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# **The First Quarter Financial Results for Fiscal Year Ending March 2010**

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**ACOM CO., LTD.**

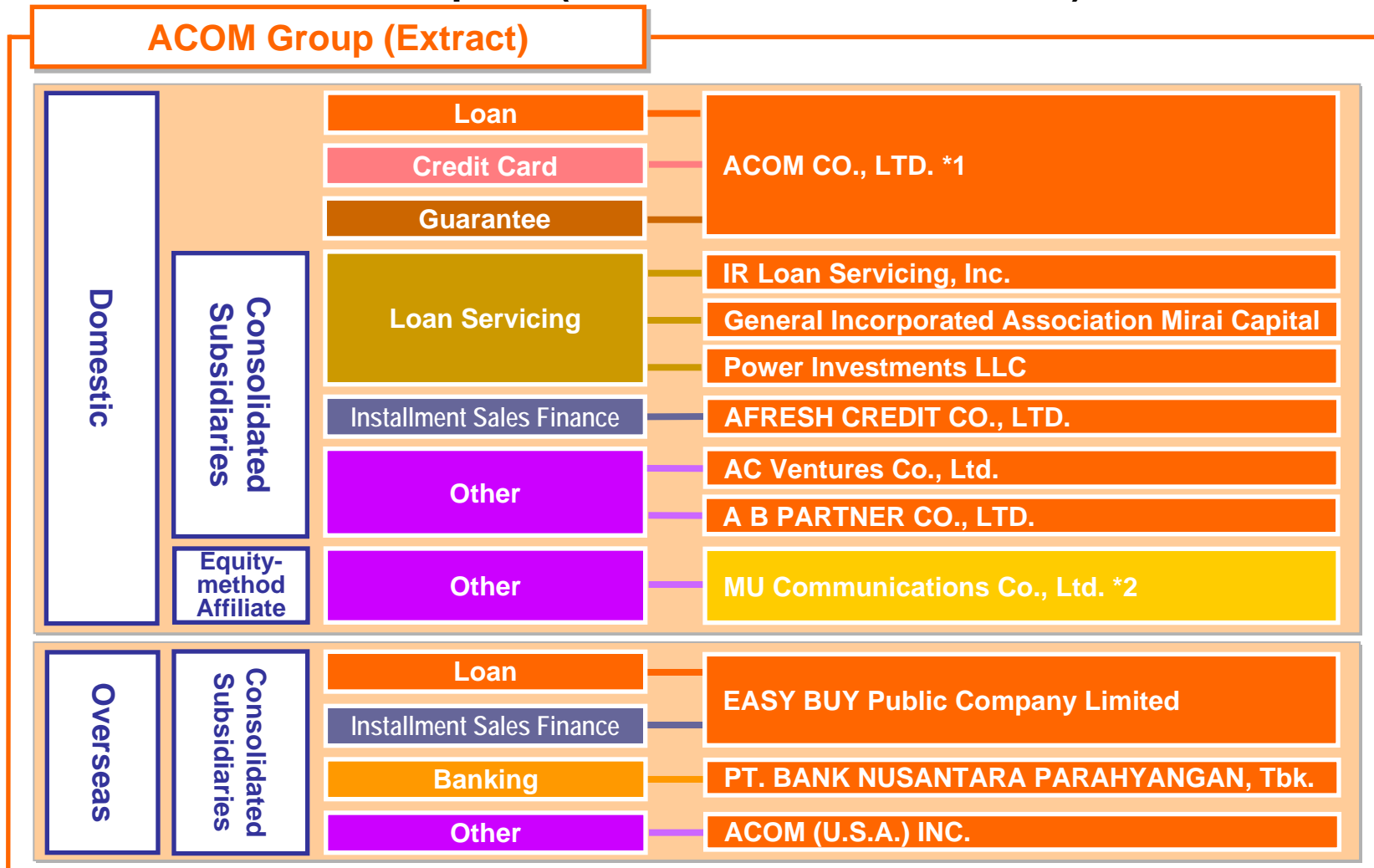
**<http://www.acom.co.jp/ir/english>**

**July 30, 2009**



# Reorganization of the ACOM Group

- ◆ Consolidated Subsidiaries: 9 Equity-method Affiliate: 1 Investment Partnerships: 5 (as of the end of June 2009)



\*1 DC Cash One Ltd. transferred its guarantee business on April 1, 2009 and its loan business on May 1, 2009. In addition, DC Cash One was merged into ACOM on May 1, 2009.

\*2 RELATES CO., LTD. was merged into MU Communications Co., Ltd. and became the equity-method affiliate of ACOM on April 1, 2009.



