



# Brief Report of Financial Results

(For the fiscal 2008 ended February 20, 2009)

April 6, 2009

Registered company name: **AEON CREDIT SERVICE CO., LTD.**

Stock listing: Tokyo Stock Exchange, First Section

Code No: 8570

URL: <http://www.aeoncredit.co.jp>

President: Kazuhide Kamitani

Contact: Yoshitaka Yamada, Director, Chief General Manager Administration

Telephone: +81-3-5281-2057

## 1. Business performance (For the fiscal 2008 ended February 20, 2009 and fiscal 2007 ended February 20, 2008)

### (1) Consolidated results of operations

(Millions of yen truncated to the nearest million, %, yen)

|                                     | Operating revenues | YOY (%) | Operating income | YOY (%) | Ordinary income | YOY (%) | Net income | YOY (%) |
|-------------------------------------|--------------------|---------|------------------|---------|-----------------|---------|------------|---------|
| Fiscal 2008 ended February 20, 2009 | 176,007            | 2.8     | 26,611           | 19.0    | 26,805          | 18.8    | 14,788     | 16.2    |
| Fiscal 2007 ended February 20, 2008 | 181,076            | 4.4     | 32,863           | 19.8    | 33,014          | 19.5    | 17,653     | 14.3    |

  

|                                     | Net income per share | Fully diluted net income per share | Return on equity | Return on assets | Operating income / Operating revenues |
|-------------------------------------|----------------------|------------------------------------|------------------|------------------|---------------------------------------|
| Fiscal 2008 ended February 20, 2009 | 94.29                | 94.28                              | 9.1              | 3.1              | 15.1                                  |
| Fiscal 2007 ended February 20, 2008 | 112.52               |                                    | 11.1             | 3.9              | 18.1                                  |

(Reference) Profit & loss from equity method applied investment; Fiscal 2008; 21 million, Fiscal 2007; 38 million

### (2) Consolidated financial position

(Millions of yen truncated to the nearest million, %, yen)

|                                     | Total assets | Net assets | Shareholders' equity ratio | Net assets per share |
|-------------------------------------|--------------|------------|----------------------------|----------------------|
| Fiscal 2008 ended February 20, 2009 | 854,193      | 181,901    | 19.0                       | 1036.35              |
| Fiscal 2007 ended February 20, 2008 | 862,061      | 183,336    | 18.9                       | 1,040.97             |

(Reference) Shareholder's equity; Fiscal 2008; 162,535 million, Fiscal 2007; 163,262 million

### (3) Consolidated cash flows

(Millions of yen truncated to the nearest million)

|                                     | Net cash used in operating activities | Net cash used in Investing activities | Net cash provided by financing activities | Cash and cash equivalents at end of period |
|-------------------------------------|---------------------------------------|---------------------------------------|---|--|
| Fiscal 2008 ended February 20, 2009 | 45,609                                | 698                                   | 1,537                                     | 60.202                                     |
| Fiscal 2008 ended February 20, 2008 | 7,094                                 | 8,768                                 | 6,434                                     | 15,753                                     |

## 2. Dividend circumstances

| (Base date)                    | Dividend per share |              |        | Total dividends | Payout ratio | Dividend on equity ratio |
|--------------------------------|--------------------|--------------|--------|-----------------|--------------|--------------------------|
|                                | Interim end        | Term end (*) | Annual |                 |              |                          |
| February 2008 term             | 15.00              | 25.00        | 40.00  | 6,274           | 35.5         | 3.9                      |
| February 2009 term             | 15.00              | 25.00        | 40.00  | 6,273           | 42.4         | 3.4                      |
| February 2010 term (Estimated) | 15.00              | 25.00        | 40.00  |                 | 50.2         |                          |

**3. Consolidated results forecast** (Fiscal 2009 ending February 21, 2010) (Millions of yen truncated to the nearest million, %, yen)

|           | Operating revenues | YOY (%) | Operating income | YOY (%) | Ordinary income | YOY (%) | Net income | YOY (%) | Net income per share |
|-----------|--------------------|---------|------------------|---------|-----------------|---------|------------|---------|----------------------|
| Interim   | 83,000             | 6.3     | 12,500           | 18.5    | 12,100          | 22.0    | 5,700      | 19.4    | 36.34                |
| Full term | 172,000            | 2.3     | 27,400           | 3.0     | 27,400          | 2.2     | 12,500     | 15.5    | 79.70                |

**4. Others**

- (1) Change of important subsidiary during term (Change of specified subsidiary accompanying change of consolidation scope) : No  
 (2) Change of principle, procedure, expression method, etc., of accounting process concerning preparation of consolidated financial statements  
 (matters to be mentioned concerning change of important items to be the bases for preparation of consolidated financial statements)

Change accompanying revision of accounting standards ; No

Change other than ; No

- (3) Number of shares of outstanding stock (Common stock)

Number of shares of outstanding stock at term end (including treasury stock)

Fiscal 2008; 156,967,008 shares, Fiscal 2007; 156,967,008 shares

Number of shares of treasury stock at end of term

Fiscal 2008; 131,823 shares, Fiscal 2007; 130,405 shares

**(Reference) : Report of Non-Consolidated Financial Results**

**1. Business performance** (For the fiscal 2008 ended February 20, 2009 and fiscal 2007 ended February 20, 2008)

**(1) Non-consolidated results of operations** (Millions of yen truncated to the nearest million, %, yen)

|                                     | Operating revenues | YOY (%) | Operating income | YOY (%) | Ordinary income | YOY (%) | Net income | YOY (%) |
|-------------------------------------|--------------------|---------|------------------|---------|-----------------|---------|------------|---------|
| Fiscal 2008 ended February 20, 2009 | 117,216            | 3.5     | 14,080           | 28.5    | 16,289          | 26.9    | 12,192     | 13.6    |
| Fiscal 2007 ended February 20, 2008 | 125,530            | 2.9     | 19,685           | 35.4    | 22,275          | 29.6    | 14,106     | 21.2    |

|                                     | Net income per share | Fully diluted net income per share |
|-------------------------------------|----------------------|------------------------------------|
| Fiscal 2008 ended February 20, 2009 | 77.74                | 77.73                              |
| Fiscal 2007 ended February 20, 2008 | 89.92                |                                    |

