-
(11) Long-term operating loans receivable	2,083		
Allowance for doubtful accounts (*)	(1,971)		
	112	112	-
Total	431,177	430,780	(397)

(Millions of yen)

	Balance on consolidated balance sheet	Market value	Difference
(1) Notes discounted	1,381	1,381	-
(2) Current portion of bonds	60	60	-
(3) Short-term loans payable	14,317	14,317	-
(4) Current portion of long-term loans payable	13,391	13,391	-
(5) Deposits by banking business	271,117	272,991	1,873
(6) Bonds payable	2,169	2,171	1
(7) Long-term loans payable	21,788	21,783	(5)
Total liabilities	324,226	326,095	1,869

(Millions of yen)

	Market value
(1) Guarantee obligations	4,707
Other-total	4,707

(*) Above balance is after deduction of general and individual allowance for doubtful accounts corresponding to commercial notes, accounts receivable-operating loans, loans by banking business, advances paid - installment, purchased receivables, subrogation receivable and long-term operating loans receivable.

Note: Matters relating to the calculation method of market value of financial products and guarantee obligations.

<u>Assets</u>

(1) Cash and deposits

Since these are settled within one (1) year, its market value is almost equivalent to book value. Therefore, the book value is used as its market value.

(2) Commercial notes

Since these are mainly settled within one (1) year, the book value on the consolidated closing date minus the current projected bad debts is used as its market value.

(3) Accounts receivable-operating loans

They are recorded at their present value based mainly on the projected future cash flows, discounted at a rate in consideration of their remaining life and credit risk.

(4) Loans by banking business

They are mainly recorded at their present value based on the projected future cash flows, discounted at a rate in consideration of their remaining life and credit risk.

For some variable-rate loans, the book value is used as the market value since market interest rate is reflected within a short period of time and the credit condition of borrowers has not changed significantly from the time of loan origination.

For some loans, since their projected bad debts are calculated based on the present value of the projected future cash flows or the amount expected to be recovered, etc. from the collateral, the book value on the consolidated closing date minus the current projected bad debts is used as its market value.

(5) Advances paid – installment

Since their projected bad debts are calculated based on the present value of the projected future cash flows or the amount expected to be recovered, etc., from the collateral and guarantee, the book value on the consolidated closing date minus the current projected bad debts is used as its market value.

(6) Purchased receivables

They are mainly recorded at their present value based on the projected future cash flows, discounted at a rate in consideration of their remaining life and credit risk.
For receivables purchased within one (1) year from the consolidated financial closing date, they were purchased at a proper price mainly with reference to the material on market value calculation from a third party valuation agency in determining the purchase price. Therefore, its book value is used as the basis for its market value.

(7) Subrogation receivable
Since its projected bad debts is calculated based on the present value of the projected future cash flows or the amount expected to be recovered, etc., from the collateral and guarantee, the book value on the consolidated closing date minus the current projected bad debts is used as its market value.

(8) Securities; (9) Operational investment securities; and (10) Investment securities
Price on exchanges is used for stocks, price on exchanges or price provided by financial institutions is used for bonds, and price reasonably calculated is used for other securities.

(11) Long-term operating loans receivable
Since its projected bad debts are calculated based on the present value of the projected future cash flows or the amount expected to be recovered, etc., from the collateral and guarantee, the book value on the consolidated closing date minus the current projected bad debts is used as its market value.

Liabilities

(1) Notes discounted
Since these are settled within one (1) year, its market value is almost equivalent to book value. Therefore, its book value is used as its market value.

(2) Current portion of bonds; (3) Short-term loans payable; and (4) Current portion of long-term loans payable
Since these are settled within one (1) year, its market value is almost equivalent to its book value. Therefore its book value is used as its market value.

(5) Deposits by banking business
Of deposits by banking business, the amount of demand deposits payable on the consolidated closing date (book value) is used as its market value. In addition, the market value of time deposits, etc. is measured for each product at their present value by discounting future cash flows using the interest rate for new deposits.

(6) Bonds payable
The market value of bonds is calculated by discounting the sum of principal and interest using the interest rate which takes its remaining term to maturity and credit risk into consideration.

(7) Long-term loans payable
The book value is used as the market value for variable rate loans since it reflects market interest rate within a short period of time and the credit condition of the Company and its consolidated subsidiaries has not changed significantly from the time of loan origination. The market value of fixed rate loans is calculated by discounting the future cash flows using an interest rate which takes its remaining term to maturity and credit risk into consideration.

Other

(1) Guarantee obligations
The Company calculates the market value applying the present value of the remaining value using highly reliable discount rate over the remaining period as it determines the remaining value of guarantee obligations based on the differences between guarantee commission expected to be received reflecting the collectability and the expected impaired value of subrogation receivables reflecting the possible satisfaction of guarantees and recovery of collaterals.

