


Notice of the 44th Ordinary General Meeting of Shareholders

Date and Time	March 26, 2020 (Thursday at 10:00 a.m. (Reception for attendees begins at 9:00 a.m.) (As a result of changing the date of the fiscal year-end, this year's date of the Ordinary General Meeting of Shareholders varies from last year's meeting date (June 26, 2019).)	Contents ■ Notice of the 44th Ordinary General Meeting of Shareholders 1 ■ Reference Document for the Ordinary General Meeting of Shareholders 7 (Attached Documents) ■ Business Report 22 ■ Consolidated Financial Statements 47 ■ Non-Consolidated Financial Statements 49 ■ Auditor's Report 51
Venue	"Nadao Hall", Shin-Kasumigaseki Bldg. LB Floor, 3-3-2 Kasumigaseki, Chiyoda-ku, Tokyo	
Matters for Resolution	Proposal 1: Election of Eleven (11) Directors Proposal 2: Election of Two (2) Audit & Supervisory Board Members	
<div></div> <div>Expiry date for exercise voting rights by mail or via the Internet. No later than March 25, 2020 (Wednesday) at 6:00 p.m. For details, please see pages 4 to 6.</div>		<div>Notice to discontinue a custom to provide a small gift</div> <div>As in the previous year, please note that no gift will be provided for the shareholders who attend the Ordinary General Meeting of Shareholders as this custom has been discontinued. Thank you very much for your understanding.</div>

Securities Code: 8508

March 10, 2020

To Shareholders

Nobuyoshi Fujisawa
President & CEO
J Trust Co., Ltd.
1-7-12 Toranomon, Minato-ku,
Tokyo, Japan

Notice of the 44th Ordinary General Meeting of Shareholders

We express our deep appreciation to each of you for your continuous support.

Please be advised that you are cordially invited to attend the 44th Ordinary General Meeting of Shareholders of J Trust Co., Ltd. ("the Company"), which will be held as described below.

If you are unable to attend in person, you may exercise your voting rights as a shareholder in writing or by electromagnetic method (via the Internet). In that event, after examining the contents of Reference Document for the Ordinary General Meeting of Shareholders attached herein, please follow the instructions in "How to exercise your voting rights" on page 4 and exercise your voting rights no later than 6:00 p.m. on March 25, 2020 (Wednesday).

1. Date and Time	March 26, 2020 (Thursday at 10:00 a.m. (Reception for attendees begins at 9:00 a.m.) (As a result of changing the date of the fiscal year-end, this year's date of the Ordinary General Meeting of Shareholders varies from last year's meeting date (June 26, 2019).)
2. Venue	"Nadao Hall", Shin-Kasumigaseki Bldg. LB Floor, 3-3-2 Kasumigaseki, Chiyoda-ku, Tokyo
3. Agenda	<div>Matters for Reporting:<ol style="list-style-type: none">1. The 44th Business Period (from April 1, 2019 to December 31, 2019)<ul style="list-style-type: none">• Business Report• Consolidated Financial Statements• Findings from the Audits of Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board2. The 44th Business Period (from April 1, 2019 to December 31, 2019)<ul style="list-style-type: none">• Non-Consolidated Financial Statements</div> <div>Matters for Resolution:<div>Proposal 1 Election of Eleven (11) Directors</div><div>Proposal 2 Election of Two (2) Audit & Supervisory Board Members</div></div>

4. Decisions Regarding the Convocation of the Ordinary General Meeting of Shareholders

Of the Company's documents, which should be provided at the Ordinary General Meeting of Shareholders, those listed below are not included in this Notice of the Convocation because they are made available on the Company's website (<https://www.jt-corp.co.jp/en>) pursuant to applicable laws/regulations and Article 15 of the Articles of Incorporation of the Company.

- (i) The Company's System and Policy to Implement Appropriate and Efficient Operations
- (ii) Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements
- (iii) Non-Consolidated Statement of Changes in Equity and Notes to Non-Consolidated Financial Statements

Any items to be represented as "The Company's System and Policy to Implement Appropriate and Efficient Operations", "Consolidated Statement of Changes in Equity", "Notes to Consolidated Financial Statements", "Non-Consolidated Statement of Changes in Equity", and "Notes to Non-Consolidated Financial Statements", and the documents attached to this Notice of the Ordinary General Meeting of Shareholders, are also included in the business report and the consolidated or non-consolidated financial statements that the Audit & Supervisory Board Members audited in preparing the Audit & Supervisory Board's report and the Accounting Auditor did in preparing the Accounting Auditor's report.

Notes

- ✓ When you attend the Ordinary General Meeting of Shareholders in person, please submit the enclosed Voting Rights Exercise Form at the reception counter. You are also kindly requested to bring this Notice of the Ordinary General Meeting of Shareholders as meeting materials.
- ✓ If exercising your voting rights by proxy, you can appoint any one of other shareholders with voting rights of the Company. Please note that such shareholder or your proxy is required to present a document evidencing his/her appointment as a proxy at the reception counter.
- ✓ Any revisions in Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements, and Reference Document for the Ordinary General Meeting of Shareholders will be disclosed on the Company's website (<https://www.jt-corp.co.jp/en>).

Notice Concerning the Novel Coronavirus (COVID-19)

The novel coronavirus (COVID-19) is spreading.

If attending this Ordinary General Meeting of Shareholders, you are kindly requested to check the status of infection on the date of the meeting and take note of your own health condition. Please take measures to protect yourself from infection, such as wearing a mask, when you attend.

In addition, there may be additional measures in place at the venue to prevent the spread of infection, and your cooperation with such measures is kindly requested.

Please note that this year, the discussion session with shareholders typically held after the meeting has been cancelled.

Thank you for your understanding.

How to exercise your voting rights

It is highly recommended to exercise your voting rights at the General Shareholders' Meeting as one of the important rights of shareholders.

You may exercise your voting rights in the following three ways:



[Exercise your voting rights at the General Shareholders' Meeting]

Please bring the enclosed voting form and submit it at the reception desk. You are also kindly requested to bring this Notice as meeting materials.

March 26, 2020 (Thursday) at 10:00 a.m. (Reception for attendees begins at 9:00 a.m.)

Date

(As a result of changing the date of the fiscal year-end, this year's date of the Ordinary General Meeting of Shareholders varies from last year's meeting date (June 26, 2019).)

Venue

"Nadao Hall", Shin-Kasumigaseki Bldg. LB Floor,
3-3-2 Kasumigaseki, Chiyoda-ku, Tokyo



[Exercise your voting rights by mail]

Please mark your vote for or against each proposal on the enclosed Voting Rights Exercise Form after examining the contents of Reference Document for the Ordinary General Meeting of Shareholders attached herein and send it to us (no stamp required).

Expiry
date

The form needs to be delivered to us by 6:00 p.m., March 25, 2020 (Wednesday).



[Exercise your voting rights via the Internet]

Please visit the Voting Rights Exercise Site (<https://evote.tr.mufig.jp/>) of the Company using a PC, smartphone or feature phone, enter the "login ID" and "initial password" indicated on the Voting Rights Exercise Form, and follow the guidance on the screen to vote for or against each proposal.

Expiry
date

The entry needs to be completed by 6:00 p.m., March 25, 2020 (Wednesday).

For details, please see "Procedures Required for Exercising Voting Rights via the Internet" on pages 5 and 6.

Voting via the Electronic Voting Rights Exercise Platform

Institutional investors may exercise their voting rights electromagnetically via the Electronic Voting Rights Exercise Platform operated by ICJ, Inc.

Procedures Required for Exercising Voting Rights via the Internet

If you exercise your voting rights via the Internet, please confirm the items below in advance.

1. Voting Rights Exercise Site (<https://evote.tr.mufg.jp/>)
 - (1) You can only exercise your voting rights via the Internet by logging into the Voting Rights Exercise Site designated by the Company using a PC, smartphone or feature phone. (Please be notified; however, that the online voting function is suspended between 2:00 a.m. and 5:00 a.m. every day).
 - (2) Shareholders using a PC or smartphone may not exercise their voting rights, if the device uses a firewall, anti-virus software, etc., communicates via proxy servers or works without the TLS encryption when connecting to the Internet.
 - (3) For the security purpose, you cannot exercise your voting rights via feature phones that cannot provide TLS encrypted communication and transmission of feature phone information.
 - (4) The voting via the Internet will be available until 6:00 p.m., Wednesday, March 25, 2020. You are kindly requested to vote online at the earliest possible time. Should you have any questions or inquiries on the exercise of voting rights via the Internet, etc., please contact Help Desk.
2. Procedures required for exercising voting rights via the Internet
 - (1) Using a PC or feature phone
 - Please access the Voting Rights Exercise Site (<https://evote.tr.mufg.jp/>) of the Company, log in with the “login ID” and “initial password” indicated on the Voting Rights Exercise Form, and follow the guidance on the screen to vote for or against each proposal.
 - To protect against any illegal access by a third party other than a shareholder (“identity theft”) or any tampering of exercised voting rights, shareholders who use the Internet are kindly requested to change their initial passwords on the Voting Rights Exercise Site.
 - Every time a general meeting of shareholders is convened, the Company will provide a new “login ID” and “initial password”.
 - (2) Using a smartphone
 - You can exercise your voting rights via a smartphone by scanning the “QR code for login” indicated on the Voting Rights Exercise Form and automatically logging in the Voting Rights Exercise Site.
(You have no need to enter the “login ID” and “initial password”).
 - For the security purpose, you can log in the Voting Rights Exercise Site using the QR code only once. For the second time and later, you need to enter the “login ID” and “initial password” even after scanning the QR code.
 - Some smartphones cannot make a login using the QR code. If the login through the QR code is not possible, please exercise your voting rights by using the method above: 2. (1) using a PC or feature phone.

* QR code is a trademark of DENSO WAVE INCORPORATED.
3. Handling of the voting rights exercised more than once
 - (1) In the case of duplicate votes by mailing Voting Rights Exercise Form and using the Internet, the voting via the Internet will prevail.
 - (2) If you exercise your voting rights twice or more via the Internet, the latest voting will be counted. The same applies to multiple votes from a PC, smart phone or feature phone.
4. Charges incurred to access the Voting Rights Exercise Site

Please be aware that shareholders shall pay charges for accessing the Voting Rights Exercise Site (including Internet connection fees). Please also note that shareholders shall pay fees for

Translation for your reference purpose only

using feature phones and others, such as packet communication fees, in exercising their voting rights via feature phones.

Inquiries about the System, etc.

Toll-free call at 0120-173-027 (9 a.m. to 9 p.m.)

Stock Transfer Agency Department (Help Desk),
Mitsubishi UFJ Trust and Banking Corporation

REFERENCE DOCUMENT FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS
Proposal 1: Election of Eleven (11) Directors

The terms of office for twelve (12) Directors will expire upon conclusion of this Ordinary General Meeting of Shareholders. In this regard, we propose an election for the eleven (11) Directors (consisting of ten (10) reappointed Directors and one (1) newly appointed Director).

The profile of each candidate for Directors is shown below.

No.	Name	Position and/or Responsibilities	Status
1	Joji Eguchi		NE
2	Nobuiku Chiba	Representative Senior Managing Director Executive Officer in charge of Financial Business in Southeast Asia	RE
3	Nobuyoshi Fujisawa	Representative Director President & Chief Executive Officer	RE
4	Ryuichi Atsuta	Managing Director Executive Officer General Manager of Finance Department	RE
5	Nobiru Adachi	Senior Managing Director Executive Officer in charge of promotion of global banking business and overseas legal affairs	RE
6	Yoshihide Iimori	Director Executive Officer Head of Audit Office	RE
7	Fumio Iguchi	Director Executive Officer General Manager of Internal Control Department	RE
8	Norio Igarashi	Outside Director	RE OU IN
9	Ryuji Mizuta	Outside Director	RE OU IN
10	Masanori Kaneko	Outside Director	RE OU IN
11	Masami Ishizaka	Outside Director	RE OU IN



Candidates for reappointed Director



Candidates for new Director



Candidates for Outside Director



Independent Director as stipulated in the regulations of the Tokyo Stock Exchange, etc.

No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of Company's shares held
1	Joji Eguchi (Dec. 3, 1967) NE	<p>Apr. 1990 Joined Tokyo Leasing Co., Ltd. (currently Tokyo Century Corporation)</p> <p>Sept. 2000 Director, Asset Securitization, CIBC World Markets Inc.</p> <p>Jan. 2003 Vice President, Investment Banking, The Tokyo Star Bank, Limited</p> <p>Apr. 2004 General Manager, Business Development, The Tokyo Star Bank, Limited</p> <p>Apr. 2005 Senior Vice President, Corporate Finance Business, The Tokyo Star Bank, Limited</p> <p>Aug. 2010 Manager, Strategic Management, Neoline Holdings Co., Ltd.</p> <p>Feb. 2011 Director, Neoline Holdings Co., Ltd.</p> <p>June 2012 Chairman, Carchs Holdings Co., Ltd.</p> <p>Nov. 2012 Head of Credit Risk Management, Chinae Savings Bank Co., Ltd. (currently JT Chinae Savings Bank Co., Ltd.)</p> <p>Apr. 2013 Director and Executive Officer, Business Operation, Chinae Savings Bank Co., Ltd. (currently JT Chinae Savings Bank Co., Ltd.)</p> <p>Apr. 2015 Director, JT Savings Bank Co., Ltd. (incumbent)</p> <p>July 2015 Director and Executive Officer, Business Management, JT Chinae Savings Bank Co., Ltd.</p> <p>Apr. 2016 Senior Managing Director, Business Management, JT Chinae Savings Bank Co., Ltd.</p> <p>Apr. 2018 Executive Officer, JT Capital Co., Ltd. (incumbent)</p> <p>Apr. 2019 Chief Operating Officer, JT Chinae Savings Bank Co., Ltd. (incumbent)</p>	4,000
<p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Joji Eguchi has abundant experience gained through his long career in the financial industry and extensive knowledge. He contributes significantly to the management of the Group, holding prominent positions at group companies in South Korea. The Company proposes that Mr. Eguchi be elected as Director in the hope that he will lead the overall management of the Group.</p>			

