

Brief Report of Financial Results (Unaudited)

(For the Fiscal 2015 Ended March 31, 2016)



May 13, 2016

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 Fiscal 2015 ended March 31, 2016 and For the Fiscal 2014 ended March 31, 2015)

(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
Fiscal 2015 ended March 31, 2016	¥359,651	9.3%	¥59,380	11.9%	¥35,785	17.4%
Fiscal 2014 ended March 31, 2015	329,046	15.0	53,080	29.2	30,491	47.0

※Comprehensive income; Fiscal 2015; 33,412 million(△31.9%), Fiscal 2014; 49,084 million(55.8%)

	Profit attributable to owners of parent per Share(Yen)	Fully Diluted Profit attributable to owners of parent per Share(Yen)	Return on equity	Return on assets	Operating income/ Operating revenues
Fiscal 2015 ended March 31, 2016	¥180.09	¥180.00	12.7%	1.6%	16.5%
Fiscal 2014 ended March 31, 2015	152.55	152.04	11.2%	1.6%	16.1%

(Reference) Investment gains and losses on equity method; Fiscal 2015; 53 million, Fiscal 2014; △71 million

(2) Consolidated Financial Position

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

	Total Assets	Net Assets	Capital Ratio	Net Assets per Share (Yen)
Fiscal 2015 ended March 31, 2016	¥3,745,546	¥340,886	7.8%	¥1,465.31
Fiscal 2014 ended March 31, 2015	3,589,495	324,948	7.6%	1,377.56

(Reference)1. Shareholder's equity; Fiscal 2015; 291,186million, Fiscal 2014; 273,708 million

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

(3) Consolidated cash flows

(Millions of yen truncated to the nearest million)

	Net cash used in operating activities	Net cash used in Investing activities	Net cash provided by financing activities	Cash and cash equivalents at end of period
Fiscal 2015 ended March 31, 2016	¥△9,650	¥△5,782	¥△15,805	¥421,975
Fiscal 2014 ended March 31, 2015	161,500	△81,427	△34,579	455,901

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	—	28.00	—	38.00	66.00
March 2017 term (Estimated)	—	(29.00)	—	(39.00)	(68.00)

(Base date)	Total dividends	Payout Ratio	Dividend on equity ratio
March 2015 term	¥12,188	39.3%	4.5%
March 2016 term	12,517	36.6%	4.6%
March 2017 term (Estimated)		36.5%	

(Reference)1. Fiscal 2015 ended March 31, 2016 Revision on dividend projection in the 2nd Quarter; annual dividend of 28, 20th list public anniversary dividend of 1

2. Fiscal 2015 ended March 31, 2016 Revision on dividend projection in the Fiscal 2015 ended March 31; annual dividend of 28, 20th list public anniversary dividend of 1

3.Projections (For the fiscal year ending March 31, 2017)

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

	Ordinary income	YOY (%)	Ordinary profit	YOY (%)	Profit attributable to owners of parent	YOY (%)	Profit attributable to owners of parent per share
Interim	¥182,000	4.7	¥28,000	8.1	¥15,000	6.3	75.48
Full term	380,000	5.7	63,000	6.1	37,000	3.4	186.19

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)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

(3) Number of issued stocks and outstandings (Common stock)

① Number of issued stocks and outstandings at term end (including treasury stock)

Fiscal 2015; 208,527,801shares, Fiscal 2014; 208,499,435 shares

② Number of shares of treasury stock at end of term

Fiscal 2015; 9,807,144shares, Fiscal 2014; 9,808,408shares shares,

③ Average of the number of shares during the quarter(For the Fiscal 2015 ended March 31, 2016)

Fiscal 2015; 198,704,819 shares, Fiscal 2014; 199,875,767 shares

(Reference) : Report of Non-Consolidated Financial Results

Business performance (For the Fiscal 2015 ended March 31, 2016 and For the Fiscal 2014 ended March 31, 2015)

(1) Non-consolidated Operating Results (Millions of yen truncated to the nearest million, %, yen)