# Summary of First Quarter Financial Results

(Millions of yen and %)

	Consolidated			Non-consolidated		
	Results	yoy*	2010/3 (Forecast)	Results	yoy*	2010/3 (Forecast)
<b>Operating Revenue</b>	<b>70,573</b>	<b>-17.4</b>	260,400	60,777	-12.3	221,700
Loan Business	62,749	-14.5	228,100	55,507	-12.3	202,300
Credit Card Business	1,057	-16.3	3,800	943	-16.4	3,500
Installment Sales Finance Business	1,029	-26.0	3,500	-	-	-
Guarantee Business	2,146	-21.6	10,000	2,328	-16.1	9,900
Loan Servicing Business	2,650	-34.4	11,100	-	-	-
Other	940	-63.1	3,900	1,999	-5.9	6,000
<b>Operating Expenses</b>	<b>61,568</b>	<b>2.6</b>	228,200	52,904	17.6	191,600
Financial Expenses	5,405	-2.6	23,800	3,977	5.9	18,000
Provision of Allowance for Doubtful Accounts*	29,259	33.7	96,300	26,713	45.0	85,800
Provision for Loss on Interest Repayment	738	-	-	738	-	-
Other Operating Expenses	26,166	-23.0	108,100	21,475	-5.8	87,800
<b>Operating Income</b>	<b>9,005</b>	<b>-64.6</b>	32,200	7,872	-67.7	30,100
<b>Ordinary Income</b>	<b>10,047</b>	<b>-61.6</b>	32,900	8,599	-66.1	31,200
<b>Income before Income Taxes</b>	<b>11,347</b>	<b>-57.5</b>	33,500	10,272	-60.4	30,400
<b>Net Income</b>	<b>7,262</b>	<b>-63.7</b>	32,200	7,209	-63.7	30,200

\* "yoy" of provision of allowance for doubtful accounts was calculated based on total amount of provision of allowance for doubtful accounts and loss on sales of accounts receivable-operating loans of 1<sup>st</sup> quarter for FY March 2009.

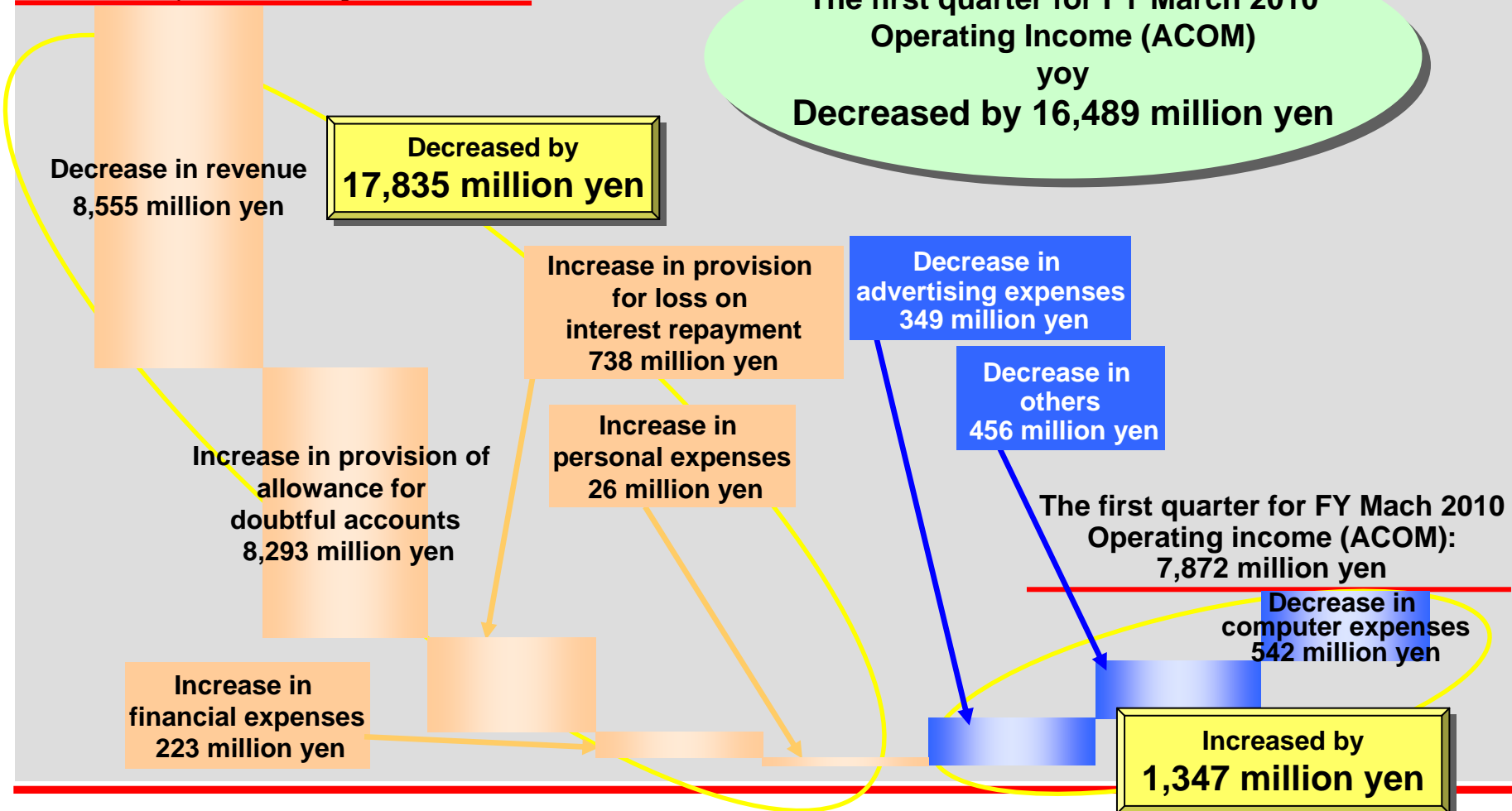


# Analysis of Income Decrease (ACOM)

- ◆ **Primary Factors: Decrease in revenue**  
**Increase in provision of allowance for doubtful accounts**

The first quarter for FY March 2009  
Operating income (ACOM):  
24,361 million yen

The first quarter for FY March 2010  
Operating Income (ACOM)  
yoy  
Decreased by 16,489 million yen



\* All amounts less than one million have been truncated in DATA BOOK.