**(2) Financial position**

(Millions of yen truncated to the nearest million, %, yen)

|                                     | Total assets | Net assets | Shareholders' equity ratio | Net assets per share |
|-------------------------------------|--------------|------------|----------------------------|----------------------|
| Fiscal 2008 ended February 20, 2009 | 660,946      | 145,093    | 21.9                       | 924.97               |
| Fiscal 2007 ended February 20, 2008 | 653,702      | 142,601    | 21.8                       | 909.24               |

(Reference) Shareholder's equity; Fiscal 2008; 145,068 million, Fiscal 2007; 142,601 million

**2. Non-Consolidated results forecast** (Fiscal 2009 ending February 20, 2010)

(Millions of yen truncated to the nearest million, %)

|           | Operating revenues | YOY (%) | Operating income | YOY (%) | Ordinary income | YOY (%) | Net income | YOY (%) | Net income per share |
|-----------|--------------------|---------|------------------|---------|-----------------|---------|------------|---------|----------------------|
| Interim   | 56,000             | 4.2     | 7,200            | 18.0    | 7,900           | 21.1    | 5,000      | 13.7    | 31.88                |
| Full term | 117,500            | 0.2     | 15,500           | 10.1    | 17,200          | 5.6     | 10,500     | 13.9    | 66.95                |

Transaction volume is estimated 1,320,000 million (YOY 0.6%) in interim term, 2,760,000 million (YOY 0.6%) in full term.

Results forecasts above are based on management's assumptions using information available at the time of publication. Owing to various factors, actual results November differ from these projections.

**【 1. (Summary) Consolidated financial statements 】**

**(1) (Summary) Consolidated Balance Sheets**

(Millions of yen truncated the nearest million yen)

| Term<br>Item                         | As of<br>February 20, 2008 |            | As of<br>February 20, 2009 |            |
|--------------------------------------|----------------------------|------------|----------------------------|------------|
|                                      | Amount                     | % of total | Amount                     | % of total |
| (ASSETS)                             |                            |            |                            |            |
| I. Current assets                    |                            |            |                            |            |
| 1. Cash and cash equivalents         | 17,499                     |            | 61,033                     |            |
| 2. Credit card and hire purchase     | 287,335                    |            | 245,378                    |            |
| 3. Credit card and other loans       | 503,720                    |            | 483,527                    |            |
| 4. Advance                           | 2,411                      |            | 7,562                      |            |
| 5. Prepaid expenses                  | 1,607                      |            | 1,155                      |            |
| 6. Deferred tax assets               | 16,549                     |            | 16,795                     |            |
| 7. Account receivables               | 15,461                     |            | 19,153                     |            |
| 8. Account income                    | 11,099                     |            | 11,104                     |            |
| 9. Other                             | 2,032                      |            | 2,999                      |            |
| Allowance for possible credit losses | 47,896                     |            | 50,757                     |            |
| Total current assets                 | 809,822                    | 94.0       | 797,954                    | 93.4       |
| II. Non-current assets               |                            |            |                            |            |
| 1. Property and equipment            |                            |            |                            |            |
| (1) Buildings                        | 2,759                      |            | 2,628                      |            |
| Total depreciation expenses          | 1,541                      | 1,218      | 1,613                      | 1,014      |
| (2) Vehicles and transport equipment | 2,759                      |            | 3,726                      |            |
| Total depreciation expenses          | 309                        | 2,449      | 564                        | 3,161      |
| (3) Tool                             | 18,951                     |            | 15,886                     |            |
| Total depreciation expenses          | 12,776                     | 6,175      | 10,893                     | 5,292      |
| Total property and equipment         |                            | 9,843      |                            | 9,469      |
| 2. Intangible fixed assets           |                            |            |                            |            |
| (1) Software                         |                            | 8,089      |                            | 11,424     |
| (2) Telephone line rights            |                            | 44         |                            | 46         |
| Total Intangible fixed assets        |                            | 8,133      |                            | 11,471     |
| 3. Investments and other assets      |                            |            |                            |            |
| (1) Investment securities            |                            | 23,052     |                            | 18,174     |
| (2) Long-term prepaid expenses       |                            | 6,222      |                            | 7,710      |
| (3) Deferred tax assets              |                            | 1,209      |                            | 4,781      |
| (4) Guarantee money deposit          |                            | 3,189      |                            | 2,359      |
| (5) Other                            |                            | 391        |                            | 2,113      |
| Total investments and other assets   |                            | 34,066     |                            | 35,140     |
| Total non-current assets             |                            | 52,042     |                            | 56,081     |

| Term<br>Item                                  | As of<br>February 20, 2008 |              | As of<br>February 20, 2009 |              |
|---|----------------------------|--------------|----------------------------|--------------|
|   | Amount                     | % of total   | Amount                     | % of total   |
| . Deferred assets                             |                            |              |                            |              |
| Issuing cost for corporate bonds              | 196                        |              | 157                        |              |
| Total deferred assets                         | 196                        | 0.0          | 157                        | 0.0          |
| <b>TOTAL ASSETS</b>                           | <b>862,061</b>             | <b>100.0</b> | <b>854,193</b>             | <b>100.0</b> |
| (LIABILITIES)                                 |                            |              |                            |              |
| I. Current liabilities                        |                            |              |                            |              |
| 1. Cash and deposits                          | 82,158                     |              | 91,542                     |              |
| 2. Short-term loans                           | 27,787                     |              | 26,581                     |              |
| 3. Current portion of long-term debt          | 80,198                     |              | 70,542                     |              |
| 4. Current portion of bonds                   | 18,498                     |              | 16,272                     |              |
| 5. Commercial paper                           | 659                        |              |                            |              |
| 6. Accrued debt                               | 7,570                      |              | 5,703                      |              |
| 7. Accrued expenses                           | 3,735                      |              | 3,692                      |              |
| 8. Accrued corporate tax, etc.                | 3,397                      |              | 4,772                      |              |
| 9. Unearned income                            | 325                        |              | 296                        |              |
| 10. Deposits received                         | 2,022                      |              | 5,630                      |              |
| 11. Allowance for bonuses                     | 382                        |              | 359                        |              |
| 12. Allowance for director's bonuses          | 51                         |              | 15                         |              |
| 13. Allowance for the point program           | 3,287                      |              | 4,141                      |              |
| 14. Other                                     | 942                        |              | 1,242                      |              |
| Total current liabilities                     | 231,042                    | 26.8         | 230,795                    | 27.0         |
| II. Long-term liabilities                     |                            |              |                            |              |
| 1. Corporate bonds                            | 112,954                    |              | 104,533                    |              |
| 2. Long-term debt                             | 323,009                    |              | 321,981                    |              |
| 3. Allowance for employees retirement benefit | 77                         |              | 108                        |              |
| 4. Allowance for loss of interest repayment   | 8,540                      |              | 11,936                     |              |
| 5. Deferred tax liabilities                   | 433                        |              | 393                        |              |
| 6. Other                                      | 2,665                      |              | 2,544                      |              |
| Total long-term liabilities                   | 447,681                    | 51.9         | 441,496                    | 51.7         |
| <b>TOTAL LIABILITIES</b>                      | <b>678,724</b>             | <b>78.7</b>  | <b>672,292</b>             | <b>78.7</b>  |

