



# Brief Report of Financial Results (Unaudited)

(For the three Months Ended May 20, 2010)

June 24, 2010

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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## 1. Business performance (For the three Months ended May 20, 2010 and 2009)

### (1) Consolidated Operating Results

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

	Operating Revenue	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change
Three Months ended May 20, 2010	¥40,347	△3.2%	¥4,124	0.8%	¥4,166	3.6%
Three Months ended May 20, 2009	41,699	—	4,090	—	4,022	—

	Net Income	Percentage Change	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
Three Months ended May 20, 2010	¥1,960	247.8%	¥12.50	—
Three Months ended May 20, 2009	563	—	3.59	3.59

### (2) Financial Position

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

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share (Yen)
Three Months ended May 20, 2010	¥916,088	¥176,944	16.9%	¥988.10
Fiscal year ended February 20, 2010	866,364	176,717	18.0%	994.42

(Reference) Shareholder's equity; Fiscal 2010; 154,978 million, Fiscal 2009; 155,978 million

## 2. Cash Dividends

	Dividend per share				
(Base date)	First quarter period	Interim period	Third quarter period	Term end	Annual
February 2010 term	—	¥15.00	—	¥25.00	¥40.00
February 2011 term	—	—	—	—	—
February 2011 term (Estimated)	—	(15.00)	—	(25.00)	(40.00)

Note: Revision on dividend projection in the 1st Quarter ; NO

## 3. Projections (For the fiscal year ending February 20, 2011)

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

	Operating Revenue	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change
Fiscal year	¥173,000	0.3%	¥23,000	11.9%	¥22,500	10.2%

	Net Income	Percentage Change	Net Income per Share (Yen)
Fiscal year	¥9,500	—	¥60.57

Note: Revision on the projection of consolidated results in the 1st Quarter ; NO

#### 4.Others

- (1) Change in significant subsidiary during the term (Change in specified subsidiary that caused a change in the scope of consolidation) ; No
- (2) Use of simplifications in accounting methods and Specific accounting method is applied to the condensed quarterly consolidated financial statements ; No
- (3)Change in accounting principle, procedure, disclosure , etc., concerning preparation of consolidated financial statements  
(matters to be mentioned concerning the change of important items to be the bases for preparation of consolidated financial statements)
- ① Change by a newly issued accounting pronouncement ; No
- ② Change other than ① ; No
- (4) Number of issued stocks and outstandings (Common stock)
- ① Number of issued stocks and outstandings at term end (including treasury stock)  
The 1st quarter of fiscal 2010; 156,967,008 shares, Fiscal 2009; 156,967,008 shares
- ② Number of shares of treasury stock at end of term  
The 1st quarter of fiscal 2010; 112,922 shares, Fiscal 2009; 112,878 shares,
- ③ Average of the number of shares during the quarter(For the Three Months ended May 20, 2010)  
The 1st quarter of fiscal 2010; 156,854,099 shares, The 1st quarter of fiscal 2009; 156,845,099 shares

※ Remarks on the projections, other issues

Projections 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.
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## 5. Consolidated Financial Statements

### (1) Consolidated Quarterly Balance Sheets

(Millions of yen truncated the nearest million yen)

	As of May 20, 2010	As of February 20, 2010
<b>Assets</b>		
Current assets		
Cash and deposits	24,068	23,875
Accounts receivable-installment	341,295	300,782
Operating loans	429,674	423,324
Other	78,900	74,158
Allowance for doubtful accounts	△53,198	△52,613
Total current assets	820,741	769,527
Noncurrent assets		
Property, plant and equipment	9,780	9,929
Intangible assets	14,556	12,605
Investments and other assets	70,900	74,183
Total noncurrent assets	95,237	96,718
Deferred assets	109	119
Total assets	916,088	866,364
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	122,891	109,852
Short-term loans payable	23,674	18,671
Current portion of long-term loans payable	107,725	93,891
Current portion of bonds	17,071	16,811
Income taxes payable	3,242	3,987
Provision for point card certificates	5,090	3,717
Other provision	693	267
Other	25,687	24,979
Total current liabilities	306,076	272,178
Noncurrent liabilities		
Bonds payable	89,349	89,053
Long-term loans payable	287,337	301,736
Securitized debt obligations	30,000	—
Provision for loss on interest repayment	21,131	22,840
Other provision	42	38
Other	5,206	3,799
Total noncurrent liabilities	433,067	417,468
Total liabilities	739,143	689,647

(Millions of yen truncated the nearest million yen)

	As of May 20, 2010	As of February 20, 2010
Net assets		
Shareholder's equity		
Capital stock	15,466	15,466
Capital surplus	17,046	17,046
Retained earnings	127,424	129,386
Treasury stock	△187	△187
Total shareholders' equity	159,750	161,712
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	938	770
Deferred gains or losses on hedges	△1,312	△1,598
Foreign currency translation adjustment	△4,389	△4,905
Total valuation and translation adjustments	△4,763	△5,733
Minority interests	21,957	20,739
Total net assets	176,944	176,717
Total Liabilities and net assets	916,088	866,364

