

# Brief Report of Financial Results

(For the Six Months Ended August 20, 2008)

October 8, 2008

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 and CEO: Kazuhide Kamitani  
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 Telephone: (03)5281-2057  
 Scheduled date for submission of half-term report: October 29, 2008  
 Scheduled date for start of dividend payments: October 22, 2008

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

### (1) Consolidated results of operations

(% represents year-on-year change)  
 (Millions of yen truncated to the nearest million yen)

	Operating revenues	YOY (%)	Operating income	YOY (%)	Ordinary income	YOY (%)	Net income	YOY (%)
Six months ended Aug. 20, 2008	88,586	△2.1	15,346	△ 13.7	15,504	△ 13.3	7,076	△ 27.8
Six months ended Aug. 20, 2007	90,493	8.1	17,792	△ 5.8	17,889	△ 5.2	9,801	0.8
Fiscal year ended Feb. 20, 2008	181,076	—	32,863	—	33,014	—	17,653	—

	Net income per share	Fully dilut net income per share
Six months ended Aug.20, 2008	45.12	45.12
Six months ended Aug.20, 2007	62.47	—
Fiscal year ended Feb.20, 2008	112.52	—

(Reference) Profit & loss from equity method applied investment

August 2008 interim: ¥32million, August 2007 interim: ¥33 million, February 2008 fiscal term: ¥38 million

### (2) Consolidated financial position

(Millions of yen truncated to the nearest million yen)

	Total assets	Total shareholder's equity	Shareholder's equity ratio (%)	Shareholder's equity per share
Six months ended Aug.20, 2008	908,390	188,326	18.3	1,061.19
Six months ended Aug.20, 2007	852,682	177,458	18.8	1,019.74
Fiscal year ended Feb.20, 2008	862,061	183,336	18.9	1,040.97

(Reference) Owned capital

August 2008 interim: ¥166,433 million, August 2007 interim: ¥160,010 million, February 2008 fiscal term: ¥163,262 million

### (3) Consolidated cash flows

(Millions of yen truncated to the nearest million yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents
Six months ended Aug.20, 2008	△ 17,977	△ 81	17,348	14,896
Six months ended Aug.20, 2007	17,475	△ 5,891	△ 16,744	20,441
Fiscal year ended Feb.20, 2008	△ 7,904	△ 8,768	6,434	15,753

## 2. Dividend circumstances

	Interim term end	Term end	Annual
(Base date)	Yen sen	Yen sen	Yen sen
February 2008 term	15.00	25.00	40.00
February 2009 term	15.00	—	40.00
February 2009 term (estimated)	—	25.00	

## 3. Consolidated results forecast (For the fiscal year ending February 20, 2009)

(% represents year-on-year change)

(Millions of yen truncated to the nearest million yen)

	Operating revenues	Operating income	Ordinary income	Net income	Net income per share
Full term	185,800	33,000	33,100	15,700	100.10
YOY (%)	2.6	0.4	0.3	△ 11.1	—

## 4. Others

(1) Change of main 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 interim consolidated financial statements (matters to be mentioned concerning change of important items to be the bases for preparation of interim consolidated financial statements)

① Change accompanying revision of accounting standards: No

② Change other than ①: No

(3) Number of shares of outstanding stock (common stock)

① Number of shares of outstanding stock at term end (including treasury stock)

August 2008 interim: 156,967,008 shares, August 2007 interim: 156,967,008 shares,

February 2008 fiscal term: 156,967,008 shares

② Number of shares of treasury stock at end of term

August 2008 interim: 130,822 shares, August 2007 interim: 53,326 shares,

February 2008 fiscal term: 130,405 shares

## 1. Individual business results (For the months ended August 20, 2008 and 2007, and the fiscal year ended February 20, 2008)

(1) Non-Consolidated results of operations

(% represents year-on-year change)

(Millions of yen truncated the nearest million yen)

