
The First Quarter Financial Results for FY Ending March 2008



ACOM CO., LTD.

<http://www.acom.co.jp/ir/english/>

July 31, 2007

Financial Results Summary

(Millions of yen, %)

The First Quarter for FY March 2008	Consolidated			Non-consolidated (ACOM)		
	Results	YOY	2008/3 (F)	Results	YOY	2008/3 (F)
Operating Income	99,060	-8.8	368,300	84,639	-12.2	303,200
Operating Expenses	78,521	-14.7	318,900	65,317	-18.5	258,200
Operating Profit	20,539	24.2	49,400	19,321	18.7	45,000
Income Before Extraordinary Items	21,341	19.4	51,600	20,358	17.4	48,000
Net Income	13,268	24.0	47,000	14,635	41.9	45,600

Primary Factors (Consolidated)

- ✓ Decrease in operating income: Decrease in interest on loans receivable (9,011 million yen)
- ✓ Decrease in operating expenses: No increase in interest-repayment-related expenses since the allowance booked in last fiscal year covered interest repayments (34,205 million yen)
- ✓ Decrease in operating expenses: Other operating expenses decreased as a result of management reformation (5,453 million yen)
- ✓ Increase in tax-related expenses: Booking of prior fiscal year corporate taxes, etc. (7,320 million yen)

Interest-repayment-related and Bad-debt-related Expenses (ACOM)



DATA BOOK Page 4 & 9

◆ Interest-repayment-related Expenses

(Millions of yen, %)

	2006/6	2006/9	2006/12	2007/3	2007/6	Compared to the forecast	2008/3 (F)
Interest-repayment-related Expenses	7,372	13,155	13,155	200,147	0	-	0
Interest Repayments	6,072	13,630	24,060	42,266	18,460	-	-
(Reference) Interest Repayments (Cash Out Basis)	4,947	12,416	22,213	40,231	18,100	-	-
Bad Debt Write-offs (ACOM's Voluntary Waiver of Repayments)	-	16,024	27,703	41,880	15,745	-	-
Increase or Decrease in Allowance for Loss on Interest Repayments	1,300	-16,500	-38,608	116,000	-34,205	24.9	-137,567
Allowance for Loss on Interest Repayments	25,000	357,500	335,391	490,000	455,794	-	352,433