	Operating revenues	YOY (%)	Operating income	YOY (%)	Ordinary profit	YOY (%)	Profit attributable to owners of parent	YOY (%)
Fiscal 2015 ended March 31, 2016	¥22,740	108.6%	¥12,031	△ 104.3%	¥11,203	△ 103.6%	¥9,585	104.1%
Fiscal 2014 ended March 31, 2015	20,931	132.4%	12,569	784.5%	11,624	—	9,204	—

	Profit attributable to owners of parent per share	Fully Diluted Profit attributable to owners of parent per Share
Fiscal 2015 ended March 31, 2016	¥48.24	¥48.21
Fiscal 2014 ended March 31, 2015	46.05	45.89

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

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
Fiscal 2015 ended March 31, 2016	¥331,946	192,973	58.1%	970.52
Fiscal 2014 ended March 31, 2015	328,499	195,667	59.5%	984.41

(Reference) Shareholder's equity; Fiscal 2015; 192,863 million, Fiscal 2014; 195,593 million

※ 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 Balance Sheets

(Millions of yen truncated the nearest million yen)

	As of March 31, 2015	As of March 31, 2016
Assets		
Cash and deposits	467,726	444,868
Call loans	10,000	—
Monetary claims bought	6,649	5,051
Securities	235,074	211,131
Loans and bills discounted	1,474,236	1,673,997
Accounts receivable-installment	1,038,221	1,022,387
lease receivables and investment assets	—	5,405
Other assets	95,533	124,594
Property, plant and equipment	35,774	36,530
Buildings	5,217	5,449
Tools, furniture and fixtures	22,793	25,955
Land	742	4
Construction in progress	90	58
Other tangible fixed assets	6,929	5,063
Intangible assets	71,138	77,163
Software	36,882	44,859
Goodwill	27,064	25,597
Other intangible assets	7,191	6,706
Deferred tax assets	20,789	20,433
Customer's liabilities for acceptances and guarantees	183,632	173,441
Allowance for doubtful accounts	△ 49,280	△ 49,458
Total assets	3,589,495	3,745,546
Liabilities		
Deposits	1,963,024	2,152,928
Accounts payable-trade	164,836	173,568
Call money	76,300	—
Commercial papers	—	68,000
Borrowed money	591,586	535,989
Bonds payable	114,310	122,074
Convertible bond-type bonds with subscription rights to shares	90	50
Other liabilities	145,754	152,845
Provision for bonuses	2,542	2,828
Net defined benefit liability	3,312	3,530
Provision for point card certificates	11,590	12,456
Provision for loss on interest repayment	4,848	4,206
Other provision	461	396
Deferred tax liabilities	2,256	2,344
Acceptances and guarantees	183,632	173,411
Total liabilities	3,264,547	3,404,660
Net assets		
Capital stock	30,421	30,441
Capital surplus	106,230	106,230
Retained earnings	154,518	177,766
Treasury stock	△ 25,144	△ 25,141
Total shareholders' equity	266,026	289,296
Valuation difference on available-for-sale securities	4,243	5,889
Deferred gains or losses on hedges	△ 3,468	△ 3,514
Foreign currency translation adjustment	7,446	122
Remeasurements of defined benefit plans	△ 539	△ 607
Total other comprehensive income	7,682	1,890
Subscription rights to shares	73	110
Non controlling interests	51,166	49,589
Total net assets	324,948	340,886
Total liabilities and net assets	3,589,495	3,745,546

(2) Consolidated Statements of Income

(Millions of yen truncated the nearest million yen)

