

Results for the Fiscal Year Ended February 20, 2011

AEON Credit Service Co., Ltd. Investor Relations

Statements contained in this report with respect to the Company's management strategies, business policies and results forecasts are forward-looking statements about the future performance of the Company, which are based on the assumptions and beliefs in light of the information currently available. These forward-looking statements involve various uncertain factors including known and unknown risks such as economic trends, industry competition, market demand, exchange rates, tax and other systems that may cause the Company's actual results, performance or achievements to differ materially from the expectations expressed herein.

Impact of the Great East Japan Earthquake

■ Status of Our Operations in the Affected Region

- All in-store branches are open, and all but nine of the 1,833 ATMs are in operation
- Call center operations and other functions have been transferred to Tokyo, Chubu and Osaka centers

■ Our Response to the Disaster

- Set up consultation counters to handle lost cards, payments, etc., and a special toll-free number for customers affected by the disaster
- Collected donations at branches and on our website



Credit consultation counter set up by the AEON Sendai Nakayama Branch

Impact of the Great East Japan Earthquake

- Transaction volume from 3/1 to 3/10 was up about 25% year on year due to implementation of sales plans with Group companies
- Transaction volume slowed temporarily after the earthquake on 3/11 until 3/20, but began a recovery trend from 3/21

	2/21-2/28 YoY	3/1-3/10 YoY	3/11-3/20 YoY	3/21-3/31 YoY
Companywide Credit Card Shopping Transaction Volume	107.1 %	125.2 %	101.6 %	105.0 %
Regions other than Miyagi, Fukushima and Iwate	106.9 %	125.0 %	105.6 %	108.2 %
Miyagi, Fukushima and Iwate prefectures	109.8 %	128.6 %	25.5 %	48.1 %

Note: The figures above are preliminary.

Operating Data

- Despite solid transaction volume, operating revenues were 98% of the previous fiscal year due to an accounting change for electronic money revenues (minus ¥12.6 billion)
- Achieved consolidated and non-consolidated net income forecast with promotion of low-cost operations (Billions of yen)

Consolidated	Actual Results	Year-on-Year Change	Forecast	Differences
Transaction volume	3,194.6	107%	3,180.0	+ 14.6
Operating revenues	169.1	98%	173.0	- 3.9
Operating income	20.7	101%	23.0	- 2.3
Ordinary income	20.8	102%	22.5	- 1.7
Net income	9.5	+ 9.3	9.5	+ 0.04
Non-Consolidated	Actual Results	Year-on-Year Change	Forecast	Differences
Transaction volume	2,874.3	106%	2,900.0	- 25.7
Operating revenues	113.7	97%	117.8	- 4.1
Operating income	10.0	110%	11.5	- 1.5
Ordinary income	12.7	117%	13.5	- 0.8
Net income	8.1	+ 10.7	7.5	+ 0.6

Operating Data (Trends by Quarter)

- Both consolidated and non-consolidated operating margins increased each quarter due to promotion of low-cost operations

(Billions of yen)

Consolidated	1Q		2Q		3Q		4Q	
	Results	YoY	Results	YoY	Results	YoY	Results	YoY
Transaction volume	785.3	109%	789.3	108%	791.4	107%	828.5	103%
Operating revenues	40.3	97%	42.2	98%	43.7	103%	42.9	95%
Operating income	4.1	101%	4.3	95%	4.9	98%	7.2	106%
Operating margin	10.2%		10.4%		11.4%		16.8%	

Non-consolidated	1Q		2Q		3Q		4Q	
	Results	YoY	Results	YoY	Results	YoY	Results	YoY
Transaction volume	703.4	109%	709.2	107%	711.3	107%	750.3	107%
Operating revenues	27.0	96%	28.4	97%	29.7	103%	28.5	92%
Operating income	1.6	95%	2.0	96%	2.2	110%	4.0	103%
Operating margin	6.2%		7.3%		7.6%		14.3%	

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Operating Revenues by Segment (Actual)

- Sales plans with alliance partners drove steady expansion of credit card shopping revenues
- Overseas revenues expanded steadily as business in Indonesia and the Philippines turned profitable and Vietnam business achieved profitability for a full month (October)

(Billions of yen)

	1H		2H		Full year	
	Results	YoY	Results	YoY	Results	YoY
Credit card shopping	26.1	112%	28.5	114%	54.6	113%
Lending	24.3	92%	20.9	82%	45.2	87%
Fee business	4.9	147%	8.8	177%	13.7	156%
Domestic subsidiaries	2.8	93%	3.0	98%	5.8	96%
Overseas businesses	25.9	101%	27.3	105%	53.1	103%
Total	84.0	98%	88.7	99%	172.7	99%
Elimination of intercompany transactions	- 1.5	—	- 2.1	—	- 3.6	—
Consolidated total	82.5	97%	86.6	99%	169.1	98%