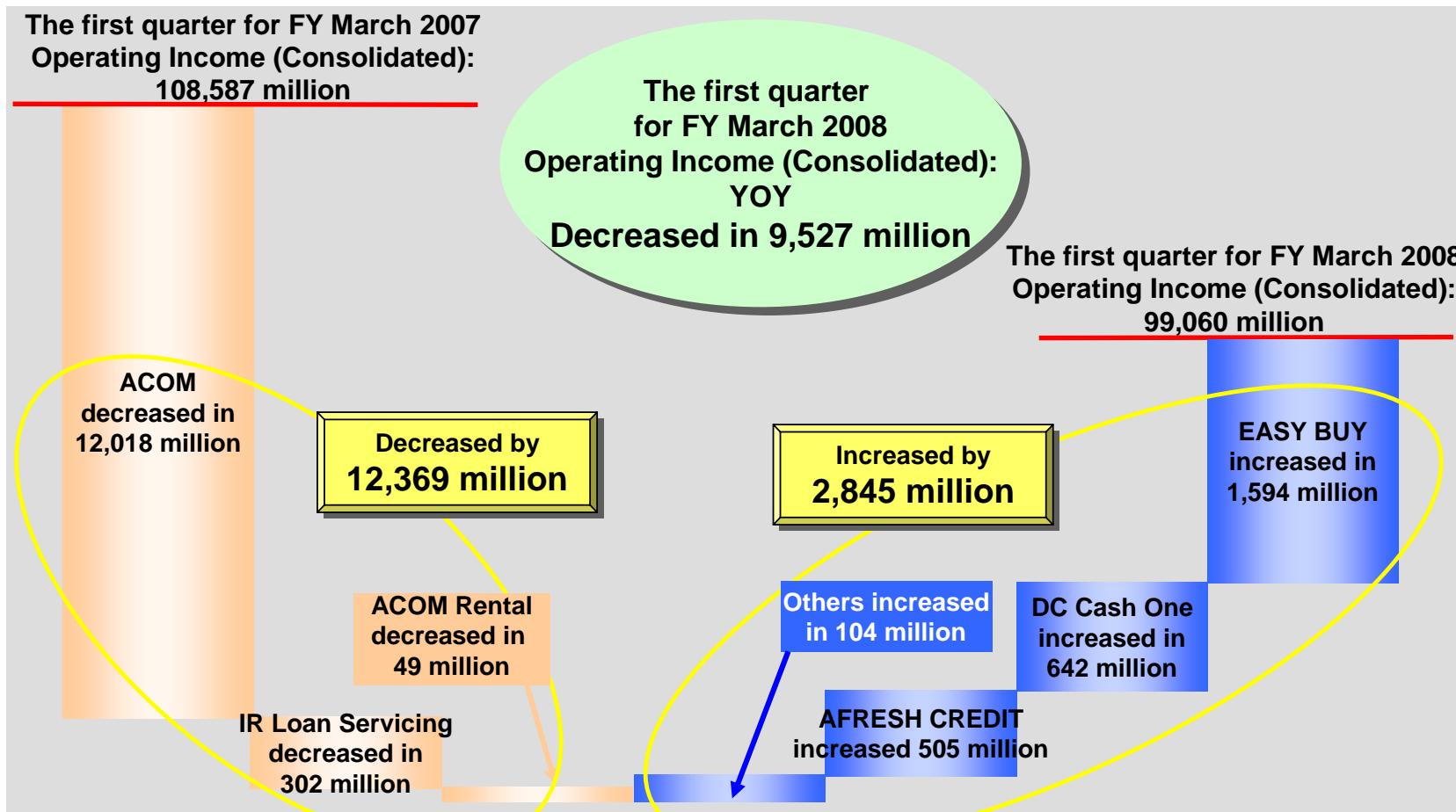
◆ Bad-debt-related Expenses

(Millions of yen, %)

	2006/6	2006/9	2006/12	2007/3	2007/6	Compared to the forecast	2008/3 (F)
Bad-debt-related Expenses	38,222	52,344	92,328	129,056	37,329	26.2	142,300
Bad Debt Write-offs	28,775	42,868	68,870	97,097	31,672	29.9	106,100
Increase or Decrease in Allowance for Bad Debts	9,097	8,996	23,018	31,618	5,297	14.9	35,500
Increase or Decrease in Allowance for Loss on Debt Guarantees	350	480	440	340	360	51.4	700

