



# Brief Report of Financial Results (Unaudited)

(For the three Months Ended June 30, 2015)

August 6, 2015

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

Stock Listing: Tokyo Stock Exchange, First Section

Code No: 8570

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

President and CEO: Akinori Yamashita

Contact: Hideki Wakabayashi, Director, CFO

## 1.Business performance (For the three Months ended June 30, 2015 and For the three Months ended June 30, 2014)

### (1) Consolidated Operating Results

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

	Ordinary income	Percentage Change	Ordinary profit	Percentage Change	Profit attributable to owners of parent	Percentage Change
Three Months ended June 30, 2015	¥85,651	17.4%	¥12,596	52.0%	¥7,185	86.7%
Three Months ended June 30, 2014	72,946	12.4%	8,285	△10.3%	3,849	△14.7%

※Comprehensive income; The 1st Quarter of Fiscal 2015; 10,135million(130.5%) , The 1st Quarter of Fiscal 2014; 4,397 million(△64.2%)

	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
Three Months ended June 30, 2015	¥36.16	¥36.14
Three Months ended June 30, 2014	18.91	18.73

### (2) Financial Position

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

	Total Assets	Net Assets	Capital Ratio	Net Assets per Share (Yen)
Three Months ended June 30, 2015	¥3,553,725	¥327,842	7.7%	¥1,381.71
Fiscal year ended March 31, 2015	3,589,495	324,948	7.6%	1,377.56

(Reference)1. Shareholder's equity; The 1st Quarter of Fiscal 2015; 274,533 million, Fiscal 2014; 273,708 million

2.Capital ratio = {(Net assets – stock acquisition right – Non-controlling interests) / total assets} X 100

## 2.Cash Dividends

(Base date)	Dividend per share				
	First quarter period	Interim period	Third quarter period	Term end	Annual
March 2015 term	—	¥25.00	—	¥35.00	¥60.00
March 2016 term	—	—	—	—	—
March 2016 term (Estimated)	—	(28.00)	—	(38.00)	(66.00)

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

## 3.Projections (For the fiscal year ending March 31, 2016)

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

	Ordinary income	YOY (%)	Ordinary profit	YOY (%)	Profit attributable to owners of parent	YOY (%)	Net income per share
Interim	175,000	15.8	21,000	7.8	11,000	0.1	55.36
Full term	380,000	15.5	61,000	14.9	33,000	8.2	166.09

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 ; Yes
  - 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 1st quarter of fiscal 2015; 208,499,435 shares, Fiscal 2014; 208,499,435 shares
  - ② Number of shares of treasury stock at end of term  
The 1st quarter of fiscal 2015; 9,808,438 shares, Fiscal 2014; 9,808,408 shares,
  - ③ Average of the number of shares during the quarter(For the Three Months ended June 30, 2015)  
The 1st quarter of fiscal 2015; 198,691,010 shares, The 1st quarter of fiscal 2014; 203,570,493 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 March 31, 2015	As of June 30, 2015
<b>Assets</b>		
Cash and deposits	467,726	403,350
Call loans	10,000	—
Monetary claims bought	6,649	5,886
Securities	235,074	221,746
Loans and bills discounted	1,474,236	1,480,103
Accounts receivable-installment	1,038,221	1,078,637
Other assets	95,533	103,401
Property, plant and equipment	35,774	35,655
Intangible assets	71,138	72,043
Goodwill	27,064	26,608
Other intangible assets	44,074	45,435
Deferred tax assets	20,789	21,696
Customer's liabilities for acceptances and guarantees	183,632	181,754
Allowance for doubtful accounts	△ 49,280	△ 50,553
Total assets	3,589,495	3,553,725
<b>Liabilities</b>		
Deposits	1,963,024	1,992,785
Accounts payable-trade	164,836	154,677
Call money	76,300	—
Borrowed money	591,586	556,461
Commercial papers	—	43,000
Bonds payable	114,310	126,946
Convertible bond-type bonds with subscription rights to shares	90	90
Other liabilities	145,754	145,488
Provision for bonuses	2,542	2,884
Net defined benefit liability	3,312	3,300
Provision for point card certificates	11,590	11,950
Provision for loss on interest repayment	4,848	3,918
Other provision	461	303
Deferred tax liabilities	2,256	2,320
Acceptances and guarantees	183,632	181,754
Total liabilities	3,264,547	3,225,882
<b>Net assets</b>		
Capital stock	30,421	30,421
Capital surplus	106,230	106,245
Retained earnings	154,518	154,749
Treasury stock	△ 25,144	△ 25,144
Total shareholders' equity	266,026	266,272
Valuation difference on available-for-sale securities	4,243	4,426
Deferred gains or losses on hedges	△ 3,468	△ 4,049
Foreign currency translation adjustment	7,446	8,399
Remeasurements of defined benefit plans	△ 539	△ 515
Total other comprehensive income	7,682	8,260
Subscription rights to shares	73	73
Non-controlling interests	51,166	53,235
Total net assets	324,948	327,842
Total liabilities and net assets	3,589,495	3,553,725