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Financial Data

- Consolidated installment sales receivables increased ¥60.7 billion from the start of the fiscal year
- Non-consolidated finance receivables decreased ¥43.3 billion due to enforcement of the latest stage of the Money Lending Law

(Billions of yen)

	Consolidated		Non-Consolidated	
	Results	YoY Change	Results	YoY Change
Total assets (Securitized receivables)	1,162.6 (261.0)	+ 100.4 (+ 65.2)	947.6 (250.7)	+ 97.0 (+ 63.1)
Total finance receivables (Securitized receivables)	938.7 (261.0)	+ 18.7 (+65.2)	744.8 (250.7)	+ 12.3 (+ 63.1)
Installment sales receivables (Securitized receivables)	504.0 (119.7)	+ 60.7 (- 22.7)	426.2 (116.4)	+ 55.6 (- 23.3)
Balance of finance receivables (Securitized receivables)	434.7 (141.3)	- 41.9 (+ 87.9)	318.5 (134.3)	- 43.3 (+ 86.5)

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Results for the Fiscal Year Ended February 20, 2011

Number of Cardholders and Active Cardholders

- On a consolidated basis, the number of cardholders was 28.07 million (up 1.54 million from the start of the fiscal year) and the number of active cardholders was 13.76 million (up 0.91 million)
- On a non-consolidated basis, the number of cardholders was 20.00 million (up 0.95 million from the start of the fiscal year) and the number of active cardholders was 11.93 million (up 0.78 million)

(Millions of cardholders)

	FY 2009	FY 2010	YoY change
Number of cardholders	26.53	28.07*	+ 1.54
Domestic	19.05	20.00	+ 0.95
Overseas	7.48	8.07	+ 0.58
Hong Kong & China	1.16	1.29	+ 0.13
Thailand	5.47	5.81	+ 0.33
Malaysia	0.71	0.80	+ 0.08
Taiwan	0.12	0.13	+ 0.01
	FY 2009	FY 2010	YoY change
Number of active cardholders	12.85	13.76	+ 0.91
Domestic	11.15	11.93	+ 0.78
Annual usage rate	62.2%	62.8%	+ 0.6%
Domestic usage rate	63.6%	64.4%	+ 0.8%

* The number of cardholders includes 1.01 million family cardholders in Japan and 4.57 million overseas House Card cardholders.

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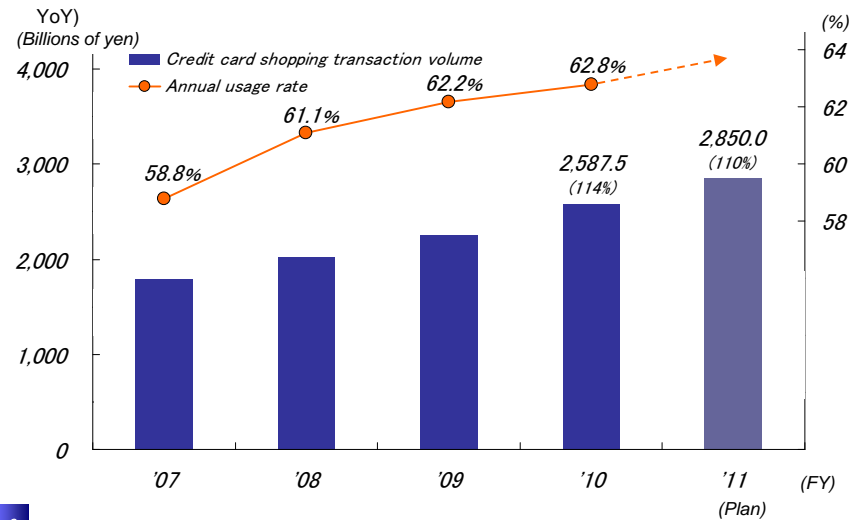
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Results for the Fiscal Year Ended February 20, 2011

Credit Card Shopping Transaction Volume/Annual Usage Rate (Consolidated)