No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of Company's shares held
2	<p>Nobuiku Chiba (Feb. 21, 1973)</p> <p>RE</p> <p>Attended 11 out of 13 Board of Directors' meetings held during the period (attendance rate: 84.6%)</p>	<p>June 2008 Vice President & Director, J Trust Co., Ltd.</p> <p>Mar. 2009 President & Representative Director, Station Finance Co., Ltd. (currently Nihon Hoshou Co., Ltd.)</p> <p>June 2010 President & Representative Director, J Trust Co., Ltd.</p> <p>June 2011 Vice President & Representative Director, J Trust Co., Ltd.</p> <p>Aug. 2011 Representative Director & Chairman, KC Card Co., Ltd. (currently J TRUST Card Co., Ltd.)</p> <p>Aug. 2012 Director, Chinae Co., Ltd. (currently JT Chinae Savings Bank Co., Ltd.)</p> <p>Oct. 2012 Director, J Trust Co., Ltd. Director, KC Card Co., Ltd. (currently J TRUST Card Co., Ltd.)</p> <p>Jan. 2015 President & CEO, J TRUST Card Co., Ltd.</p> <p>Mar. 2015 Representative Director, JT Capital Co., Ltd.</p> <p>June 2015 Representative Director, Senior Managing Executive Officer in charge of Financial Business in South Korea and Public Relations & Investor Relations Division of Corporate Planning Department, J Trust Co., Ltd.</p> <p>June 2016 Representative Senior Managing Director, Executive Officer in charge of Financial Business in South Korea and Public Relations & Investor Relations Division, J Trust Co., Ltd.</p> <p>June 2018 Representative Senior Managing Director, Executive Officer in charge of Financial Business in South Korea and non-banking business in Southeast Asia, J Trust Co., Ltd. Commissioner, PT JTRUST INVESTMENTS INDONESIA</p> <p>Sept. 2018 President Commissioner, PT JTRUST INVESTMENTS INDONESIA (incumbent) Commissioner, PT Bank JTrust Indonesia Tbk. (incumbent)</p> <p>Oct. 2018 President Commissioner, PT OLYMPINDO MULTI FINANCE (currently PT JTRUST OLYMPINDO MULTI FINANCE) (incumbent)</p> <p>Mar. 2019 Representative Senior Managing Director, Executive Officer in charge of Financial Business in Indonesia and non-banking business in Southeast Asia, J Trust Co., Ltd.</p> <p>June 2019 Representative Senior Managing Director, Executive Officer in charge of Financial Business in Southeast Asia, J Trust Co., Ltd. (incumbent)</p>	467,208
<p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Nobuiku Chiba is familiar with the Company's business operations as a whole including his task as Representative Director of the Company. He contributes significantly to the management of the Group, holding a representative position at a group company in Indonesia. The Company proposes again that Mr. Chiba be elected as Director in the hope that he will lead the overall management of the Group.</p>			

No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of Company's shares held
3	<p>Nobuyoshi Fujisawa (Jan. 17, 1970)</p> <p>RE</p> <p>Attended 13 out of 13 Board of Directors' meetings held during the period (attendance rate: 100%)</p>	<p>Aug. 2007 Representative Director & Chairman, Kazaka Servicer Co., Ltd. (currently Partir Servicer Co., Ltd.)</p> <p>June 2008 Representative Director & Chairman, J Trust Co., Ltd. Director, Mass Work Co., Ltd. (currently Keynote Co., Ltd.)</p> <p>June 2010 Director, J Trust Co., Ltd. Director, ADORES, Inc. (currently KeyHolder, Inc.)</p> <p>Oct. 2010 Director & Supreme Advisor, J Trust Co., Ltd.</p> <p>May 2011 Representative Director & Chairman, ADORES, Inc. (currently KeyHolder, Inc.)</p> <p>June 2011 President & CEO, J Trust Co., Ltd.</p> <p>Oct. 2013 Managing Director & CEO, JTRUST ASIA PTE. LTD. (incumbent)</p> <p>Jan. 2014 Chairman, Chinae Savings Bank Co., Ltd. (currently JT Chinae Savings Bank Co., Ltd.)</p> <p>May 2014 Chairman, ADORES, Inc. (currently KeyHolder, Inc.)</p> <p>Sept. 2014 Executive Director, LCD Global Investments LTD. (currently AF Global Limited.)</p> <p>Mar. 2015 Director & Chairman, JT Capital Co., Ltd. (incumbent)</p> <p>June 2015 President Commissioner, PT JTRUST INVESTMENTS INDONESIA Director, ADORES, Inc. (currently KeyHolder, Inc.) Representative Director, President & CEO, J Trust Co., Ltd. (incumbent)</p> <p>Mar. 2017 Outside Director, DIGITAL DESIGN Co., Ltd. (currently SAMURAI&J PARTNERS Co., Ltd.)</p> <p>June 2019 Chairman, KeyHolder, Inc. (incumbent)</p>	14,907,272
<p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Nobuyoshi Fujisawa has a wide range of experiences in various fields and abundant knowledge as a corporate manager. The Company proposes again that Mr. Fujisawa be elected as Director, considering he has led J Trust Group to growth as President & CEO of the Company and will contribute to the continued growth and improvement of corporate value over the medium-to long-term.</p>			

No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of Company's shares held
4	<p>Ryuichi Atsuta (Jan. 1, 1964)</p> <p>RE</p> <p>Attended 11 out of 13 Board of Directors' meetings held during the period (attendance rate: 84.6%)</p>	<p>Apr. 1987 Joined The Industrial Bank of Japan, Limited. (currently Mizuho Financial Group, Inc.)</p> <p>Jan. 1991 FX trader, International Treasury Department, The Industrial Bank of Japan, Limited (currently Mizuho Financial Group, Inc.)</p> <p>Mar. 1996 Chief Trader, The Industrial Bank of Japan, Limited (currently Mizuho Financial Group, Inc.) New York Branch</p> <p>Apr. 2001 Joined Bank of America N.A., Tokyo Branch</p> <p>Mar. 2003 Managing Director, Head of FX and Treasury, Bank of America N.A., Tokyo Branch</p> <p>June 2010 Joined The Hong Kong and Shanghai Banking Corporation Limited</p> <p>Mar. 2012 Managing Director, Head of Trading, The Hong Kong and Shanghai Banking Corporation Limited</p> <p>Sept. 2015 Executive Officer, Corporate Planning Department in charge of new business, J Trust Co., Ltd.</p> <p>Apr. 2016 Executive Officer, General Manager of Finance Department, J Trust Co., Ltd.</p> <p>Dec. 2016 Executive Officer, General Manager of Finance Department, J Trust Co., Ltd.</p> <p>June 2017 Director, Executive Officer, General Manager of Finance Department, J Trust Co., Ltd.</p> <p>June 2019 Director, Nihon Hoshou Co., Ltd. (incumbent) Managing Director, Executive Officer, General Manager of Finance Department, J Trust Co., Ltd. (incumbent)</p> <p>Aug. 2019 Director, ANZ Royal Bank (Cambodia) Ltd. (currently J Trust Royal Bank Ltd.) (incumbent)</p>	22,000
<p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Ryuichi Atsuta, as an officer in charge of Finance Department, has abundant experience and advanced knowledge in the Company's business operations. The Company proposes again that Mr. Atsuta be elected as Director based on a decision that he is capable enough to execute his duties appropriately.</p>			


No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of Company's shares held
5	<p>Nobiru Adachi (Mar. 21, 1958)</p> <p>RE</p> <p>Attended 13 out of 13 Board of Directors' meetings held during the period (attendance rate: 100%)</p>	<p>Apr. 1980 Joined Ministry of Finance</p> <p>July 1986 Director, Onomichi Tax Office</p> <p>June 1997 Director, Vice Minister of Finance for International Affairs, Minister's Secretariat</p> <p>June 1999 Budget Examiner, Budget Bureau</p> <p>June 2002 Director, Research Division, International Bureau</p> <p>June 2004 Director, Policy Research Institute, Ministry of Finance</p> <p>June 2005 Director-General, Hakodate Customs</p> <p>Apr. 2006 Officer, Jasdac Securities Exchange, Inc. (currently Tokyo Stock Exchange, Inc.)</p> <p>June 2006 Executive Officer, Jasdac Securities Exchange, Inc. (currently Tokyo Stock Exchange, Inc.)</p> <p>Oct. 2008 Country Head for Japan, ETF Securities Ltd.</p> <p>Oct. 2011 Chairman and CEO, M&A Solutions Japan Co., Ltd.</p> <p>Apr. 2013 Advisor, J Trust Co., Ltd.</p> <p>June 2013 Managing Director, J Trust Co., Ltd.</p> <p>June 2014 Representative Director and Senior Managing Director in charge of Corporate Management Department of J Trust Co., Ltd.</p> <p>Dec. 2014 President Commissioner, PT Bank Mutiara Tbk. (currently PT Bank JTrust Indonesia Tbk.) (incumbent)</p> <p>Jan. 2015 Director, JT Savings Bank Co., Ltd.</p> <p>June 2015 Representative Director, Senior Managing Executive Officer in charge of banking business in Indonesia and promotion of global banking business, J Trust Co., Ltd.</p> <p>Oct. 2015 Director, Senior Managing Executive Officer in charge of banking business in Indonesia and promotion of global banking business, J Trust Co., Ltd.</p> <p>June 2016 Senior Managing Director, Executive Officer in charge of promotion of global banking business and overseas legal affairs, J Trust Co., Ltd. (incumbent)</p> <p>Mar. 2018 Director, JTRUST ASIA PTE. LTD. (incumbent)</p>	56,800
<p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Nobiru Adachi is familiar with the Company's business operations as a whole including his task as Director of the Company. He contributes significantly to the management of the Group, holding a representative position at a group company in Indonesia. The Company proposes again that Mr. Adachi be elected as Director in the hope that he will contribute to the management from global and diverse perspectives based on his abundant experience and knowledge.</p>			


No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of Company's shares held
6	<p>Yoshihide Iimori (Dec. 2, 1956)</p> <p>RE</p> <p>Attended 13 out of 13 Board of Directors' meetings held during the period (attendance rate: 100%)</p>	<p>Apr. 1980 Joined Kokunai Shinpan Co., Ltd. (currently J TRUST Card Co., Ltd.)</p> <p>June 2006 Executive Officer, Rakuten KC Co., Ltd. (currently J TRUST Card Co., Ltd.)</p> <p>Aug. 2011 Managing Director, KC Card Co., Ltd. (currently J TRUST Card Co., Ltd.)</p> <p>Mar. 2012 Director, KC Card Co., Ltd.</p> <p>Dec. 2012 Managing Director, KC Card Co., Ltd.</p> <p>July 2014 Director, KC Co., Ltd. (currently YJ Card Corporation)</p> <p>Jan. 2015 General Manager of Compliance Division, YJ Card Corporation</p> <p>Feb. 2015 General Manager of Corporate Management Department, J Trust Co., Ltd. Director, J TRUST Card Co., Ltd.</p> <p>June 2015 President & CEO, J TRUST Card Co., Ltd. Executive Officer, General Manager of Corporate Management Department, Head of Internal Control & Audit Office, J Trust Co., Ltd.</p> <p>Nov. 2015 Executive Officer, General Manager of Corporate Management Department, J Trust Co., Ltd.</p> <p>June 2016 Director, Executive Officer, General Manager of Corporate Management Department, J Trust Co., Ltd.</p> <p>Nov. 2017 Director, Executive Officer, General Manager of Human Resources & General Affairs Department, J Trust Co., Ltd.</p> <p>June 2018 Director, Nihon Hoshou Co., Ltd.</p> <p>Oct. 2018 President & Representative Director, Keynote Co., Ltd.</p> <p>Dec. 2018 Director, Executive Officer, General Manager of General Affairs Department, J Trust Co., Ltd.</p> <p>June 2019 Audit & Supervisory Board Member, J TRUST Card Co., Ltd. (incumbent) Director, Executive Officer, Head of Audit Office (incumbent)</p>	26,000
<p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Yoshihide Iimori, as an officer in charge of Audits, has abundant experience and advanced knowledge in the Company's business operations. The Company proposes again that Mr. Iimori be elected as Director based on a decision that he is capable enough to execute his duties appropriately.</p>			

No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of Company's shares held
7	<p>Fumio Iguchi (Feb. 14, 1956)</p> <p>RE</p> <p>Attended 13 out of 13 Board of Directors' meetings held during the period (attendance rate: 100%)</p>	<p>Apr. 1978 Joined The Mitsui Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation)</p> <p>June 1999 General Manager, Equity Management Dept., The Sakura Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation)</p> <p>Apr. 2001 General Manager, Portfolio Management Dept., Sumitomo Mitsui Banking Corporation</p> <p>Dec. 2002 General Manager, Tokyo-Chuo Corporate Business Office II, Sumitomo Mitsui Banking Corporation</p> <p>July 2004 Senior Examiner, Business Audit Dept., Sumitomo Mitsui Banking Corporation</p> <p>Oct. 2005 General Manager, Planning Dept., Readjustment of Facilities for Insured Persons Beneficiaries Organization</p> <p>Aug. 2006 Senior Consultant, Financial Solution Dept., NCR Japan, Ltd. (currently Teradata Japan, Ltd.)</p> <p>Oct. 2007 Senior Manager, Internal Audit Dept., Kokusai Asset Management Co., Ltd. (currently Mitsubishi UFJ Kokusai Asset Management Co., Ltd.)</p> <p>June 2008 General Manager, Compliance Dept., Kokusai Asset Management Co., Ltd. (currently Mitsubishi UFJ Kokusai Asset Management Co., Ltd.)</p> <p>Apr. 2012 General Manager, Disclosure Dept., Kokusai Asset Management Co., Ltd. (currently Mitsubishi UFJ Kokusai Asset Management Co., Ltd.)</p> <p>Nov. 2014 General Manager, Compliance Dept., Kokusai Asset Management Co., Ltd. (currently Mitsubishi UFJ Kokusai Asset Management Co., Ltd.)</p> <p>Nov. 2015 Head of Internal Control & Audit Office, J Trust Co., Ltd.</p> <p>June 2017 Audit & Supervisory Board Member, J TRUST Card Co., Ltd. Full-Time Audit & Supervisory Board Member, J Trust Co., Ltd.</p> <p>June 2019 Director, Executive Officer, General Manager of Internal Control Department, J Trust Co., Ltd. (incumbent)</p>	0
<p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Fumio Iguchi has extensive knowledge on operations of financial institutions, etc. and internal auditing, etc. gained through his long-term experience. He has been executing his duties as an officer in charge of Internal Control Department of the Company appropriately. The Company proposes again that Mr. Iguchi be elected as Director based on a decision that he is qualified for the position.</p>			