	For the Fiscal 2014 ended March 31, 2015	For the Fiscal 2015 ended March 31, 2016
Ordinary income	329,046	359,651
Interest income	125,493	138,810
Interest on loans and discounts	123,270	136,342
Interest and dividends on securities	1,612	1,863
Interest on call loans	0	0
Interest on deposits with banks	393	447
Other interest income	215	155
Fees and commissions	168,283	185,072
Other operating income	19,053	19,759
Other ordinary income	16,215	16,010
Recoveries of written-off claims	7,810	6,432
Other	8,404	9,577
Ordinary expenses	275,965	300,270
Interest expenses	20,677	21,305
Interest on deposits	4,015	3,759
Interest on call money	24	3
Interest on borrowings and rediscounts	14,474	15,127
Interest on bonds	1,818	1,950
Other interest expenses	344	465
Fees and commissions payments	21,838	24,667
Other operating expenses	1,109	1,437
General and administrative expenses	186,474	203,553
Other ordinary expenses	45,865	49,306
Provision of allowance for loan losses	36,369	42,688
Other	9,495	6,618
Ordinary profit	53,080	59,380
Extraordinary income	0	1,280
Gain on disposal of noncurrent assets	0	1,280
Extraordinary loss	328	1,411
Loss on disposal of noncurrent assets	38	1,304
Loss on penalty	245	—
Other extraordinary loss	44	106
Income before income taxes	52,752	59,250
Income taxes-current	15,000	15,192
Income taxes-deferred	△ 935	△ 405
Total income taxes	14,065	14,787
Net profit	38,687	44,463
Profit attributable to non-controlling interests	8,195	8,678
Profit attributable to owners of parent	30,491	35,785

(Consolidated statement of comprehensive income)

(Millions of yen truncated the nearest million yen)

	For the Fiscal 2014 ended March 31, 2015	For the Fiscal 2015 ended March 31, 2016
Net Profit	38,687	44,463
Other comprehensive income	10,397	Δ 11,050
Valuation difference on available-for-sale securities	219	1,625
Deferred gains or losses on hedges	Δ 2,115	76
Foreign currency translation adjustment	12,462	Δ 12,684
Remeasurements of defined benefit plans	Δ 168	Δ 68
comprehensive income	49,084	33,412
(attributable to)		
Comprehensive income attributable to owners of parent	36,550	29,993
Comprehensive income attributable to non-controlling interests	12,534	3,419

(3) (Summary) Consolidated Statements of Changes in net assets (For the Fiscal 2015 ended March 31, 2016)

(Millions of yen truncated the nearest million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance	29,051	104,860	136,270	△ 145	270,036
Cumulative effect of accounting change			△ 53		△ 53
Balance at beginning of this year reflect changes in accounting policies	29,051	104,860	136,216	△ 145	269,982
Changes of items during the period					
Convert of Convertible bond-type bonds with subscription rights to shares	1,370	1,370			2,740
Dividends from surplus			△ 12,188		△ 12,188
Net income attributable to owners of parent			30,491		30,491
Purchase of treasury stock				△ 25,001	△ 25,001
Disposal of treasury stock		△ 0	△ 1	2	0
Changes in parent interests relating to transaction with noncontrolling shareholders					
Change of scope of equity method					
Net changes of items other than shareholders' equity					
Total changes of items during the period	1,370	1,369	18,302	△ 24,998	△ 3,956
Ending balance	30,421	106,230	154,518	△ 25,144	266,026

	Other comprehensive income					Subscription rights to shares	Noncontrolling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total other comprehensive income			
Beginning balance	4,027	△ 2,326	294	△ 371	1,623	55	35,576	307,291
Cumulative effect of accounting change								△ 53
Balance at beginning of this year reflect changes in accounting policies	4,027	△ 2,326	294	△ 371	1,623	55	35,576	307,237
Changes of items during the period								
Convert of Convertible bond-type bonds with subscription rights to shares								2,740
Dividends from surplus								△ 12,188
Net income attributable to owners of parent								30,491
Purchase of treasury stock								△ 25,001
Disposal of treasury stock								0
Changes in parent interests relating to transaction with noncontrolling shareholders								
Change of scope of equity method								
Net changes of items other than shareholders' equity	216	△ 1,141	7,151	△ 168	6,058	18	15,590	21,666
Total changes of items during the period	216	△ 1,141	7,151	△ 168	6,058	18	15,590	17,710
Ending balance	4,243	△ 3,468	7,446	△ 539	7,682	73	51,166	324,948

(For the Fiscal 2015 ended March 31, 2016)