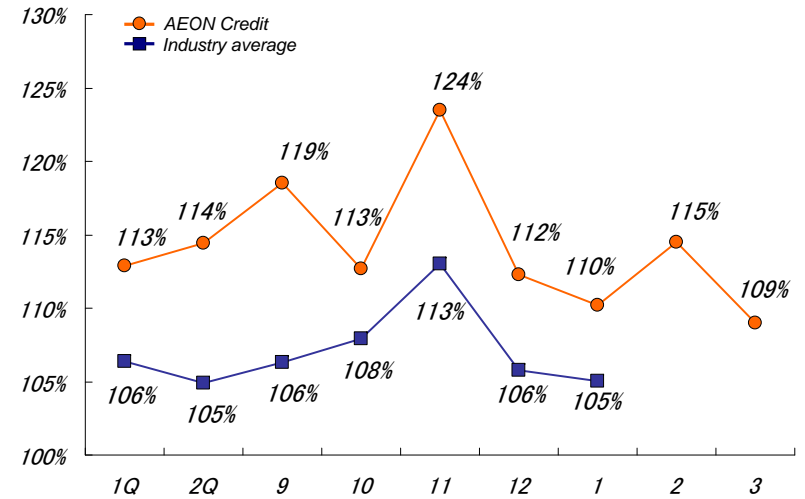
■ Credit card shopping transaction volume in FY 2010 was 114% of the previous year on both a consolidated and non-consolidated basis

■ Planned FY 2011 consolidated credit card shopping transaction volume of ¥2,850.0 billion (110%



Growth in Credit Card Shopping Transaction Volume (Non-Consolidated)

■ Joint sales promotions with Group companies support growth in credit card shopping volume that consistently outpaces the industry average

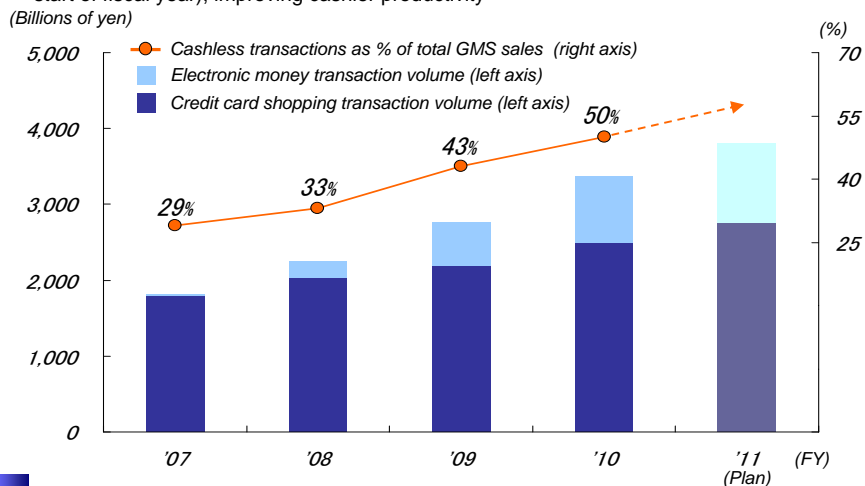


Note: Industry average calculated by AEON Credit based on figures from the Ministry of Economy, Trade and Industry

Cashless Transaction Ratio and Transaction Volume

■ Combined cashless transaction volume for credit and e-money transactions was ¥3,395.4 billion (123% YoY)

■ Cashless transactions made up 50% of general merchandise store (GMS) sales (up 7% from start of fiscal year), improving cashier productivity



Bank Agency Business

■ Number of in-store branches increased by 13 to 75 branches (as of March 31)

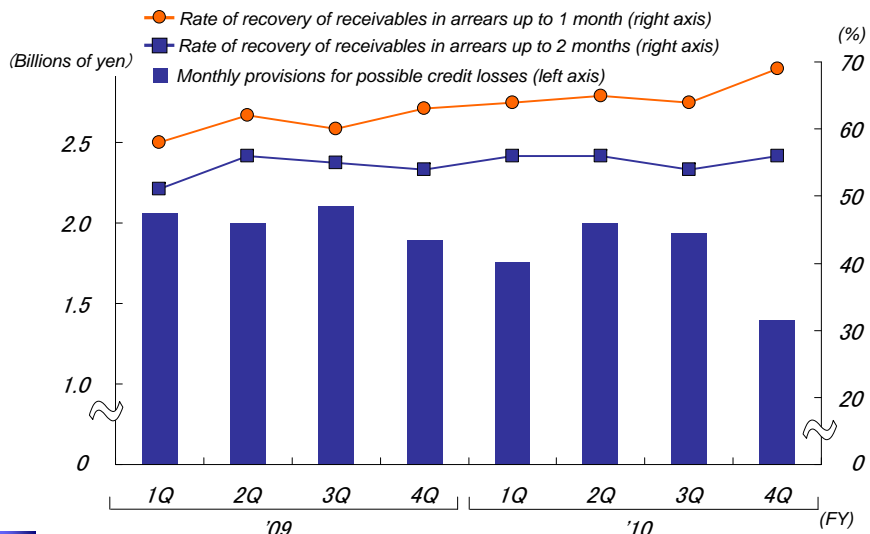
■ Mortgage loan referrals at agencies in March expanded solidly, increasing to 152% of the previous fiscal year