No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions		Number of Company's shares held
8	<p>Norio Igarashi (Aug. 30, 1940)</p> <p>RE OU IN</p> <p>Attended 13 out of 13 Board of Directors' meetings held during the period (attendance rate: 100%)</p>	<p>Apr. 1966</p> <p>Jan. 1991</p> <p>July 1993</p> <p>Sept. 1993</p> <p>Apr. 1995</p> <p>Jan. 1996</p> <p>June 1997</p> <p>July 1998</p> <p>May 2000</p> <p>May 2010</p> <p>June 2014</p>	<p>Joined Tokyo District Public Prosecutors Office as a prosecutor</p> <p>Chief, Special Investigation Department, Tokyo District Public Prosecutors Office</p> <p>Prosecutor, Supreme Public Prosecutors Office</p> <p>Chief Public Prosecutor, Oita District Public Prosecutors Office</p> <p>Prosecutor, Supreme Public Prosecutors Office</p> <p>Chief Public Prosecutor, Utsunomiya District Public Prosecutors Office</p> <p>Chief Public Prosecutor, Chiba District Public Prosecutors Office</p> <p>Chief Public Prosecutor, Yokohama District Public Prosecutors Office</p> <p>Notary, Yaesu notary office</p> <p>Registered with Dai-ni Tokyo Bar Association as an attorney</p> <p>Visiting attorney, Yamada Ozaki Law Office (incumbent)</p> <p>Outside Director, J Trust Co., Ltd. (incumbent)</p>	20,000
<p>Reasons for nomination as a candidate for Outside Director:</p> <p>Mr. Norio Igarashi has been engaged in corporate legal affairs as an attorney since he held prominent positions such as Chief of Special Investigation Department at the Tokyo District Public Prosecutors Office and Prosecutor of Supreme Public Prosecutors Office. He has abundant experience and advanced expertise. The Company proposes again that Mr. Igarashi be elected as Outside Director in the hope that he will provide valuable guidance and instruction for the management of the Company.</p> <p>Mr. Igarashi has never been involved in corporate management, except as Outside Director. For the above reasons, however, the Company has determined that he can execute his duties as Outside Director of the Company appropriately.</p> <p>Mr. Igarashi is currently an Outside Director of the Company. His term of office as Outside Director will be five years and nine months at the conclusion of this Ordinary General Meeting of Shareholders.</p>				

No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of Company's shares held
9	<p>Ryuji Mizuta (Jan. 7, 1952)</p> <p>RE OU IN</p> <p>Attended 12 out of 13 Board of Directors' meetings held during the period (attendance rate: 92.3%)</p>	<p>Apr. 1974 Joined National Police Agency</p> <p>July 1994 Chief of Miyazaki Prefectural Police</p> <p>Mar. 1996 Director of General Affairs Division, Chugoku Regional Police Bureau</p> <p>Aug. 1996 Chief of Education and Training Division, National Police Agency</p> <p>Aug. 1998 Chief of Gifu Prefectural Police</p> <p>Apr. 2000 Head of Public Security Department, Kanto Regional Police Bureau</p> <p>Aug. 2000 Director of Division 1, Public Security Intelligence Agency</p> <p>Aug. 2002 Chief of Shizuoka Prefectural Police</p> <p>Aug. 2004 Director, Japan Motorcycle Racing Organization (currently JKA)</p> <p>Mar. 2006 Director-General of Kyushu Regional Police Bureau</p> <p>June 2009 Managing Director, Japan Crime Prevention Association</p> <p>July 2012 Advisor of Sumitomo Life Insurance Company</p> <p>June 2014 Outside Director, J Trust Co., Ltd. (incumbent)</p> <p>July 2017 Advisor, OHBA CO., LTD. (incumbent)</p>	0
<p>Reasons for nomination as a candidate for Outside Director:</p> <p>Mr. Ryuji Mizuta has extensive insight into crisis management, etc., including elimination of antisocial forces as well as abundant experience gained through important positions at the National Police Agency. The Company proposes again that Mr. Mizuta be elected as Outside Director in the hope that he will provide valuable guidance and instruction for the management of the Company.</p> <p>Mr. Mizuta has never been involved in corporate management, except as Outside Director. For the above reasons, however, the Company has determined that he can execute his duties as Outside Director appropriately.</p> <p>Mr. Mizuta is currently an Outside Director of the Company. His term of office as Outside Director will be five years and nine months at the conclusion of this Ordinary General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of Company's shares held
10	<p>Masanori Kaneko (May 22, 1955)</p> <p></p> <p>Attended 13 out of 13 Board of Directors' meetings held during the period (attendance rate: 100%)</p>	<p>Apr. 1978 Joined Yamaguchi Sogo Bank, Ltd. (currently THE SAIKYO BANK, LTD.)</p> <p>Apr. 1995 Manager of Welfare Division and Human Resource Development Division, Human Resource Department, THE SAIKYO BANK, LTD.</p> <p>Apr. 1997 Head of Sakuragi Branch, THE SAIKYO BANK, LTD.</p> <p>Apr. 2000 Head of Kuga Branch, THE SAIKYO BANK, LTD.</p> <p>Apr. 2002 Chief Assistant, Secretary Group, General Affairs and Human Resource Department, THE SAIKYO BANK, LTD.</p> <p>Apr. 2004 Head of Kudamatsu Branch, THE SAIKYO BANK, LTD.</p> <p>Apr. 2006 Chief Assistant of Internal Control Office, THE SAIKYO BANK, LTD.</p> <p>June 2008 Head of Audit Department, THE SAIKYO BANK, LTD.</p> <p>Apr. 2010 Chief of Audit & Supervisory Board, THE SAIKYO BANK, LTD.</p> <p>June 2011 Full-Time Audit & Supervisory Board Member, THE SAIKYO BANK, LTD.</p> <p>June 2015 Advisor, THE SAIKYO BANK, LTD. (incumbent) Outside Director, J Trust Co., Ltd. (incumbent)</p> <p>Sept. 2015 President & CEO, Saikyo Intelligence Partners Co., Ltd. President & CEO, Saikyo Souken, Inc. Director, Hoken Eye Saikyo K.K.</p> <p>Oct. 2015 Chairman & CEO, Saikyo Souken, Inc.</p> <p>June 2017 Audit & Supervisory Board Member, SAIKYO LEASING CORPORATION (incumbent) Audit & Supervisory Board Member, Hoken Eye Saikyo K.K. (incumbent)</p>	5,000
<p>Reasons for nomination as a candidate for Outside Director: Mr. Masanori Kaneko has abundant experience and extensive knowledge as an executive of THE SAIKYO BANK, LTD. The Company proposes again that Mr. Kaneko be elected as Outside Director in the hope that he will provide valuable guidance and instruction for the management of the Company. Mr. Kaneko is currently an Outside Director of the Company. His term of office as Outside Director will be four years and nine months at the conclusion of this Ordinary General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Brief personal profile, position, responsibilities and significant concurrent positions	Number of Company's shares held
11	<p>Masami Ishizaka (Dec. 5, 1939)</p>  <p>Attended 13 out of 13 Board of Directors' meetings held during the period (attendance rate: 100%)</p>	<p>Apr. 1963 Joined the Ministry of Finance</p> <p>June 1982 Director of the Research Division, Budget Bureau</p> <p>Nov. 1982 Executive Secretary to the Minister, the Ministry of Finance</p> <p>June 1985 Director of the First Fund Planning and Operation Division, Financial Bureau</p> <p>June 1986 Director of the Research and Planning Division, Minister's Secretariat and Deputy Director-General of the Institute of Fiscal and Monetary Policy</p> <p>Nov. 1987 Director of the Management and Co-ordination Division, Minister's Secretariat</p> <p>June 1988 Regional Commissioner, Nagoya Regional Taxation Bureaus</p> <p>June 1989 Deputy Director-General, Tax Bureau</p> <p>July 1992 Secretary-General of the Executive Bureau, Securities and Exchange Surveillance Commission</p> <p>June 1993 Director-General, Financial Bureau</p> <p>July 1994 Director-General, Planning and Co-ordination Bureau, Environment Agency (currently Ministry of the Environment)</p> <p>July 1995 Administrative Vice Minister, Environment Agency</p> <p>July 1996 Vice Chairman, Automobile Insurance Rating Organization of Japan (currently General Insurance Rating Organization of Japan)</p> <p>July 1998 Executive Vice President, Japan National Oil Corporation (currently Japan Oil, Gas and Metals National Corporation)</p> <p>July 2004 Vice Chairman, The General Insurance Association of Japan</p> <p>May 2005 Outside Director, Aeon Co., Ltd.</p> <p>Sept. 2007 Chairman, Okura Zaimu Kyokai</p> <p>June 2008 Outside Corporate Auditor, Mizuho Financial Group, Inc.</p> <p>June 2013 Outside Corporate Auditor, Mizuho Bank, Ltd.</p> <p>Aug. 2016 Advisor, Okura Zaimu Kyokai (incumbent)</p> <p>July 2017 Advisor, J Trust Co., Ltd.</p> <p>June 2018 Outside Director, J Trust Co., Ltd. (incumbent)</p>	0
<p>Reasons for nomination as a candidate for Outside Director:</p> <p>Mr. Masami Ishizaka held prominent positions such as Director-General of Financial Bureau at the Ministry of Finance and Administrative Vice Minister at the Environment Agency and has been engaged in corporate management as Outside Director and Outside Corporate Auditor of listed companies since retiring from public office. He has abundant experience and extensive knowledge. The Company proposes again that Mr. Ishizaka be elected as Outside Director in the hope that he will provide valuable guidance and instruction for the management of the Company. Mr. Ishizaka is currently an Outside Director of the Company. His term of office as Outside Director will be one year and nine months at the conclusion of this Ordinary General Meeting of Shareholders.</p>			

Notes:


1. No specific interest exists between the Company and each candidate.
2. Special Notes Regarding Candidates for Outside Director
 - (1) The Company has, in accordance with Article 427, Paragraph 1 of the Companies Act, concluded a liability limitation agreement with each of Messrs. Norio Igarashi, Ryuji Mizuta, Masanori Kaneko and Masami Ishizaka to limit their liability for damages as specified in Article 423, Paragraph 1 of the same act. Their relevant liabilities for damages under the agreement shall be limited to the minimum liability amount as stipulated by laws and regulations. If their reappointments are approved, the Company will maintain the agreements with them.
 - (2) The Company appointed Messrs. Norio Igarashi, Ryuji Mizuta, Masanori Kaneko and Masami Ishizaka as independent officers as stated in the regulations of the Tokyo Stock Exchange, Inc. and notified the exchange to that effect. If their reappointments are approved, the Company will continue to designate them as independent officers.

Proposal 2: Election of Two (2) Audit & Supervisory Board Members

The term of office for Audit & Supervisory Board Members, Messrs. Hideki Yamane and Masato Inoue will expire upon conclusion of this Ordinary General Meeting of Shareholders. In this regard, we propose an election for the two (2) Audit & Supervisory Board Members.

For this proposal, the Company has already gained the approval of the Audit & Supervisory Board.

The profile of each candidate for Audit & Supervisory Board Members is shown below.

No.	Name (Date of birth)	Brief personal profile, position and significant concurrent positions		Number of Company's shares held
1	<p>Hideki Yamane (Jul. 11, 1952)</p>  <p>Attended 13 out of 13 Board of Directors' meetings held during the period (attendance rate: 100%)</p> <p>Attended 12 out of 12 Audit & Supervisory Board meetings held during the period (attendance rate: 100%)</p>	<p>Apr. 1976</p> <p>Apr. 1993</p> <p>Apr. 1996</p> <p>Oct. 1997</p> <p>Apr. 1999</p> <p>Apr. 2002</p> <p>Apr. 2004</p> <p>Apr. 2005</p> <p>Oct. 2006</p> <p>June 2007</p> <p>June 2011</p> <p>June 2012</p> <p>June 2013</p>	<p>Joined Yamaguchi Sogo Bank, Ltd. (currently THE SAIKYO BANK, LTD.)</p> <p>Head of Hikoshima branch, THE SAIKYO BANK, LTD.</p> <p>Head of Hinode branch, THE SAIKYO BANK, LTD.</p> <p>Head of Nagato branch, THE SAIKYO BANK, LTD.</p> <p>Chief Assistant of Personnel Department, THE SAIKYO BANK, LTD.</p> <p>Head of Kokura branch, Vice Director of Kanpuku area, THE SAIKYO BANK, LTD.</p> <p>Joint Head of Hiroshima and Gion branches, Executive Manager of Hiroshima area, THE SAIKYO BANK, LTD.</p> <p>Head of Shimonoseki branch, Executive Manager of Shimonoseki area, THE SAIKYO BANK, LTD.</p> <p>Chief of the Auditor's Office, THE SAIKYO BANK, LTD.</p> <p>Full-Time Audit & Supervisory Board Member, THE SAIKYO BANK, LTD.</p> <p>Advisor (Compliance Control Department), THE SAIKYO BANK, LTD.</p> <p>Full-Time Outside Audit & Supervisory Board Member, J Trust Co., Ltd. (incumbent)</p> <p>Audit & Supervisory Board Member, Partir Servicer Co., Ltd. (incumbent)</p>	5,000
<p>Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member:</p> <p>The Company proposes again that Mr. Hideki Yamane be elected as an Outside Audit & Supervisory Board Member because he is expected to oversee the Company's group-wide business operations appropriately by providing objective opinions and advice based on his long-term experience gained in the financial institutions and through auditing, etc.</p> <p>Mr. Yamane has never been involved in corporate management, except as Outside Audit & Supervisory Board Member. For the above reasons, however, the Company has determined that he can execute his duties as Outside Audit & Supervisory Board Member of the Company appropriately.</p> <p>Mr. Yamane is currently an Outside Audit & Supervisory Board Member of the Company. His term of office as Outside Audit & Supervisory Board Member will be seven years and nine months at the conclusion of this Ordinary General Meeting of Shareholders.</p>				

No.	Name (Date of birth)	Brief personal profile, position and significant concurrent positions		Number of Company's shares held
2	<p>Masato Inoue (Aug. 14, 1947)</p> <p>RE</p> <p>Attended 11 out of 13 Board of Directors' meetings held during the period (attendance rate: 84.6%)</p> <p>Attended 10 out of 12 Audit & Supervisory Board meetings held during the period (attendance rate: 83.3%)</p>	<p>Apr. 1973</p> <p>Apr. 1995</p> <p>June 1996</p> <p>Jan. 2003</p> <p>July 2003</p> <p>Jan. 2005</p> <p>Oct. 2006</p> <p>July 2007</p> <p>Jan. 2008</p> <p>Jan. 2009</p> <p>June 2011</p> <p>June 2012</p>	<p>Joined Nomura Securities Co., Ltd.</p> <p>Joined Tokai International Securities Co., Ltd. (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)</p> <p>Director, Tokai International Securities Co., Ltd.</p> <p>Director, Frontec Co., Ltd.</p> <p>President & Representative Director, Tosho Computer Systems Co., Ltd.</p> <p>Vice President, Yuasa Kenzai Kogyo Co., Ltd.</p> <p>Representative Director & Chairman, Yuasa Kenzai Kogyo Co., Ltd.</p> <p>Representative, Inoue Office (incumbent)</p> <p>Full-time Auditor, Hitachi Housetec Inc. (currently Housetec Inc.)</p> <p>Director & Chairman, Hitachi Housetec Inc.</p> <p>Outside Director, Nihon Hoshou Co., Ltd.</p> <p>Audit & Supervisory Board Member, J Trust Co., Ltd. (incumbent)</p>	0
<p>Reasons for nomination as a candidate for Audit & Supervisory Board Member:</p> <p>The Company proposes again that Mr. Masato Inoue be elected as Audit & Supervisory Board Member because he is expected to oversee the Company's management and provide appropriate advice based on his extensive and advanced insight and abundant experience as a manager fostered over many years.</p>				

Note: No specific interest exists between the Company and each candidate.