6. Notes to Per Share Information
   (1) Net assets per share 1,455.90 yen
   (2) Net loss per share 49.65 yen

7. Notes to Business Combination
   Business combination by acquisition
   1. Nature of revision and amount when a significant revision is made to initial allotment value of acquisition cost
      Since the identification and determination of market value of recognizable assets and liabilities of PT Bank Mutiara Tbk. (currently PT Bank JTrust Indonesia Tbk.) acquired in the previous consolidated accounting year was not complete as of the business combination date, the allocation of acquisition cost was not finalized. Accordingly, the Company tentatively accounted for the transaction based on reasonable information, etc. available for the purpose of the preparation of the consolidated financial statements. However, the Company successfully made the allocation of acquisition cost during the current business year under review.
      The revised amount of goodwill due to the remeasurement of acquisition cost during the current accounting year under review is as follows.

(Millions of yen)

Revised line item	Revised amount of goodwill
Goodwill (before revision)	37,017
Deferred tax assets	(105)
Net defined benefit liability	422
Non-controlling interests	(3)
Total revised amount	313
Goodwill (after revision)	37,330

   2. Amount of goodwill occurred, cause of occurrence, amortization method and period
      (1) Amount of goodwill occurred: 37,330 million yen
      (2) Cause of occurrence
          The Company accounted for the difference between the net value of assets received and liabilities assumed, and the acquisition cost as goodwill.
      (3) Amortization method and period
          Straight line amortization over 18 years

8. Important subsequent events

The Company and its consolidated subsidiary, JTRUST ASIA PTE. LTD. resolved at the Board of Directors' meeting held on May 13, 2016 that JTRUST ASIA PTE. LTD. would conclude a convertible bonds subscription agreement with condition precedent with Group Lease PCL, a company listed on the First Section of Thai Stock Exchange.
It is summarized as follows:

(1) Name of counterparty to the agreement:
    Group Lease PCL
(2) Timing of conclusion of agreement:
    May 31, 2016 (expected)
(3) Overview of convertible bonds
    (i) Issuer Group Lease PCL
    (ii) Issuance price 14,300 million yen *

		(130,000,000 USD; 1 USD=110 JPY)
(iii)	Issuance value	Same as the above
(iv)	Interest rate	5%
(v)	Redemption period	5 years
(vi)	Conversion price	125.20 yen per share * (40 THB per share, 1 THB=3.13 JPY)
(vii)	Number of shares after full conversion	213,150,000 shares
(viii)	Shareholding ratio after full conversion	12.99%

* The issuance price and conversion price are determined using the exchange rate on April 28, 2016.

Notes to Non-Consolidated Financial Statements

1. Matters regarding significant accounting standards

(1) Valuation standards and methods for assets

Securities

- Subsidiaries' shares: Cost method by moving average method
- Other securities
  Securities without market price: Cost method by moving average method

(2) Depreciation method for property, plant and equipment

(i) Property, plant and equipment: Declining balance method

(ii) Intangible assets: Straight-line method

Software for internal use is amortized over a useful life of five years.

(iii) Long-term prepaid expenses: Straight-line method

(3) Accounting standards for allowance

Allowance for doubtful accounts	To prepare for loss on doubtful accounts, allowance for doubtful accounts is recorded taking following factors into consideration; the historical loan loss ratio for general receivable; and collectability of each receivable for specific receivable potentially falling into doubtful accounts.

(4) Other significant matters which constitute the basis for preparation of the non-consolidated financial statements

(i) Amortization method and period for goodwill

Goodwill is amortized over the period during which investment is effective, 5 years, using the straight-line method.

(ii) Accounting for consumption taxes

Consumption taxes are accounted for using the tax exclusion method. However, non-deductible consumption taxes related to non-current assets are recorded as "Other" under investments and other assets and amortized over 5 years using the straight-line method.

(5) Notes to changes in accounting policies

(Application of Accounting Standards for Business Combination, etc.)

The Company applied Accounting Standard for Business Combinations (ASBJ Statement No. 21, effective from September 13, 2013: hereinafter "Business Combination Standard"), and Accounting Standard for Business Divestitures (ASBJ Statement No.7, effective from September 13, 2013; hereinafter "Business Divesture Standard"), etc. from this fiscal year. As a result, accounting method has been changed and acquisition-related costs are expensed in the fiscal year in which those costs are incurred. Further, the accounting method for business combinations that occur on or after the beginning of this fiscal year has been changed, and revisions of allocated amount of acquisition costs due to confirmation of provisional accounting are reflected to non-consolidated financial statements of a fiscal year to which the combination date belongs. Business Combination Standard, etc. were applied prospectively from the beginning of this fiscal year, in pursuant to transitional provisions specified in Paragraph 58-2 (4) of Business Combination Standard, and Paragraph 57-4 (4) of Business Divesture Standard.