\* "yoy" of provision of allowance for doubtful accounts was calculated based on total amount of provision of allowance for doubtful accounts and loss on sales of accounts receivable-operating loans of 1st quarter for FY March 2009.



# Loan Business

		(Millions of yen / baht and %)				
		Results	yoy (%)	ytd (%)	2010/3 (Forecast)	
ACOM	Receivables Outstanding	1,212,596	-5.2	3.5	1,116,300	
	No. of Customer Accounts	2,254,285	-2.4	5.6	2,062,100	
	No. of New Loan Customers	46,576	0.0	-	169,000	
	Operating Revenue	57,214	-12.1	-	207,500	
EASY BUY	Receivables Outstanding	Yen	63,640	0.1	8.4	67,700
		Baht	*1 23,058	15.3	2.2	*1 24,528
	No. of Customer Accounts		800,177	23.0	0.5	826,700
	Operating Revenue	Yen	4,470	-10.8	-	19,500
		Baht	*2 1,687	17.5	-	*1 7,065

\*1 One baht=2.76 yen (spot exchange rates as of the end of March 2009)

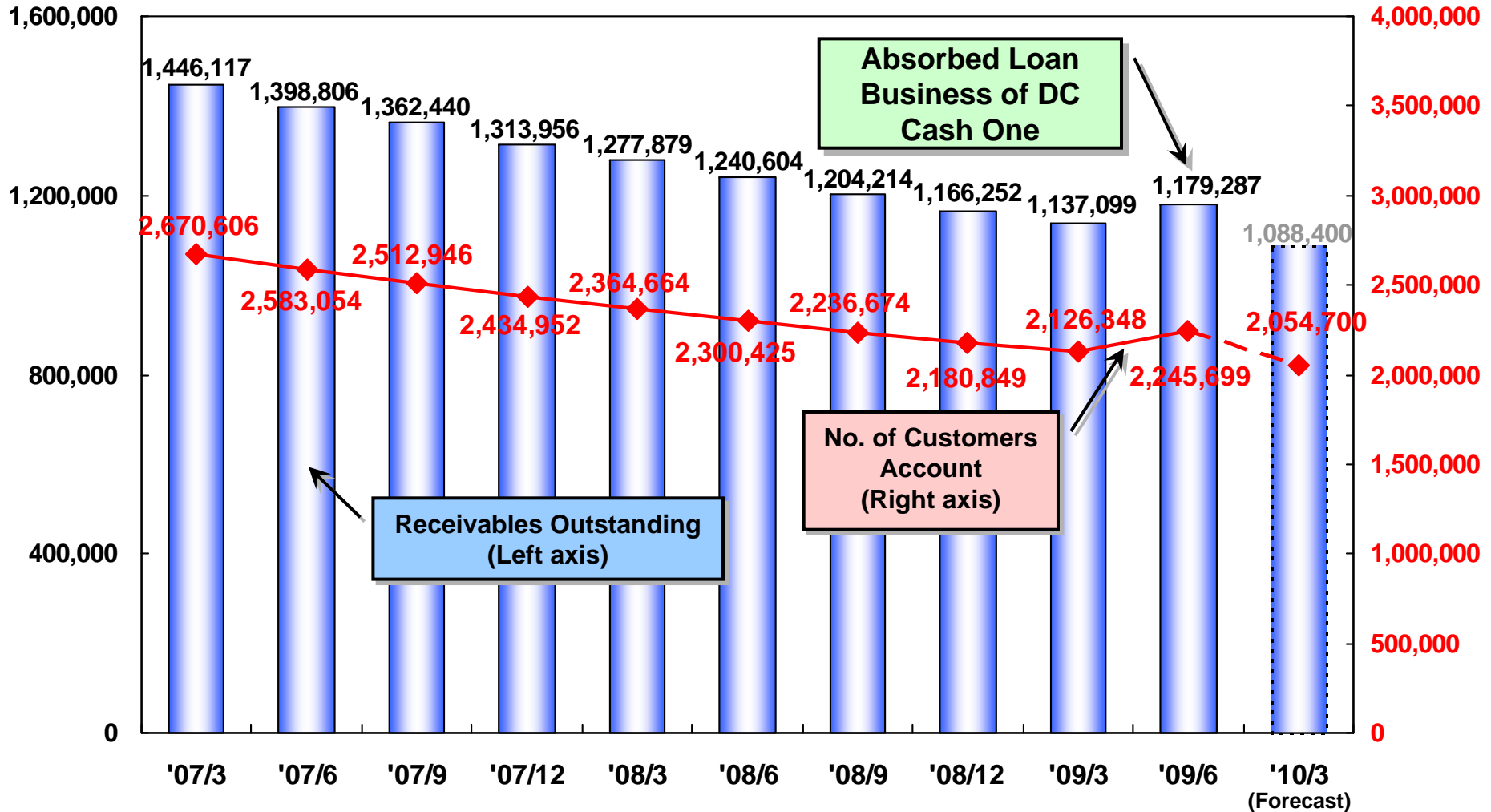
\*2 One baht=2.65 yen (average exchange rates from January to March 2009)