(Attached Documents)

BUSINESS REPORT

(For the period from April 1, 2019 to December 31, 2019)

J Trust Co., Ltd. (“the Company”) has changed the last day of the accounting period, from March 31 to December 31 in the fiscal period ended December 31, 2019. Accordingly, this fiscal period is an irregular 9-month period and year-on-year changes are omitted in this report.

1. Situation Surrounding the Corporate Group

(1) Business development and results

During the current fiscal period, developed countries’ economies, such as the United States and Europe maintained solid growth. Meanwhile, uncertainties about the US-China trade conflicts, the slowing Chinese economy, the Brexit issues and the tensions in the Middle East and East Asia are casting a shadow over the global economy. The Japanese economy has been on a moderate recovery trend, underpinned by strong corporate performance, capital investment and improvements in the employment and income environment. However, there is a growing concern about the developments of US-China trade tensions, the effects of the consumption tax hike in October 2019 and the like.

In this economic environment, we consider it inevitable to transform our business in anticipation of changes in the global and Japanese economies. We have been expanding business in Asia, which is expected to continue growing economically at a fast pace, and seeking business development by maximizing the synergy of our group network to realize stronger management bases and sustainable growth. During the current fiscal period, we continued to work toward the improvement of corporate value and reinforcement of operational bases proactively at home and abroad to achieve sustainable profit expansion centering on core banking service.

(i) Business development in Japan

In the previous fiscal year, the Company and Nihon Hoshou Co., Ltd. (“Nihon Hoshou”) and KeyHolder Inc. (“KeyHolder” and its subsidiaries are collectively referred to as “KeyHolder Group”) respectively formed a business alliance with SAMURAI&J PARTNERS Co., Ltd. (SAMURAI&J PARTNERS Co., Ltd. and its subsidiaries are collectively referred to as “SAMURAI Group”). In October and November 2019, the Company raised funds through SAMURAI Group’s crowdfunding site “SAMURAI”. Meanwhile, in May 2019, Nihon Hoshou and SAMURAI set up a joint fund that incorporates Nihon Hoshou’s guarantee schemes, and has started offering guarantee services utilizing crowdfunding. In October 2019, Nihon Hoshou began providing operational support for maneo market Inc. together with its subsidiary Partir Servicer Co., Ltd. to improve credit standings of maneo market Inc. In December 2019, Nihon Hoshou partnered with THE KAGAWA BANK, LTD. (“KAGAWA BANK”), providing guarantees for KAGAWA BANK’s overseas property-backed loans.

Meanwhile, KeyHolder has been pursuing flexible business reorganization and the optimal allocation of its management resources for the entire Key Holder Group through aggressive M&As. In April 2019, KeyHolder Group acquired: (i) allfuz, Inc. (“allfuz”), a company mainly engaged in advertising agency business; and (ii) Foolenlarge, Inc., currently known as UNITED PRODUCTIONS, INC. (“UNITED PRODUCTIONS”), a company engaged in video production business. In May 2019, allfuz and UNITED PRODUCTIONS respectively signed an absorption-type merger agreement with KeyStudio, Inc. and KeyProduction, Inc. In July 2019, UNITED PRODUCTIONS, which had supported the rehabilitation of image Field Inc., took over the video production business of image Field Inc. In October 2019, KeyHolder resolved to acquire all shares of Wisenlarge, Inc., a temporary staffing agency dispatching content creators and staff who are mainly active in media. In December 2019, KeyHolder

resolved to establish Whole World Media Inc. jointly with Kadokawa Haruki Corporation, a company mainly engaged in: (i) event planning/management; and (ii) management of models including career transitions of “Popteen” fashion magazine exclusive models, etc.

(ii) Overseas business development

As part of our growth strategies, the J Trust Group (the “Group”) proactively pursues M&A activities centering on banking and financial services with a main focus on the business expansion in Southeast Asia. We believe we can leverage retail finance expertise developed in Japan, South Korea and Indonesia to help grow target countries’ financial business.

In August 2019, the Company acquired 55% of outstanding shares of Cambodian commercial bank ANZ Royal Bank (Cambodia) Ltd. currently known as J Trust Royal Bank Ltd. (“J Trust Royal Bank”) from ANZ Funds Pty Ltd., making it a consolidated subsidiary. Going forward, the Company aims to further grow its business, innovate its retail strategy, and expand its target markets to segments with large growth potential. In addition, the Company is set to expand business by taking advantage of J Trust Royal Bank’s diverse multinational customer base, the Group’s high receivables collection know-how, new product development capabilities, and a network of Japanese-affiliated companies.

(iii) Others

More than half of the Group’s operating revenue is generated from overseas subsidiaries. Given such circumstances and our proactive overseas business expansion strategies going forward, the Group decided to have a uniform accounting period to coincide the parent’s fiscal period with that of major overseas subsidiaries. The shift aims to further promote the globally integrated business operations and transparency of management through timely and appropriate disclosure of management information. The Company accordingly changed the last day of its accounting period (fiscal year-end) to December 31 of each year as it obtained approval for “Partial Amendments to the Articles of Incorporation” at the Company’s Ordinary General Meeting of Shareholders held on June 26, 2019.

As a result, operating revenue for the current fiscal period was 58,105 million yen, and operating profit was 287 million yen. Because of the additional recording of 830 million yen in income tax expense as a result of the review of recoverability of deferred tax assets and reversal of such deferred tax assets, loss attributable to owners of parent was 3,249 million yen.

Segment performance is shown below.

The balance of trade receivables in the report shows before deducting provision of allowances for doubtful accounts.

(i) Financial Business in Japan

Nihon Hoshou provides credit guarantee services. Nihon Hoshou and Partir Servicer Co., Ltd. are mainly responsible for receivables collection services in Japan. J TRUST Card Co., Ltd. offers credit and consumer credit services and Nihon Hoshou provides other financial services.

The balance of credit guarantee was 210,824 million yen. The breakdown was 15,808 million yen in credit guarantees on unsecured loan and 195,015 million yen in credit guarantees on secured loan due to an increase in guarantees on condominium loans and property-backed loans. Meanwhile, the balance of purchased receivables was 15,402 million yen. The balance of: (i) advances paid - installment was 2,793 million yen; (ii) commercial notes was 1,451 million yen; and (iii) accounts receivable - operating loans was 2,869 million yen.

Operating revenue was 7,676 million yen due to a steady increase in guarantee revenue in line with growing credit guarantee balances. Segment profit was 3,085 million yen.

(ii) Financial Business in South Korea and Mongolia

In South Korea, JT Chinae Savings Bank Co., Ltd. and JT Savings Bank Co., Ltd. conduct savings bank business while JT Capital Co., Ltd. provides installment financing and leasing services, and TA Asset Management Co., Ltd. purchases and collects Non-Performing Loans (NPLs). In Mongolia, J Trust Credit NBFJ provides financial services.

The balance of loans for banking business was successfully maintained at approximately 284,329 million yen. The result was due to a rise in medium interest rate loans for which new loans are exempt from total lending volume ceilings under certain conditions despite the effects of tighter regulations and the progress in receivables collections/sale and others. The balance of purchased receivables decreased to 109 million yen as a result of the sale of NPL and so on. Meanwhile, accounts receivable - operating loans decreased to 57,445 million yen due to factors such as receivables collections/sale and others.

Operating revenue was 29,585 million yen. This was mainly due to (i) a drop in interest revenue accompanying a decline in average interest rates during the period with an increase in medium interest rate loans; and (ii) increases in gain on receivables sales. Segment profit was 7,500 million yen mainly due to reduced provision of allowance for doubtful accounts upon reviewing actual collection rates for receivables.

(iii) Financial Business in Southeast Asia

PT Bank JTrust Indonesia Tbk. ("Bank JTrust Indonesia") conducts banking operations, PT JTRUST INVESTMENTS INDONESIA ("JTII") is engaged in receivables collections and PT JTRUST OLYMPINDO MULTI FINANCE ("JTO") provides loans for automobiles and agriculture equipment, etc. in Indonesia. Meanwhile, J Trust Royal Bank started banking operations in Cambodia on August 19, 2019.

Loans for banking business was 100,167 million yen mainly due to the addition of J Trust Royal Bank and NPL transfers from Bank JTrust Indonesia to JTII. The balance of purchased receivables was 29,663 million yen. Accounts receivable - operating loans were 3,782 million yen due to slowing new loans and the like.

Operating revenue was 9,673 million yen due to a decrease in interest revenue accompanying a decrease in loans in banking business at Bank JTrust Indonesia. Meanwhile, segment loss became smaller to 4,647 million yen mainly because gain on bargain purchase was recorded by making J Trust Royal Bank a consolidated subsidiary.

(iv) General Entertainment Business

allfuz mainly conducts advertising agency business and live entertainment business; UNITED PRODUCTIONS handles video production business; FA Project, Inc. is engaged in planning, development and production of entertainment content business; and Zest, Inc. (the company name was changed from SKE, Inc. as of July 1, 2019) operates talent agency business.

Operating revenue was 4,849 million yen. Segment loss was 159 million yen.

(v) Real Estate Business

Keynote Co., Ltd. ("Keynote") handles real estate business and KeyHolder operates real estate asset business.

Operating revenue was 4,729 million yen mainly due to sales of property held by Keynote and others. Segment profit was 829 million yen.

(vi) Investment Business

JTRUST ASIA PTE. LTD. mainly conducts investment business and provides management support for investees.

Operating revenue was 815 million yen. Segment loss was 1,768 million yen due to an increase in litigation costs.

(vii) Other Business

J Trust System Co., Ltd. mainly provides IT system development and operations and management of computers for the Group, and Keynote constructs commercial facilities.

Operating revenue was 1,187 million yen due to a decrease in construction contract revenue at Keynote. Segment loss was 472 million yen.

(2) Status of capital investment

During the current fiscal period, the Group's capital expenditures totaled 13,347 million yen. The major breakdown is as follows: 239 million yen in Financial Business in Japan, 722 million yen in Financial Business in South Korea and Mongolia, 7,796 million yen in Financial Business in Southeast Asia, 4,412 million yen in General Entertainment Business, 162 million yen in Real Estate Business and 14 million yen in Corporate (common).

(3) Status of fundraising

The funds raised as of the end of the current fiscal period totaled 568,507 million yen, which consisted of 1,150 million yen in notes discounted, 23,744 million yen in bonds payable, 60,211 million yen in loans payable and 483,402 million yen in deposits in banking business.

(4) Financial position and operating results

(i) Japanese GAAP

Category	41 st Fiscal Year from Apr. 1, 2016 to Mar. 31, 2017	42 nd Fiscal Year from Apr. 1, 2017 to Mar. 31, 2018	43 rd Fiscal Year from Apr. 1, 2018 to Mar. 31, 2019	44 th (current) Fiscal Period from Apr. 1, 2019 to Dec. 31, 2019
Operating revenue (million yen)	85,031	—	—	—
Loss attributable to owners of parent (million yen)	(9,876)	—	—	—
Loss per share (yen)	(92.82)	—	—	—
Net assets (million yen)	151,663	—	—	—
Total assets (million yen)	608,650	—	—	—

(ii) IFRS

Category	41 st Fiscal Year from Apr. 1, 2016 to Mar. 31, 2017	42 nd Fiscal Year from Apr. 1, 2017 to Mar. 31, 2018	43 rd Fiscal Year from Apr. 1, 2018 to Mar. 31, 2019	44 th (current) Fiscal Period from Apr. 1, 2019 to Dec. 31, 2019
Operating revenue (million yen)	66,453	74,321	74,935	58,105
Loss attributable to owners of parent (million yen)	(1,270)	(731)	(36,107)	(3,249)
Basic loss per share (yen)	(11.94)	(7.11)	(349.70)	(30.69)
Total equity (million yen)	155,913	150,776	110,727	118,953
Total assets (million yen)	619,865	656,961	668,377	731,268

Note: The Company has transitioned from Japanese GAAP to IFRS from the 42nd fiscal year.

(5) Key issues to be addressed

(i) Basic management policy of the Company

The Company has the following corporate philosophy: “For our customers, shareholders and ourselves, we make a continuous effort to respond quickly to changing environments and challenge ourselves diligently to create a better future for the world”.