| Term<br>Item   | As of<br>February 20, 2008 |            | As of<br>February 20, 2009 |            |
|--|----------------------------|------------|----------------------------|------------|
|  | Amount                     | % of total | Amount                     | % of total |
| (EQUITY)   |                            |            |                            |            |
| I. Shareholder's equity  |                            |            |                            |            |
| 1. Common stock  | 15,466                     | 1.8        | 15,466                     | 1.8        |
| 2. Capital surplus   | 17,053                     | 1.9        | 17,052                     | 2.0        |
| 3. Retained earnings   | 126,646                    | 14.7       | 135,161                    | 15.8       |
| 4. Treasury stock  | 218                        | 0.0        | 219                        | 0.0        |
| Total shareholder's equity                                     | 158,948                    | 18.4       | 167,461                    | 19.6       |
| II. Unrealized gains/losses and<br>exchange rate adjustments   |                            |            |                            |            |
| 1. Net unrealized gain on securities                           | 4,355                      | 0.5        | 767                        | 0.1        |
| 2. Deferred loss on derivatives<br>under hedge accounting      | 338                        | 0.0        | 419                        | 0.1        |
| 3. Exchange rate adjustment allowance                          | 297                        | 0.0        | 5,273                      | 0.6        |
| Total unrealized gains/losses and<br>exchange rate adjustments | 4,314                      | 0.5        | 4,926                      | 0.6        |
| . New share subscription rights                                |                            |            | 25                         | 0.0        |
| . Minority interests   | 20,074                     | 2.4        | 19,340                     | 2.3        |
| TOTAL EQUITY   | 183,336                    | 21.3       | 181,901                    | 21.3       |
| TOTAL LIABILITIES AND EQUITY                                   | 862,061                    | 100.0      | 854,193                    | 100.0      |

## (2) (Summary) Consolidated Statements of Income

(Millions of yen truncated the nearest million yen)

| Term<br>Item                                    | As of<br>February 20, 2008 |         |            | As of<br>February 20, 2009 |         |            |
|---|----------------------------|---------|------------|----------------------------|---------|------------|
|   | Amount                     |         | % of total | Amount                     |         | % of total |
| I. Operating revenues                           |                            |         |            |                            |         |            |
| 1. Credit card shopping contracts               | 47,330                     |         |            | 52,697                     |         |            |
| 2. Hire purchase contracts                      | 9,752                      |         |            | 9,304                      |         |            |
| 3. Income from direct cash loans                | 114,300                    |         |            | 96,040                     |         |            |
| 4. Processing agency service fees               |                            |         |            | 6,150                      |         |            |
| 5. ATM acquiring service fees                   | 1,209                      |         |            |                            |         |            |
| 6. Amortized debt income                        | 2,896                      |         |            | 2,366                      |         |            |
| 7. Other revenues                               | 5,282                      |         |            | 9,231                      |         |            |
| 8. Financial income                             |                            |         |            |                            |         |            |
| Interest received                               | 304                        | 181,076 | 100.0      | 217                        | 176,007 | 100.0      |
| II. Operating expenses                          |                            |         |            |                            |         |            |
| 1. Selling, general and administrative expenses |                            |         |            |                            |         |            |
| (1) Advertising and promotional expenses        | 11,226                     |         |            | 11,259                     |         |            |
| (2) Provision for the point program             | 3,311                      |         |            | 4,149                      |         |            |
| (3) Irrecoverable losses                        | 2,357                      |         |            | 4,720                      |         |            |
| (4) Provision for possible credit losses        | 40,210                     |         |            | 28,046                     |         |            |
| (5) Directors' salaries                         | 357                        |         |            | 345                        |         |            |
| (6) Employee's salaries and bonuses             | 15,715                     |         |            | 17,725                     |         |            |
| (7) Welfare expenses                            | 2,974                      |         |            | 2,405                      |         |            |
| (8) Provision for director's bonuses            | 51                         |         |            | 15                         |         |            |
| (9) Provision for bonuses                       | 392                        |         |            | 699                        |         |            |
| (10) Employee retirement benefits               | 206                        |         |            | 218                        |         |            |
| (11) Provision for loss of interest repayment   | 6,522                      |         |            | 9,765                      |         |            |
| (12) Transportation and communications expenses | 10,379                     |         |            | 10,917                     |         |            |
| (13) Taxes and public charges                   | 3,045                      |         |            | 3,035                      |         |            |
| (14) Rent                                       | 4,989                      |         |            | 5,555                      |         |            |
| (15) CD operating expenses                      | 2,371                      |         |            | 631                        |         |            |
| (16) Commissions paid                           | 10,739                     |         |            | 14,203                     |         |            |
| (17) Depreciation expenses                      | 5,317                      |         |            | 6,060                      |         |            |
| (18) System operation expenses                  | 2,243                      |         |            | 2,971                      |         |            |
| (19) Other                                      | 11,155                     | 133,567 | 73.8       | 11,635                     | 134,360 | 76.3       |
| 2. Financial costs                              |                            |         |            |                            |         |            |
| (1) Interest paid                               | 14,456                     |         |            | 14,432                     |         |            |
| (2) Other                                       | 189                        | 14,645  | 8.1        | 602                        | 15,035  | 8.6        |
| Total operating expenses                        |                            | 148,212 | 81.9       |                            | 149,396 | 84.9       |
| Operating income                                |                            | 32,863  | 18.1       |                            | 26,611  | 15.1       |