Analysis of Income Decrease (Consolidated) DATA BOOK Page 2

◆ Primary factor: Decrease in income of ACOM



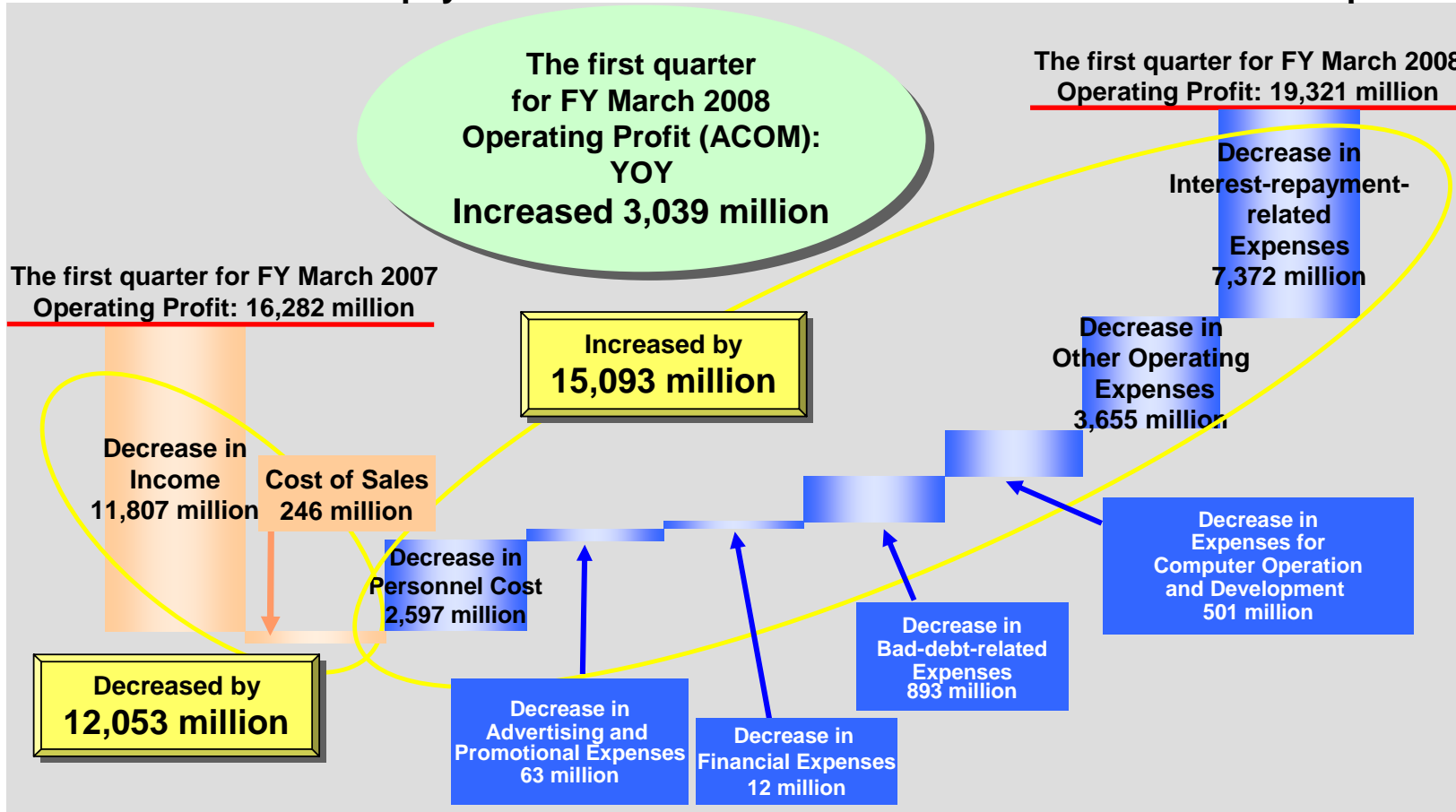
Note 1: All amount less than one million have been truncated in DATA BOOK.

Note 2: Succession of Installment sales finance business is partially responsible for ACOM's decrease and AFRESH's increase.

Analysis of Profit Increase (ACOM)

◆ Primary factors:

Decreases in Interest-repayment-related and Sales and General Administrative Expenses



Note1: All amount less than one million have been truncated in DATA BOOK.

Note2: Voluntary waiver of repayments was included in bad-debt-related expenses in the first quarter FY 2007. However, since the interim period, it is included in interest-repayment-related expenses.

Booking of Prior Fiscal Year Corporate Taxes, etc.

Reception of Adjustment Notice

- ◆ Tax assessment by Tokyo Regional Taxation Bureau
 - Booked 7,320 million yen which consists of additional tax, and prior fiscal year corporate tax, inhabitants' tax, and enterprise tax.
 - Discussion with view of making a statement of objection is currently taking place.

Details of the Notice

- ◆ Different understandings on the transaction of the maximum amount of tax-free allowance for bad debts
- ◆ Additional charge of 4,923 million yen including corporate taxes and additional tax on underreport
- ACOM has never been warned for the same method of transaction. This warning shows a new interpretation.

Effect on Business Performance

- ◆ The effect on business performance is under examination. Nevertheless, ACOM will continue striving to achieve announced forecast.

Loan Business (ACOM)

The First Quarter for FY March 2008	Results	YOY (%)	YTD (%)	2008/3 (F)
Unsecured Loans for Consumers				
Receivables Outstanding (Millions of yen)	1,398,806	-8.8	-3.3	1,294,500
Number of Customer Accounts	2,583,054	-8.6	-3.3	2,381,600
Number of New Loan Customers	40,979	-49.4	-	186,000
Lending Ratio (%)	32.8	-31.3 p.p.	-22.5 p.p.	-
Number of Loan Business Outlets	1,698	-331	-114	1,702

Unsecured Loans Receivable Outstanding for Consumers by Interest Rate (ACOM)



◆ Unsecured Loans for Consumers (Based on Receivables Outstanding)