	Operating revenues	YOY (%)	Operating income	YOY (%)	Ordinary income	YOY (%)	Net income	YOY (%)
Six months ended Aug. 20, 2008	58,465	△ 4.0	8,780	△ 23.9	10,009	△ 21.3	5,792	△ 27.7
Six months ended Aug. 20, 2007	60,889	△ 0.9	11,534	△ 20.0	12,721	△ 15.8	8,006	△ 11.6
Fiscal year ended Feb. 20, 2008	121,530	—	19,685	—	22,275	—	14,106	—

	Net income per share	Fully dilut net income per share
Six months ended Aug. 20, 2008	36.93	36.93
Six months ended Aug. 20, 2007	51.02	—
Fiscal year ended Feb. 20, 2008	89.92	—

(2)Non-consolidated financial position

(Millions of yen truncated the nearest million yen)

	Total assets	Total shareholder's equity	Shareholder's equity ratio (%)	Shareholder's equity per share
Six months ended Aug. 20, 2008	691,749	145,139	21.0	925.26
Six months ended Aug. 20, 2007	658,806	140,271	21.3	893.94
Fiscal year ended Feb. 20, 2008	653,702	142,601	21.8	909.24

(Reference) Owned capital

August 2008 interim: ¥145,114 million, August 2007 interim: ¥140,271 million,  
February 2008 fiscal term: ¥142,601 million

2. Non-consolidated results forecast (For the fiscal year ending February 20, 2009)

(% represents year-on-year change)

(Millions of yen truncated the nearest million yen)

	Operating revenues	Operating income	Ordinary income	Net income	Net income per share
Full term	125,500	20,000	22,300	13,700	87.35
YOY (%)	3.3	1.6	0.1	△ 2.9	—

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

# Consolidated financial statements

## (1) Consolidated Balance Sheets

(Millions of yen truncated the nearest million yen)

	As of August 20, 2007		As of August 20, 2008		As of February 20, 2008		
Item	Amount	% of Total	Amount	% of Total	Amount	% of Total	
(ASSETS)							
I Current assets							
1 Cash and cash equivalents	21,746		16,092		17,499		
2 Credit card and hire purchase	276,578		330,943		287,335		
3 Credit card and other loans	515,342		498,060		503,720		
4 Other	44,436		58,227		49,162		
Allowance for possible credit losses	△ 45,913		△ 53,990		△ 47,896		
Total current assets	812,190	95.3	849,333	93.5	809,822	94.0	
II Fixed assets							
1 Property and equipment							
(1) Structures	2,592		2,824		2,759		
Total depreciation expenses	1,482	1,109	1,652	1,172	1,541	1,218	
(2) Vehicles	1,490		3,541		2,759		
Total depreciation expenses	181	1,308	437	3,104	309	2,449	
(3) Equipment	21,383		17,091		18,951		
Total depreciation expenses	15,063	6,320	11,435	5,656	12,776	6,175	
Net property and equipment		8,739	1.0	9,933	1.1	9,843	1.1
2 Intangible fixed assets		8,301	1.0	9,871	1.1	8,133	0.9
3 Investments and other assets							
(1) Investment securities		14,292		27,522		23,052	
(2) Other		8,942		11,553		11,013	
Total investments and other assets		23,235	2.7	39,075	4.3	34,066	4.0
Total fixed assets		40,276	4.7	58,880	6.5	52,042	6.0
III Deferred asset							
Issue corporate bonds		215		177		196	
Total deferred asset		215	0.0	177	0.0	196	0.0
TOTAL ASSETS		852,682	100.0	908,390	100.0	862,061	100.0

(Millions of yen truncated the nearest million yen)