| Term<br>Item  | As of<br>February 20, 2008 |            |      | As of<br>February 20, 2009 |            |      |
|---|----------------------------|------------|------|----------------------------|------------|------|
|   | Amount                     | % of total |      | Amount                     | % of total |      |
| III. Non-operating revenues                                 |                            |            |      |                            |            |      |
| 1. Dividend income  | 149                        |            |      | 151                        |            |      |
| 2. Proceeds from insurance claims                           | 1                          |            |      |                            |            |      |
| 3. Amortization for negative goodwill                       | 265                        |            |      | 189                        |            |      |
| 4. Gain on equity-method investment                         | 38                         |            |      | 21                         |            |      |
| 5. Other  | 20                         | 474        | 0.3  | 78                         | 441        | 0.2  |
| IV. Non-operating expenses                                  |                            |            |      |                            |            |      |
| 1. Loss on retirement of fixed assets                       | 37                         |            |      |                            |            |      |
| 2. Office removal expenses                                  | 126                        |            |      | 8                          |            |      |
| 3. Exchange loss  | 159                        |            |      | 129                        |            |      |
| 4. Loss of disposal of stock                                |                            |            |      | 53                         |            |      |
| 5. Other  | 1                          | 324        | 0.2  | 55                         | 246        | 0.1  |
| Ordinary income   |                            | 33,014     | 18.2 |                            | 26,805     | 15.2 |
| V. Extraordinary income                                     |                            |            |      |                            |            |      |
| 1. Proceeds from sales of investment securities             | 2,060                      |            |      | 9,430                      |            |      |
| 2. Income on software sold                                  |                            |            |      | 2,705                      |            |      |
| 3. Profit from membership sold                              |                            |            |      | 27                         |            |      |
| 4. Gain on change holding ratio of subsidiaries             | 579                        |            |      | 3                          | 12,168     | 7.0  |
| VI. Extraordinary loss                                      |                            |            |      |                            |            |      |
| 1. Provision for possible credit losses                     |                            |            |      | 6,564                      |            |      |
| 2. Loss on disposal of the cash dispenser                   | 1,253                      |            |      | 1,033                      |            |      |
| 3. Loss from unrealized adjustment of investment securities |                            |            |      | 618                        |            |      |
| 4. Loss on change holding ratio of subsidiaries             |                            |            |      | 351                        |            |      |
| 5. Loss on disposal of software                             | 63                         |            |      |                            |            |      |
| 6. Loss on sales of fixed assets                            | 9                          |            |      |                            |            |      |
| 7. Other  |                            | 1,326      | 0.7  | 41                         | 8,609      | 4.9  |
| Income before income tax and minority interests             |                            | 34,327     | 19.0 |                            | 30,364     | 17.3 |
| Income tax  | 14,656                     |            |      | 12,658                     |            |      |
| Income tax adjustment                                       | 2,259                      | 12,397     | 6.9  | 1,474                      | 11,183     | 6.4  |
| Minority interest income                                    |                            | 4,276      | 2.4  |                            | 4,392      | 2.5  |
| Net income  |                            | 17,653     | 9.7  |                            | 14,788     | 8.4  |

**(3) (Summary) Consolidated Statements of Changes in Equity**  
**Previous consolidated accounting term (From February 21, 2007 to February 20, 2008)**

(Millions of yen truncated the nearest million yen)

|  | Shareholders' equity |                 |                   |                |                            | Unrealized gains/losses and exchange rate adjustments |   |                               |  | Minority interests | Total equity |
|--|----------------------|-----------------|-------------------|----------------|----------------------------|---|---|-------------------------------|--|--------------------|--------------|
|  | Common stock         | Capital surplus | Retained earnings | Treasury stock | Total shareholder's equity | Net unrealized gain on securities                     | Deferred loss on derivatives under hedge accounting | Exchange adjustment allowance | Total unrealized gains / losses and exchange rate adjustment |                    |              |
| <b>Balance, February 20, 2007</b>                    | 15,466               | 17,053          | 115,270           | 90             | 147,699                    | 5,750   | 42  | 2,104                         | 7,812  | 17,099             | 172,611      |
| Change in term                                       |                      |                 |                   |                |                            |   |   |                               |  |                    |              |
| Dividends from surplus fund                          |                      |                 | 6,276             |                | 6,276                      |   |   |                               |  |                    | 6,276        |
| Net income   |                      |                 | 17,653            |                | 17,653                     |   |   |                               |  |                    | 17,653       |
| Purchase of treasury stock                           |                      |                 |                   | 128            | 128                        |   |   |                               |  |                    | 128          |
| Disposal of treasury stock                           |                      | 0               |                   | 0              | 0                          |   |   |                               |  |                    | 0            |
| Net changes of items other than shareholder's equity |                      |                 |                   |                |                            | 1,394   | 295   | 1,807                         | 3,498  | 2,974              | 523          |
| Total change in term                                 |                      | 0               | 11,376            | 218            | 11,248                     | 1,394   | 295   | 1,807                         | 3,498  | 2,974              | 10,724       |
| <b>Balance February 20, 2008</b>                     | 15,466               | 17,053          | 126,646           | 218            | 158,948                    | 4,355   | 338   | 297                           | 4,314  | 20,074             | 183,336      |

**Consolidated accounting term (From February 21, 2008 to February 20, 2009)**

(Millions of yen truncated the nearest million yen)

|  | Shareholders' equity |                 |                   |                |                            | Unrealized gains/losses and exchange rate adjustments |   |  |                           | New share subscription rights | Minority interests | Total equity |
|--|----------------------|-----------------|-------------------|----------------|----------------------------|---|---|--|---------------------------|-------------------------------|--------------------|--------------|
|  | Common stock         | Capital surplus | Retained earnings | Treasury stock | Total shareholder's equity | Unrealized gain on available-for-sale securities      | Deferred loss on derivatives under hedge accounting | Foreign currency transaction adjustments | Total revaluation reserve |                               |                    |              |
| <b>Balance, February 20, 2008</b>                    | 15,466               | 17,053          | 126,646           | 218            | 158,948                    | 4,355   | 338   | 297                                      | 4,314                     |                               | 20,074             | 183,336      |
| Change in term                                       |                      |                 |                   |                |                            |   |   |  |                           |                               |                    |              |
| Dividends from surplus fund                          |                      |                 | 6,273             |                | 6,273                      |   |   |  |                           |                               |                    | 6,273        |
| Net income   |                      |                 | 14,788            |                | 14,788                     |   |   |  |                           |                               |                    | 14,788       |
| Purchase of treasury stock                           |                      |                 |                   | 2              | 2                          |   |   |  |                           |                               |                    | 2            |
| Disposal of treasury stock                           |                      | 0               |                   | 1              | 0                          |   |   |  |                           |                               |                    | 0            |
| Net changes of items other than shareholder's equity |                      |                 |                   |                |                            | 3,588   | 80  | 5,570                                    | 9,240                     | 25                            | 733                | 9,948        |
| Total change in term                                 |                      | 0               | 8,515             | 1              | 8,513                      | 3,588   | 80  | 5,570                                    | 9,240                     | 25                            | 733                | 1,435        |
| <b>Balance February 20, 2009</b>                     | 15,466               | 17,052          | 135,161           | 219            | 167,461                    | 767   | 419   | 5,273                                    | 4,926                     |                               | 19,340             | 181,901      |