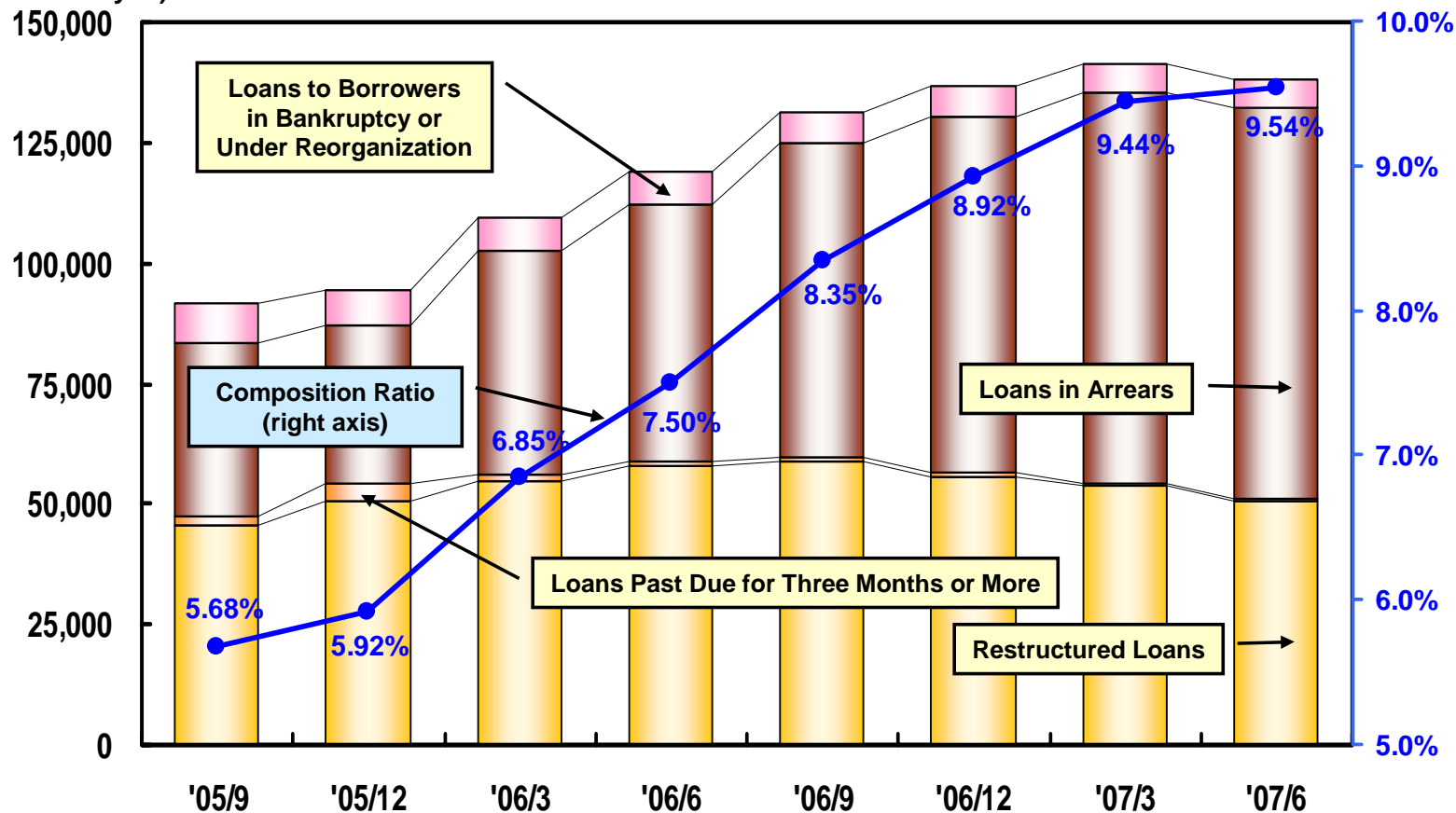
(Millions of yen)

	2007/3		2007/6		2008/3 (F)	
		%		%		%
Loans Receivable Outstanding	1,446,117	100.0	1,398,806	100.0	1,294,500	100.0
28.470% and Higher	20,506	1.4	19,365	1.4	4,300	0.3
27.375%	537,612	37.2	509,161	36.4	291,800	22.5
25.000 - 26.500%	289,512	20.0	275,366	19.7	128,600	9.9
20.000 - 24.820%	278,943	19.3	265,930	19.0	139,400	10.8
18.250 - 19.000%	83,666	5.8	79,880	5.7	57,800	4.5
15.000 - 18.000%	169,235	11.7	185,655	13.3	602,500	46.6
Less than 15.000%	66,641	4.6	63,448	4.5	70,100	5.4
Average Loan Yields (%)	22.25		21.68		19.89	