	As of August 20, 2007		As of August 20, 2008		As of February 20, 2008	
Item	Amount	% of Total	Amount	% of Total	Amount	% of Total
(LIABILITIES)						
I Current liabilities						
1 Cash and deposits	97,693		101,004		82,158	
2 Short-term loans	31,805		43,965		27,787	
3 Current portion of long-term debt	72,129		78,954		80,198	
4 Current portion of bonds	18,529		15,000		18,498	
5 Commercial paper	—		—		659	
6 Accrued corporate taxes, etc.	7,795		8,118		3,397	
7 Allowance for bonuses	360		430		382	
8 Allowance for the point	3,774		5,574		3,287	
9 Other	13,364		14,374		14,673	
Total current liabilities	245,453	28.8	267,422	29.5	231,042	26.8
II Long-term liabilities						
1 Corporate bonds	111,150		98,801		112,954	
2 Long-term debt	308,088		343,449		323,009	
3 Allowance for loss on refund of interest received	6,997		8,089		8,540	
4 Deferred tax liabilities	702		436		433	
5 Other	2,833		1,864		2,743	
Total long-term liabilities	429,771	50.4	452,642	49.8	447,681	51.9
TOTAL LIABILITIES	675,224	79.2	720,064	79.3	678,724	78.7

(Millions of yen truncated the nearest million yen)

	As of August 20, 2007		As of August 20, 2008		As of February 20, 2008	
Item	Amount	% of Total	Amount	% of Total	Amount	% of Total
(EQUITY)						
I Shareholder's equity						
1 Common stock	15,466	1.8	15,466	1.7	15,466	1.8
2 Capital surplus	17,053	2.0	17,053	1.8	17,053	1.9
3 Retained earnings	121,149	14.2	129,802	14.3	126,646	14.7
4 Treasury stock	△ 91	△0.0	△ 218	△0.0	△ 218	△0.0
Total shareholder's equity	153,577	18.0	162,102	17.8	158,948	18.4
II Revaluation reserve						
1 Unrealized gain on available-for-sale securities	5,553	0.7	4,840	0.5	4,355	0.5
2 Deferred gain(loss) on derivatives under hedge accounting	△ 22	△0.0	△ 245	△0.0	△ 338	△0.0
3 Foreign currency translation adjustments	901	0.1	△ 264	△0.0	297	0.0
Total revaluation reserve	6,432	0.8	4,330	0.5	4,314	0.5
III Subscription rights to shares	—	—	25	0.0	—	—
IV Minority interests	17,447	2.0	21,867	2.4	20,074	2.4
TOTAL EQUITY	177,458	20.8	188,326	20.7	183,336	21.3
TOTAL LIABILITIES AND EQUITY	852,682	100.0	908,390	100.0	862,061	100.0

## (2) Consolidated Statements of Income

(Millions of yen truncated the nearest million yen)

	For the six months ended August 20, 2007			For the six months ended August 20, 2008			For the fiscal year ended February 20, 2008		
Item	Amount		% of Total	Amount		% of Total	Amount		% of Total
<b>I Operating revenue</b>									
1 Credit card shopping contracts	22,330			25,964			47,330		
2 Hire purchase contracts	4,902			4,935			9,752		
3 Loan contracts	58,726			50,047			114,300		
4 Processing agency service fees	—			2,460			—		
5 ATM acquiring service fees	731			—			1,209		
6 Gains on bad debt recovere	1,464			1,362			2,896		
7 Other income	2,174			3,729			5,282		
8 Financial revenues									
Interest received	163			86			304		
Total operating revenues	90,493	100.0		88,586	100.0		181,076	100.0	
<b>II Operating expenses</b>									
1 Selling, general and administrative expenses	65,586	72.5		65,949	74.5		133,567	73.8	
2 Financial costs	7,114	7.8		7,290	8.2		14,645	8.1	
Total operating expenses	72,701	80.3		73,240	82.7		148,212	81.9	
Operating income	17,792	19.7		15,346	17.3		32,863	18.1	
<b>III Non-operating income</b>									
1 Dividends received	105			109			149		
2 Proceeds from insurance claims	1			—			1		
3 Gain on sale of investment securities	135			100			265		
4 Income from equity- method investment	33			32			38		
5 Other	6	281	0.3	35	278	0.3	20	474	0.3
<b>IV Non-operating expenses</b>									
1 Loss on retirement of fixed assets	11			5			37		
2 Office removal expenses	74			9			126		
3 Exchange loss	60			52			159		
4 Other	37	184	0.2	52	119	0.1	1	324	0.2
Ordinary income		17,889	19.8		15,504	17.5		33,014	18.2