These changes will not have any effect on non-consolidated financial statements.

2. Notes to Non-Consolidated Balance Sheet

(1) The amount less than 1 million yen is rounded down.

(2) Pledged assets

Assets pledged as collateral

Deposits	620 million yen
Shares of subsidiaries and associates	4,077 million yen
Total	4,697 million yen

Debts corresponding to the above

Current portion of long-term loans payable	1,782 million yen
Long-term loans payable	4,508 million yen
Total	6,290 million yen

Assets pledged as collateral are also used as collateral for borrowings by subsidiaries.

(3) Accumulated depreciation on property, plant and equipment 45 million yen

(4) Guarantee obligations

(i) Guarantee obligations related to operating activities

Subject of guarantee	Guaranteed amount	Type of guarantee
52,048 cases (business entities and consumers)	53,298 million yen	Borrowings from financial institutions and others

Notes: The Company acts as a joint guarantor for guarantee obligations of subsidiaries. The above includes joint and several guarantees due to concomitant assumption of obligations.

(ii) Guarantees related to subsidiaries and associates

Subject of guarantee	Guaranteed amount	Type of guarantee
Nihon Hoshou Co., Ltd.	2,193 million yen	Borrowings from financial institutions and others
J TRUST Card Co., Ltd.	1,430 million yen	Borrowings from financial institutions

(5) Monetary claims receivable from and payable to subsidiaries and associates (excluding those stated separately in financial statements)

Short-term monetary claims receivable from subsidiaries and associates	787 million yen
Long-term monetary claims receivable from subsidiaries and associates	0 million yen
Short-term monetary claims payable to subsidiaries and associates	39 million yen
Long-term monetary claims payable to subsidiaries and associates	135 million yen

3. Notes to Non-Consolidated Statement of Income

(1) The amount less than 1 million yen is rounded down.

(2) Volume of transactions with subsidiaries and associates

Volume of operating transactions with subsidiaries and associates

Operating revenue	33,787 million yen
Operating expenses	469 million yen
Volume of non-operating transactions	2,266 million yen

4. Notes to Non-Consolidated Statement of Changes in Net Assets

Class and number of treasury shares as at the end of the current fiscal year

409,748 common shares

5. Notes to Tax Effect Accounting (Millions of yen)

Breakdown of major factors that caused deferred tax assets and liabilities

Deferred tax assets	
Shares of subsidiaries	1,996
Retained loss	2,550
Other	310
Subtotal - deferred tax assets	4,857
Valuation allowance	(4,857)
Total deferred tax assets	-
Deferred tax liabilities	
Valuation difference on assets acquired by merger	(36)
Total deferred tax liabilities	(36)
Net deferred tax liabilities	(36)

6. Notes to Non-current Assets Used under Lease Contracts

In addition to non-current assets recognized on the balance sheet, certain business equipment is used under a finance lease agreement for which ownership is not transferred to the lessee.

7. Notes to Transaction with Related Parties

(1) Subsidiaries, associates and others

Type	Company name Location	Capital stock or investments in capital (millions of yen)	Business	Ratio of voting rights (Owned) (%)	Relationship with the related parties	Transaction details	Transaction amount (millions of yen)	Item	Balance at the end of period (millions of yen)
Subsidiary	Nihon Hoshou Co., Ltd. Miyakojima-ku, Osaka-shi	95	Finance	Direct 100	Credit guarantee	Credit guarantee for borrowings (note 1)	55,492	-	-
Subsidiary	J TRUST Card Co., Ltd. Miyazaki-shi, Miyazaki	90	Finance	Direct 100	Concurrent holding of positions by executives of the Company; Borrowing of funds; Credit guarantee	Borrowing of funds (note 2)	5,000	-	-
						Collection of fund	20,000		
						Payment of interest	370	-	-
						Interest expense	363		
						Credit guarantee for borrowings (note 1)	1,430	-	-
					Distribution from capital surplus and retained earnings	Dividend income (note 4)	32,342	-	-
Subsidiary	Neoline Credit Co., Ltd. (note 5) Seoul Special City	226	Finance	Direct 100	Lending of funds	Collection of fund	3,587	-	-
						Receipt of interest	36	-	-
						Interest income	33		
					Capital investment	Repayment due to capital reduction with compensation (note 6)	1,058	-	-
Subsidiary	HICAPITAL Co., Ltd. (note 5) Seoul Special City	9	Finance	Direct 100	Lending of funds	Collection of fund	3,582	-	-
						Receipt of interest	36		
						Interest income	33		
					Capital investment	Repayment due to capital reduction with compensation (note 6)	5,081	-	-
Subsidiary	PT BANK JTRUST INDONESIA Tbk. Indonesia	108,154	Banking	Direct 98.9 Indirect 1.0	Concurrent holding of positions by executives of the Company	Subscription of capital increase	3,286	-	-
Subsidiary	TA Asset Management Co., Ltd. Seoul Special City	833	Finance	Direct 100	Lending of funds	Collection of fund	3,584	-	-
						Receipt of interest	47	-	-
						Interest income	44		
Subsidiary	JT Capital Co., Ltd. Seoul Special City	11,739	Finance	Direct 100	Concurrent holding of positions by executives of the Company; Lending of funds	Collection of fund	3,579	-	-
						Receipt of interest	47	-	-
						Interest income	46		