Bad Debts (ACOM)

◆ Quarterly Change in Bad Debts & Composition Ratio to Loans Receivable Outstanding

(Millions of yen)



Guarantee / Credit Card Businesses (ACOM)

The First Quarter for FY March 2008	Results	YOY (%)	YTD (%)	2008/3 (F)
Guarantee Business				
Number of Customer Accounts with Outstanding Balance	408,834	2.9	0.3	478,000
Guaranteed Loan Receivables (Millions of yen)	180,134	6.0	0.3	213,900
Credit Card Business				
Number of Cardholders	1,102,648	-13.6	-6.2	932,000
Tie-up Card	670,986	-9.2	-7.0	-
Card Shopping Receivables (Millions of yen)	42,920	-9.0	-3.0	46,600
Revolving Receivables	39,230	-8.1	-3.5	-

The First Quarter for FY March 2008	Results	YOY (%)	YTD (%)	2008/3 (F)
Receivables Outstanding (Millions of yen)	82,888	7.3	0.2	90,000
Number of Customer Accounts	183,318	4.0	0.2	185,200
Average Balance of Loans per Account (Thousands of yen)	452	+14 <small>(Thousands of yen)</small>	0 <small>(Thousands of yen)</small>	486
Number of New Loan Customers	7,823	-27.2	-	36,700
Guaranteed Receivables (Millions of yen)	12,694	685.5	39.1	24,700

EASY BUY Public Company Limited

(Millions of yen, %)

The First Quarter for FY March 2008	Results	YOY	YTD	2008/3 (F)
Loan Business				
Receivables Outstanding	56,938	68.9 (39.0)	14.1 (-2.4)	78,400
Number of Customer Accounts	577,179	34.2	3.7	727,000
Installment Sales Finance Business				
Installment Receivables	15,072	-15.1 (-30.1)	-1.7 (-15.9)	12,700
Number of Customer Accounts	217,772	-23.1	0.7	203,000

Note: The amounts in () are ratio of increase or decrease due to baht.

Strategic Business Alliance with MUFG in Progress

- ◆ **No change from the end of previous fiscal year**

1. Entrusting loan guarantee business

Super IC Card (Tokyo-Mitsubishi UFJ VISA Card):

DC Cash One commenced to guarantee on February 2006

(IC Credit Card(Product it used to be sold in ex-UFJ branches):

DC Cash One commenced to guarantee on August 2006)

New unsecured consumer loan product of The Bank of Tokyo-Mitsubishi UFJ, Ltd.:

Scheduled to start in this fiscal year

2. Entrusting loan guarantee business for small business

Since the regulation on business loans by credit guarantee companies, either equity-method affiliates or consolidated subsidiaries of bank groups, was deregulated, possibilities such as expansion of credit guaranteeing business for corporate are under examination.

Strategic Business Alliance with MUFG in Progress

3. Guarantee and servicer business with corporations and financial institutions

Starting tie-up of loan guarantee with 3 regional banks which are in close relationship with BTMU (FY March 2006)

Integrated DC Servicer company, Ltd. into IR Loan Servicing, Inc. (FY March 2006)

4. The effective mutual use of networks and infrastructure

Plan to examine widely after the integration of computer system in BTMU (BTM and UFJ Bank)

5. The international development of consumer finance business

Buyout of PT. BANK NUSANTARA PARAHYANGAN Tbk., in Indonesia: Making preparations with BTMU

Receiving various supports from MUFG to establish representative offices in Beijing, China and Ho Chin Minh City, Vietnam

Creation of New History

◆ ACOM will become brand new ACOM

Return to Growth

- ✓ *Group Management Reformation*
- ✓ *Ensure the profit from unsecured loan*
- ✓ *Growth in peripheral financial services*
- ✓ *Business development in Southeast Asia*
- ✓ *Business Alliance with MUFG*

Relief

Confidence

Low-price



Reference

- ◆ For further information and questions regarding this presentation, please contact:

Investor Relations Office
Tel: +81-3-5533-0631
email: ir@acom.co.jp

- ◆ For updated company information, please refer to our website:

<http://www.acom.co.jp/ir/english/>

Questions & Answers