(Millions of yen truncated the nearest million yen)

	For the six months ended August 20, 2007			For the six months ended August 20, 2008			For the fiscal year ended February 20, 2008		
Item	Amount		% of Total	Amount		% of Total	Amount		% of Total
V Extraordinary income									
1 Proceeds from sales of investment securities	1,189			3,931			2,060		
2 Proceeds from redemption of investment securities	—			2,710			—		
3 Change of scope of equity method	—	1,189	1.3	3	6,645	7.5	579	2,639	1.5
VI Extraordinary losses									
1 Provision for doubtful accounts	—			6,564			—		
2 Loss on disposal of the cash dispenser	296			759			1,253		
3 Loss on sales of non- current assets	—			351			—		
4 Loss on software retirement	—			—			63		
5 Other	9	305	0.4	—	7,675	8.7	9	1,326	0.7
Income before income taxes and other deductions		18,773	20.7		14,475	16.3		34,327	19.0
Corporate, resident and enterprise taxes	8,115			8,192			14,656		
Adjustment for corporate taxes and other factors	△ 1,153	6,961	7.7	△ 3,116	5,076	5.7	△ 2,259	12,397	6.9
Minority interest income		2,009	2.2		2,322	2.6		4,276	2.4
Net income		9,801	10.8		7,076	8.0		17,653	9.7



**(3) Statement of fluctuation of interim consolidated shareholders' capital, etc.**

Previous interim consolidated accounting term (From February 21, 2007 to August 20, 2007)

(Millions of yen truncated the nearest million yen)

	Shareholder's equity					Unrealized Gains/Losses and Exchange Rate Adjustments				Minority interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholder's equity	Unrealized gains on available-for-sale securities	Deferred gain(loss) on derivative under hedge	Foreign currency translation adjustments	Total unrealized gains/losses and exchange rate adjustments		
Balance, February 20, 2007	15,466	17,053	115,270	△ 90	147,699	5,750	△ 42	2,104	7,812	17,099	172,611
Changes during the Six months ended August 20, 2007											
Dividend of surplus funds			△ 3,922		△ 3,922						△ 3,922
Net income			9,801		9,801						9,801
Purchases of treasury stock				△ 1	△ 1						△ 1
Disposal of treasury stock		0		0	0						0
Net changes of items other than shareholder's equity						△ 196	20	△ 1,203	△ 1,379	348	△ 1,031
Total change in term	—	0	5,879	△ 1	5,877	△ 196	20	△ 1,203	△ 1,379	348	4,846
Balance as of Augst 20, 2007	15,466	17,053	121,149	△ 91	153,577	5,553	△ 22	901	6,432	17,447	177,458

Current interim consolidated accounting term (From February 21, 2008 to August 20, 2008)

(Millions of yen truncated the nearest million yen)

	Shareholder's equity					Unrealized Gains/Losses and Exchange Rate Adjustments				Share subscription rights	Minority interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholder's equity	Unrealized gains on available-for-sale securities	Deferred gain(loss) on derivative under hedge	Foreign currency translation adjustments	Total unrealized gains/losses and exchange rate adjustments			
Balance, February 20, 2008	15,466	17,053	126,646	△ 218	158,948	4,355	△ 338	297	4,314	—	20,074	183,336
Changes during the Six months ended August 20, 2008												
Dividend of surplus funds			△ 3,920		△ 3,920							△ 3,920
Net income			7,076		7,076							7,076
Purchases of treasury stock				△ 0	△ 0							△ 0
Disposal of treasury stock		△ 0		0	0							0
Net changes of items other than shareholder's equity						484	93	△ 561	16	25	1,793	1,834
Total change in term	—	△ 0	3,155	△ 0	3,154	484	93	△ 561	16	25	1,793	4,989
Balance as of Augst 20, 2008	15,466	17,053	129,802	△ 218	162,102	4,840	△ 245	△ 264	4,330	25	21,867	188,326