One-stop financial services shop

Rate of Recovery of Receivables in Arrears and Total Receivables in Arrears

- Stronger collection system led to steady recovery of receivables in arrears up to 1 or 2 months
- Provision for possible credit losses decreased due to clarification of receivable details



Allowance for Possible Credit Losses

- Provision for possible credit losses in FY 2010 was ¥20.7 billion, and the allowance for possible credit losses was ¥46.8 billion as of the end of the fiscal year

	(Billions of yen)	
	FY 2009	FY 2010
Balance at beginning of year	45.6	47.7
Provision during the year	24.0	20.7
Write-off of credit losses	21.9	21.6
Balance at end of year	47.7	46.8

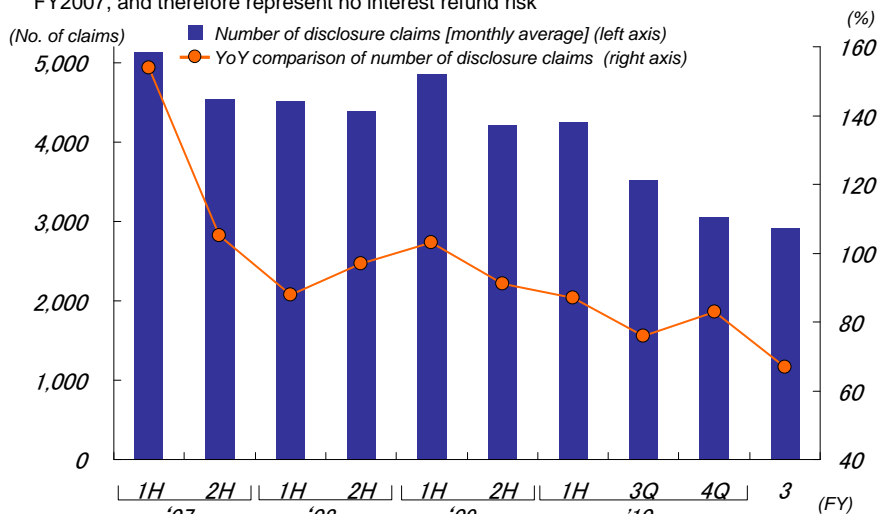
	FY 2010
Allowance for personal bankruptcies	All losses written off
Receivables in arrears over 3 months and subject to special attention	40.0
General allowance for possible credit losses	6.8
Total	46.8

Allowance ratio, end of year	6.5%	6.3%
Actual costs related to credit losses*	45.9	42.3

*Actual costs related to credit losses = Provision for possible credit losses + Write-off of credit losses

Number of Disclosure Claims for Excess Interest Repayment

- In FY 2010, the number of disclosure claims for excess interest repayment, a leading indicator of refunds of excess interest received, decreased to 84% of previous fiscal year
- About 50% of cardholders with outstanding loan balances have become loan users since FY2007, and therefore represent no interest refund risk



Allowance for Loss on Refund of Interest Received

- Interest refunds decreased ¥0.9 billion year on year to ¥6.8 billion due to a decrease in the number of transaction history requests
- With fewer transaction history requests, we are planning on interest refunds of about ¥4.7 billion in FY 2011

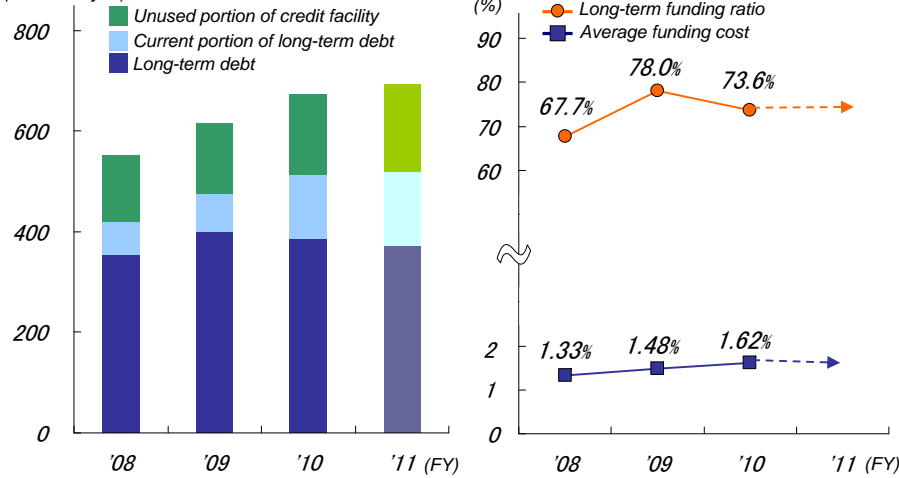
	(Billions of yen)	
	FY 2009	FY 2010
Allowance for loss on refund of interest received, beginning of year	30.4	22.8
Refund of interest received (Sums refunded and appropriation of interest to principal)	7.7	6.8
Allowance for loss on refund of interest received, end of year	22.8	16.0