(ii) Management policy

Under the Group vision “Aim to be a provider of unique financial services not constrained by existing paradigms”, we provide comprehensive financial services centered on our core businesses of banking and collection of accounts receivable, which are resilient to the effects of economic fluctuations. Despite the effects of regulations especially in South Korea, with resilient income models, we can respond flexibly to such regulatory changes in each country. We strive to secure profits mainly from the contribution of the banking sector, where we anticipate sustained business expansion. In Southeast Asia, a region of continuing economic growth, we aim to establish a dominant position in retail finance through taking a proactive stance toward M&A, mainly in banking and finance, to obtain more deposit accounts. The Group also places compliance and governance at the core of its management, aiming to grow with local communities for mutual prosperity by providing customers with high value-added financial services.

(iii) Medium- to long-term management strategies and key issues to be addressed
(Financial Business in Japan)

In the credit guarantee business, on top of stable fee-based revenue from the current business, we will break a new path for growth in guaranteeing overseas property-backed loans and reverse mortgage loans and offering guarantee services and the like utilizing crowdfunding. In guarantees for condominium loans, a dramatic decrease in new guarantees was spurred by problems that occurred in the real estate industry, such as troublesome incidents in subleasing, and no future increase in the size of guarantees is currently expected. However, the size of guarantees for condominium loans accumulated to 157,883 million yen as of the end of December 2019, and in future, we expect guarantee commission revenues to continue being reported steadily. In addition, for loan guarantees already implemented, the main investors and investment purposes comprise investments in condominiums by office worker investors who are concerned about locations and investment yields. Inevitably, many properties for investment are newly built condominiums within walking distance of train stations, located mostly in metropolitan areas like Tokyo, Osaka, Nagoya and Fukuoka, and the occupancy rate is high at approximately 99% (as of December 2019). To date there has been almost no performance of guarantees or delinquency. Guarantees for overseas property-based loans involve guaranteeing yen-based loans made by banks to purchasers of properties primarily in the US state of Hawaii. We currently have alliances with four banks: THE SAIKYO BANK, LTD., SHINHAN BANK JAPAN (“SBJ”), The Tokyo Star Bank, Limited and THE KAGAWA BANK, LTD., but many of those receiving loans are high-net-worth clients and we have had frequent requests from other financial institutions for transactions with this service. We will therefore look at increasing the number of alliance partners if there is a benefit for our customers. Credit guarantees for real estate backed loans (reverse mortgage type) are attracting attention as one solution to the current social issue of difficulty in living a stable life after retirement, as the number of senior households grows. The Group will therefore continue finding transactions suitable for such guarantees while engaging in activities to reinvigorate regional economies in cooperation with railway-related real estate developers, regional financial institutions and others. In addition, in the guarantees business using crowdfunding, we will jointly establish a fund incorporating credit guarantees through the crowdfunding website “SAMURAI” operated by the Group’s alliance partner, SAMURAI&J PARTNERS Co., Ltd., and through alliances with other crowdfunding providers.

In collection of accounts receivable, the overall market is shrinking, but the market in the installment credit and leasing sector is continuing to grow, and we believe that if cashless

payment continues to advance in future, the number of accounts receivable appearing on the market will also increase further. As the business model of companies such as the Internet marketplace companies that issue credit cards does not involve trying to collect their own accounts receivable, the Group will seek to increase its assets by buying up such accounts receivable. Going forward, the Group will continue to expand the business, achieving stable and continuous purchases of accounts receivable by placing higher bids for them backed by the Group's high collection ability.

(Financial Business in South Korea and Mongolia)

In South Korea, financial regulations have been strengthened almost every year. In the savings bank industry, efforts to cap total lending volumes for consumer credit loans are expected to be continued during the fiscal year ending December 31, 2020. In addition, the conditions for exemption of medium interest rate loans from a total lending volume cap as an additional regulatory easing measure in 2019 were an average interest rate of 16%, with no loans exceeding 19.5%. In fiscal 2020, however, the conditions are expected to be tightened. The government of South Korea has decided to gradually increase the rate for allowance for doubtful accounts (currently being implemented continuously over three years), and to phase in restrictions on loan-deposit ratios. Moreover, the maximum legal interest rate for lending was lowered to 24.0% in February 2018. However, as the current president has publicly pledged to lower the maximum legal interest rate to 20%, the rate could potentially be reduced further during his term in office. In the capital business, the coverage for the regulation of the lending limits (the 30% rule) has continued to expand from consumer credit loans to include financing for moneylenders. Furthermore, although the relationship between Japan and South Korea is reported to be worsening, at present there has been almost no impact on business. We will continue to monitor their relationship and its impact going forward.

Amid the strengthening of regulations, as a financial group in South Korea, the four entities aim for moderate growth in asset volume to optimize risks and returns and will expand revenue by seeking quantitative expansion and qualitative enhancement of operating assets. To that end, we will seek qualitative enhancement of consumer credit loan customers by being the first company to focus on medium interest rate loans and employ thorough analysis of customer attributes to set targets and to reinforce our methods for maintaining stable relationships with target customers (retention marketing). In addition, we will cut the time and costs required for consumer credit loan screening by introducing a Fintech-based credit screening system, and will continually update screening criteria. We will also commit to the fundamentals of screening, emphasizing the need for funds and the liquidity of the collateral. Furthermore, we will strive to reinforce our system for collection of accounts receivable. In addition to quantitative expansion including increases in personnel and training, we will make each individual employee aware of proactive methods for collecting accounts receivable, such as prior monitoring and legal action.

Currently, South Korea's non-performing loan (NPL) market is seeing increasingly tough competition due to high prices, making it difficult to secure an interest margin. Therefore, in the collection of accounts receivable business, given the surge in prices in the NPL market, we were able to record gain on sale of NPL receivables. However, looking forward, we will explore the best timing for acquiring new accounts receivable and seek ways to enter the immature Southeast Asian markets backed by the strong collection abilities and legal compliance we have cultivated in South Korea.

(Financial Business in Southeast Asia)

In Indonesia, private-sector consumption is expected to be firm in fiscal 2020, supported by stable inflation and a healthy employment and income environment. In the banking industry, a commercial banking loan growth target of 9.5% has been announced for fiscal 2020 on the

back of Indonesia Financial Services Authority's expectations for growth of 8% to 10% in fiscal 2019. The industry is addressing the challenge of adapting to digitalization, and going forward we expect banks to expand alliances with Fintech companies and so forth.

On January 8, 2020, the Indonesia Stock Exchange lifted the trading suspension on PT Bank JTrust Indonesia Tbk. ("Bank JTrust Indonesia"). This will broadly appeal to the revival of Bank JTrust Indonesia, and is expected to significantly improve the bank's social credibility in the future. Bank JTrust Indonesia's loans for banking business decreased due to the disposal of NPLs. However, we expect the trend to reverse and Bank JTrust Indonesia will strengthen joint finance with PT JTRUST OLYMPINDO MULTI FINANCE ("JTO"). In addition, net interest margin (NIM) is expected to improve gradually due to an increase in lending and a decrease in cost of funds (COF) by reducing time deposits with high interest rates and increasing low-cost deposits through mobile banking. In addition, we will strive to improve our earnings structure by strengthening foreign exchange trading and the like to secure stable revenue streams. PT JTRUST INVESTMENTS INDONESIA also aims to maximize the collection amount of NPL receivables transferred from Bank JTrust Indonesia by increasing the number of collection staff and legal collection staff (collection attorneys or those who have passed the bar exam) and hiring appraisers while working to restore business performance and eliminate excess debts. Meanwhile, JTO will continue to develop originality in business by increasing the balance of accounts receivable - operating loans utilizing Bank JTrust Indonesia's back finance, expanding its sales base and dealer network, as well as new products in addition to used cars and agricultural equipment. As the Group has successfully built a three-pronged business model comprising banking, servicer and financing in Indonesia, which can respond to various needs, we will reinforce the operational bases with effective marketing strategies and value-added financial services utilizing the Group's extensive network.

Moreover, with the Group's objective of establishing a dominant position in retail finance in Southeast Asia, a region of continuing economic growth, we have acquired shares in J Trust Royal Bank Ltd. (former ANZ Royal Bank (Cambodia) Ltd.) in the current fiscal period, making it a consolidated subsidiary. Looking ahead, we will shift from the strategy of the former ANZ Royal Bank, which targeted the top 1% of companies in the country and the top 5% of high-net-worth customers in the local population, to a retail strategy of expanding the target market and widening our focus to customers that have a high potential growth capability in order to increase our business scale. Since joining the Group, the bank's loan balance has increased steadily, mainly in loans for blue-chip companies, and we now need to address the issue that the balance of deposits has not kept pace. Going forward, we will engage in loans for SMEs, and increase the balance of deposits by conducting a range of promotions, revising the deposit interest rate and others.

(General Entertainment Business)

In the live entertainment business, we will manage productions that are supported by our many fans through the various activities of affiliated artists, models, actresses, media personalities, athletes and others. We will also discover and develop new talent through our training school operations, scouting and other activities in addition to strengthening our initiatives to expand the business scale and make it profitable at an early stage.

In the color contact lens business, we will continue working to strengthen sales by building alliances with partner companies while deploying promotion activities and so forth.

In the digital content business, we will strive to expand the business scale further by continuing to support planning, management, operation and promotion of game applications for smart phones in addition to actively supporting the development of smartphone applications that utilize proprietary IP content that we will create going forward.

In the video production business, our large-scale reorganization resulted in more than 400 employees, making us one of the largest independent video production companies in the industry. Going forward, we will continue producing television programs requested by the current mainstream television stations, while aiming to build a structure that can autonomously propose projects from scratch, and produce content and furthermore deliver it.

In the advertising agency business, we will plan, propose and develop events through tie-ups with major convenience store chains, popular artists and so forth in addition to striving to increase the business scale through proactive sales strategy using our strengths, such as monetizing product planning based specifically on events.

(iv) Strengthening ESG (Environment, Social and Governance) initiatives

We address the issue of “local environments” by pursuing a diverse range of initiatives to preserve the Earth’s environment through our business activities and social contribution activities.

With regard to “social welfare”, we contribute to the realization of normalization through providing support for vulnerable people in society, such as orphans, people with disabilities, single mothers, the elderly living alone, etc.

Our efforts for “local communities” involve contributing to local vitalization and the cultivation of young people by supporting cultural exchange with local communities and sporting activities.

We will address the issue of “governance” by striving to enhance our corporate governance and compliance structures through efforts to reinforce our management structure and legal compliance.

The Group aims to be trusted as an enterprise for coexisting with society by putting its corporate philosophy into practice and committing to good corporate governance in order to deal in good faith with all stakeholders and pursue well-balanced business activities.

(6) Status of the parent company and major subsidiaries

(i) Status of the parent company

Not applicable.

(ii) Status of major subsidiaries

Name of subsidiary	Capital stock or investments in capital	Shareholding ratio	Major line of business
Nihon Hoshou Co., Ltd.	95 million yen	100%	Credit guarantee, Financial service
Partir Servicer Co., Ltd.	500 million yen	(100%)	Collection of accounts receivable
J TRUST Card Co., Ltd.	90 million yen	99.90%	Credit card, Consumer credit
KeyHolder, Inc.	4,405 million yen	38.74%	Holding, Real estate
Keynote Co., Ltd.	30 million yen	(38.74%)	Real estate
allfuz, Inc.	99 million yen	(38.74%)	Live entertainment and advertising agency
UNITED PRODUCTIONS, INC.	2 million yen	(38.74%)	Video production
FA Project, Inc.	9 million yen	(38.74%)	Planning, development and production of entertainment content
Zest, Inc.	100 million yen	(38.74%)	Management of show business production
J Trust System Co., Ltd.	80 million yen	100%	Computer operations and system development
JT Chinae Savings Bank Co., Ltd.	KRW 71,700 million	(99.90%)	Savings bank
JT Savings Bank Co., Ltd.	KRW 99,984 million	100%	Savings bank
TA Asset Management Co., Ltd.	KRW 8,750 million	100%	Collection of accounts receivable
JT Capital Co., Ltd.	KRW 108,000 million	100%	Leasing and installment sales
J Trust Credit NBFi	MNT 2,500 million	(100%)	Financial service
PT Bank JTrust Indonesia Tbk.	IDR 12,223,148 million	86.69% (5.67%)	Banking
PT JTRUST INVESTMENTS INDONESIA	IDR 61,213 million	14.79% (84.36%)	Collection of accounts receivable
PT JTRUST OLYMPINDO MULTI FINANCE	IDR 258,418 million	(67.90%)	Multi finance
J Trust Royal Bank Ltd.	USD 75 million	55.00%	Banking
JTRUST ASIA PTE. LTD.	SGD 421 million	90.68% (9.32%)	Investment

Notes:

1. Figures in parentheses indicate an indirect shareholding ratio.
2. The number of consolidated subsidiaries is 37, including the major subsidiaries above.
3. There are no subsidiaries, which fall under specific wholly owned subsidiaries.
4. On July 1, 2019, an absorption-type merger was carried out in which allfuz, Inc. was the surviving company and KeyStudio, Inc. was the disappearing company.
5. On July 1, 2019, SKE, Inc. changed its name to Zest, Inc.
6. On August 1, 2019, an absorption-type merger was carried out in which Foolenlarge, Inc. was the surviving company, KeyProduction, Inc. was the disappearing company, and the company name was changed to UNITED PRODUCTIONS, INC.
7. On August 19, 2019, the Company acquired 55% of the shares of ANZ Royal Bank (Cambodia) Ltd. from ANZ Funds Pty Ltd., and as a result, ANZ Royal Bank (Cambodia) Ltd. became a consolidated subsidiary and changed its name to J Trust Royal Bank Ltd.

(7) Major business (as of December 31, 2019)

Business segment	Major line of business
Financial Business in Japan	Credit guarantee
	Collection of accounts receivable
	Credit card and consumer credit
	Other financial services
Financial Business in South Korea and Mongolia	Savings bank business
	Collection of accounts receivable
	Capital business
	Financial service
Financial Business in Southeast Asia	Banking business
	Collection of accounts receivable
	Multi finance
General Entertainment Business	Live entertainment
	Advertising agency
	Video production
	Planning, development and production of entertainment content
	Management of show business production
Real Estate Business	Property purchase and sale centering on detached housing, renovation of existing housing, and real estate brokerage
	Real estate asset business by purchasing and selling existing real estate and income properties mainly in urban areas
Investment business	Inbound and outbound investment business

Translation for your reference purpose only

Business segment	Major line of business
Other business	Commercial facility construction business including design and building work
	Administrative operation and management of computers, IT system business including commissioned software development, and provision of operational guidance and the like

(8) Main offices (as of December 31, 2019)

(J Trust Co., Ltd.)