**(4) (Summary) Consolidated Statements of Cash Flows**

(Millions of yen truncated the nearest million yen)

| Term<br>Item   | For the fiscal 2007<br>ended February 20, 2008 | For the fiscal 2008<br>ended February 20, 2009 |
|--|--|--|
|  | Amount   | Amount   |
| <b>I. OPERATING ACTIVITIES</b>                           |  |  |
| Income before income tax and minority interests          | 34,327   | 30,364   |
| Depreciation expenses                                    | 5,317  | 6,060  |
| Amortization for negative goodwill                       | 265  | 189  |
| Increase for possible credit losses                      | 40,210   | 34,610   |
| Increase for the point program                           | 546  | 871  |
| Increase for loss of interest repayment                  | 1,551  | 3,395  |
| Increase for retirement benefits                         | 37   | 30   |
| Dividend income  | 149  | 151  |
| Proceeds from sales of investment securities             | 2,060  | 9,430  |
| Proceeds from repayment of investment securities         |  | 2,705  |
| Loss from unrealized adjustment of investment securities |  | 618  |
| Gain on change holding ratio of subsidiaries             | 579  | 348  |
| Loss on disposal of software                             | 63   |  |
| Loss on disposal of the cash dispenser                   | 1,253  | 1,033  |
| Gain on equity-method investment                         | 38   | 21   |
| Amortization for issuing cost of corporate bonds         | 29   | 38   |
| Increase in credit card and hire purchase receivables    | 39,037   | 5,163  |
| Increase in credit card and other loans                  | 44,311   | 18,385   |
| Increase in other current assets                         | 8,113  | 11,361   |
| Increase in accounts payable                             | 20,614   | 9,978  |
| Increase in other current liabilities                    | 2,572  | 2,330  |
| Bonuses to directors and corporate auditors-paid         | 72   | 45   |
| Other  | 3,508  | 3,906  |
| Sub-total  | 15,405   | 56,558   |
| Dividends received                                       | 149  | 151  |
| Corporate taxes paid                                     | 22,649   | 11,001   |
| Net cash used in operating activities                    | 7,094  | 45,609   |
| <b>II. INVESTING ACTIVITIES</b>                          |  |  |
| Payments of time deposits                                | 795  | 0  |
| Proceeds from time deposits                              | 1,775  | 761  |
| Purchases of property and equipment                      | 5,291  | 5,012  |
| Proceeds from sales of property and equipment            | 19   | 320  |
| Purchases of intangible fixed assets                     | 3,082  | 6,011  |
| Proceeds from sale of intangible fixed assets            | 1  | 36   |
| Purchase of investment securities                        | 441  | 531  |
| Proceeds from sale of investment securities              | 2,864  | 10,873   |
| Proceeds from repayment of investment securities         |  | 2,705  |
| Other  | 3,818  | 3,839  |
| Net cash used in investing activities                    | 8,768  | 698  |

| <div> <div>Term</div> <div>Item</div> </div>                                    | For the fiscal 2007<br>ended February 20, 2008 | For the fiscal 2008<br>ended February 20, 2009 |
|---|--|--|
|   | Amount   | Amount   |
| III. FINANCIAL ACTIVITIES   |  |  |
| Net decrease of short-term loans  | 3,350  | 4,622  |
| Increase (decrease) in commercial paper   | 682  | 602  |
| Proceeds from long-term debt  | 90,617   | 89,893   |
| Repayment of long-term debt   | 89,389   | 77,413   |
| Proceeds from issuance of corporate bonds                                       | 24,310   | 11,141   |
| Payment of corporate bonds redemption   | 10,000   | 18,090   |
| Net increase in treasury stock  | 128  | 1  |
| Proceeds from insurance of stock to minority shareholders                       | 1,765  | 15   |
| Dividends paid  | 6,276  | 6,273  |
| Dividends paid to minority shareholders   | 1,795  | 1,730  |
| Other   |  | 23   |
| Net cash provided by financing activities                                       | 6,434  | 1,537  |
| IV. FOREIGN CURRENCY<br>TRANSLATION ADJUSTMENTS ON<br>CASH AND CASH EQUIVALENTS | 687  | 2,184  |
| V . NET INCREASE (DECREASE)<br>IN CASH AND CASH EQUIVALENTS                     | 10,116   | 44,363   |
| VI. CASH AND CASH EQUIVALENTS,<br>FROM NEW CONSOLIDATION                        | 25,869   | 15,753   |
| . CASH AND CASH EQUIVALENTS,<br>BEGINNING OF YEAR                               |  | 85   |
| . CASH AND CASH EQUIVALENTS,<br>END OF YEAR                                     | 15,753   | 60,202   |