(Millions of yen truncated the nearest million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance	30,421	106,230	154,518	△ 25,144	266,026
Cumulative effect of accounting change					
Balance at beginning of this year reflect changes in accounting policies	30,421	106,230	154,518	△ 25,144	266,026
Changes of items during the period					
Convert of Convertible bond-type bonds with subscription rights to shares	20	20			40
Dividends from surplus			△ 12,517		△ 12,517
Net income attributable to owners of parent			35,785		35,785
Purchase of treasury stock				△ 0	△ 0
Disposal of treasury stock			△ 1	3	1
Changes in parent interests relating to transaction with noncontrolling shareholders		△ 20			△ 20
Change of scope of equity method			△ 18		△ 18
Net changes of items other than shareholders' equity					
Total changes of items during the period	20	△ 0	23,247	2	23,270
Ending balance	30,441	106,230	177,766	△ 25,141	289,296

	Other comprehensive income					Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total other comprehensive income			
Beginning balance	4,243	△ 3,468	7,446	△ 539	7,682	73	51,166	324,948
Cumulative effect of accounting change								
Balance at beginning of this year reflect changes in accounting policies	4,243	△ 3,468	7,446	△ 539	7,682	73	51,166	324,948
Changes of items during the period								
Convert of Convertible bond-type bonds with subscription rights to shares								40
Dividends from surplus								△ 12,517
Net income attributable to owners of parent								35,785
Purchase of treasury stock								△ 0
Disposal of treasury stock								1
Changes in parent interests relating to transaction with noncontrolling shareholders							20	—
Change of scope of equity method								△ 18
Net changes of items other than shareholders' equity	1,646	△ 46	△ 7,323	△ 68	△ 5,792	37	△ 1,597	△ 7,352
Total changes of items during the period	1,646	△ 46	△ 7,323	△ 68	△ 5,792	37	△ 1,576	15,938
Ending balance	5,889	△ 3,514	122	△ 607	1,890	110	49,589	340,886

(4) (Summary) Consolidated Statements of Cash Flows

(Millions of yen truncated the nearest million yen)

	For the fiscal 2014 ended March 31, 2015	For the fiscal 2015 ended March 31, 2016
Net cash provided by (used in) operating activities		
income before income tax and minority interests	52,752	59,250
Depreciation	14,532	15,884
Amortization of goodwill	1,839	1,840
Share of (profit) loss of entities accounted for using equity method	71	△ 53
Increase (decrease) in allowance for loan losses	△ 94	2,448
Increase (decrease) in provision for bonuses	244	332
Increase (decrease) in net defined benefit liability	176	107
Increase (decrease) in provision for point card certificates	577	866
Increase (decrease) in provision for loss on interest repayment	1,762	△ 642
Increase (decrease) in other provision	△ 94	△ 61
Amortization of stock issuance cost	36	36
Amortization of bond issuance cost	82	80
Interest income	△ 125,493	△ 138,810
Interest expenses	20,677	21,305
Loss (gain) related to securities	2,107	178
Net decrease (increase) in loans and bills discounted	△ 163,711	△ 232,770
Decrease (increase) in accounts receivable-installment	△ 62,513	△ 16,158
Net decrease (increase) in lease receivables and investment assets	—	205
Net increase (decrease) in deposit	245,255	189,903
Increase (decrease) in notes and accounts payable-trade	△ 39,571	7,891
Net increase (decrease) in borrowed money	39,196	△ 24,199
Net decrease (increase) in deposit (excluding deposit paid to Bank of Japan)	△ 3,042	△ 10,800
Net decrease (increase) in deposit (over 3 months)	△ 107	△ 355
Net decrease (increase) in call loans	△ 4,529	11,597
Net increase (decrease) in call money	71,400	△ 76,300
Net increase (decrease) in commercial papers	—	68,000
Increase (decrease) in straight bonds - issuance and redemption	8,709	10,333
Proceeds from sales and leasebacks	11,403	11,108
Proceeds from fund management	124,620	138,420
Payments for finance	△ 20,796	△ 28,662
Other	3,904	△ 7,605
Subtotal	179,395	3,372
Income taxes paid	△ 17,894	△ 14,922
Income taxes refund	—	1,899
Net cash provided by (used in) operating activities	161,500	△ 9,650

(Millions of yen truncated the nearest million yen)