Headquarters	1-7-12 Toranomom, Minato-ku, Tokyo
Osaka Branch	4-1-1 Nishinakajima, Yodogawa-ku, Osaka-shi

(Major subsidiaries)

Nihon Hoshou Co., Ltd.	Minato-ku, Tokyo
Partir Servicer Co., Ltd.	Minato-ku, Tokyo
J TRUST Card Co., Ltd.	Miyazaki-shi, Miyazaki
KeyHolder, Inc.	Minato-ku, Tokyo
Keynote Co., Ltd.	Minato-ku, Tokyo
allfuz, Inc.	Shibuya-ku, Tokyo
UNITED PRODUCTIONS, INC.	Minato-ku, Tokyo
FA Project, Inc.	Minato-ku, Tokyo
Zest, Inc.	Minato-ku, Tokyo
J Trust System Co., Ltd.	Minato-ku, Tokyo
JT Chinae Savings Bank Co., Ltd.	Seoul Special City, South Korea
JT Savings Bank Co., Ltd.	Seongnam-si, Gyeonggi-do, South Korea
TA Asset Management Co., Ltd.	Seoul Special City, South Korea
JT Capital Co., Ltd.	Seoul Special City, South Korea
J Trust Credit NBFi	Ulaanbaatar, Mongolia
PT Bank JTrust Indonesia Tbk.	Jakarta, Republic of Indonesia
PT JTRUST INVESTMENTS INDONESIA	Jakarta, Republic of Indonesia
PT JTRUST OLYMPINDO MULTI FINANCE	Jakarta, Republic of Indonesia
J Trust Royal Bank Ltd.	Phnom Penh, Kingdom of Cambodia
JTRUST ASIA PTE. LTD.	Republic of Singapore

(9) Status of employees (as of December 31, 2019)

Business segment	Number of employees	
Financial Business in Japan	218	(5)
Financial Business in South Korea and Mongolia	935	(59)
Financial Business in Southeast Asia	2,551	(18)
General entertainment business	453	(37)
Real Estate Business	26	(2)
Investment business	4	(-)
Other business	52	(5)
Corporate (shared)	83	(5)
Total	4,322	(131)

Notes:

1. The number of employees represents full-time employees of the Group (excluding those seconded to non-Group entities but including staff from non-Group entities). Figures in parentheses show the annual average number of temporary employees (part-timers and workers from staffing firms).
2. The number of employees increased by 998, due to the increase in the number of consolidated subsidiaries and others.
3. Corporate (common) indicates the number of employees belonging to administrative functions.

(10) Major lenders (as of December 31, 2019)

Lender	Balance of loans payable
Osaka Co-sei Shinkin Bank	10,436 million yen
THE SAIKYO BANK LTD.	4,600 million yen
The Sawayaka Shinkin Bank	1,867 million yen
Kinki Sangyo Credit Union	1,365 million yen
Seikyo Credit Union	1,303 million yen

(11) Other significant matters regarding the current status of the Group

Lawsuits

- (i) A lawsuit (hereinafter, "the Lawsuit") was filed against the Company's subsidiary, JTRUST ASIA PTE. LTD. (hereinafter, "JTRUST ASIA"). The details are as follows.

The Company also has confirmed that, in addition to JTRUST ASIA, the following parties are named as defendants in the Lawsuit. The Company, its group companies and the Individual Defendants named as defendants in the Lawsuit other than JTRUST ASIA are of the view that no judgment to be rendered by the Mauritian court will be valid against those companies nor individuals, as, in the first place, no duly performed service has been effected on such defendants in their located jurisdictions.

"Bank JTrust Indonesia"	PT Bank JTrust Indonesia Tbk.
"JTII"	PT JTRUST INVESTMENTS INDONESIA
"Individual Defendants"	Several executive officers of the Company and its subsidiaries (JTRUST ASIA, Bank JTrust Indonesia, and JTII)
"LPS"	Lembaga Penjamin Simpanan (Indonesia Deposit Insurance Corporation) and several of its executive officers (including former executive officers)
"Saab Parties"	Saab Financial (Bermuda) Ltd., alleged Bermuda company (in liquidation), Federal Bank of Lebanon Sal, alleged Lebanon company, and several individuals, alleged owners, and executive officers of these companies
"FBME Parties"	FBME Ltd., alleged Cayman Island company and its alleged subsidiary FBME Card Services Ltd.

1) Filing Date of the Lawsuit

September 22, 2017 (The Supreme Court of Mauritius (Commercial Division))

2) Names and addresses of the plaintiffs and the name of their representative

- (a) Name: (i) First Global Funds Limited PCC
(ii) Weston International Asset Recovery Company Limited
(iii) Weston Capital Advisors, Inc.
(iv) Weston International Asset Recovery Corporation, Inc.
(v) Weston International Capital Limited

(b) Address: For plaintiffs (i); (ii); (iv); and (v): Ebene, Republic of Mauritius

For (iii): While the plaint states that its address is in Ebene, Republic of Mauritius, according to our legal counsel, its registration in the Republic of Mauritius could not be confirmed. Only its registration in Delaware, USA, has been confirmed.

(c) Name of the representative: Unknown

3) Overview of the Lawsuit and amounts of claims

(a) Details of the Lawsuit

We received from local legal counsel an explanation that while the details of the plaintiffs' claims are highly uncertain, their claims are summarized as follows:

Claim 1	The plaintiffs allege that JTRUST ASIA, JTII, the Individual Defendants, and LPS conspired to obstruct the payment allegedly due to the plaintiffs under the 2015 Mauritian Judgment*. The plaintiffs request that these defendants be enjoined, jointly and in solido, to the 2015 Mauritian Judgment and the Mareva Injunction subsequently issued by the Mauritius court, in relation to the same judgment.
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Claim 2	The plaintiffs allege that all the defendants conspired to commit money laundering etc., with the intention to defraud the plaintiffs, which caused damages to the plaintiffs, as the creditors of the Saab Parties. The plaintiffs are therefore claiming damages against all the defendants.
Claim 3	The plaintiffs allege that LPS defrauded the plaintiffs to obstruct the acquisition of Bank JTrust Indonesia by the plaintiffs. The plaintiffs are claiming damages against the Company, JTRUST ASIA, Bank JTrust Indonesia, JTII, the Individual Defendants and LPS.
Claim 4	The plaintiffs allege that they have incurred significant costs in trying to recover the 2015 Mauritian Judgment and have lost investment opportunities. The plaintiffs are claiming compensation for damages against the Company, Bank JTrust Indonesia, JTII, the Individual Defendants, and LPS.
Claim 5	The plaintiffs allege that the arbitration proceedings between Bank JTrust Indonesia and the Saab and FBME Parties were fraudulent and the settlement subsequently paid by Bank JTrust Indonesia to the Saab and FBME Parties is illicit. The plaintiffs are claiming damages from all defendants for being defrauded out of this settlement.
Claim 6	The plaintiffs are claiming for Global Mareva Injunctions against all the defendants.

Note: A court of the Republic of Mauritius allegedly handed down a judgment against the Company and Bank JTrust Indonesia to pay approximately USD 110 million (approx. JPY11.9 billion) in total.

(b) Claimed amounts

Claim 1	Claim 2	Claim 3	Claim 4	Claim 5
USD128,608,000 (Approx. JPY13.9 billion)	USD128,000,000 (Approx. JPY13.9 billion)	USD94,027,000 (Approx. JPY10.2 billion)	USD50,000,000 (Approx. JPY5.4 billion)	USD8,000,000 (Approx. JPY800 million)
Claim 6				
Up to the amount of USD400,000,000 (Approx. JPY43.5 billion) against the Company, JTRUST ASIA, Bank JTrust Indonesia, JTII, the Individual Defendants and LPS				
Up to the amount of USD150,000,000 (Approx. JPY16.3 billion) against FBME Parties and Saab Parties				

* Converted at the rate as of January 31, 2018 (USD 1 = JPY 108.79).

* While it is not clear, the plaint includes statements to the effect that the plaintiffs are claiming interests, costs, or an unspecified amount of compensation, in addition to the amount above for each claim.

(ii) A lawsuit (hereinafter, "the Lawsuit") was filed against the Company's subsidiary, JTRUST ASIA PTE. LTD. (hereinafter, "JTRUST ASIA"). The details are as follows.

The Company also has confirmed that, in addition to JTRUST ASIA, several executive officers of the Company's group companies and one related entity of one of those officers, are named as defendants (hereinafter, "Individual Defendants") in the Lawsuit.

1) Filing Date of the Lawsuit

March 28, 2018 (The Supreme Court of Mauritius [Commercial Division])

2) Names and addresses of the plaintiffs and the name of their representative

(a) Name: (i) First Global Funds Limited PCC

(ii) Weston International Asset Recovery Company Limited

(iii) Weston Capital Advisors, Inc.

(iv) Weston International Asset Recovery Corporation, Inc.

(v) Weston International Capital Limited

(b) Address: For plaintiffs (i); (ii); (iv); and (v): Ebene, Republic of Mauritius

For (iii): New York 10017, USA

(c) Name of the representative: Unknown

3) Overview of the Lawsuit and amounts of claims

(a) Details of the Lawsuit

Although the allegations in the plaint are vague and not substantiated, the local legal counsel explained that the outline of the plaintiffs' claims is as follows: there is a claim for damages against JTRUST ASIA and the Individual Defendants on the grounds that, while JTRUST ASIA and the Individual Defendants were fully aware of the 2015 Mauritius Judgment (Note), the subsequent Mareva injunction, and the contempt order subsequently issued by the Mauritian court, they conspired with the Company and Bank JTrust Indonesia and breached these decisions. In addition, the local legal counsel explained that a claim has also been made for global Mareva injunction against JTRUST ASIA and the Individual Defendants.

Note: A court of the Republic of Mauritius allegedly handed down a judgment against the Company and Bank JTrust Indonesia to pay USD 110 million (approx. JPY11.6 billion) in total.

(b) Claimed amounts

USD280,000,000 (approx. JPY29.7 billion) as the amount claimed as damages, and up to the amount of USD300,000,000 (approx. JPY31.8 billion) as the scope of the Mareva injunction.

* Converted at the rate as of March 31, 2018 (USD1 = JPY106.24).

* The plaint includes statements to the effect that the plaintiffs are claiming interests and costs, in addition to the amount above.

(12) Basic capital policies

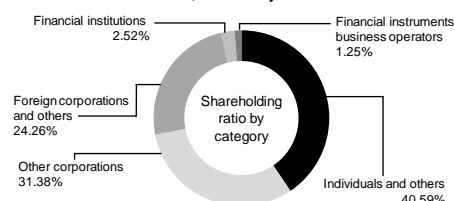
The Group will seek the well-balanced allocation of capital to maximize shareholder value. To be specific, in light of the outlook for operating environments, estimated business results, financial standing and the like, it will implement (i) investments for the growth of M&A, etc.; (ii) share buyback; and (iii) appropriate capital allocation to dividend payments.

With regard to the above (ii), we will buy back own shares flexibly and aggressively when the share price is considered low and attractive as investment targets. Meanwhile, we will strive to return surplus funds in a positive manner as stated in the above (iii).

When profit levels become stable, we will set specific targets for a payout ratio, etc.

2. Matters regarding the shares of the Company (as of December 31, 2019)

- (1) Number of authorized shares: 240,000,000
 (2) Number of outstanding shares: 115,469,910
 (3) Number of shareholders: 14,909
 (4) Major shareholders (top 10 shareholders)



Name of shareholder	Number of shares owned	Shareholding ratio
NLHD Kabushiki Kaisya	26,697,872	25.22%
Nobuyoshi Fujisawa	14,907,272	14.08%
KOREA SECURITIES DEPOSITORY - SHINHAN INVESTMENT	5,261,100	4.97%
TAIYO HANEI FUND, L.P.	5,100,500	4.82%
STATE STREET BANK AND TRUST COMPANY 505227	4,153,600	3.92%
TAIYO FUND, L.P.	3,806,200	3.60%
SAIKYO LEASING CORPORATION	2,890,000	2.73%
JAPAN POCKET Co., Ltd.	1,780,000	1.68%
Japan Trustee Services Bank, Ltd. (trust account 9)	1,479,600	1.40%
Japan Trustee Services Bank, Ltd. (trust account)	1,133,500	1.07%

Notes:

- Shareholding ratio is calculated after deducting the number of treasury shares (9,598,666 shares).
 - NLHD Kabushiki Kaisya is wholly owned by Mr. Nobuyoshi Fujisawa, President & CEO of the Company. Mr. Fujisawa also holds 100% of voting rights of JAPAN POCKET Co., Ltd. substantially.
 - On October 11, 2018, Taiyo Fund Management Company LLC. and its joint holders submitted the Report of Possession of Large Volume (Change Report) to the Kanto Local Finance Bureau. According to the report, they held 16,765,400 shares (shareholding ratio of 14.88%) as of October 3, 2018. However, they are not included in the above list of major shareholders because the Company could not confirm the number of shares owned by them as of the end of the current consolidated business period.
- (5) Other significant matters regarding the shares of the Company
 Not applicable.