## 【2. (Summary) Non-consolidated financial statements】

### (1) (Summary) Non-consolidated Balance Sheets

(Millions of yen truncated the nearest million yen)

| Term<br>Item                         | As of<br>February 20, 2008 |            | As of<br>February 20, 2009 |            |
|--------------------------------------|----------------------------|------------|----------------------------|------------|
|                                      | Amount                     | % of total | Amount                     | % of total |
| (ASSETS)                             |                            |            |                            |            |
| I. Current assets                    |                            |            |                            |            |
| 1. Cash and cash equivalents         | 5,817                      |            | 46,965                     |            |
| 2. Credit card and hire purchase     | 217,971                    |            | 182,591                    |            |
| 3. Credit card and other loans       | 382,698                    |            | 375,312                    |            |
| 4. Advance                           | 2,397                      |            | 7,540                      |            |
| 5. Prepaid expenses                  | 608                        |            | 334                        |            |
| 6. Deferred tax assets               | 16,077                     |            | 16,278                     |            |
| 7. Account receivables               | 13,497                     |            | 17,236                     |            |
| 8. Account income                    | 5,783                      |            | 5,228                      |            |
| 9. Other                             | 1,524                      |            | 923                        |            |
| Allowance for possible credit losses | 42,673                     |            | 45,676                     |            |
| Total current assets                 | 603,702                    | 92.4       | 606,733                    | 91.8       |
| II. Non-current assets               |                            |            |                            |            |
| 1. Property and equipment            |                            |            |                            |            |
| (1) Buildings                        | 1,194                      |            | 1,124                      |            |
| Total depreciation expenses          | 720                        | 473        | 737                        | 387        |
| (2) Buildings                        | 6                          |            | 6                          |            |
| Total depreciation expenses          | 2                          | 4          | 3                          | 3          |
| (3) Tool                             | 9,546                      |            | 7,267                      |            |
| Total depreciation expenses          | 6,498                      | 3,048      | 4,629                      | 2,638      |
| Total property and equipment         |                            | 3,525      |                            | 3,029      |
|                                      |                            | 0.5        |                            | 0.5        |
| 2. Intangible fixed assets           |                            |            |                            |            |
| (1) Software                         |                            | 5,490      |                            | 8,370      |
| (2) Telephone line rights            |                            | 38         |                            | 38         |
| Total Intangible fixed assets        |                            | 5,529      |                            | 8,408      |
|                                      |                            | 0.9        |                            | 1.3        |
| 3. Investments and other assets      |                            |            |                            |            |
| (1) Investment securities            |                            | 22,459     |                            | 17,804     |
| (2) Stocks of affiliated companies   |                            | 9,234      |                            | 9,414      |
| (3) Long-term prepaid expenses       |                            | 5,871      |                            | 7,361      |
| (4) Guarantee money deposit          |                            | 1,729      |                            | 1,206      |
| (5) Deferred tax assets              |                            | 1,130      |                            | 4,716      |
| (6) Other                            |                            | 323        |                            | 2,113      |
| Total investments and other assets   |                            | 40,748     |                            | 42,617     |
|                                      |                            | 6.2        |                            | 6.4        |
| Total non-current assets             |                            | 49,803     |                            | 54,055     |
|                                      |                            | 7.6        |                            | 8.2        |

| Term<br>Item                                  | As of<br>February 20, 2008 |            | As of<br>February 20, 2009 |            |
|---|----------------------------|------------|----------------------------|------------|
|   | Amount                     | % of total | Amount                     | % of total |
| . Deferred assets                             |                            |            |                            |            |
| Issuing cost for corporate bonds              | 196                        |            | 157                        |            |
| Total deferred assets                         | 196                        | 0.0        | 157                        | 0.0        |
| TOTAL ASSETS                                  | 653,702                    | 100.0      | 660,946                    | 100.0      |
| (LIABILITIES)                                 |                            |            |                            |            |
| I. Current liabilities                        |                            |            |                            |            |
| 1. Cash and deposits                          | 79,222                     |            | 89,299                     |            |
| 2. Short-term loans                           | 2,150                      |            | 500                        |            |
| 3. Current portion of long-term debt          | 53,200                     |            | 47,600                     |            |
| 4. Current portion of bonds                   | 15,000                     |            | 15,000                     |            |
| 5. Accrued debt                               | 6,220                      |            | 4,593                      |            |
| 6. Accrued expenses                           | 1,771                      |            | 1,667                      |            |
| 7. Accrued corporate tax, etc.                | 1,672                      |            | 3,307                      |            |
| 8. Unearned income                            | 280                        |            | 264                        |            |
| 9. Deposits received                          | 1,132                      |            | 3,975                      |            |
| 10. Allowance for bonuses                     | 171                        |            | 165                        |            |
| 11. Allowance for director's bonuses          | 45                         |            | -                          |            |
| 12. Allowance for the point program           | 3,184                      |            | 4,065                      |            |
| 13. Other                                     | 127                        |            | 256                        |            |
| Total current liabilities                     | 164,178                    | 25.1       | 170,696                    | 25.9       |
| II. Long-term liabilities                     |                            |            |                            |            |
| 1. Corporate bonds                            | 105,000                    |            | 90,000                     |            |
| 2. Long-term debt                             | 231,600                    |            | 241,300                    |            |
| 3. Allowance for employees retirement benefit | 77                         |            | 111                        |            |
| 4. Allowance for loss of interest repayment   | 8,540                      |            | 11,936                     |            |
| 5. Other                                      | 1,703                      |            | 1,809                      |            |
| Total long-term liabilities                   | 346,922                    | 53.1       | 345,157                    | 52.2       |
| TOTAL LIABILITIES                             | 511,100                    | 78.2       | 515,853                    | 78.1       |

| Term<br>Item  | As of<br>February 20, 2008 |         |            | As of<br>February 20, 2009 |         |            |
|---|----------------------------|---------|------------|----------------------------|---------|------------|
|   | Amount                     |         | % of total | Amount                     |         | % of total |
| (EQUITY)  |                            |         |            |                            |         |            |
| I. Shareholder's equity                                     |                            |         |            |                            |         |            |
| 1. Common stock   |                            | 15,466  | 2.4        | 15,466                     |         | 2.3        |
| 2. Capital surplus  |                            |         |            |                            |         |            |
| (1) Capital reserve   | 17,046                     |         |            | 17,046                     |         |            |
| (2) Other capital surplus                                   | 6                          |         |            | 6                          |         |            |
| Total capital surplus                                       |                            | 17,053  | 2.6        |                            | 17,052  | 2.5        |
| 3. Retained earnings  |                            |         |            |                            |         |            |
| (1) Earned reserve  | 3,687                      |         |            | 3,687                      |         |            |
| (2) Other retained earnings                                 |                            |         |            |                            |         |            |
| Special reserve fund  | 75,995                     |         |            | 75,995                     |         |            |
| Retained earnings brought forward                           | 26,476                     |         |            | 32,394                     |         |            |
| Total retained earnings                                     |                            | 106,158 | 16.2       |                            | 112,077 | 17.0       |
| 4. Treasury stock   |                            | 218     | 0.0        |                            | 219     | 0.0        |
| Total shareholder's equity                                  |                            | 138,460 | 21.2       |                            | 144,377 | 21.8       |
| II. Unrealized gains/losses and exchange rate adjustments   |                            |         |            |                            |         |            |
| Net unrealized gain on securities                           |                            | 4,141   | 0.6        |                            | 691     | 0.1        |
| Total unrealized gains/losses and exchange rate adjustments |                            | 4,141   | 0.6        |                            | 691     | 0.1        |
| . New share subscription rights                             |                            | -       | 0.0        |                            | 25      | 0.0        |
| TOTAL EQUITY  |                            | 142,601 | 21.8       |                            | 145,093 | 21.9       |
| TOTAL LIABILITIES AND EQUITY                                |                            | 653,702 | 100.0      |                            | 660,946 | 100.0      |