Conditions of transactions and policy regarding determination of conditions of transaction, etc.

Notes:

1. They act as guarantor for the borrowings from financial institutions and guarantee obligations related to credit guarantee services.
   Guarantee commission rate is determined rationally in consideration of the situation regarding subrogation receivable etc.
2. The interest rate on the borrowing is reasonably determined based on market interest rates.

3. The interest rate on the lending is reasonably determined based on market interest rates.
4. Dividends received are those that are paid from capital surplus and retained earnings of subsidiaries based on the resolution of the General Meeting of Shareholders.
5. Neoline Credit Co., Ltd. and HICAPITAL Co., Ltd. are no longer subsidiaries of the Company due to the transfer of shares to third parties on October 15, 2015.
6. Repayments due to capital reduction with compensation are received based the resolution of the General Meeting of Shareholders.

(2) Executives and major individual shareholders

Type	Name of a company or person	Ratio of voting rights (owned) (%)	Relationship with the related parties	Transaction details	Transaction amount (millions of yen)	Item	Balance at the end of period (millions of yen)
Company, etc. in which a major shareholder (a person) holds a majority of voting rights (including subsidiaries of the Company)	BOTTOMS UP Co., Ltd. (note 1)	(Owned) Direct 6.64	Concurrent holding of positions by executives of the Company	Transfer of shares of subsidiaries and associates (note 3)	350	-	-
				Transfer of receivables (note 4)	83	-	-
Company, etc. in which a major shareholder (a person) holds a majority of voting rights (including subsidiaries of the Company)	FUJISAWA PTE. LTD. (note 2)	(Owned) Direct 6.21	Concurrent holding of positions by executives of the Company	Transfer of shares of subsidiaries and associates (note 3)	350	-	-

Conditions of transactions and policy regarding determination of conditions of transaction, etc.

Notes

1. Mr. Nobuyoshi Fujisawa, the major shareholder and President & CEO of the Company, substantially holds 100% of the voting rights of BOTTOMS UP Co., Ltd.
2. Mr. Nobuyoshi Fujisawa, the major shareholder and President & CEO of the Company, directly holds 100% of the voting rights of BOTTOMS UP Co., Ltd.
3. Transfer price of shares of subsidiaries and associates is determined reasonably by reference to share valuation reports submitted by third parties.
4. Transfer price of receivables is determined reasonably by reference to valuation, etc. of value of receivables by third parties.

8. Notes to Per Share Information

(1) Net assets per share 1,247.84 yen

(2) Net income per share 272.25 yen

9. Important subsequent events

The Company resolved at the Board of Directors' meeting held on May 13, 2016 to effect the subscription of the capital increase of JTRUST ASIA PTE. LTD., a consolidated subsidiary of the Company.

It is summarized as follows:

(1) Reason for capital increase

JTRUST ASIA PTE. LTD. plans to subscribe convertible bonds issued by Group Lease PCL, a company listed on the First Section Thai Stock Exchange.

(2) Overview of consolidated subsidiary subject to capital increase

(i)	Name	JTRUST ASIA PTE. LTD.
(ii)	Location	Republic of Singapore
(iii)	Name of representative	Nobuyoshi Fujisawa
(iv)	Amount of common stock	16,315 million yen (as of March 31, 2016) (200 million Singapore dollars)
(v)	Shareholding ratio	Fully owned by the Company
(vi)	Description of business	Investment business, management support of investees

(3) Overview of capital increase

(i)	Value of capital increase	14,131 million yen* (178 million Singapore dollars; 1SGD=79.28JPY)
(ii)	Amount of common stock after capital increase	30,447 million yen (378 million Singapore dollars)
(iii)	Payment date	To be decided

* The amount of capital increase was determined using the exchange rate as of May 13, 2016