# Trend of Receivables Outstanding and No. of Customer Accounts of Loan Business (ACOM)

## ◆ Unsecured Loan for Consumers

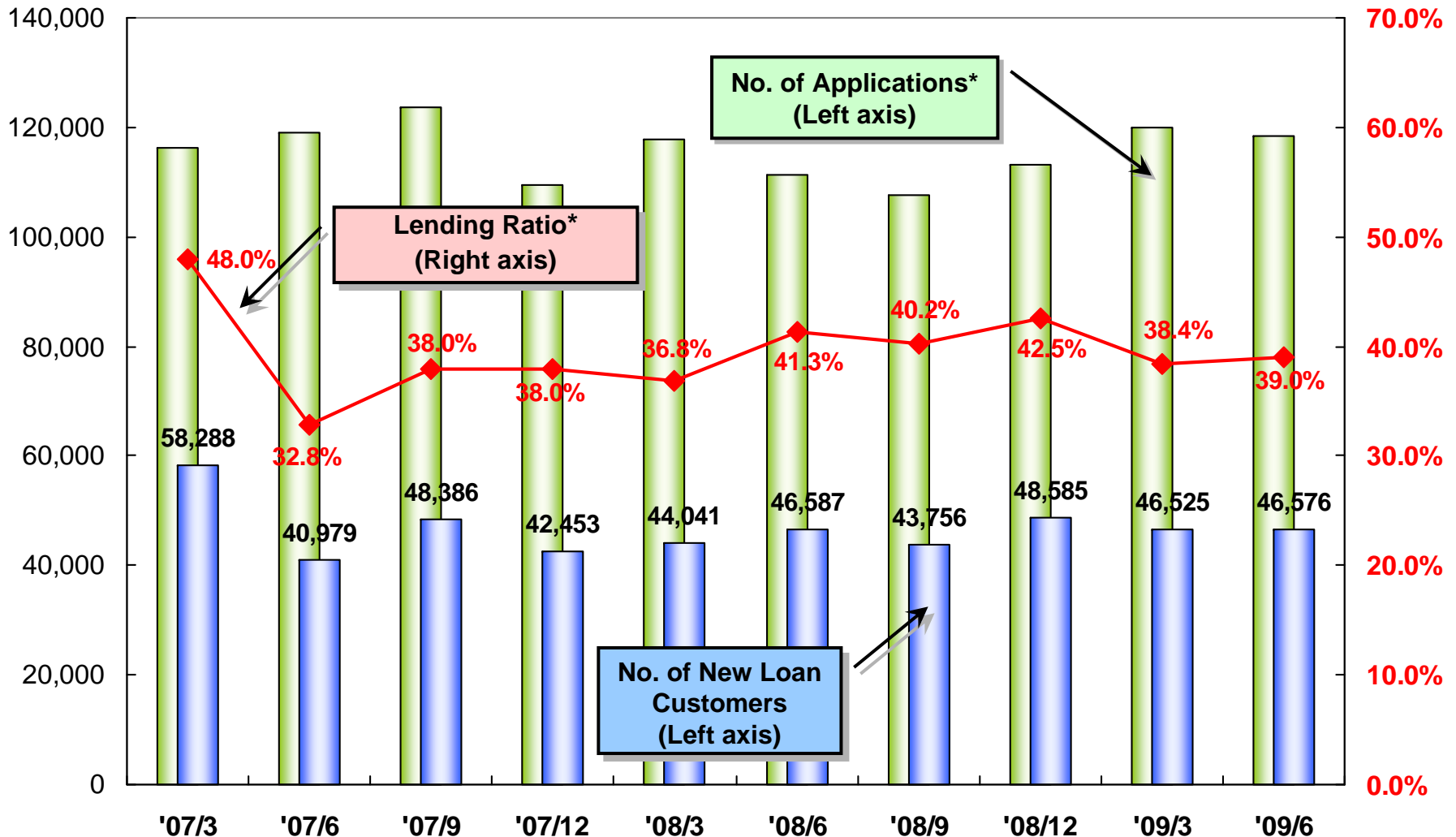
(Millions of yen)





# Trend of Lending Ratio, No. of Applications, and No. of New Loan Customers of Loan Business by Quarter (ACOM)

## ◆ Unsecured Loans for Consumers



\* No. of applications and new loan customers for tie-up card are excluded from "No. of Applications" and "Lending Ratio" above.



# Trend of Loans Receivable Outstanding by Interest Rate and Average Loan Yield (ACOM)

## ◆ Unsecured Loan for Consumers (Outstanding Basis)

(Millions of yen and %)

	2008/6		2008/9		2008/12		2009/3		2009/6		2010/3	
		C.R.		C.R.		C.R.		C.R.		C.R.	(Forecast)	C.R.
<b>Loans Receivable Outstanding</b>	1,240,604	100.0	1,204,214	100.0	1,166,252	100.0	1,137,099	100.0	1,179,287	100.0	1,088,400	100.0
<b>Over 18%</b>	713,596	57.5	652,221	54.2	604,656	51.9	562,043	49.4	523,138	44.4	253,800	23.3
<b>18% or less</b>	527,008	42.5	551,991	45.8	561,596	48.1	575,056	50.6	656,148	55.6	834,600	76.7
<b>Over 15% to 18%</b>	229,749	18.5	244,408	20.3	255,787	21.9	268,823	23.7	314,376	26.7	397,700	36.5
<b>Over 12% to 15%</b>	240,344	19.4	250,313	20.8	251,251	21.5	253,699	22.3	289,294	24.5	391,500	36.0
<b>12% or less</b>	56,914	4.6	57,270	4.7	54,557	4.7	52,533	4.6	52,478	4.4	45,400	4.2
<b>Average Loan Yield for Fiscal Year (%)</b>	19.71		19.56		19.44		19.32		18.99		17.41	
<b>Average Loan Yield for the Year (%)</b>	20.58		20.08		19.70		19.32		19.14		17.41	

“C.R.” indicates composition ratio.