	For the fiscal 2014 ended March 31, 2015	For the fiscal 2015 ended March 31, 2016
Net cash provided by (used in) investing activities		
Purchase of securities	△ 230,385	△ 119,961
Proceeds from sales of short-term investment securities	143,135	74,449
Proceeds from sales of securities	27,510	71,006
Purchase of property, plant and equipment	△ 7,911	△ 10,194
Proceeds from sales of property, plant and equipment	759	2,820
Purchase of intangible assets	△ 14,536	△ 17,397
Proceeds from sales of intangible assets	—	198
Payments for transfer of business	—	△ 6,702
Net cash provided by (used in) investing activities	△ 81,427	△ 5,782
Net cash provided by (used in) financing activities		
Payments as financing activities	△ 18	△ 1
Cash dividends paid	△ 12,188	△ 12,517
Proceeds from share issuance to non-controlling shareholders	5,828	247
Dividends paid to non-controlling interests	△ 3,162	△ 3,532
Purchase of treasury shares	△ 25,038	△ 0
Proceeds from disposal of treasury shares	0	0
Net cash provided by (used in) financing activities	△ 34,579	△ 15,805
Effect of exchange rate change on cash and cash equivalents	2,237	△ 2,686
Net increase (decrease) in cash and cash equivalents	47,730	△ 33,925
Increase in cash and cash equivalents from newly consolidated subsidiary	408,170	455,901
Cash and cash equivalents, end of year	455,901	421,975

6 Segment Information

(Millions of yen)

	For the fiscal 2014 ended March 31, 2015						
	Credit	Bank	Overseas	Fee Business	Total	Adjustments	Consolidated financial statements appropriation
Operating revenue							
Operating revenue from external customer	146,030	38,923	112,553	31,539	329,046	—	329,046
The internal operating income between segments	383	2,741	0	13,867	16,993	△ 16,993	—
Total	146,413	41,664	112,553	45,407	346,039	△ 16,993	329,046
Segment Profit/ Loss	32,176	△ 37	22,144	1,865	56,149	△ 3,068	53,080
Segment assets	1,432,212	1,651,660	549,465	149,679	3,783,017	△ 193,521	3,589,495
Other							
Depreciation	3,508	1,386	4,359	5,140	14,395	137	14,532
Amortization of goodwill	178	903	43	713	1,839	—	1,839
Interest income	51,603	14,177	58,407	1,606	125,795	△ 301	125,493
Interest expenses	3,573	2,531	13,754	337	20,196	481	20,677
Provision of allowance for loan losses	8,849	△ 6	26,310	1,216	36,369	—	36,369
Increase in property, plant and equipment and intangible assets	18,237	1,788	6,455	7,338	33,819	1,316	35,135

(Remarks)

- In replace of sales in general corporations, the operating income is stated in here.
- Adjustment for segmental profit/Loss is △3,068 million JPY.
 - This is the company expense mainly from operating expense which were not allocated to each report segment.
 - The adjustmentst for segment assets △193,521 million JPY refers to adjustments in terms of the company assets not allocated to reportable segments and elimination of inter-segment transactions and adjustments.
- Segment profit/Loss has been adjusted with the operating profit in quarterly profit and loss report.

(Millions of yen)

	For the fiscal 2015 ended March 31, 2016						
	Credit	Bank	Overseas	Fee Business	Total	Adjustments	Consolidated financial statements appropriation
Operating revenue							
Operating revenue from external customer	159,129	42,797	123,086	34,638	359,651	—	359,651
The internal operating income between segments	2,218	4,022	0	14,998	21,239	△ 21,239	—
Total	161,347	46,820	123,087	49,636	380,891	△ 21,239	359,651
Segment Profit/ Loss	36,945	1,162	24,034	4,068	66,210	△ 6,829	59,380
Segment assets	1,425,959	1,778,958	529,443	170,881	3,905,242	△ 159,696	3,745,546
Other							
Depreciation	3,556	1,669	4,744	5,475	15,446	438	15,884
Amortization of goodwill	178	903	28	730	1,840	—	1,840
Interest income	58,527	16,094	63,518	1,712	139,853	△ 1,042	138,810
Interest expenses	4,399	1,175	15,025	371	20,972	333	21,305
Provision of allowance for loan losses	12,480	238	28,506	1,462	42,688	—	42,688
Increase in property, plant and equipment and intangible assets	14,355	3,114	4,569	5,559	27,599	2,028	29,627