Previous consolidated accounting fiscal year (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 Adjustments				Minority interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholder's equity	Unrealized gains on available-for-sale securities	Deferred gain(loss) on derivative under hedge	Foreign currency translation adjustments	Total unrealized gains/losses and exchange rate adjustments		
Balance, February 20, 2007	15,466	17,053	115,270	△ 90	147,699	5,750	△ 42	2,104	7,812	17,099	172,611
Changes during the fiscal year ended February 20, 2008											
Dividend of surplus funds			△ 6,276		△ 6,276						△ 6,276
Net income			17,653		17,653						17,653
Purchases 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	△ 128	11,248	△ 1,394	△ 295	△ 1,807	△ 3,498	2,974	10,724
Balance as of February 20, 2008	15,466	17,053	126,646	△ 218	158,948	4,355	△ 338	297	4,314	20,074	183,336

(4) Consolidated Statements of Cash Flows

(Millions of yen truncated the nearest million yen)

	For the six months ended August 20, 2007	For the six months ended August 20, 2008	For the fiscal year ended February 20, 2008
Item	Amount	Amount	Amount
I Operating activities			
Incom before income taxes and minority interests	18,773	14,475	34,327
Depreciation	2,537	2,935	5,317
Negative goodwill depreciation amount	△ 135	△ 100	△ 265
Provision for possible credit losses	21,514	23,999	40,210
Provision for the point program	1,031	2,288	546
Provision for loss on refund of interest received	7	△ 451	1,551
Increase in liability for retirement benefitts	24	17	37
Dividend income	△ 105	△ 109	△ 149
Gain on sales of investment securities	△ 1,189	△ 3,931	△ 2,060
Gain on redemption of investment securities	—	△ 2,710	—
Loss on changes in equity method	—	348	△ 579
Gain on equity-method investment	△ 33	△ 32	△ 38
Loss on disposal of software	—	—	63
Loss on disposal of the dispenser	296	759	1,253
Increase in credit card and hire purchase	△ 22,510	△ 50,079	△ 39,037
Increase in operating loans	△ 23,908	△ 16,505	△ 44,311
Increase in other current assets	△ 2,204	△ 6,151	△ 8,113
Amortization of the bond issue cost	10	19	29
Increase in accounts payable	36,098	18,790	20,614
Increase (decrease) in other current liabilities	△ 1,501	△ 950	2,572
Bonuses to directors and corporate auditors-paid	△ 64	△ 45	△ 72
Other	445	2,785	3,508
Subtotal	29,087	△ 14,651	15,405
Dividends received	105	109	149
Corporate taxes paid	△ 11,718	△ 3,436	△ 22,649
Net cash used in operating activities	17,475	△ 17,977	△ 7,094

(Millions of yen truncated the nearest million yen)