# Provision for Loss on Interest Repayment and Provision of Allowance for Doubtful Accounts (ACOM)

## ◆ Provision for Loss on Interest Repayment

(Millions of yen)

	2009/3					2010/3	2010/3
	1Q	2Q	3Q	4Q	Total	1Q	(Forecast)
Provision for Loss on Interest Repayment	-	19,590	17,373	15,194	52,157	738	-
Interest Repayment	19,971	22,749	22,152	21,331	86,203	26,291	-
(Reference) Interest Repayment (Cash Out Basis)	19,702	22,121	22,162	20,966	84,953	27,059	-
Bad Debt Expenses (ACOM's Voluntary Waiver of Repayment)	14,792	16,378	14,120	12,064	57,354	12,947	-
Increase or Decrease in Provision for Loss on Interest Repayment	-34,764	-19,536	-18,900	-18,200	-91,400	-38,500	-132,000
Provision for Loss on Interest Repayment	340,035	320,500	301,600	283,400		244,900	151,400

## ◆ Provision of Allowance for Doubtful Accounts

(Millions of yen)

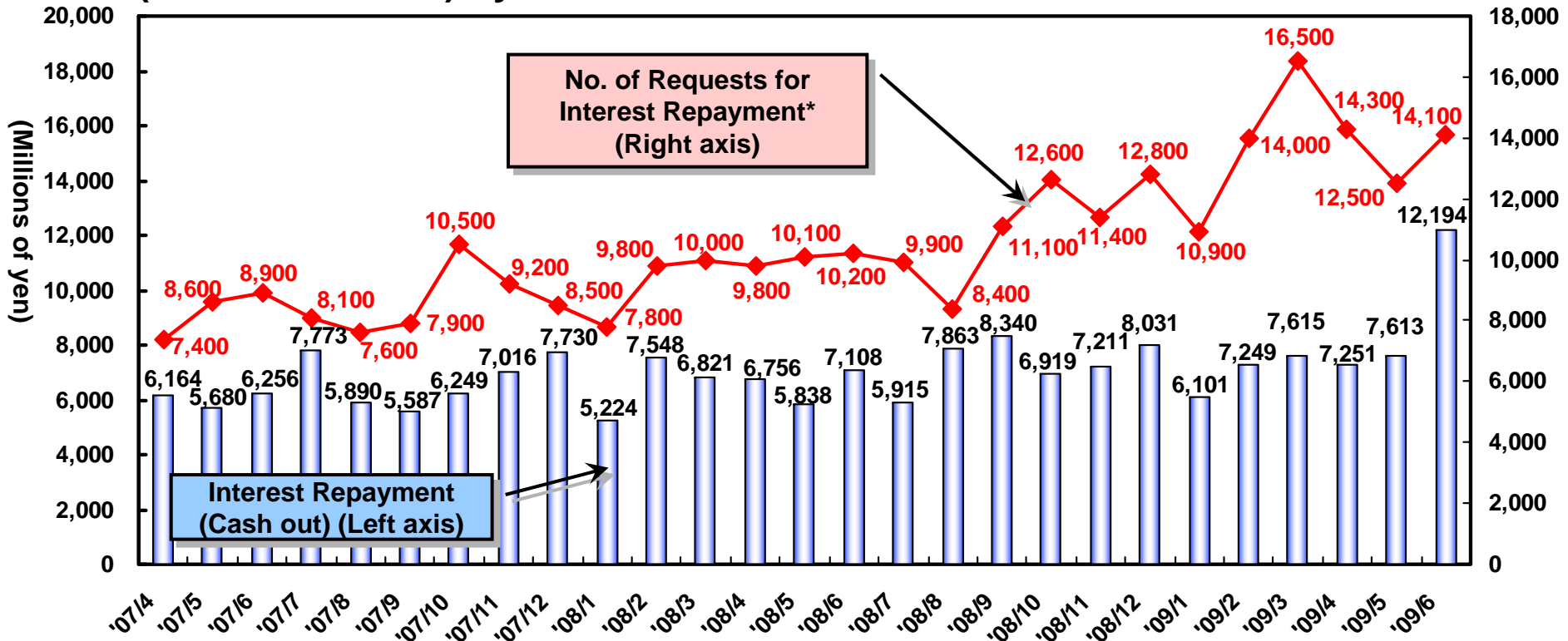
	2008/6	2008/9	2008/12	2009/3	2009/6	2010/3
						(Forecast)
Provision of Allowance for Doubtful Accounts	18,420	35,883	58,281	76,276	26,713	85,800
Bad Debt Expenses	24,144	47,424	69,942	92,451	24,142	78,900
Loss on Sales of Accounts Receivable-operating Loans	1,435	2,658	4,678	8,271	1,260	5,800
Increase or Decrease in Allowance for Accounts Receivable-operating Loans*	-7,179	-13,979	-16,079	-24,347	3,000	2,000
Increase or Decrease in Provision for Loss on Guarantees	20	-220	-260	-100	-1,690	-900

\*As provision of allowance for doubtful accounts contains loss on sales of accounts receivable-operating loans since the Fiscal Year Ended March 2009, provision of allowance for doubtful accounts of 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> quarter for the Fiscal Year Ended March 2009 contains loss on sales of accounts receivable-operating loans.



