



Brief Report of Financial Results (Unaudited)

(For the nine Months Ended November 20, 2010)

December 28, 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 nine Months ended November 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
Nine Months ended November 20, 2010	¥126,273	△0.8%	¥13,508	△1.9%	¥13,616	△0.2%
Nine Months ended November 20, 2009	127,319	—	13,777	—	13,637	—

	Net Income	Percentage Change	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
Nine Months ended November 20, 2010	¥5,988	—	¥38.18	—
Nine Months ended November 20, 2009	△4,015	—	△25.60	—

(2) Financial Position

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

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share (Yen)
Nine Months ended November 20, 2010	¥929,735	¥176,893	16.7%	¥991.85
Fiscal year ended February 20, 2010	866,364	176,717	18.0%	994.42

(Reference) Shareholder's equity; Fiscal 2010; 155,576 million, Fiscal 2009; 155,978 million

2. Cash Dividends

	Annual dividend				
(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	—	15.00	—	—	—
February 2011 term (Estimated)	—	—	—	(25.00)	(40.00)

Note: Revision on dividend projection in the 3rd 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 3rd 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 ; Yes
- (4) Number of issued stocks and outstandings (Common stock)
- ① Number of issued stocks and outstandings at term end (including treasury stock)
The 3rd 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 3rd quarter of Fiscal 2010; 113,129 shares, Fiscal 2009; 112,878 shares,
- ③ Average of the number of shares during the quarter(For the Nine Months ended November 20, 2010)
The 3rd quarter of Fiscal 2010; 156,854,010 shares, The 3rd quarter of fiscal 2009; 156,851,546 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.

5. Consolidated Financial Statements

(1) Consolidated Quarterly Balance Sheets

(Millions of yen truncated the nearest million yen)

	As of November 20, 2010	As of February 20, 2010
Assets		
Current assets		
Cash and deposits	38,522	23,875
Accounts receivable-installment	407,738	300,782
Operating loans	308,997	423,324
Other	83,880	74,158
Allowance for doubtful accounts	△53,803	△52,613
Total current assets	785,335	769,527
Noncurrent assets		
Property, plant and equipment	12,299	9,929
Intangible assets	15,921	12,605
Investments and other assets		
Investment securities	97,543	53,493
Other	18,544	20,690
Total investments and other assets	116,088	74,183
Total noncurrent assets	144,308	96,718
Deferred assets	90	119
Total assets	929,735	866,364
Liabilities		
Current liabilities		
Accounts payable-trade	152,719	109,852
Short-term loans payable	9,846	18,671
Current portion of long-term loans payable	126,615	93,891
Current portion of bonds	11,207	16,811
Income taxes payable	2,799	3,987
Provision for point card certificates	5,884	3,717
Other provision	815	267
Other	40,818	24,979
Total current liabilities	350,706	272,178
Noncurrent liabilities		
Bonds payable	84,130	89,053
Long-term loans payable	262,720	301,736
Securitized debt obligations	30,000	—
Provision for loss on interest repayment	17,985	22,840
Other provision	41	38
Other	7,257	3,799
Total noncurrent liabilities	402,134	417,468
Total liabilities	752,841	689,647

(Millions of yen truncated the nearest million yen)

	As of November 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	129,100	129,386
Treasury stock	△187	△187
Total shareholders' equity	161,426	161,712
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	885	770
Deferred gains or losses on hedges	△711	△1,598
Foreign currency translation adjustment	△6,024	△4,905
Total valuation and translation adjustments	△5,850	△5,733
Minority interests	21,317	20,739
Total net assets	176,893	176,717
Total Liabilities and net assets	929,735	866,364

(2) Consolidated Quarterly Statements of Income

(Millions of yen truncated the nearest million yen)