No. of years covered by allowance for loss on refund of interest received	3.0 years	2.4 years
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Fund Procurement (Non-Consolidated)

- Securitized receivables with master trust method and self-settled trusts, securing flexible access to capital
- Renewed credit facilities of ¥200.0 billion (including long-term credit facilities of ¥70.0 billion). Secured liquidity on hand and provided for risk of rising interest rates

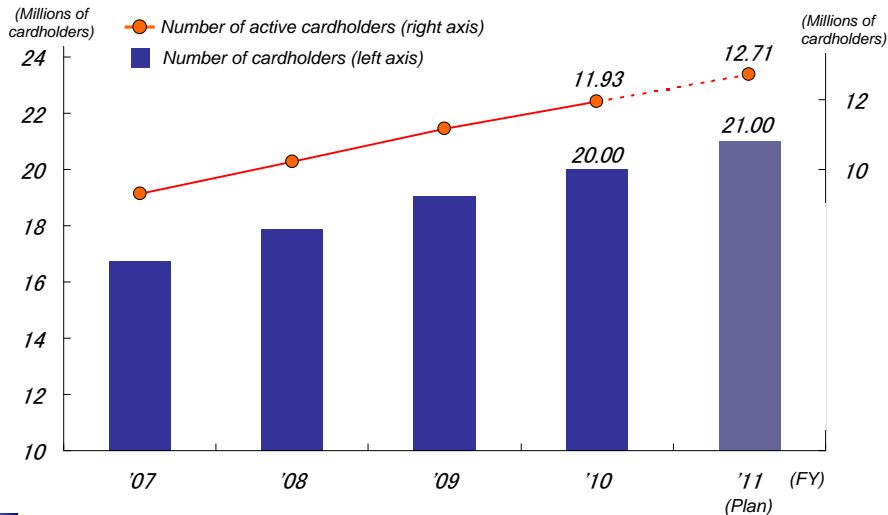
(Billions of yen)



FY 2011 Priority Items

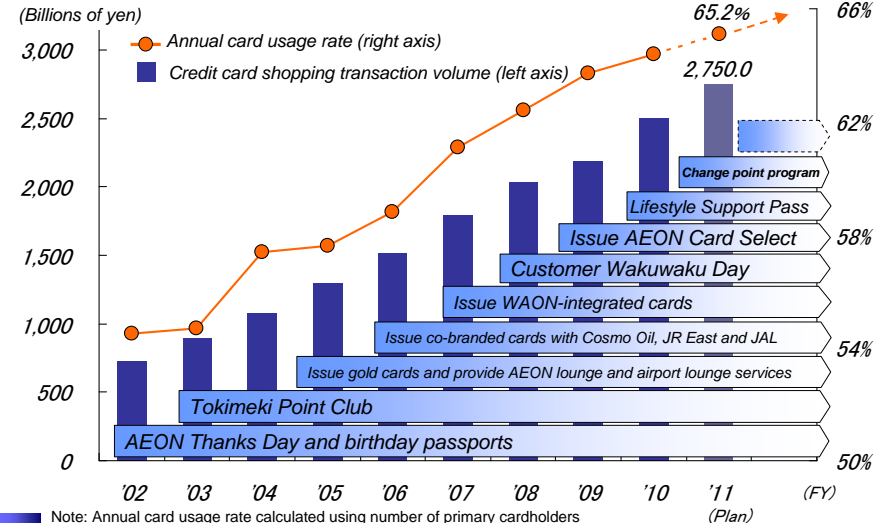
Expanding the Cardholder Base

- Increase the number of active cardholders to 12.71 million (up 0.78 million from the start of the fiscal year) by conducting joint plans with Group companies
- Intensify sign-up efforts to expand the number of cardholders to 21 million (up 1 million from the start of the fiscal year)



Expanding Credit Card Shopping Transaction Volume

- Enhance privileges and functions to raise annual card usage rate by 0.8% to 65.2%
- Expand credit card shopping transaction volume to ¥2,750.0 billion (110% YoY)



Note: Annual card usage rate calculated using number of primary cardholders

Developing New Customer Bases

- Expand number of male cardholders and cardholders in urban area by issuing cards with transit fare and traffic toll payment functions
- Utilize customer data based on life stage