# Trend of No. of Requests for Interest Repayment and Interest Repayment (Cash Out) (ACOM)

## ◆ No. of Requests for Interest Repayment\* and Interest Repayment (Cash Out Basis) by Month



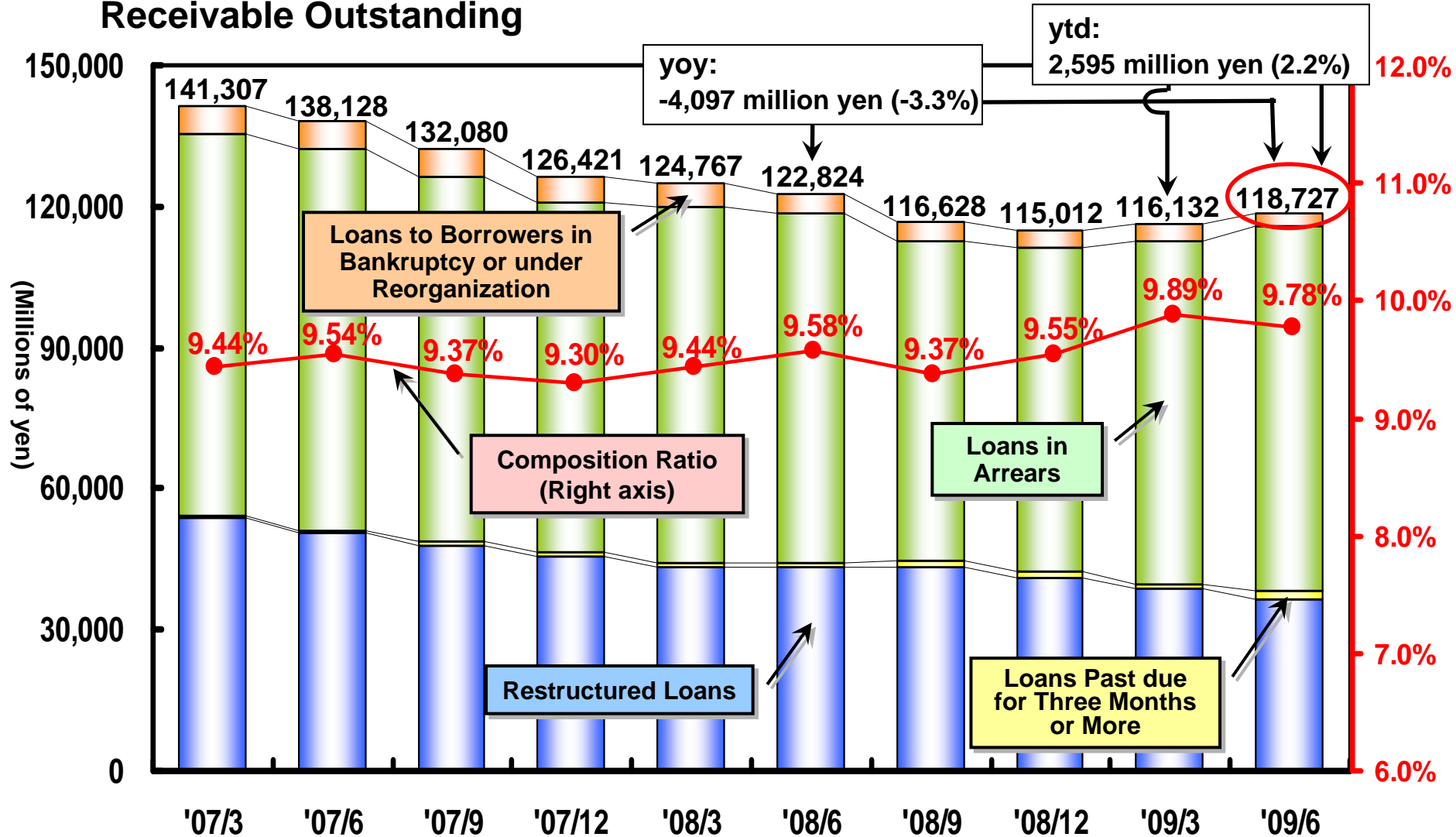
(Millions of yen)								
2008/3				2009/3				2010/3
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
18,100	19,250	20,995	19,593	19,702	22,121	22,162	20,966	27,059

\* No. of claims which interest repayment occurs as a result of ACOM's recalculation based on the interest ceiling as specified in Interest Rate Restriction Act from claims which lawyers or judicial scriveners accept debt consolidation