3. Matters regarding share acquisition rights of the Company, etc.

(1) Status of share acquisition rights (hereinafter, "Subscription Rights"), etc. at the end of the current business period

	J Trust 5th Subscription Rights (stock option) issued on Aug. 31, 2013	J Trust N-9th Subscription Rights (stock option) issued on Apr. 30, 2012	J Trust N-10th Subscription Rights (stock option) issued on Apr. 30, 2012
Number of Subscription Rights	1,450 units	750 units	550 units
Class and number of shares underlying Subscription Rights	145,000 common shares (100 shares per Subscription Right)	3,000 common shares (4 shares per Subscription Right)	2,200 common shares (4 shares per Subscription Right)
Issuance value	Gratis	Gratis	Gratis
Exercise price	200,700 yen per unit	3,016 yen per unit	1,092 yen per unit
Exercise period	from Sept. 1, 2015 to Aug. 31, 2020	from Dec. 15, 2012 to Dec. 14, 2020	from Dec. 14, 2013 to Dec. 13, 2021
Conditions for exercise	Notes 1 & 2	Notes 1 & 2	Notes 1 & 2

Notes:

- Any acquisition of Subscription Rights (stock options) by transfer shall require an approval by the Board of Directors' meeting of the Company.
- In cases where a rights holder waives his/her Subscription Rights (stock options), he/she may not exercise such Subscription Rights (stock options).
- Following the share exchange with Next Japan Holdings Co., Ltd. effective April 30, 2012, the Company took over the Subscription Rights (stock options) issued by the said company in the form of J Trust N-9th and N-10th Subscription Rights (stock options).
- Following the 2-for-1 share split of common shares effective June 1, 2012, whereby each share was divided into 2 shares, the Company adjusted the exercise price of Subscription Rights (stock options) issued on or before the effective date.
- Upon issuance of new shares resulting from the exercise of Subscription Rights (rights offering, non-commitment/gratis allotment of listed subscription rights) with the exercise period between July 5, 2013 and July 30, 2013, the Company set August 12, 2013 as the reference date and adjusted the exercise price of Subscription Rights (stock options) issued on or before the reference date.

(2) Subscription Rights held by the Company's Directors at the end of the current business period

	Name of Subscription Rights	Number of units	Number of rights holders
Directors (excluding Outside Directors)	J Trust 5th Subscription Rights (stock option)	820	3

(3) Status of Subscription Rights granted during the current business period

Not applicable

4. Matters regarding executives

(1) Directors and Audit & Supervisory Board Members at the end of the current business period

Name	Position, assignment and significant concurrent positions
Nobuyoshi Fujisawa	<ul style="list-style-type: none"> • Representative Director, President & CEO • Chairman, KeyHolder, Inc. • Managing Director & CEO, JTRUST ASIA PTE. LTD. • Director & Chairman, JT Capital Co., Ltd.
Nobuiku Chiba	<ul style="list-style-type: none"> • Representative Senior Managing Director, Executive Officer in charge of Financial Business in Southeast Asia • Commissioner, PT Bank JTrust Indonesia Tbk. • President Commissioner, PT JTRUST INVESTMENTS INDONESIA • President Commissioner, PT JTRUST OLYMPINDO MULTI FINANCE
Nobiru Adachi	<ul style="list-style-type: none"> • Senior Managing Director, Executive Officer in charge of promotion of global banking business and overseas legal affairs • Director, JTRUST ASIA PTE. LTD. • President Commissioner, PT Bank JTrust Indonesia Tbk.
Ryuichi Atsuta	<ul style="list-style-type: none"> • Managing Director, Executive Officer, General Manager of Finance Department • Director, Nihon Hoshou Co., Ltd. • Director, J Trust Royal Bank Ltd.
Taiji Hitachi	<ul style="list-style-type: none"> • Director, Executive Officer in charge of General Accounting Division
Yukihiro Nishikawa	<ul style="list-style-type: none"> • Director, Executive Officer, General Manager of Corporate Planning Department and General Manager of General Affairs Department • Director, J Trust Credit NBFI
Yoshihide Iimori	<ul style="list-style-type: none"> • Director, Executive Officer, Head of Audit Office • Audit & Supervisory Board Member, J TRUST Card Co., Ltd.
Fumio Iguchi	<ul style="list-style-type: none"> • Director, Executive Officer, General Manager of Internal Control Department
Norio Igarashi	<ul style="list-style-type: none"> • Director • Visiting Attorney, Yamada Ozaki Law Office
Ryuji Mizuta	<ul style="list-style-type: none"> • Director • Advisor, OHBA CO., LTD.
Masanori Kaneko	<ul style="list-style-type: none"> • Director • Advisor, THE SAIKYO BANK LTD. • Audit & Supervisory Board Member of SAIKYO LEASING CORPORATION • Audit & Supervisory Board Member of Hoken Eye Saikyo K.K.
Masami Ishizaka	<ul style="list-style-type: none"> • Director • Advisor, Okura Zaimu Kyokai

Name	Position, assignment and significant concurrent positions
Hideki Yamane	<ul style="list-style-type: none"> • Full-Time Audit & Supervisory Board Member • Audit & Supervisory Board Member, Partir Servicer Co., Ltd.
Masato Inoue	<ul style="list-style-type: none"> • Audit & Supervisory Board Member • Representative, Inoue Office
Takaaki Kojima	<ul style="list-style-type: none"> • Audit & Supervisory Board Member • Advisor, Libera Corporation • Adjunct Professor of National University of Singapore

Notes:

1. The Company designated Messrs. Norio Igarashi, Ryuji Mizuta, Masanori Kaneko and Masami Ishizaka as independent officers as provided in the regulations of the Tokyo Stock Exchange, Inc. and notified the exchange to that effect.
2. Mr. Hideki Yamane, Audit & Supervisory Board Member, has long years of experience in financial institutions and significant insight into finance and accounting.

(2) Changes in position and assignment of Directors during the current business period

Name	Position and assignment		Date of transfer
	New	Old	
Nobuiku Chiba	Representative Senior Managing Director, Executive Officer in charge of Financial Business in Southeast Asia	Representative Senior Managing Director, Executive Officer in charge of Financial Business in Indonesia and non-banking business in Southeast Asia	June 26, 2019
Ryuichi Atsuta	Managing Director, Executive Officer, General Manager of Finance Department	Director, Executive Officer, General Manager of Finance Department	June 26, 2019
Taiji Hitachi	Director, Executive Officer in charge of General Accounting Division	Director, Executive Officer, General Manager of General Accounting Department	June 26, 2019
Yukihiro Nishikawa	Director, Executive Officer, General Manager of Corporate Planning Department and General Manager of General Affairs Department	Director, Executive Officer, General Manager of Corporate Planning Department and in charge of Legal Division	June 26, 2019
Yoshihide Imori	Director, Executive Officer, Head of Audit Office	Director, Executive Officer, General Manager of General Affairs Department	June 26, 2019
Fumio Iguchi	Director, Executive Officer, General Manager of Internal Control Department	Full-Time Audit & Supervisory Board Member (Resigned)	June 26, 2019
Toru Myochin	Resigned	Managing Director, Executive Officer in charge of holding business, group management, information technology system and Planning Department	June 26, 2019

Translation for your reference purpose only

Name	Position and assignment		Date of transfer
	New	Old	
Makoto Kurokawa	Resigned	Director, Executive Officer, General Manager of Corporate Planning Department and Special Appointive Officer	June 26, 2019
Takehito Yamanaka	Resigned	Director, Executive Officer, General Manager of Public Relations & Investor Relations Division of Corporate Planning Department	June 26, 2019

(3) Changes in position and assignment of Directors and Audit & Supervisory Board Members on or after January 1, 2020

Not applicable.

(4) Remuneration of Directors and Audit & Supervisory Board Members

Category	Number of people	Total remuneration	Total remuneration by category			
			Basic remuneration	Stock option	Bonuses	Retirement bonus
Directors	15	200 million yen	200 million yen	—	—	—
Outside Directors	4	23 million yen	23 million yen	—	—	—
Audit & Supervisory Board Members	4	24 million yen	24 million yen	—	—	—
Outside Audit & Supervisory Board Members	2	15 million yen	15 million yen	—	—	—
Total	19	224 million yen	224 million yen	—	—	—
Outside executives	6	39 million yen	39 million yen	—	—	—

Notes:

1. The amount of remuneration of directors does not include remuneration as employees (with regard to directors who concurrently serve as employees).
2. The above figures do not include any remuneration of directors and audit & supervisory board members paid by subsidiaries, etc. of the Company.
3. The fifteen (15) Directors above include three (3) Directors who resigned at the Ordinary General Meeting of Shareholders held on June 26, 2019. The four (4) Audit & Supervisory Board Members above include one (1) Director who resigned as an Audit & Supervisory Board Member and assumed the position of Director on the same day.
4. In reaction to the sluggish performance, the Company reduced remuneration amounts to clarify the management responsibility as follows:
 - (i) President & CEO: Suspended monthly payment of remuneration (February 2019 to June 2019)
 - (ii) Other Directors and Executive Officers: Reduced monthly remuneration amounts by 20% (February 2019 to April 2019)

(5) Matters regarding outside executives

- (i) Significant concurrent positions at other corporations, etc.

Position	Name	Significant concurrent positions
Director	Norio Igarashi	Visiting Attorney of Yamada Ozaki Law Office
Director	Ryuji Mizuta	Advisor of OHBA CO., LTD.
Director	Masanori Kaneko	Advisor of The SAIKYO BANK LTD. Audit & Supervisory Board Member of SAIKYO LEASING CORPORATION Audit & Supervisory Board Member of Hoken Eye Saikyo K.K.

Position	Name	Significant concurrent positions
Director	Masami Ishizaka	Advisor, Okura Zaimu Kyokai
Audit & Supervisory Board Member	Hideki Yamane	Audit & Supervisory Board Member of Partir Servicer Co., Ltd.
Audit & Supervisory Board Member	Takaaki Kojima	Advisor of Libera Corporation Adjunct Professor of National University of Singapore

Notes:

1. Partir Servicer Co., Ltd. is a subsidiary of the Company.
2. The Company's relationship with THE SAIKYO BANK LTD. includes loans payable and credit guarantee for loan products.
3. SAIKYO LEASING CORPORATION has a capital relationship with the Company and holds 2,890 thousand shares of common shares of the Company.
4. The Company has no special relationship with corporations, etc. where outside executives hold significant concurrent positions, excluding those stated in the 1, 2 and 3 above.

(ii) Main activities in the current business period

Position	Name	Main activities
Director	Norio Igarashi	<ul style="list-style-type: none"> • Attended 13 out of 13 Board of Directors' meetings (attendance rate: 100%). • Provides practical advice and suggestions from an expert's perspective as an attorney.
Director	Ryuji Mizuta	<ul style="list-style-type: none"> • Attended 12 out of 13 Board of Directors' meetings (attendance rate: 92.3%). • Provides practical advice and suggestions from an expert's perspective based on his work experience at National Police Agency.
Director	Masanori Kaneko	<ul style="list-style-type: none"> • Attended 13 out of 13 Board of Directors' meetings (attendance rate: 100%). • Provides practical advice and suggestions based on his abundant experience as an executive in financial institutions.
Director	Masami Ishizaka	<ul style="list-style-type: none"> • Attended 13 out of 13 Board of Directors' meetings (attendance rate: 100%). • Provides practical advice and suggestions from an expert's perspective based on his work experience at the Ministry of Finance and abundant experience as executive at listed companies.
Audit & Supervisory Board Member	Hideki Yamane	<ul style="list-style-type: none"> • Attended 13 out of 13 Board of Directors' meetings (attendance rate: 100%). • Attended 12 out of 12 Audit & Supervisory Board meetings (attendance rate: 100%). • Provides practical advice and suggestions based on his abundant experience as an executive in financial institutions.

Position	Name	Main activities
Audit & Supervisory Board Member	Takaaki Kojima	<ul style="list-style-type: none"> • Attended 12 out of 13 Board of Directors' meetings (attendance rate: 92.3%). • Attended 11 out of 12 Audit & Supervisory Board meetings (attendance rate: 91.7%). • Provides practical advice and suggestions from an expert's perspective based on his work experience in key positions (e.g. Ambassador Extraordinary and Plenipotentiary) at the Ministry of Foreign Affairs.

Note:

Besides the number of the Board of Directors' meeting stated above, there were three written resolutions deemed as adopted at the Board of Directors' meeting in accordance with Article 370 of the Companies Act and Article 22, Paragraph 3 of the Articles of Incorporation of the Company. The contents of the proposals and other important matters were discussed prior to the Board of Directors' meeting.

In cases where any question arises after such discussion, the Board of Directors shall make a suggestion to the management team at the Board of Directors' meeting.

(iii) Overview of the liability limitation agreement

Subject to Article 427, Paragraph 1 of the Companies Act, the Company has concluded the damages liability limitation agreement as specified in Article 423, Paragraph 1 of the Companies Act with all Outside Directors and Mr. Takaaki Kojima, an Outside Audit & Supervisory Board Member. Their liabilities for damages shall be limited to the minimum liability amount as stipulated by laws and regulations.

(6) Summary of results of the evaluation of the effectiveness of the Board of Directors

To further improve the effectiveness of the Board of Directors, the Company administers an anonymous questionnaire to all Directors including Outside Directors, in which the Director evaluates the effectiveness of the Board of Directors based on the Director's own self-evaluation. As a result, it was determined that the Board of Directors is appropriately performing its role and functioning effectively. Since the Group consists of companies of diverse business types, gaining understanding from outside executives will be taken into consideration when operating business. Furthermore, at the end of each term, the President & CEO implements director evaluation by employees in order to obtain broad input and evaluate the effectiveness of the Board of Directors as a whole. Based on the results of the evaluation, matters recognized as issues will be focused on, and we will work toward improving the effectiveness of the Board of Directors and the management system.

5. Matters regarding Accounting Auditor

(1) Name of Accounting Auditor

Grant Thornton Taiyo LLC

(2) Remuneration, etc. for Accounting Auditor

Category	Amount paid
(i) Amount of remuneration, etc., to be paid by the Company to the Accounting Auditor pertaining to the business period under review	205 million yen
(ii) Sum of money and other financial profits to be paid by the Company and its subsidiaries to the Accounting Auditor	283 million yen

Notes:

1. The audit agreement entered into by the Accounting Auditor and the Company does not clearly separate between the amount of auditor's remuneration, etc. for the audit under the Companies Act and that for the audit under the Financial Instruments and Exchange Act. In fact, the two amounts cannot be distinguished from each other. The total sum accordingly appears in the amount of remuneration, etc., paid to the Accounting Auditor for the current business period.
2. The Audit & Supervisory Board of the Company verified whether audit procedures including the contents of the Accounting Auditor's audit plan, performance of accounting audit duties, and calculation basis for estimating the remuneration were appropriate, and gave consent to the amount of remuneration, etc. for the Accounting Auditor.
3. Overseas subsidiaries of the Company are audited by firms other than the Accounting Auditor of the Company.

(3) Details of non-audit services

The Company does not entrust the Accounting Auditor with any non-audit services, which are not stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act.