AEON Metropolitan Expressway Card



AEON Card Kitaca



Benesse AEON Card

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Promoting AEON CARD SELECT

- Intensify sign-up efforts for AEON CARD SELECT, which combines cash card, credit and WAON functions
- Raise number of cardholders to 1.09 million (up 0.59 million from the start of the fiscal year)



	AEON Card Select Cardholders	All Cardholders
Number of cardholders	1.09 million	20.0 million
Annual usage rate	70.8%	64.4%
Annual amount used	¥286 thousand	¥209 thousand

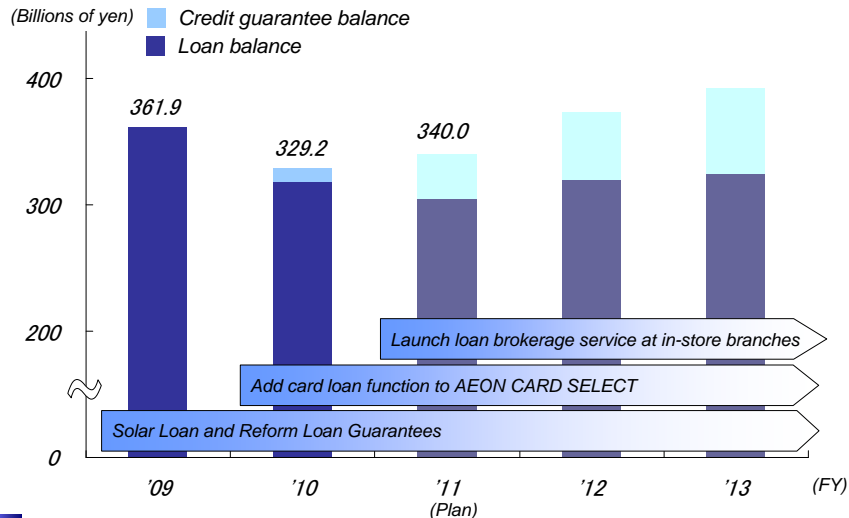
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Initiatives in Lending and Credit Guarantee Business

- Expand guarantee business by strengthening tie-up with AEON Bank
- We plan to restore the balance of loans from the FY 2011 bottom by acquiring new members



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Expanding the Bank Agency Business

- Expand network of in-store branches that offer one-stop credit, banking and insurance services
- Expand the fee businesses of account sign-ups, mortgage loan brokerage, guarantees and insurance sales, primarily at in-store branches

Role	AEON Bank	AEON Insurance Service	AEON Credit
Account opening	Enhancement of functions and privileges	Account sign-ups	Account sign-ups
Mortgage loans	Review & collection	Brokerage	Brokerage
Unsecured loans	Review & collection	Brokerage	Credit guarantee
Investment trust	Sales	Brokerage	—
Insurance	Sales of investment products	Sales of indemnity products	Sale of small, short-term products

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Reinforcing the Electronic Money Business

- In FY 2010, we intensified sign-up efforts for integrated cards, developed commercial facilities in airports and added online functions
- In FY 2011, we will further expand transaction volume by strengthening development of outside affiliated merchants and enhancing functions

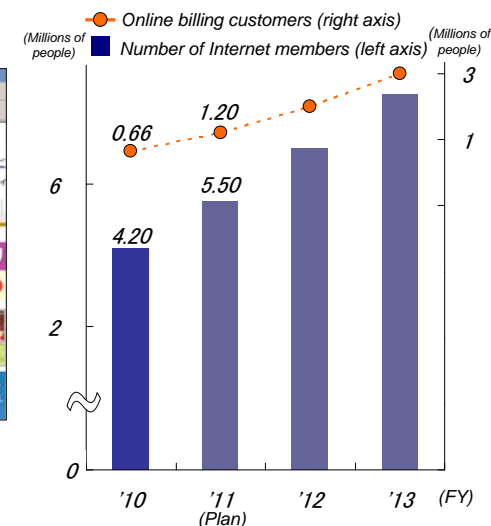
	Number of cards issued	Affiliated merchants	Functions
FY 2010	 Intensified sign-up efforts for all-in-one cards	 Commercial facilities in airports	 Online settlement
FY 2011	 Registered WAON	 Use of shared ATMs	 Smartphone compatibility

Promoting the Internet Business

- Enrich functions of the *Kurashi-no-Money Site* by introducing fun content (games), etc.
- Reduce mailing costs and CO₂ by increasing the number of online billing customers



Kurashi-no-Money Site







Status of System Development

- Record an extraordinary loss to replace and renew existing systems and switch to next-generation systems

