

Summary of Q&A session at the 38th General Meeting of Shareholders of J Trust

Summary of questions from J Trust shareholders and our answers

Q	Strategy for domestic business
A	Expansion of domestic business is going to be difficult for us and other independent financing companies in the future as competition with banks and those owned by banks, whose financing rates are lower than ours, is considered unavoidable. Now we would like to increase our committed to the guarantee business which grows steadily based on our know-how that we have been nurtured over years.

Q	Future business in South Korea
A	The share acquisition of Standard Chartered Capital (Korea) Co., Ltd. and Standard Chartered Savings Bank Korea Co., Ltd., is expected to significantly boost J Trust Group's loan receivable balance and income in South Korea. Also, owning SC Savings Bank as well as Chinae Savings Bank, J Trust's existing consolidated subsidiary, will increase the share of the Company's savings bank business enough to cover about 70% in the entire South Korean market. We consider it to enable J Trust to implement mass marketing activities such as those using TVCM in South Korea. We would like to expand our business in South Korea while avoiding exchange risks.

Q	Decline of the maximum interest rate in South Korea and its impact on the income of J Trust
A	The maximum interest rate has been gradually decreased and, in April 2014, 34.9% was adopted. We consider there is a possibility of the rate to be reduced further. However, its impact on our income is considered minimal as the lending interest rate for new loan customer, at Chinae Savings Bank, our subsidiary, is kept below 30%, and even when the rate cut is implemented, we can continue to manage loan loss risks by reviewing lending standard, etc.

Q	Investment strategy in countries/ regions where financial situation is volatile
A	We have a view that we may find new business opportunities in those places where financial situation/ business environments are tough. Also, we have an experience of expanding our domestic business in a harsh environment. If an opportunity, which we think is good, comes up, we would like to capture it in an aggressive manner.