**(2). (Summary) Non-consolidated Statements of Income**

(Millions of yen truncated the nearest million yen)

| Term<br>Item                                    | As of<br>February 20, 2008 |         |            | As of<br>February 20, 2009 |         |            |
|---|----------------------------|---------|------------|----------------------------|---------|------------|
|   | Amount                     |         | % of total | Amount                     |         | % of total |
| <b>I. Operating revenues</b>                    |                            |         |            |                            |         |            |
| 1. Credit card shopping contracts               | 38,462                     |         |            | 44,191                     |         |            |
| 2. Hire purchase contracts                      | 11                         |         |            | 10                         |         |            |
| 3. Income from direct cash loans                | 79,235                     |         |            | 63,837                     |         |            |
| 4. Processing agency service fees               |                            |         |            | 6,142                      |         |            |
| 5. ATM acquiring service fees                   | 1,205                      |         |            | -                          |         |            |
| 6. Amortized debt income                        | 546                        |         |            | 498                        |         |            |
| 7. Other revenues                               | 2,012                      |         |            | 2,500                      |         |            |
| 8. Financial income                             |                            |         |            |                            |         |            |
| Interest received                               | 56                         | 121,530 | 100.0      | 34                         | 117,216 | 100.0      |
| <b>II. Operating expenses</b>                   |                            |         |            |                            |         |            |
| 1. Selling, general and administrative expenses |                            |         |            |                            |         |            |
| (1) Advertising and promotional expenses        | 9,344                      |         |            | 9,260                      |         |            |
| (2) Provision for point program                 | 3,184                      |         |            | 4,065                      |         |            |
| (3) Irrecoverable losses                        | 75                         |         |            | 57                         |         |            |
| (4) Provision for possible credit losses        | 26,730                     |         |            | 18,106                     |         |            |
| (5) Provision for loss of interest repayment    | 6,469                      |         |            | 9,765                      |         |            |
| (6) Directors' salaries                         | 137                        |         |            | 149                        |         |            |
| (7) Employee's salaries and bonuses             | 9,727                      |         |            | 9,930                      |         |            |
| (8) Welfare expenses                            | 2,513                      |         |            | 2,591                      |         |            |
| (9) Provision for bonuses                       | 171                        |         |            | 165                        |         |            |
| (10) Provision for director's bonuses           | 45                         |         |            | -                          |         |            |
| (11) Employee retirement benefits               | 206                        |         |            | 215                        |         |            |
| (12) Transportation and communications expenses | 8,097                      |         |            | 8,632                      |         |            |
| (13) Taxes and public charges                   | 2,408                      |         |            | 2,411                      |         |            |
| (14) Rent                                       | 2,675                      |         |            | 2,565                      |         |            |
| (15) CD operating expenses                      | 1,970                      |         |            | 304                        |         |            |
| (16) Commissions paid                           | 11,377                     |         |            | 14,878                     |         |            |
| (17) Credit card issuing expenses               | 3,344                      |         |            | 3,642                      |         |            |
| (18) Depreciation expenses                      | 2,747                      |         |            | 3,211                      |         |            |
| (19) System operation expenses                  | 1,521                      |         |            | 2,299                      |         |            |
| (20) Other                                      | 3,206                      | 95,954  | 79.0       | 4,076                      | 96,328  | 82.2       |
| 2. Financial costs                              |                            |         |            |                            |         |            |
| (1) Interest paid                               | 5,824                      |         |            | 6,339                      |         |            |
| (2) Other                                       | 66                         | 5,890   | 4.8        | 467                        | 6,807   | 5.8        |
| Total operating expenses                        |                            | 101,844 | 83.8       |                            | 103,135 | 88.0       |
| Operating income                                |                            | 19,685  | 16.2       |                            | 14,080  | 12.0       |

| Term  | As of<br>February 20, 2008 |        |            | As of<br>February 20, 2009 |        |            |
|---|----------------------------|--------|------------|----------------------------|--------|------------|
|   | Amount                     |        | % of total | Amount                     |        | % of total |
| Item  |                            |        |            |                            |        |            |
| III. Non-operating revenues                                 |                            |        |            |                            |        |            |
| 1. Dividend income  | 2,835                      |        |            | 2,286                      |        |            |
| 2. Other  | 16                         | 2,851  | 2.3        | 5                          | 2,292  | 2.0        |
| IV. Non-operating expenses                                  |                            |        |            |                            |        |            |
| 1. Loss on retirement of fixed assets                       | 37                         |        |            | -                          |        |            |
| 2. Office removal expenses                                  | 126                        |        |            | 8                          |        |            |
| 3. Exchange loss  | 97                         |        |            | 74                         |        |            |
| 4. Other  | 0                          | 261    | 0.2        | 0                          | 83     | 0.1        |
| Ordinary income   |                            | 22,275 | 18.3       |                            | 16,289 | 13.9       |
| V. Extraordinary income                                     |                            |        |            |                            |        |            |
| 1. Proceeds from sales of stocks of affiliated companies    | 1,300                      |        |            | -                          |        |            |
| 2. Proceeds from sales of investment securities             | 873                        |        |            | 9,294                      |        |            |
| 3. Proceeds from repayment of investment securities         | -                          |        |            | 2,605                      |        |            |
| 4. Loss on sales of fixed assets                            | -                          | 2174   | 1.8        | 27                         | 11,927 | 10.1       |
| VI. Extraordinary loss                                      |                            |        |            |                            |        |            |
| 1. Provision for possible credit losses                     | -                          |        |            | 6,564                      |        |            |
| 2. loss on disposal of the cash dispenser                   | 1,253                      |        |            | 1,033                      |        |            |
| 3. Loss from unrealized adjustment of investment securities | -                          |        |            | 618                        |        |            |
| 4. Loss on disposal of software                             | 11                         |        |            | -                          |        |            |
| 5. Other  | -                          | 1,265  | 1.0        | 24                         | 8,240  | 7.0        |
| Income before income tax and minority interests             |                            | 23,184 | 19.1       |                            | 19,977 | 17.0       |
| Income tax  | 11,207                     |        |            | 9,233                      |        |            |
| Income tax adjustment                                       | 2,129                      | 9,078  | 7.5        | 1,448                      | 7,784  | 6.6        |
| Net income  |                            | 14,106 | 11.6       |                            | 12,192 | 10.4       |