(Remarks)

- In replace of sales in general corporations, the operating income is stated in here.
- Adjustments are as follows
 - Adjustment for segmental profit is △6,829 million JPY.
This is the company expense mainly from operating expense which were not allocated to each report segment.
 - The adjustmentst for segment assets △159,696 million JPY refers to adjustments in terms of the company assets not allocated to reportable segments and elimination of inter-segment transactions and adjustments.
- Segment profit has been adjusted with the operating profit in quarterly profit and loss report.
- Notes for the changes of Segment Information
Segment Information includes “Fee Business” after established ACS Lease CO.,LTD.
Therefore “Fee Business” is changed in “Fee Businesses” from this consolidated fiscal year.□
Segment Information of former consolidated fiscal year is stated the name after the change.

7. (Summary) Non-consolidated financial statements

(1) (Summary) Non-consolidated Balance Sheets

(Millions of yen truncated the nearest million yen)

	As of March 31, 2015	As of March 31, 2016
ASSETS		
Current assets		
Cash and deposits	2,306	2,676
Advances paid	126	23
Prepaid expenses	58	274
Deferred tax assets	17	151
Accounts receivable-other	959	4,056
Account income	1	3
Income taxes receivable	1,996	2,129
Other	0	91
Total current assets	5,466	9,406
Non-current assets		
Property, plant and equipment		
Buildings	9	323
Accumulated depreciation	△ 0	△ 9
Buildings, net	8	313
Tools, furniture and fixtures	148	450
Accumulated depreciation	△ 0	△ 44
Tools, furniture and fixtures, net	147	406
Total property, plant and equipment	156	719
Intangible assets		
Software	680	926
Total Intangible assets	680	926
Investments and other assets		
Investment securities	7,206	7,275
Shares of subsidiaries and associates	302,335	301,541
Long-term prepaid expenses	4	5
Deferred tax assets	12,167	11,262
Guarantee deposits	110	1,039
Other	8	6
Allowance for investment loss	—	△ 623
Total Investments and other assets	321,831	320,507
Total non-current assets	322,668	322,153
Deferred assets		
Share issuance cost	48	12
Bond issuance cost	315	374
Total deferred assets	363	386
Total assets	328,499	331,946

(Millions of yen truncated the nearest million yen)

	As of March 31, 2015	As of March 31, 2016
Liabilities		
Current liabilities		
Short-term loans payable	49,800	1,200
Current portion of bonds	20,000	—
Commercial papers	—	43,000
Current portion of convertible bond-type bonds with subscription rights to shares	40	50
Accounts payable-other	1,616	2,036
Accrued expenses	356	382
Income taxes payable	—	22
Unearned revenue	0	302
Deposits received	626	1,082
Reserve for executive performance bonuses	56	66
Other	274	430
Total current liabilities	72,769	48,573
Non-current liabilities		
Bonds payable	60,000	90,000
Convertible bond-type bonds with subscription rights to shares	50	—
Other	12	398
Total non-current liabilities	60,062	90,398
Total long-term liabilities	132,832	138,972
Net assets		
Shareholders' equity		
Capital stock	30,421	30,441
Capital surplus		
Legal capital surplus	106,230	106,250
Other capital surplus	—	—
Total capital surplus	106,230	106,250

(Millions of yen truncated the nearest million yen)

	As of March 31, 2015	As of March 31, 2016
Retained earnings		
Legal retained earnings	3,687	3,687
Other retained earnings		
General reserve	63,995	63,995
Retained earnings brought forward	13,849	10,915
Total retained earnings	81,531	78,597
Treasury stock	△ 25,144	△ 25,141
Total shareholders' equity	193,039	190,147
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,554	2,715
Total valuation and translation adjustments	2,554	2,715
Subscription rights to shares	73	110
Total net assets	195,667	192,973
Total Liabilities and net assets	328,499	331,946

(2) (Summary) Non-consolidated Statements of Income

(Millions of yen truncated the nearest million yen)