	FY 2010	FY 2011
Handling volume expansion	50 million cardholder capacity	Full disaster recovery
Web	<i>Kurashi-no-Money Site</i>	Create Web Mall
Call center	Overhaul, review and manage call center systems and unify call management	
Credit management and review	Integrated customer system	IFRS-ready systems

Initiatives of Domestic Subsidiaries

- Enhance selection of products through private commercial development in small-sum, short-term insurance business
- Establish compliance system in servicer business

	AEON S.S. Insurance	ACS Credit Management
Strengthen sales at shops		Improvement of collection systems 
Private-brand merchandise		Expansion of client companies 

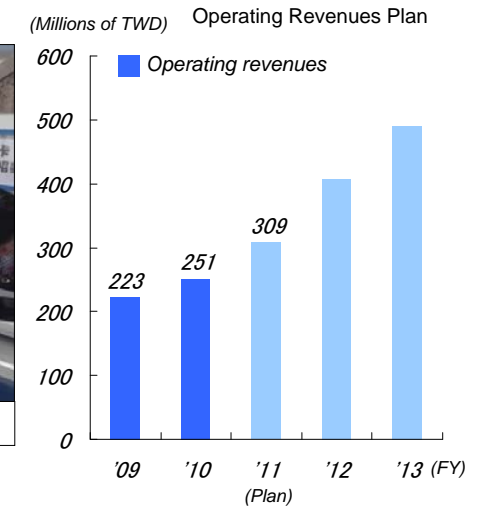
FY 2011 Priority Items (Overseas)

Taiwan

- Begin issuing co-branded card with Global Mall (total number of cardholders 140,000)
- Expand our own affiliated merchant network to 9,100 stores in FY 2011 (up 2,000 from the previous fiscal year)



Sign-ups for co-branded card with Global Mall

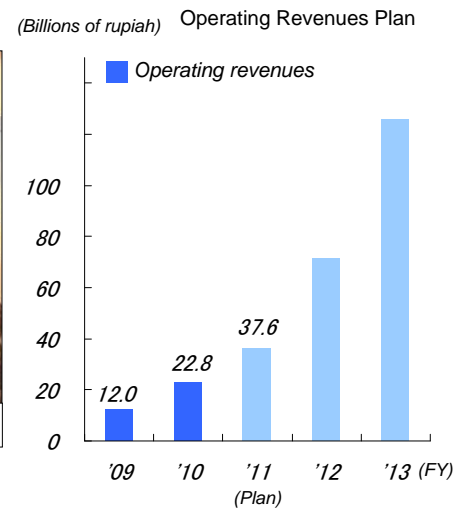


Indonesia

- Achieved profitability in FY 2010 (operating income ¥38 million) by expanding affiliated merchant network
- Begin issue of credit cards to expand business in FY 2011



Affiliated merchant development

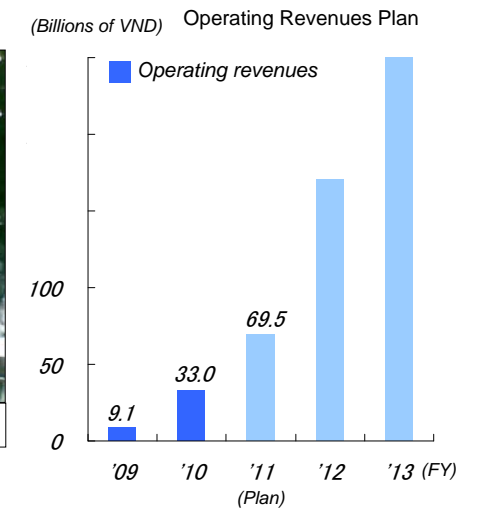


Vietnam

- Achieved profitability for the month of October by expanding transaction volume through affiliated merchant development
- In FY 2011, we plan to achieve profitability for the fiscal year



Cultivation of affiliated merchant partners



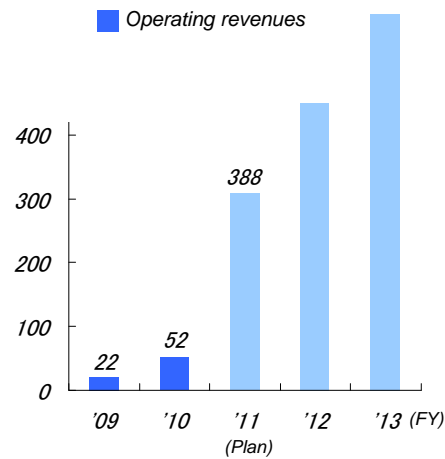
Philippines

- Increased number of system engineers to 155 (an increase of 70 from the previous fiscal year), and achieved profitability for FY 2010
- In FY 2011, we plan to increase the number of system engineers to 400 and establish a credit company