## (2) Consolidated Quarterly Statements of Income

(Millions of yen truncated the nearest million yen)

	As of May 20, 2009	As of May 20, 2010
Operating revenues		
Credit card revenue	13,318	14,773
Per-item revenue	2,071	1,897
Financing revenue	20,903	18,821
Processing agency service fees	2,476	1,504
Gain on bad debts recovered	597	725
Other	2,280	2,621
Financial revenue	50	21
Total Operating revenues	41,699	40,347
Operating expenses		
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	7,158	7,550
Provision for loss on interest repayment	2,146	—
Provision for point card certificates	1,864	1,930
Other	23,007	22,982
Total Selling, general and administrative expenses	34,177	32,463
Financial expenses	3,431	3,758
Total operating expenses	37,608	36,222
Operating income	4,090	4,124
Nonoperating income		
Dividend income	53	48
Amortization of negative goodwill	57	57
Other	6	7
Total nonoperating income	116	112
Nonoperating expenses		
Office removal expenses	154	35
Loss on evaluation of derivative financial instruments	—	19
Other	30	16
Total Nonoperating expenses	184	70
Ordinary income	4,022	4,166
Extraordinary loss		
Provision of allowance for doubtful accounts	2,052	—
Total Extraordinary loss	2,052	—
Income before income tax and minority interests	1,970	4,166
Income taxes-current	1,173	2,435
Income taxes-deferred	△644	△1,028
Total Income taxes	529	1,406
Minority interests in income	877	800
Quarterly income	563	1,960

### (3) Remarks for the continuing corporations

There is no applicable issue

### (4) Segment Information

#### [Operating Segment Information]

Consolidated Results for the Financial Period 21 February 2010 ~ 20 May 2010

Information for different operating segments has not been presented since the financial service business is representing over 90% of both the total operating revenue and the operating profit of the Company

#### Segment Information (Geographic Segments)

(Millions of yen)

	For the Three months ended May 20, 2009				
	Domestic	Overseas	Total	Eliminations/ Corporate	Consolidated
Operating revenues	29,306	12,392	41,699	—	41,699
Operating income	1,930	2,160	4,090	—	4,090

	For the Three months ended May 20, 2010				
	Domestic	Overseas	Total	Eliminations/ Corporate	Consolidated
Operating revenues	28,288	12,058	40,347	—	40,347
Operating income	2,247	1,877	4,124	—	4,124

Note: 1. The overseas geographical segment encompasses Hong Kong, Thailand, Malaysia, Taiwan, China, Indonesia, the Philippines and Vietnam

2. Change in accounting standard

The preparation of consolidated financial statements of the subsidiaries for the 1st quarter consolidated accounting period is in conformity with the requirement of the Practical report No. 18 which was released on 17 May 2006 by the Accounting Standards Board of Japan in regarding to the preparation of consolidated financial report in the subsidiary. According to the change, the operating profit from the subsidiaries increased by 12 Million Japanese Yen during the 1st quarter consolidated accounting period.

#### (Overseas Operating Revenues )

(Millions of yen)

For the Three months ended May 20, 2009		
Operating revenues to foreign customers	Consolidated operating revenues	Overseas operating revenues as a percentage of consolidated operating revenues
12,392	41,699	29.7

For the Three months ended May 20, 2010		
Operating revenues to foreign customers	Consolidated operating revenues	Overseas operating revenues as a percentage of consolidated operating revenues
12,058	40,347	29.9

Note: Overseas operating revenues refers to total operating revenues from consolidated subsidiaries in regions or countries outside Japan. (The overseas geographical segment encompasses Hong Kong, Thailand, Malaysia, Taiwan, China, Indonesia, the Philippines and Vietnam)

### (5) Remarks for significant change in shareholders equity

There is no applicable issue

## 6.Others

### (1)Sales Volume

(Millions of yen)

<div>Term</div> <div>Item</div>	For the Three months Ended May 20, 2009	For the Three months Ended May 20, 2010
	Amount	Amount
Credit card	530,910	600,988
Per-item	9,779	12,683
Financing	154,531	137,403
Processing agency service	12,789	22,870
Other	9,576	11,380
Total Trading Volume	717,587	785,325

### (2)Advances and Receivables

(Millions of yen)

<div>Term</div> <div>Item</div>	As of May 20, 2010	As of February 20, 2010
	Amount	Amount
Credit card	300,839	262,811
〔Including securities and trusted beneficiary right receivables〕	(429,979)	(405,320)
Per-item	40,456	37,970
Total accounts receivable-installment	341,295	300,782
〔Including securities and trusted beneficiary right receivables〕	(470,435)	(443,290)
Cash advances	352,825	347,808
〔Including securities and trusted beneficiary right receivables〕	(400,534)	(397,230)
Other financing	76,849	75,515
〔Including securitized receivables〕	(80,009)	(79,420)
Total operating loans	429,674	423,324
〔Including securities and trusted beneficiary right receivables〕	(480,543)	(476,651)
Total operating receivables	770,970	724,106
〔Including securities and trusted beneficiary right receivables〕	(950,979)	(919,941)