### (3) (Summary) Non-consolidated Statements of Changes in Equity

Previous non-consolidated accounting term (From February 21, 2007 to February 20, 2008)

(Millions of yen truncated the nearest million yen)

|  | Shareholder's equity |                 |                       |                       |                   |                              |                      |                                   |                         |                |                            | Unrealized gains/losses and exchange rate adjustment | Total equity |
|--|----------------------|-----------------|-----------------------|-----------------------|-------------------|------------------------------|----------------------|-----------------------------------|-------------------------|----------------|----------------------------|--|--------------|
|  | Common Stock         | Capital surplus |                       |                       | Retained earnings |                              |                      |                                   |                         | Treasury stock | Total shareholder's equity | Net Unrealized gain on security                      |              |
|  |                      | Capital reserve | Other capital surplus | Total capital surplus | Earned reserve    | Other retained earnings      |                      |                                   | Total retained earnings |                |                            |  |              |
|  |                      |                 |                       |                       |                   | Special depreciation reserve | Special reserve fund | Retained earnings brought forward |                         |                |                            |  |              |
| Balance, February 20, 2007                           | 15,466               | 17,046          | 6                     | 17,053                | 3,687             | 6                            | 65,995               | 28,639                            | 98,328                  | 90             | 130,758                    | 5,638  | 136,396      |
| Change in term                                       |                      |                 |                       |                       |                   |                              |                      |                                   |                         |                |                            |  |              |
| Special reserve fund                                 |                      |                 |                       |                       |                   |                              | 10,000               | 10,000                            |                         |                |                            |  |              |
| Dividends from surplus fund                          |                      |                 |                       |                       |                   |                              |                      | 6,276                             | 6,276                   |                | 6,276                      |  | 6,276        |
| Disposal of special reserve                          |                      |                 |                       |                       |                   | 6                            |                      | 6                                 |                         |                |                            |  |              |
| Net income   |                      |                 |                       |                       |                   |                              |                      | 14,106                            | 14,106                  |                | 14,106                     |  | 14,106       |
| Purchase of treasury stock                           |                      |                 |                       |                       |                   |                              |                      |                                   |                         | 128            | 128                        |  | 128          |
| Disposal of treasury stock                           |                      |                 | 0                     | 0                     |                   |                              |                      |                                   |                         | 0              | 0                          |  | 0            |
| Net changes of items other than shareholder's equity |                      |                 |                       |                       |                   |                              |                      |                                   |                         | 128            |                            | 1,497  | 1,497        |
| Total change in term                                 |                      |                 | 0                     | 0                     |                   | 6                            | 10,000               | 2,163                             | 7,830                   | 128            | 7,701                      | 1,497  | 6,204        |
| Balance February 20, 2008                            | 15,466               | 17,046          | 6                     | 17,053                | 3,687             | -                            | 75,995               | 26,476                            | 106,158                 | 218            | 138,460                    | 4,141  | 142,601      |



# Non-consolidated accounting term (From February 21, 2008 to February 20, 2009)

(Millions of yen truncated the nearest million yen)

|  | Shareholder's equity |                 |                       |                       |                   |                         |                                   |                         |                |                          | Unrealized gains/losses and exchange rate adjustments | New share Subscription rights | Total equity |
|--|----------------------|-----------------|-----------------------|-----------------------|-------------------|-------------------------|-----------------------------------|-------------------------|----------------|--------------------------|---|-------------------------------|--------------|
|  | Common Stock         | Capital surplus |                       |                       | Retained earnings |                         |                                   |                         | Treasury stock | Total shareholder equity | Net unrealized on securities                          |                               |              |
|  |                      | Capital reserve | Other Capital surplus | Total capital surplus | Earned reserve    | Other retained earnings |                                   | Total retained earnings |                |                          |   |                               |              |
|  |                      |                 |                       |                       |                   | Special reserve fund    | Retained earnings brought forward |                         |                |                          |   |                               |              |
| Balance, February 20, 2008                         | 15,466               | 17,046          | 6                     | 17,053                | 3,687             | 75,995                  | 26,476                            | 106,158                 | 218            | 138,460                  | 4,141   | -                             | 142,601      |
| Change in term                                     |                      |                 |                       |                       |                   |                         |                                   |                         |                |                          |   |                               |              |
| Dividends from surplus fund                        |                      |                 |                       |                       |                   |                         | 6,273                             | 6,273                   |                | 6,273                    |   |                               | 6,273        |
| Net income   |                      |                 |                       |                       |                   |                         | 12,192                            | 12,192                  |                | 12,192                   |   |                               | 12,192       |
| Purchase of treasury stock                         |                      |                 |                       |                       |                   |                         |                                   |                         | 2              | 2                        |   |                               | 2            |
| Disposal of treasury stock                         |                      |                 | 0                     | 0                     |                   |                         |                                   |                         | 1              | 0                        |   |                               | 0            |
| Net changes of items other than shareholder equity |                      |                 |                       |                       |                   |                         |                                   |                         |                |                          | 3,450   | 25                            | 3,425        |
| Total change in term                               |                      |                 | 0                     | 0                     |                   |                         | 5,918                             | 5,918                   | 1              | 5,917                    | 3,450   | 25                            | 2,491        |
| Balance February 20, 2009                          | 15,466               | 17,046          | 6                     | 17,052                | 3,687             | 75,995                  | 32,394                            | 112,077                 | 219            | 144,377                  | 691   | 25                            | 145,093      |