	For the six months ended August 20, 2007	For the six months ended August 20, 2008	For the fiscal year ended February 20, 2008
Item	Amount	Amount	Amount
<b>II Cash flows from investing activities</b>			
Payments for acceptance of term deposits	△ 437	△ 1,134	△ 795
Proceeds from disbursements for term deposits	1,804	1,674	1,775
Purchases of property and equipment	△ 2,379	△ 2,555	△ 5,291
Proceeds from sales of property and equipment	3	26	19
Purchase of software	△ 1,982	△ 3,548	△ 3,082
Purchase from sales intangible fixed assets	—	—	1
Proceeds of investment securities	△ 332	△ 38	△ 441
Proceeds from sales of investment securities	—	5,051	2,864
Proceeds from redemption of investment securities	—	2,710	—
Other	△ 2,567	△ 2,267	△ 3,818
Net Gain on sales of investment securities	△ 5,891	△ 81	△ 8,768
<b>III FINANCING ACTIVITIES</b>			
Payment of short-term bank loans-net	△ 208	16,783	△ 3,350
Decrease (increase) in commercial paper-net	—	△ 643	682
Proceeds from long-term debt	23,632	53,453	90,617
Repayments of long-term debt	△ 48,043	△ 30,131	△ 89,389
Proceeds from issuance of corporate bonds	22,674	981	24,310
Payments of bond retirement	△ 10,000	△ 18,325	△ 10,000
Increase in treasury stock-net	△ 1	△ 0	△ 128
Proceeds from issuance of shares to minority shareholders	—	15	1,765
Dividends paid to the company's shareholders	△ 3,922	△ 3,920	△ 6,276
Dividends paid to minority shareholders	△ 875	△ 864	△ 1,795
Net cash provided by financing activities	△ 16,744	17,348	6,434
<b>IV Translation adjustments on cash and cash equivalents</b>	△ 266	△ 232	△ 687
<b>V Decrease in cash and cash equivalents</b>	△ 5,427	△ 942	△ 10,116
<b>VI</b> Balance of cash and cash equivalents, beginning of interim (fiscal) year	25,869	15,753	25,869
<b>VII</b> Increase of cash and cash equivalents from corporate partition	—	85	—
<b>VIII</b> Balance of cash and cash equivalents, end of interim (fiscal) year	20,441	14,896	15,753

# **Non—consolidated financial statements**

## **(1) Non—consolidated Balance Sheets**

(Millions of yen truncated the nearest million yen)

	As of August 20,2007		As of August 20,2008		As of February 20,2008	
Item	Amount	% of Total	Amount	% of Total	Amount	% of Total
(ASSETS)						
I Current assets						
1 Cash and cash equivalents	10,751		4,080		5,817	
2 Credit card and hire purchase total	216,060		257,047		217,971	
3 Credit card and other loans total	393,750		375,838		382,698	
4 Prepaid expenses	612		665		608	
5 Deferred tax assets	15,151		19,505		16,077	
6 Other receivables	10,740		13,779		13,497	
7 Accrued income	5,858		5,890		5,783	
8 Other	5,204		7,417		3,921	
Allowance for possible credit losses	△ 39,433		△ 48,720		△ 42,673	
Total current assets	618,696	93.9	635,504	91.9	603,702	92.4
II Non-current assets						
1 Property and equipment						
(1) Structures	1,277		1,140		1,194	
Total depreciation expenses	707	570	722	417	720	473
(2) Vehicles	6		6		6	
Total depreciation expenses	1	4	2	3	2	4
(3) Equipment	12,290		7,473		9,546	
Total depreciation expenses	8,835	3,455	4,818	2,655	6,498	3,048
Net property and equipment		4,030		3,077		3,525
2 Intangible fixed assets						
(1) Software		5,638		6,772		5,490
(2) Telephone line rights		37		38		38
Total intangible fixed assets		5,676		6,810		5,529
3 Investments and other assets						
(1) Investment securities		23,011		36,395		31,694
(2) Long-term prepaid expenses		4,725		7,549		5,871
(3) Guarantee money deposited		2,121		1,407		1,729
(4) Deferred tax asset		—		441		1,130
(5) Other		327		386		323
Total Investments and other assets		30,186		46,180		40,748
Total non-current assets		39,893		56,067		49,803
III Deferred asset						
Issue corporate bonds		215		177		196
Total deferred asset		215		177		196
TOTAL ASSETS		658,806		691,749		653,702

(Millions of yen truncated the nearest million yen)