	As of November 20, 2009	As of November 20, 2010
Operating revenues		
Credit card revenue	41,154	46,667
Per-item revenue	5,918	6,520
Financing revenue	61,214	54,502
Processing agency service fees	8,832	4,779
Gain on bad debts recovered	2,198	2,198
Other	7,875	11,561
Financial revenue	124	42
Total Operating revenues	127,319	126,273
Operating expenses		
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	22,478	25,117
Provision for loss on interest repayment	4,646	—
Provision for point card certificates	5,595	6,082
Other	70,034	70,105
Total Selling, general and administrative expenses	102,754	101,305
Financial expenses	10,787	11,459
Total operating expenses	113,542	112,765
Operating income	13,777	13,508
Nonoperating income		
Dividend income	100	93
Amortization of negative goodwill	172	165
Other	53	56
Total nonoperating income	326	315
Nonoperating expenses		
Office removal expenses	392	52
Exchange difference arising from translation of foreign operations	—	65
Other	73	89
Total Nonoperating expenses	466	207
Ordinary income	13,637	13,616
Other profits		
Profit from disposal of fix assets	—	75
Total profit	—	75
Extraordinary loss		
Provision of allowance for doubtful accounts	2,052	—
Provision for the loss from interest refund	14,000	—
Other	5	—
Total Extraordinary loss	16,058	—
Quarterly profit or loss before tax	△2,420	13,692
Income taxes-current	4,423	4,712
Income taxes-deferred	△5,641	501
Total Income taxes	△1,217	5,213
Minority interests in income	2,812	2,490
Quarterly net profit or loss	△4,015	5,988

(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 November 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 Nine months ended November 20, 2009				
	Domestic	Overseas	Total	Eliminations/ Corporate	Consolidated
Operating revenues	89,606	37,713	127,319	—	127,319
Operating income	6,692	7,084	13,777	—	13,777

	For the Nine months ended November 20, 2010				
	Domestic	Overseas	Total	Eliminations/ Corporate	Consolidated
Operating revenues	88,863	37,410	126,273	—	126,273
Operating income	7,466	6,041	13,508	—	13,508

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 3rd 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 45 Million Japanese Yen during the 3rd quarter consolidated accounting period.

3. Additional Information

(Consolidated accumulated period for the current quarter)

2. Other information (3) According to the summary of change in principle in accounting settlement, procedure, presentation method, etc., operating income for the business of settlement service for electronic money is the offset of the electronic money usage fee payable to the electronic money issuer.

As a result, domestic operating income has reduced by 8,966 million Japanese yen when comparing with the past method. There is no further effect to the operating profit.

(Overseas Operating Revenues)

(Millions of yen)

For the Nine months ended November 20, 2009		
Operating revenues to foreign customers	Consolidated operating Revenues	Overseas operating revenues as a percentage of consolidated operating revenues
37,713	127,319	29.6

For the Nine months ended November 20, 2010		
Operating revenues to foreign customers	Consolidated operating Revenues	Overseas operating revenues as a percentage of consolidated operating revenues
37,410	126,273	29.6

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)

Term Item	For the Six months Ended August 20, 2009	For the Six months Ended August 20, 2010
	Amount	Amount
Credit card	1,635,541	1,886,264
Per-item	32,421	37,958
Financing	451,986	333,102
Processing agency service	45,027	75,213
Other	23,118	33,611
Total Trading Volume	2,188,095	2,366,150

(2)Advances and Receivables

(Millions of yen)

Term Item	As of August 20, 2010	As of February 20, 2010
	Amount	Amount
Credit card	366,965	262,811
〔Including securities and trusted beneficiary right receivables〕	(473,463)	(405,320)
Per-item	40,772	37,970
Total accounts receivable-installment	407,738	300,782
〔Including securities and trusted beneficiary right receivables〕	(514,236)	(443,290)
Cash advances	232,548	347,808
〔Including securities and trusted beneficiary right receivables〕	(378,075)	(397,230)
Other financing	76,448	75,515
〔Including securitized receivables〕	(78,474)	(79,420)
Total operating loans	308,997	423,324
〔Including securities and trusted beneficiary right receivables〕	(456,550)	(476,651)
Total operating receivables	716,736	724,106
〔Including securities and trusted beneficiary right receivables〕	(970,786)	(919,941)