# Non-performing Loans (ACOM)

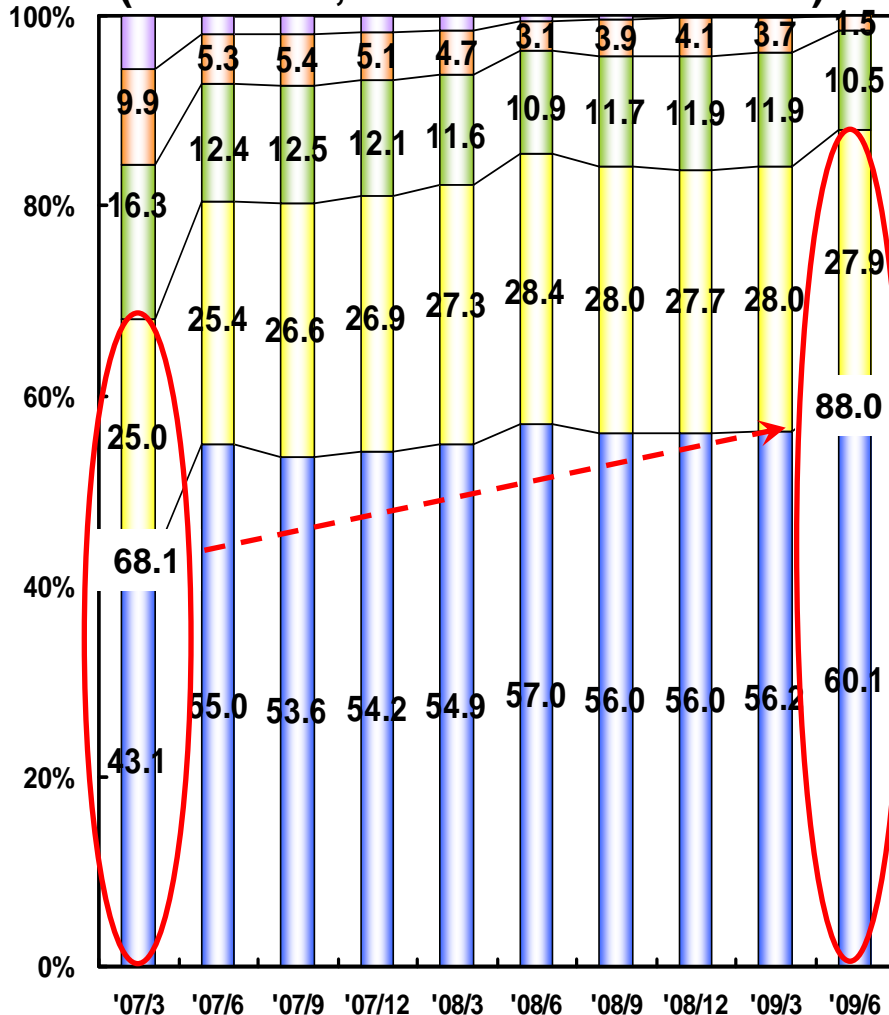
## ◆ Changes in Non-performing Loans and Composition Ratio to Loans Receivable Outstanding