	For the Fiscal 2014 ended March 31, 2015	For the Fiscal 2015 ended March 31, 2016
Operating revenues		
Dividends from subsidiaries and associates	10,694	11,154
Commissions from subsidiaries and associates	10,237	11,585
Total operating revenues	20,931	22,740
Operating expenses		
Selling, general and administrative expenses	8,362	10,708
Total operating expenses	8,362	10,708
Operating income	12,569	12,031
Non-operating income		
Interest and dividends income	113	117
Other	44	53
Total non-operating income	158	171
Non-operating expenses		
Interest expenses	734	630
Commitment fee	200	43
Loss on valuation of investment securities	—	178
Other	168	146
Total non-operating expenses	1,103	999
Ordinary income	11,624	11,203
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	943	—
Loss on disposal of non-current assets	—	13
Provision of allowance for investment loss	—	623
Total extraordinary losses	943	636
Income before income taxes	10,681	10,566
Income taxes-current	179	178
Income taxes-deferred	1,297	803
Total Income taxes	1,476	981
Net income	9,204	9,585

(3) (Summary) Non-consolidated of Changes in net assets
(For the Fiscal 2014 ended March 31, 2015)

(Millions of yen truncated the nearest million yen)

(millions of yen truncated the nearest million yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
						General reserve	Retained earnings brought forward	
Beginning balance	29,051	104,860	0	104,860	3,687	75,995	4,834	84,517
Changes of items during the period								
Convert of Convertible bond-type bonds with subscription rights to shares	1,370	1,370		1,370				
Dividends from surplus							Δ 12,188	Δ 12,188
Net income(loss)							9,204	9,204
Reversal of general reserve						Δ 12,000	12,000	—
Purchase of treasury stock								
Disposal of treasury stock			Δ 0	Δ 0			Δ 1	Δ 1
Net changes of items other than shareholders' equity								
Total changes of items during the period	1,370	1,370	Δ 0	1,369	—	Δ 12,000	9,014	Δ 2,985
Ending balance	30,421	106,230	—	106,230	3,687	63,995	13,849	81,531

	Shareholders' equity		Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Beginning balance	△ 145	218,283	1,973	1,973	55	220,311
Changes of items during the period						
Convert of Convertible bond-type bonds with subscription rights to shares		2,740				2,740
Dividends from surplus		△ 12,188				△ 12,188
Net income(loss)		9,204				9,204
Reversal of general reserve		—				—
Purchase of treasury stock	△ 25,001	△ 25,001				△ 25,001
Disposal of treasury stock	2	0				0
Net changes of items other than shareholders' equity			581	581	18	599
Total changes of items during the period	△ 24,998	△ 25,244	581	581	18	△ 24,644
Ending balance	△ 25,144	193,039	2,554	2,554	73	195,667

(For the Fiscal 2015 ended March 31, 2016)

(Millions of yen truncated the nearest million yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Legal retained earnings	Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus		Other retained earnings	Total retained earnings	
						General reserve	Retained earnings brought forward	
Beginning balance	30,421	106,230	—	106,230	3,687	63,995	13,849	81,531
Changes of items during the period								
Convert of Convertible bond-type bonds with subscription rights to shares	20	20		20				
Dividends from surplus							Δ 12,517	Δ 12,517
Net income(loss)							9,585	9,585
Reversal of general reserve								—
Purchase of treasury stock								
Disposal of treasury stock							Δ 1	Δ 1
Net changes of items other than shareholders' equity								
Total changes of items during the period	20	20	—	20	—	—	Δ 2,934	Δ 2,934
Ending balance	30,441	106,250	—	106,250	3,687	63,995	10,915	78,597

	Shareholders' equity		Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Beginning balance	Δ 25,144	193,039	2,554	2,554	73	195,667
Changes of items during the period						
Convert of Convertible bond-type bonds with subscription rights to shares		40				40
Dividends from surplus		Δ 12,517				Δ 12,517
Net income(loss)		9,585				9,585
Reversal of general reserve		—				—
Purchase of treasury stock	Δ 0	Δ 0				Δ 0
Disposal of treasury stock	3	1				1
Net changes of items other than shareholders' equity			161	161	37	198
Total changes of items during the period	2	Δ 2,891	161	161	37	Δ 2,693
Ending balance	Δ 25,141	190,147	2,715	2,715	110	192,973