	As of August 20,2007		As of August 20,2008		As of February 20,2008	
Item	Amount	% of Total	Amount	% of Total	Amount	% of Total
(LIABILITIES)						
I Current liabilities						
1 Cash and deposits	94,090		97,496		79,222	
2 Short-term loans	10,509		10,850		2,150	
3 Current portion of longterm-debt	45,400		58,000		53,200	
4 Current portion of bonds	15,000		15,000		15,000	
5 Accrued debt	5,430		5,275		6,220	
6 Accrued expenses	1,678		1,750		1,771	
7 Accrued corporate taxes, etc.	6,083		6,095		1,672	
8 Deferred revenue	279		270		280	
9 Deposits received	1,257		1,257		1,132	
10 Allowance for bonuses	150		170		171	
11 Allowance for the point	3,671		5,447		3,184	
12 Other	164		95		172	
Total current liabilities	183,714	27.9	201,709	29.2	164,178	25.1
II Long-term liabilities						
1 Corporate bonds	105,000		90,000		105,000	
2 Long-term debt	220,800		245,800		231,600	
3 Allowance for loss on refund of interest received	6,945		8,089		8,540	
4 Deferred tax liabilities	306		—		—	
5 Other	1,768		1,010		1,781	
Total long-term liabilities	334,820	50.8	344,900	49.8	346,922	53.1
TOTAL LIABILITIES	518,534	78.7	546,609	79.0	511,100	78.2

(Millions of yen truncated the nearest million yen)

	As of August 20,2007		As of August 20,2008		As of February 20,2008	
Item	Amount	% of Total	Amount	% of Total	Amount	% of Total
(EQUITY)						
I Shareholder's equity						
1 Common stock	15,466	2.4	15,466	2.2	15,466	2.4
2 Capital surplus						
(1) Additional paid-in capital	17,046		17,046		17,046	
(2) Other capital surplus	6		6		6	
Total Other capital surplus	17,053	2.6	17,053	2.5	17,053	2.6
3 Retained earnings						
(1) Legal reserve	3,687		3,687		3,687	
(2) Other legal reserve						
Special depreciation reserve	6		—		—	
Special reserve	75,995		75,995		75,995	
Profit and surplus brought forward	22,723		28,347		26,476	
Total retained earnings	102,412	15.5	108,029	15.6	106,158	16.2
4 Treasury stock	△ 91	△ 0.0	△ 218	△ 0.0	△ 218	△ 0.0
Total shareholder's equity	134,840	20.5	140,330	20.3	138,460	21.2
II Revaluation reserve						
Unrealized gain on available-for-sale securities	5,430	0.8	4,783	0.7	4,141	0.6
Total Revaluation reserve	5,430	0.8	4,783	0.7	4,141	0.6
III Subscription rights to shares	—	—	25	0.0	—	—
TOTAL EQUITY	140,271	21.3	145,139	21.0	142,601	21.8
TOTAL LIABILITIES AND EQUITY	658,806	100.0	691,749	100.0	653,702	100.0



## (2) Non-Consolidated Statements of Income

(Millions of yen truncated the nearest million yen)

	For the six months ended August 20, 2007			For the six months ended August 20, 2008			For the fiscal year ended February 20, 2008		
Item	Amount		% of Total	Amount		% of Total	Amount		% of Total
I Operating revenue									
1 Credit card shopping contracts		18,074			21,577			38,462	
2 Hire purchase contracts		6			5			11	
3 Loan contracts		41,173			33,511			79,235	
4 Processing agency service fees		—			2,456			—	
5 ATM acquiring service fees		737			—			1,205	
6 Other income		863			891			2,558	
7 Financial costs		34			22			56	
Total operating revenues		60,889	100.0		58,465	100.0		121,530	100.0
II Operating expenses									
1 Selling, general and administrative expenses		46,536	76.5		46,522	79.6		95,954	79.0
2 Financial costs		2,817	4.6		3,162	5.4		5,890	4.8
Total operating expenses		49,354	81.1		49,684	85.0		101,844	83.8
Operating income		11,534	18.9		8,780	15.0		19,685	16.2
III Non-operating income		1,350	2.3		1,247	2.1		2,851	2.3
IV Non-operating expenses		164	0.3		18	0.0		261	0.2
Ordinary income		12,721	20.9		10,009	17.1		22,275	18.3
V Extraordinary gains		873	1.4		6,395	10.9		2,174	1.8
VI Extraordinary losses		296	0.5		7,323	12.5		1,265	1.0
Income before income taxes and other deductions		13,298	21.8		9,081	15.5		23,184	19.1
Corporate, resident and enterprise taxes	6,390			6,464			11,207		
Adjustment for corporate taxes and other factors	△ 1,097	5,292	8.7	△ 3,174	3,289	5.6	△ 2,129	9,078	7.5
Net income		8,006	13.1		5,792	9.9		14,106	11.6

