



Brief Report of Financial Results (Unaudited)

(For the Nine Months Ended November 20, 2012)

December 25, 2012

Registered Company Name: **AEON Credit Service Co., Ltd.**

Stock Listing: Tokyo Stock Exchange, First Section

Code No: 8570

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

President and CEO: Kazuhide Kamitani

Contact: Hideki Wakabayashi, Director, CFO

1. Business performance (For the Nine Months ended November 20, 2012 and 2011)

(1) Consolidated Operating Results

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

	Operating Revenues	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change
Nine Months ended November 20, 2012	¥133,186	5.0%	¥20,565	23.1%	¥20,714	23.4%
Nine Months ended November 20, 2011	126,849	0.5%	16,700	23.6%	16,789	23.3%

※Comprehensive income; The 3rd Quarter of Fiscal 2012; 14,174 million(—%), The 3rd Quarter of Fiscal 2011; 391 million(—%)

	Net Income	Percentage Change	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
Nine Months ended November 20, 2012	¥9,023	72.6%	¥62.12	¥55.03
Nine Months ended November 20, 2011	5,228	△12.7%	33.33	33.33

(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, 2012	¥976,331	¥172,473	15.0%	¥1,014.93
Fiscal year ended February 20, 2012	907,658	181,852	17.5%	1,012.52

(Reference) Shareholder's equity; The 3rd Quarter of Fiscal 2012; 146,742 million, Fiscal 2011; 158,816 million

2. Cash Dividends

	Dividend per share				
(Base date)	First quarter period	Interim period	Third quarter period	Term end	Annual
February 2012 term	—	¥15.00	¥5.00	¥25.00	¥45.00
March 2013 term	—	20.00	—	—	—
March 2013 term (Estimated)	—	—	—	(25.00)	(50.00)

Note: Revision on dividend projection in the 3rd Quarter; No

Note: In commemoration of management integration of the Company and AEON Bank Limited, Management Integration Commemoration Dividend of 5 yen per share on the basis of January 4, 2013 will be issued.

Thereby, the annual dividend anticipation will be revised to 50 Japanese Yen per share in total for the term ended March, 2013, which is 5 Japanese Yen increased from the previous anticipation.

3. Projections (For the fiscal year ending March 31, 2013)

(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
Full term	196,000	15.4	32,500	33.9	32,500	33.9	13,800	53.5	89.31

Note: Revision on the projection of consolidated results in the 3rd Quarter; No

The earnings per share is computed based on the weighted average shares 154,519,000 shares in consideration of the planned increase of 42,660,000 shares due to the share exchange with AEON Bank, Limited.

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
- ③ Change accounting quotation ; No
- ④ Restatement ; No
- (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 2012; 144,697,208 shares, Fiscal 2011; 156,967,008 shares
- ② Number of shares of treasury stock at end of term
The 3rd quarter of fiscal 2012; 114,290 shares, Fiscal 2011; 113,690 shares,
- ③ Average of the number of shares during the quarter(For the Nine Months ended November 20, 2012)
The 3rd quarter of fiscal 2012; 145,258,194 shares, The 3rd quarter of fiscal 2011; 156,853,436 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.

(Issues regarding to AEON Bank becomes consolidated subsidiary and the change of accounting period)

As per the Press Release on September 12, 2012 regarding to the Management Integration, it is hereby announced that AEON Bank, Limited will become a consolidated subsidiary of the Company (effective from January 1, 2013) in the share exchange and the Company will transit into a bank holding company (effective from April 1, 2013). The Company's accounting period will be changed accordingly.

Furthermore, the Share Exchange Agreement and the change of accounting period, which have both been approved in the Extra-ordinary Shareholders' Meeting held on November 21, 2012, will be effective from January 1, 2013.

5. Consolidated Financial Statements

(1) Consolidated Quarterly Balance Sheets

(Millions of yen truncated the nearest million yen)

	As of February 20, 2012	As of November 20, 2012
Assets		
Current assets		
Cash and deposits	21,250	23,193
Accounts receivable-installment	427,634	459,914
Operating loans	255,704	270,406
Other	71,230	75,997
Allowance for doubtful accounts	△42,346	△36,821
Total current assets	733,474	792,690
Noncurrent assets		
Property, plant and equipment	13,853	15,344
Intangible assets	18,144	19,995
Investments and other assets		
Investment securities	121,417	130,181
Other	20,642	17,976
Total investments and other assets	142,059	148,157
Total noncurrent assets	174,057	183,497
Deferred assets	127	143
Total assets	907,658	976,331
Liabilities		
Current liabilities		
Accounts payable-trade	142,117	208,894
Short-term loans payable	34,000	37,751
Current portion of long-term loans payable	72,542	83,184
Current portion of bonds	54,419	15,725
Income taxes payable	1,831	1,444
Provision for point card certificates	10,859	12,369
Other provision	1,050	1,900
Other	38,164	46,687
Total current liabilities	354,986	407,957
Noncurrent liabilities		
Bonds payable	50,095	54,659
Convertible bond-type bonds with subscription rights to shares	—	30,000
Long-term loans payable	305,340	298,842
Provision for loss on interest repayment	9,250	5,424
Other provision	278	364
Other	5,854	6,609
Total noncurrent liabilities	370,820	395,900
Total liabilities	725,806	803,858

(Millions of yen truncated the nearest million yen)