Philippines Office

(Millions of pesos) Operating Revenues Plan



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Establishment of Asia Business Headquarters

- The Asia Business Headquarters has been established to conduct human resource development and business expansion for overseas business

	Japan	Hong Kong	Thailand	Malaysia	Taiwan	Indonesia	China	Vietnam	Philippines	India	Cambodia
Hire purchase	○	○	○	○	○	○	○	○	□	□	□
Credit cards	○	○	○	○	○	□	○				
Unsecured loans	○	○	○	○	□						
Insurance	○	○	○	○							
Electronic money	○	□	□	□							
Bank agency business	○										
HR development		▶									
Development of overseas shared system		▶									

○: Currently available □: Rollout planned (FY 2011)

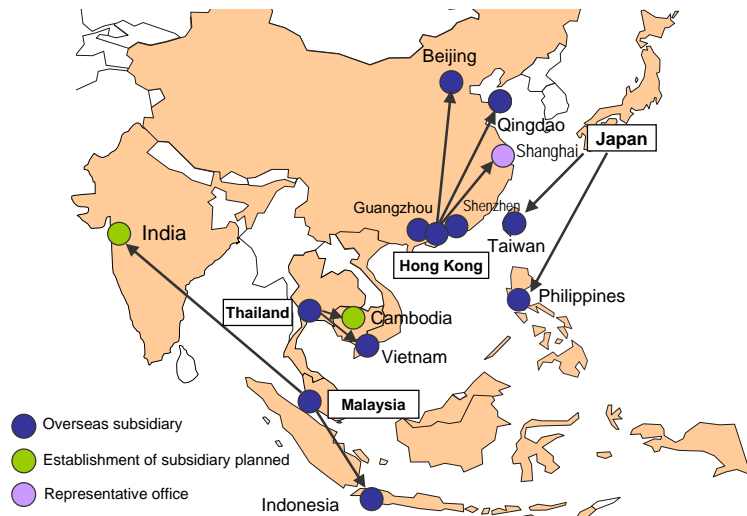
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Promote Rollout into Asian Countries

- Strengthen rollout into surrounding countries through listed companies in Japan, Hong Kong, Thailand and Malaysia
- Establish subsidiaries in India and Cambodia



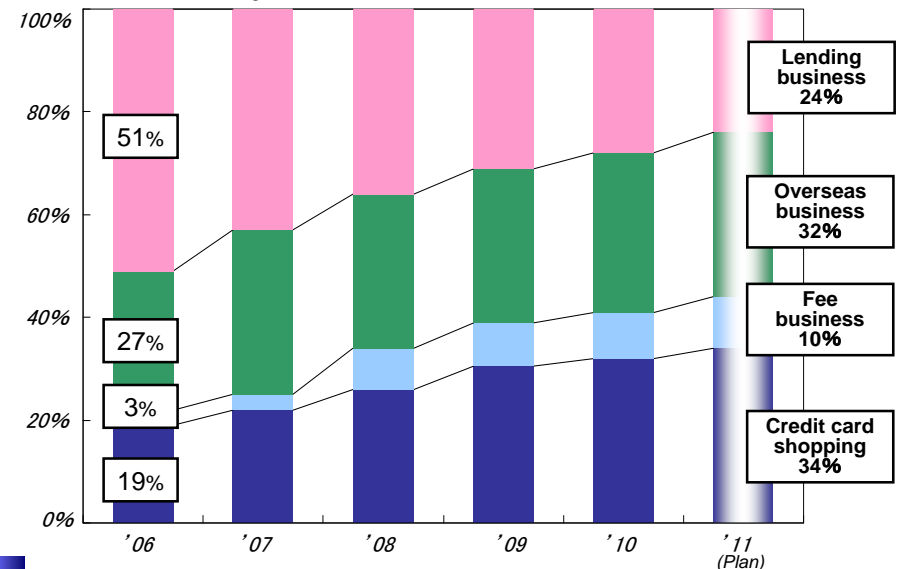
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Our Changing Business Structure

- Our settlement business and fee business are growing steadily. The share of operating revenues from the lending business has shrunk to 24%



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Forecast of Results for FY 2011

■ We expect revenues and income to rise as we strengthen our fee business and overseas

business and accelerate the transformation of our business structure

(Billions of yen)

	Consolidated		Non-Consolidated	
	Forecast	YoY change	Forecast	YoY change
Transaction volume	3,420.0	107%	3,100.0	108%
Operating revenues	171.5	101%	115.0	101%
Operating income	21.0	101%	10.2	101%
Ordinary income	21.0	101%	12.8	100%
Net income	9.6	101%	8.2	100%

(Yen)

	Interim (forecast)	Year end (forecast)	Full year (forecast)
Dividend	15	25	40