### (3) Statement of fluctuation of shareholders' capital in interim

Previous interim accounting term (from February 21, 2007 to August 20, 2007)

(Millions of yen truncated the nearest million yen)

	Shareholder's equity											Unrealized/ Losses and exchange rate adjustments	Total equity
	Common stock	Capital surplus			Retained earnings					Treasury stock	Total Shareholder's equity	Unrealized gain on available-for- sale securities	
		Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings			Total retained earnings				
						Special depreciatio n reserve	Special reserve	Profit & surplus 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
Changes during the Six months ended August 20, 2007													
Special reserve							10,000	△ 10,000					
Dividend of surplus funds								△ 3,922	△ 3,922		△ 3,922		△ 3,922
Net income								8,006	8,006		8,006		8,006
Purchases of treasury stock										△ 1	△ 1		△ 1
Disposal of treasury stock			0	0						0	0		0
Net changes of items other than shareholders' equity												△ 208	△ 208
Total change in term	—	—	0	0	—	—	10,000	△ 5,916	4,083	△ 1	4,082	△ 208	3,874
Balance as of Augst 20, 2007	15,466	17,046	6	17,053	3,687	6	75,995	22,723	102,412	△ 91	134,840	5,430	140,271

Current interim accounting term (from February 21, 2008 to August 20, 2008)

(Millions of yen truncated the nearest million yen)

(millions of yen truncated the nearest million yen)

	Shareholder's equity											Unrealized/ Losses and exchange rate adjustments	Share subscription rights	Total equity
	Common stock	Capital surplus			Retained earnings					Treasury stock	Total Shareholder's equity	Unrealized gain on available-for- sale securities		
		Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings			Total retained earnings					
						Special depreciatio n reserve	Special reserve	Profit & surplus 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
Changes during the Six months ended August 20, 2008														
Dividend of surplus funds								△ 3,920	△ 3,920		△ 3,920			△ 3,920
Net income								5,792	5,792		5,792			5,792
Purchases of treasury stock										△ 0	△ 0			△ 0
Disposal of treasury stock			△ 0	△ 0						0	0			0
Net changes of items other than shareholders' equity												642	25	667
Total change in term	—	—	△ 0	△ 0	—	—	—	1,871	1,871	△ 0	1,870	642	25	2,537
Balance as of Augst 20, 2008	15,466	17,046	6	17,053	3,687	—	75,995	28,347	108,029	△ 218	140,330	4,783	25	145,139

Statement of fluctuation of shareholders' capital in previous business year  
(from February 21, 2007 to February 20, 2008)

(Millions of yen truncated the nearest million yen)

	Shareholder's equity											Unrealized/ Losses and exchange rate adjustments	Total equity
	Common stock	Capital surplus			Retained earnings					Treasury stock	Total Shareholder's equity	Unrealized gain on available- for-sale securities	
		Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings			Total retained earnings				
						Special depreciatio n reserve	Special reserve	Profit & surplus 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
Changes during the fiscal year ended February 20, 2008													
Special reserve							10,000	△ 10,000	—		—		—
Dividend of surplus funds								△ 6,276	△ 6,276		△ 6,276		△ 6,276
Disposition of special depreciation reserve						△ 6		6	—		—		—
Net income								14,106	14,106		14,106		14,106
Purchases of treasury stock										△ 128	△ 128		△ 128
Disposal of treasury stock			0	0						0	0		0
Net changes of items other than shareholders' equity												△ 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 as of 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