	As of February 20, 2012	As of November 20, 2012
Net assets		
Shareholder's equity		
Capital stock	15,466	15,466
Capital surplus	17,046	17,046
Retained earnings	134,582	121,664
Treasury stock	△188	△146
Total shareholders' equity	166,907	154,031
Total other comprehensive income		
Valuation difference on available-for-sale securities	1,183	1,319
Deferred gains or losses on hedges	△1,562	△1,580
Foreign currency translation adjustment	△7,711	△7,029
Total accumulated other comprehensive income	△8,091	△7,289
Subscription rights to shares	12	25
Minority interests	23,023	25,705
Total net assets	181,852	172,473
Total Liabilities and net assets	907,658	976,331

(2)Consolidated Quarterly Statements of Income

(Millions of yen truncated the nearest million yen)

	For the Nine Months ended November 20, 2011	For the Nine Months ended November 20, 2012
Operating revenues		
Revenue from credit card (business)	51,336	57,195
Cash and deposits	5,643	5,908
Financing revenue	48,956	50,100
Processing agency service fees	5,236	5,594
Gain on bad debts recovered	2,132	2,994
Other	13,516	11,309
Financial revenue	28	83
Total Operating revenues	126,849	133,186
Operating expenses		
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	19,484	13,696
Provision for point card certificates	7,279	7,096
Other	72,522	82,137
Total Selling, general and administrative expenses	99,285	102,930
Financial expenses	10,863	9,690
Total operating expenses	110,149	112,621
Operating income	16,700	20,565
Nonoperating income		
Dividend income	92	102
Amortization of negative goodwill	100	—
Investment income by equity method	—	52
Interest on refund of income taxes and other	—	53
Other	16	16
Total nonoperating income	209	225
Nonoperating expenses		
Foreign exchange losses	53	48
Commission for purchase of treasury stock	—	15
Equity in losses of affiliates	56	—
Other	10	11
Total Nonoperating expenses	120	75
Ordinary income	16,789	20,714
Extraordinary loss		
Loss by the disaster	6,188	—
Loss from equity change	—	101
Other	214	—
Total Extraordinary loss	6,403	101
Income before income tax and minority interests	10,386	20,613
Income taxes-current	5,582	3,147
Income taxes-deferred	△2,076	4,536
Total Income taxes	3,506	7,683
Net income before the minority shareholders profit and loss adjustment	6,879	12,929
Minority interests in income	1,651	3,906
Quarterly income	5,228	9,023

(Consolidated statement of comprehensive income)

(Millions of yen truncated the nearest million yen)

	For the Nine Months ended November 20, 2011	For the Nine Months ended November 20, 2012
Net income before the minority shareholders profit and loss adjustment	6,879	12,929
Other comprehensive income		
Valuation difference on available-for-sale securities	△189	134
Deferred gains or losses on hedges	△1,953	△31
Foreign currency translation adjustment	△4,345	1,142
Total other comprehensive income	△6,487	1,245
Comprehensive income	391	14,174
(attributable to)		
Comprehensive income attributable to owners of the Company	1,479	9,825
Comprehensive income attributable to minority interests	△1,087	4,349

(3) Remarks for the continuing corporations

There is no applicable issue

(4) Segment Information

(Millions of yen)

	For the Nine months ended November 20, 2011					
	Credit	Fee business	Overseas	Total	The amount of adjustment	Consolidated Quarterly Statements Income
Operating Revenues from customers	76,798	11,585	38,465	126,849	—	126,849
Intersegment operating revenues and transfer	0	846	23	869	△869	—
Total	76,798	12,431	38,489	127,719	△869	126,849
Net income(loss)	11,314	△210	7,900	19,004	△2,303	16,700

Note: Segment Information

(1) Credit・・・Credit business including credit card and loan business inside Japan

(2) Fee business・・・Various fee businesses including electronic money business inside Japan

(3) Overseas・・・Overseas financial service business

(Millions of yen)

	For the Nine months ended November 20, 2012					
	Credit	Fee business	Overseas	Total	The amount of adjustment	Consolidated Quarterly Statements Income
Operating Revenues from customers	72,625	16,668	43,891	133,186	—	133,186
Intersegment operating revenues and transfer	0	838	13	851	△851	—
Total	72,626	17,507	43,905	134,038	△851	133,186
Net income(loss)	11,917	1,375	9,248	22,541	△1,975	20,565

Note: Segment Information

(1) Credit・・・Credit business including credit card and loan business inside Japan

(2) Fee business・・・Various fee businesses including electronic money business inside Japan

(3) Overseas・・・Overseas financial service business

(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 Nine months Ended November 20, 2011	For the Nine months Ended November 20, 2012
	Amount	Amount
Credit card	2,076,696	2,323,410
Cash and deposits	19,708	28,051
Financing	248,371	280,153
Processing agency service	90,295	117,414
Other	19,465	23,874
Total Trading Volume	2,454,537	2,772,905

(2) Advances and Receivables

(Millions of yen)

Term Item	As of February 20, 2012	As of November 20, 2012
	Amount	Amount
Credit card	395,628	419,409
〔Including securities and trusted beneficiary right receivables〕	(520,743)	(593,669)
Per-item	32,005	40,504
Total accounts receivable-installment	427,634	459,914
〔Including securities and trusted beneficiary right receivables〕	(552,749)	(634,174)
Cash advances	143,550	142,945
〔Including securities and trusted beneficiary right receivables〕	(303,255)	(285,238)
Other financing	112,154	127,461
〔Including securitized receivables〕	(185,294)	(205,578)
Total operating loans	255,704	270,406
〔Including securities and trusted beneficiary right receivables〕	(488,549)	(490,817)
Total operating receivables	683,339	730,321
〔Including securities and trusted beneficiary right receivables〕	(1,041,298)	(1,124,991)