(4) Policy for determining dismissal or non-reappointment of Accounting Auditor

The Audit & Supervisory Board determines details of an agenda for the General Meeting of Shareholders on the dismissal or non-reappointment of the Accounting Auditor, whenever the need arises. For example, the Accounting Auditor has a problem in performing audit duties.

If the Accounting Auditor falls into any item under Article 340, Paragraph 1 of the Companies Act, the Audit & Supervisory Board of the Company dismisses the Accounting Auditor with the approval of all Audit & Supervisory Board Members. In this case, an Audit & Supervisory Board Member selected by the Audit & Supervisory Board reports such dismissal of the Accounting Auditor and the reason for the dismissal at the first General Meeting of Shareholders after the dismissal.

6. Policy for deciding the dividends of surplus and other related matters

A key management task of the Company is the appropriate return of profits to shareholders. To pursue flexible capital and dividend policies, the Company's Articles of Incorporation stipulates that the decision on surplus dividends, etc. shall require a resolution at the Board of Directors' meeting in accordance with the provision of Article 459, Paragraph 1 of the Companies Act.

The year-end dividend for the current business period is set at 1 yen per share (zero interim dividends) after giving consideration to recent business results. The payment is scheduled for March 27, 2020.

Note: A fraction less than respective units, if any, is rounded down in this Business Report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(as of December 31, 2019)

(Millions of yen)

Assets		Liabilities	
Item	Amount	Item	Amount
Assets		Liabilities	
Cash and cash equivalents	81,913	Trade and other payables	16,137
Trade and other receivables	113,942	Deposits for banking business	483,402
Investment securities for banking business	52,805	Bonds and borrowings	85,105
Loans for banking business	370,174	Other financial liabilities	19,907
Operational investment securities	1,895	Income taxes payable	962
Marketable securities	721	Provisions	1,214
Other financial assets	40,874	Deferred tax liabilities	1,720
Investments accounted for using equity method	118	Other liabilities	3,864
Inventories	7,285	Total liabilities	612,315
Assets held for sale	1,102	Equity	
Property, plant and equipment	9,871	Equity	
Investment property	2,309	Share capital	54,760
Goodwill	36,232	Capital surplus	54,082
Intangible assets	7,027	Treasury shares	(7,685)
Deferred tax assets	939	Retained earnings	3,069
Other assets	4,053	Other components of equity	(4,219)
		Total equity attributable to owners of parent	100,006
		Non- controlling interests	18,946
		Total equity	118,953
Total assets	731,268	Total liabilities and equity	731,268

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(from April 1, 2019 to December 31, 2019)

(Millions of yen)

Item	Amount
Continuing operations	
Operating revenue	58,105
Operating expenses	35,706
Selling, general and administrative expenses	27,370
Other income	5,624
Other expenses	365
Operating profit	287
Finance income	121
Finance costs	712
Share of loss of investments accounted for using equity method	(9)
Loss before tax	(312)
Income tax expense	3,413
Loss	(3,725)
Loss attributable to	
Owners of parent	(3,249)
Non- controlling interests	(476)
Loss	(3,725)

NON-CONSOLIDATED BALANCE SHEET

(as of December 31, 2019)

(Millions of yen)

Assets		Liabilities	
Item	Amount	Item	Amount
Current assets	6,576	Current liabilities	8,246
Cash and deposits	3,494	Short-term borrowings	1,263
Short-term loans receivable from subsidiaries and associates	272	Current portion of long-term borrowings	5,293
Other	3,794	Accounts payable - other	1,208
Allowance for doubtful accounts	(985)	Income taxes payable	9
		Provision for loss on guarantees	276
		Other	195
Non-current assets	125,921		
Property, plant and equipment	37	Non-current liabilities	12,197
Buildings	10	Bonds payable	200
Land	19	Long-term borrowings	11,811
Other	7	Deferred tax liabilities	21
		Guarantee deposits received	163
Intangible assets	44	Other	0
Software	40	Total liabilities	20,443
Other	4	Net assets	
		Shareholders' equity	111,940
Investments and other assets	125,839	Share capital	54,760
Investment securities	586	Capital surplus	54,098
Shares of subsidiaries and associates	120,047	Legal capital surplus	54,098
Bonds of subsidiaries and associates	3,160	Retained earnings	10,767
Investments in capital	1,826	Other retained earnings	10,767
Other	225	Retained earnings brought forward	10,767
Allowance for doubtful accounts	(7)	Treasury shares	(7,685)
		Valuation and translation adjustments	(5)
		Valuation difference on available-for-sale securities	(5)
		Share acquisition rights	119
Total assets	132,498	Total net assets	112,054
		Total liabilities and net assets	132,498

NON-CONSOLIDATED STATEMENT OF INCOME

(from April 1, 2019 to December 31, 2019)

(Millions of yen)

Item	Amount	
Operating revenue		
Interest income	251	
Dividend income	4,032	
Interest on deposits	7	
Other operating revenue	245	4,536
Operating expenses		
Interest on borrowings	329	
Other operating expenses	0	330
Operating gross profit		4,206
Selling, general and administrative expenses		3,041
Operating profit		1,164
Non-operating income		
Dividend income	3	
Gain on investments in investment partnerships	107	
Miscellaneous income	9	119
Non-operating expenses		
Foreign exchange losses	117	
Miscellaneous loss	9	127
Ordinary profit		1,157
Extraordinary income		
Gain on sales of non-current assets	249	
Gain on bad debts recovered	1,245	
Gain on adjustment of individually attributed amount of consolidated taxation system	220	
Other	0	1,717
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	149	149
Profit before income taxes		2,724
Income taxes - current	(107)	
Income taxes - deferred	(0)	(107)
Profit		2,832

Accounting Auditor's Report on Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

February 20, 2020

J Trust Co., Ltd.
The Board of Directors

Grant Thornton Taiyo LLC			
Designated Limited Liability Partner, Engagement Partner	Certified Public Accountant	Ryouichi Komatsu	(Seal)
Designated Limited Liability Partner, Engagement Partner	Certified Public Accountant	Takeshi Iwasaki	(Seal)
Designated Limited Liability Partner, Engagement Partner	Certified Public Accountant	Yoshihiro Imagawa	(Seal)

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements, namely, Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss, Consolidated Statement of Changes in Equity, and Notes to Consolidated Financial Statements of J Trust Co., Ltd. ("the Company") for the fiscal period from April 1, 2019 to December 31, 2019.

Management's responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting, which allows companies to prepare consolidated financial statements with the omission of part of the disclosures required under International Financial Reporting Standards. Its responsibility includes the development and operation of internal control system that management determines is necessary to enable the preparation and fair presentation of consolidated financial statements that are free of material misstatement, whether due to fraud or an error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit performed from an independent standpoint. We conducted our audit in accordance with the auditing standards generally accepted in Japan. Those standards require that we implement our audit plan and perform the audit based on the plan to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the Accounting Auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or an error. In making those risk assessments, we consider internal control relevant to the preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. An audit also includes evaluating the accounting policies used, the method of their application, and the accounting estimates made by management, as well as the overall presentation of the consolidated financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the consolidated financial statements referred to above, which were prepared with omissions of part of the disclosure items required by International Financial Reporting Standards as prescribed in the second sentence of Paragraph 1 of Article 120 of the Ordinance on Accounting of Companies, present fairly, in all material respects, the consolidated financial position of the Group, comprising of the Company and its consolidated subsidiaries, and the results of their operations for the fiscal period under review.

Conflict of Interest

There is no conflict of interest requiring mention as per the Certified Public Accountants Act between the Company and either Grant Thornton Taiyo LLC or the managing members.

End

The above represents a translation, for convenience only, of the original report issued in Japanese.

Accounting Auditor's Report on Non-Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

February 20, 2020

J Trust Co., Ltd.
The Board of Directors

Grant Thornton Taiyo LLC

Designated Limited

Liability Partner,

Engagement Partner

Designated Limited

Liability Partner,

Engagement Partner

Designated Limited

Liability Partner,

Engagement Partner

Certified Public
Accountant

Ryouichi Komatsu (Seal)

Certified Public
Accountant

Takeshi Iwasaki (Seal)

Certified Public
Accountant

Yoshihiro Imagawa (Seal)

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the non-consolidated financial statements, namely, Non-Consolidated Balance Sheet, Non-Consolidated Statement of Income, Non-Consolidated Statement of Changes in Equity and Notes to Non-Consolidated Financial Statements, and Supporting Schedules of J Trust Co., Ltd. ("the Company") for the 44th business period from April 1, 2019 to December 31, 2019.

Management's Responsibility for the Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements and its supporting schedules in accordance with accounting principles generally accepted in Japan. Its responsibility includes the development and operation of internal control system that management determines is necessary to enable the preparation and fair presentation of non-consolidated financial statements and its supporting schedules that are free of material misstatement, whether due to fraud or an error.

Auditor's Responsibility

Our responsibility is to express an opinion on the non-consolidated financial statements and its supporting schedules based on our audit performed from an independent standpoint. We conducted our audit in accordance with the auditing standards generally accepted in Japan. Those standards require that we implement our audit plan and perform the audit based on the plan to obtain reasonable assurance about whether the non-consolidated financial statements and its supporting schedules are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements and its supporting schedules. The procedures selected depend on the Accounting Auditor's judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements and its supporting schedules, whether due to fraud or an error. In making those risk assessments, we consider internal control relevant to the preparation and fair presentation of the non-consolidated financial statements and its supporting schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. An audit also includes evaluating the accounting policies used, the method of their application, and the accounting estimates made by management, as well as the overall presentation of the non-consolidated financial statements and its supporting schedules.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the non-consolidated financial statements and its supporting schedules referred to above present fairly, in all material respects, the non-consolidated financial position of the Company and results of its operations for the business period under review in conformity with the accounting principles generally accepted in Japan.

Conflict of Interest

There is no conflict of interest requiring mention as per the Certified Public Accountants Act between the Company and either Grant Thornton Taiyo LLC or the managing members.

End

The above represents a translation, for convenience only, of the original report issued in Japanese.

Report by Audit & Supervisory Board

AUDIT REPORT BY AUDIT & SUPERVISORY BOARD

With respect to the Directors' execution of their duties during the 44th business period from April 1, 2019 to December 31, 2019, the Audit & Supervisory Board has prepared this Audit Report after deliberation based on the audit reports prepared by each Audit & Supervisory Board Member. We hereby report as follows:

1. Method and Contents of Audit by Audit & Supervisory Board Members and Audit & Supervisory Board

- (1) In addition to establishing auditing policies and job assignment, and receiving reports from each Audit & Supervisory Board Member on the implementation status and results of the audit, the Audit & Supervisory Board received reports from Directors, etc. and the accounting auditor on the execution of their duties and requested further clarification as needed.
- (2) In compliance with the standards for audit by Audit & Supervisory Board Members established by the Audit & Supervisory Board, pursuant to the auditing policies and job assignment, each Audit & Supervisory Board Member communicated with Directors, internal audit team and other employees in order to collect information and improve the audit environment, and performed audit with the following measures.
 - (i) Audit & Supervisory Board Members attended meetings of the Board of Directors and other important meetings, received reports from Directors and employees, etc. on the execution of their duties, requested further clarification as needed, reviewed documents requesting electronic approval on important matters, and inspected the status of business operations and assets at the headquarters and main offices. With respect to the subsidiaries, we endeavored to facilitate a mutual understanding and exchanged information with the directors and Audit & Supervisory Board Members, etc. of subsidiaries, and received reports on their respective business from the subsidiaries as needed.
 - (ii) In compliance with auditing standards established by Audit & Supervisory Board regarding internal control system, we periodically received reports from Directors and employees, etc. requested clarification as needed, and expressed opinions on points as follows; details of the resolutions by the Board of Directors concerning the development of a system to ensure that the execution of duties by Directors comply with laws, regulations, and the Articles of Incorporation as described in the Business Report hereto and a system as defined in Article 100, Paragraphs 1 and 3 of the Regulations for Enforcement of the Companies Act to ensure the proper operation as a corporation as well as the status of development and operation of internal system (internal control system) that has been developed based on the resolutions.
 - (iii) We monitored and reviewed whether the Accounting Auditors maintained their independent positions and conducted the audit properly, received reports from the Accounting Auditors on the performance of their duties, and requested further clarification as needed. Furthermore, we were informed by the Accounting Auditors that they were establishing a "System to ensure the appropriate execution of duties" (matters as defined in each item of Article 131 of the Company Accounting Regulations) pursuant to "Quality control standards of audit" (October 28, 2005; the Business Accounting Council), and requested their clarification as needed.

Based on the above methods, we examined the business report and its supporting schedule, and non-consolidated financial statements (Non-Consolidated Balance Sheet, Non-Consolidated Statement of Income, Non-Consolidated Statement of Changes in Equity, and Notes to Non-Consolidated Financial Statements) and its supporting schedules, and the consolidated financial statements (Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss Consolidated Statement of Changes in Equity, and Notes to Consolidated Financial Statements) related to the relevant business period.

2. Results of Audit

(1) Results of Audit of Business Report and Other Relevant Documents

- (i) The business report and its supporting schedules of the Company accurately presents the financial positions of the Company in conformity with applicable laws, regulations, and the Articles of Incorporation of the Company.
- (ii) No irregularity or violation of applicable laws or regulations or the Articles of Incorporation of the Company was found with respect to the execution of duties by the Directors.
- (iii) The contents of the resolutions by the Board of Directors with respect to the internal control system are appropriate. In addition, there are no matters to be pointed out regarding the descriptions included in the business report concerning the internal control system and the execution of duties by Directors.

(2) Results of Audit of Non-Consolidated Financial Statements and its Supporting Schedules

In our opinion, the methods and results of audit performed by Grant Thornton Taiyo LLC, the accounting auditor of the Company, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

In our opinion, the methods and results of audit performed by Grant Thornton Taiyo LLC, the accounting auditor of the Company, are appropriate.

February 21, 2020

Audit & Supervisory Board, J Trust Co., Ltd.

Full-Time Outside Audit & Supervisory Board Member Hideki Yamane (Seal)

Audit & Supervisory Board Member Masato Inoue (Seal)

Outside Audit & Supervisory Board Member Takaaki Kojima (Seal)

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End