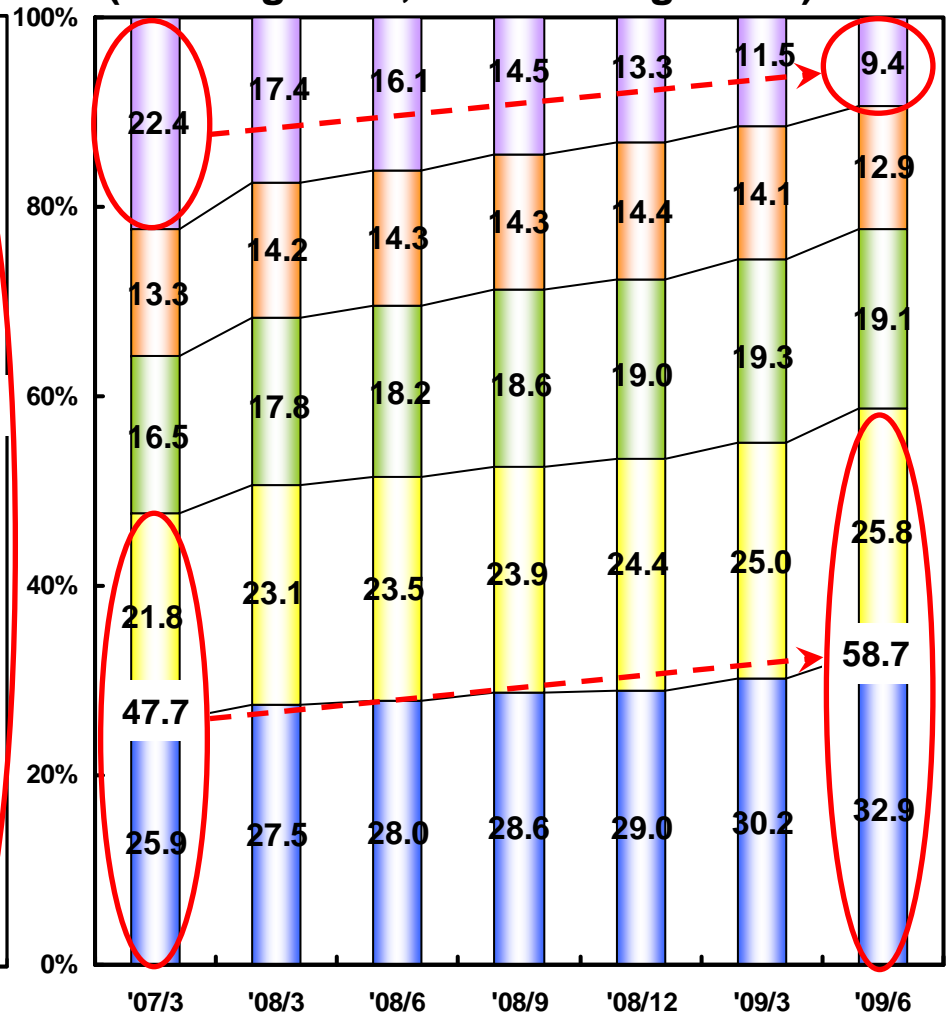


# Trend of Composition Ratio of Loans Receivable Outstanding by Number of Other Lenders (ACOM)

◆ Unsecured Loan for Consumers (New Loan, No. of Accounts Basis)



◆ Unsecured Loan for Consumers (Existing Loan, Outstanding Basis)



No other lenders	One other lender	Two other lenders
Three other lenders	4 or more other lenders	



# Guarantee and Loan Servicing Businesses

(Millions of yen and %)

		Results	yoy (%)	ytd (%)	2010/3 (Forecast)	
Guarantee Business	ACOM*	Guaranteed Receivables	118,777	13.7	2.6	161,000
		No. of Accounts with Outstanding Balance	260,916	8.9	2.2	344,300
		Operating Revenue	2,146	13.0	-	10,000
Loan Servicing Business	IR Loan Servicing	Receivables Outstanding	19,658	-29.4	-6.0	18,000
		No. of Customer Accounts	283,503	20.5	10.8	-
		Operating Revenue	2,650	-34.4	-	11,100
		Collection of Purchased Receivables	2,512	-34.7	-	-

## Guarantee Business Partners

- ✓ Hokkaido Bank, Hiroshima Bank, Suruga Bank, Juroku Bank, Aomori Bank, HACHIJUNI BANK, NISHI-NIPPON CITY BANK, NAGASAKI BANK, Nanto Bank, HOKURIKU BANK, Joyo Bank, Gunma Bank, Bank of Iwate, Bank of Tokyo-Mitsubishi UFJ, Yamagata Bank, Jibun Bank (Total 16 Banks)

\* Each amount is listed in consolidated basis (Loan business of DC Cash One guaranteed by ACOM is not included).



# Credit Card and Installment Sales Finance Businesses

		(Millions of yen / baht and %)					
		Result	yoy (%)	ytd (%)	2010/3 (Forecast)		
Credit Card Business	ACOM	Receivables Outstanding	30,839	-15.0	-4.3	26,700	
		No. of Customer Accounts	523,023	-33.6	-9.8	384,000	
		Operating Revenue	1,050	-15.9	-	3,800	
	AFRESH CREDIT	Receivables Outstanding	168	-54.8	-22.7	-	
		No. of Customer Accounts	2,203	-47.9	-18.1	800	
		Operating Revenue	6	-52.3	-	0	
Installment Sales Finance Business	AFRESH CREDIT	Receivables Outstanding	33,684	2.3	3.1	32,900	
		No. of Customer Accounts	144,525	-7.1	-0.6	142,500	
		Operating Revenue	789	5.5	-	3,100	
	EASY BUY	Receivables Outstanding	Yen	2,531	-61.4	-12.7	2,100
			Baht	*1 917	-55.5	-17.8	*1 760
		No. of Customer Accounts	63,596	-48.1	-14.9	61,200	
		Operating Revenue	Yen	239	-62.7	-	400
			Baht	*2 90	-51.1	-	*1 144

\*1 One baht=2.76 yen (spot exchange rates as of the end of March 2009)

\*2 One baht=2.65 yen (average exchange rates from January to March 2009)



# Funds Procurement (ACOM)

(Millions of yen and %)									
	2009/3			2009/6			2010/3 (Forecast)		
		C.R.	yoy		C.R.	yoy		C.R.	yoy (%)
<b>Borrowings</b>	680,734	100.0	-93,673	741,111	100.0	9,849	720,600	100.0	5.9
Indirect	445,734	65.5	-68,673	506,111	68.3	19,849	485,600	67.4	8.9
Direct	235,000	34.5	-25,000	235,000	31.7	-10,000	235,000	32.6	0.0
<b>Fixed</b>	612,400	90.0	-105,472	676,772	91.3	18,520	673,800	93.5	10.0
<b>Average Nominal Interest Rate on Funds Procured during the Year (%)</b>	1.79			1.77			2.08		
<b>Term Average of Long-term Prime Rate (%)</b>	2.31			2.18			-		
<b>Amount to be paid within one year</b>	184,644			211,608			-		
<b>Cash and Cash Equivalents and Commitment Facilities</b>	210,890			207,173			-		
Cash and Deposits	69,895			67,178			-		
Short-term Loans Receivable	14,995			24,995			-		
Certificate of Deposit	26,000			15,000			-		
Commitment Facilities (unused amount)	100,000			100,000			-		

“C.R.” indicates composition ratio.



## ACOM will become brand new ACOM

*ACOM will become a corporate group which will pay further attention to sociality such as consumer protection. Through provision of financial service which is less expensive, yet provide relief and confidence, ACOM will attempt to make significant contribution to healthy development of consumer credit industry. Please look forward to witnessing brand new ACOM in the future.*





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

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

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