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For immediate release

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Stock Listing: Tokyo Stock Exchange, First Section
(Code No.: 8570)
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**Notification of Recording of Extraordinary Loss and
Revision of Forecast of Results for the First Half of the Fiscal Year Ending February 20, 2012
and for the Fiscal Year Ending February 20, 2012**

AEON Credit Service Co., Ltd. (the Company) has resolved at a Board of Directors meeting held on June 24, 2011 to record an extraordinary loss as a result of the impact of the Great East Japan Earthquake, and to revise the forecast of results announced with financial results on April 5, 2011 for the first half of the fiscal year ending February 20, 2012 (February 21, 2011 – August 20, 2011) and for the fiscal year ending February 20, 2012 (February 21, 2011 – February 20, 2012). Details are as follows.

1. Recording of the Extraordinary Loss

Based on audit instructions for damage from the North Eastern Japan Earthquake that the Japanese Institute of Certified Public Accountants issued on March 30, 2011, the Company recorded loss on disaster totaling ¥3,140 million for items including additional provision to the allowance for possible credit losses for finance receivables from the region subject to the Disaster Relief Act and disaster restoration expenses. In addition, the Company recorded extraordinary loss of ¥214 million as a result of the application of “Accounting Standard for Asset Retirement Obligations” (Accounting Standards Board of Japan (ASBJ) Statement No. 18, issued March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21, issued March 31, 2008). The Company therefore recorded a total consolidated extraordinary loss of ¥3,354 million.

2. Numerical Revision of the Forecast of Results for the First Half of the Fiscal Year Ending February 20, 2012

(1) Numerical Revision of the Forecast of Results for the First Half of the Fiscal Year Ending February 20, 2012 (February 21, 2011 – August 20, 2011)

(Consolidated)

(Unit: Millions of yen)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share
Previously announced forecast (A)	83,000	8,600	8,650	3,950	25.18 yen
Revised forecast (B)	83,000	9,400	9,400	2,350	14.98 yen
Change (B-A)	—	800	750	(1,600)	(10.20 yen)
Percent change (%)	—	9.3	8.7	(40.5)	—
(Reference) Results for the first half of the previous fiscal year (First half of the fiscal year ended February 20, 2011)	82,568	8,509	8,580	3,846	24.52 yen

(2) Numerical Revision of the Forecast of Results for the First Half of the Fiscal Year Ending February 20, 2012 (February 21, 2011 – August 20, 2011)

(Nonconsolidated)

(Unit: Millions of yen)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share
Previously announced forecast (A)	56,000	3,900	4,750	2,850	18.17 yen
Revised forecast (B)	56,000	4,500	5,300	1,200	7.65 yen
Change (B-A)	—	600	550	(1,650)	(10.52 yen)
Percent change (%)	—	15.4	11.6	(57.9)	—
(Reference) Results for the first half of the previous fiscal year (First half of the fiscal year ended February 20, 2011)	55,515	3,760	4,727	2,814	17.94 yen

3. Numerical Revision of the Forecast of Results for the Fiscal Year Ending February 20, 2012

(1) Numerical Revision of the Forecast of Results for the Fiscal Year Ending February 20, 2012 (February 21, 2011 – February 20, 2012)

(Consolidated)

(Unit: Millions of yen)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share
Previously announced forecast (A)	171,500	21,000	21,000	9,600	61.20 yen
Revised forecast (B)	171,500	22,600	22,600	9,600	61.20 yen
Change (B-A)	—	1,600	1,600	—	—
Percent change (%)	—	7.6	7.6	—	—
(Reference) Results for the previous fiscal year (fiscal year ended February 20, 2011)	169,191	20,717	20,823	9,540	60.83 yen

(2) Numerical Revision of the Forecast of Results for the Fiscal Year Ending February 20, 2012 (February 21, 2011 – February 20, 2012)

(Nonconsolidated)

(Unit: Millions of yen)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Net Income per Share
Previously announced forecast (A)	115,000	10,200	12,800	8,200	52.28 yen
Revised forecast (B)	115,000	11,500	13,700	8,200	52.28 yen
Change (B-A)	—	1,300	900	—	—
Percent change (%)	—	12.7	7.0	—	—
(Reference) Results for the previous fiscal year (fiscal year ended February 20, 2011)	113,739	10,078	12,769	8,165	52.06 yen

4. Reasons for Revision

(1) Reasons for Revision of Forecast of Consolidated Results

- In the first quarter of the fiscal year ending February 20, 2012, credit card shopping transaction volume was steady in Japan and overseas and the Company made progress in changing its business structure, including expanding the e-money and bank agency fee businesses and strengthening overseas businesses. In addition, the Company was able to steadily reduce operating expenses through reduction of expenses related to credit losses due to credit tightening and meticulously low-cost operations.
- As a result, the Company forecasts that consolidated and nonconsolidated operating income and ordinary income for the first half of the fiscal year ending February 20, 2012 and for the fiscal year ending February 20, 2012 will be higher than previously forecast, and therefore revised its forecast of results.
- The Company forecasts that consolidated and nonconsolidated net income for the first half of the fiscal year ending February 20, 2012 will be lower than previously forecast for the reasons in “1. Recording of the Extraordinary Loss.” The forecast for consolidated and nonconsolidated net income for the fiscal year ending February 20, 2012 has not changed.

(2) Reasons for Revision of Forecast of Nonconsolidated Results

- The reasons are the same as for the revision of the forecast of consolidated results (excluding overseas business factors).

5. Dividend Forecast

The Company has not changed its dividend forecast announced with financial results on April 5, 2011.

*The above materials are based on information available as of the date of this announcement.
Actual results may differ due to various factors.

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