## (2)Consolidated Quarterly Statements of Income

(Millions of yen truncated the nearest million yen)

	For the Three months ended June 30, 2014	For the Three months ended June 30, 2015
Ordinary income	72,946	85,651
Interest income	29,406	33,850
Interest on loans and discounts	28,785	33,214
Interest and dividends on securities	485	513
Fees and commissions	38,287	45,955
Other operating income	1,652	1,832
Other ordinary income	3,600	4,012
Ordinary expenses	64,661	73,055
Interest expenses	4,832	5,610
Interest on deposits	1,015	1,169
Fees and commissions payments	5,093	5,547
Other operating expenses	263	214
General and administrative expenses	45,315	49,499
Other ordinary expenses	9,156	12,183
Ordinary profit	8,285	12,596
Extraordinary income	—	0
Gain on disposal of non-current assets	—	0
Extraordinary loss	11	30
Loss on disposal of noncurrent assets	11	30
Income before income taxes	8,274	12,565
Income taxes-current	5,606	4,036
Convertible bond-type bonds with subscription rights to shares	Δ 3,127	Δ 780
Total income taxes	2,478	3,256
Profit	5,795	9,309
Profit attributable to non-controlling interests	1,946	2,124
Profit attributable to owners of parent	3,849	7,185

**(Consolidated statement of comprehensive income)**

(Millions of yen truncated the nearest million yen)

	For the Three months ended June 30, 2014	For the Three months ended June 30, 2015
Profit	5,795	9,309
Other comprehensive income	Δ 1,398	826
Valuation difference on available-for-sale securities	Δ 252	205
Deferred gains or losses on hedges	Δ 410	Δ 1,073
Foreign currency translation adjustment	Δ 603	1,669
Remeasurements of defined benefit plans	Δ 132	23
comprehensive income	4,397	10,135
(attributable to)		
Comprehensive income attributable to owners of the Company	2,827	7,763
Comprehensive income attributable to non-controlling interests	1,569	2,372

## Segment Information

(Millions of yen)

	For the three month ended June 30, 2014						
	Credit	Fee	Bank	Overseas	Total	Adjustments	Consolidated financial statements appropriation
Operating revenue							
Operating revenue from external customer	33,155	7,359	7,500	24,931	72,946	—	72,946
The internal operating income between segments	46	3,156	488	—	3,691	Δ 3,691	—
Total	33,202	10,515	7,989	24,931	76,638	Δ 3,691	72,946
Segment Profit (loss)	5,591	80	Δ 1,655	5,308	9,325	Δ 1,040	8,285

(Reference)1.The operating profit is stated in here in replace of sales turnover of general corporations

2.Adjustment of segmental profit or loss is Δ1,040 million as the overall expense which has not been allocated to any segment.

Such expense mainly is operating expense which has not been assigned to any segment.

3.Segmental profit or loss has been adjusted with the operating profit in the quarterly consolidated income statement.

(Millions of yen)

	For the three month ended June 30, 2015						
	Credit	Fee	Bank	Overseas	Total	Adjustments	Consolidated financial statements appropriation
Operating revenue							
Operating revenue from external customer	36,538	8,040	10,339	30,732	85,651	—	85,651
The internal operating income between segments	739	3,678	1,272	3	5,693	Δ 5,693	—
Total	37,277	11,719	11,612	30,735	91,345	Δ 5,693	85,651
Segment Profit	8,298	851	217	5,712	15,079	Δ 2,482	12,596

(Reference)1.The operating profit is stated in here in replace of sales turnover of general corporations

2.Adjustment of segmental profit is Δ2,482 million as the overall expense which has not been allocated to any segment.

Such expense mainly is operating expense which has not been assigned to any segment.

3.Segmental profit has been adjusted with the operating profit in the quarterly consolidated income statement.