
The First Quarter Financial Results for Fiscal Year Ending March 2011



ACOM CO., LTD.

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

July 29, 2010



Summary of First Quarter Financial Results

(Millions of yen)

	Consolidated					Non-consolidated				
	2009/6	2010/6		2011/3 (forecast)		2009/6	2010/6		2011/3 (forecast)	
	Results	Results	yoy (%)		yoy (%)	Results	Results	yoy (%)		yoy (%)
Operating Revenue (*1)	70,573	66,607	-5.6	243,900	-12.5	60,777	56,913	-6.4	206,000	-13.5
Loan Business	62,749	55,561	-11.5	204,300	-14.9	55,507	48,389	-12.8	175,900	-17.4
Guarantee Business	2,146	4,523	110.7	20,200	41.3	2,328	4,334	86.2	19,500	38.6
Loan Servicing Business	2,650	2,414	-8.9	8,200	-36.2	-	-	-	-	-
Other	3,028	4,109	35.7	11,200	-3.6	2,942	4,190	42.4	10,600	-6.2
Operating Expenses (*2)	61,568	44,463	-27.8	211,700	-22.4	52,904	36,594	-30.8	178,300	-23.3
Financial Expenses	5,405	5,591	3.4	23,700	6.8	3,977	4,284	7.7	18,700	12.4
Provision of Allowance for Doubtful Accounts	29,259	14,959	-48.9	96,800	-	26,713	12,269	-54.1	84,300	-
Provision for Loss on Interest Repayment	738	2,239	203.3			738	2,239	203.3		
Other Operating Expenses	26,166	21,674	-17.2	91,200	-11.0	21,475	17,101	-20.4	75,300	-8.7
Operating Income	9,005	22,144	145.9	32,200	431.1	7,872	20,318	158.1	27,700	386.9
Ordinary Income	10,047	22,670	125.6	33,000	316.8	8,599	20,990	144.1	29,300	351.1
Extraordinary Income	1,540	100	-93.5	-	-	1,824	99	-94.5	-	-
Extraordinary Loss	239	14,270	-	4,400	-59.7	151	14,160	-	4,200	-61.1
Income Before Income Taxes	11,347	8,500	-25.1	28,600	-	10,272	6,930	-32.5	25,100	-
Income Taxes-deferred	3,197	842	-73.7	-	-	3,037	1,020	-66.4	-	-
Net Income	7,262	6,517	-10.3	26,200	-	7,209	5,895	-18.2	25,000	-

*1 Numbers for non-consolidated are based on operating revenue by category.

*2 Operating expenses for non-consolidated include cost of goods sold



Summary of Loan Business

◆ ACOM

● Receivables Outstanding, No. of Customer Accounts, and No. of New Loan Customers

(Millions of yen)

	2009/6	2010/6			2011/3(forecast)	
	Results	Results	yoy	(%)		yoy (%)
Receivables Outstanding	1,212,596	1,068,681	-143,915	-11.9	943,600	-14.5
No. of Customer Accounts	2,254,285	1,898,108	-356,177	-15.8	1,792,200	-8.0
No. of New Loan Customers	46,576	35,203	-11,373	-24.4	180,000	12.0
Operating Revenue	57,214	50,436	-6,778	-11.8	182,700	-16.8

● Accounts Receivable-operating Loans by Interest Rate (Unsecured Loans) and Average Loan Yield

%	2009/6	2010/3	2010/6	2011/3 (forecast)	%	2009/6	2010/3	2010/6	2011/3 (forecast)
Over 18%	44.4	38.8	32.2	27.4	Average Yield of FY	18.99	18.41	17.90	17.14
18% or less	55.6	61.2	67.8	72.6	Average Yield for a Year	19.14	18.41	18.14	17.14

◆ EASY BUY (Kingdom of Thailand)

● Receivables Outstanding, and No. of Customer Accounts

(Millions of yen/baht)

		2009/6	2010/6			2011/3 (forecast)	
		Results	Results	yoy	(%)		yoy (%)
Receivables Outstanding	¥	63,640	69,996	6,356	10.0	73,100	9.3
	Baht	23,058	(*1) 24,389	1,331	5.8	(*1) 25,470	5.1
No. of Customer Accounts		800,177	763,213	-36,964	-4.6	788,600	3.4
Operating Revenue	¥	4,470	5,125	655	14.6	21,600	11.6
	Baht	1,687	(*2) 1,857	170	10.1	(*1) 7,526	6.1

*1 One baht=2.87 yen (spot exchange rates at the end of March 2010) *2 One baht= 2.76 yen (average exchange rates from January to March 2010)

Summary of Guarantee and Loan Servicing Business

(Millions of yen)

		2009/6	2010/6		2011/3 (forecast)			
		Results	Results	yoy	(%)		yoy (%)	
Guarantee Business	ACOM(*)	Guaranteed Receivables	118,777	319,110	200,333	168.7	355,800	12.2
		No. of Customer Accounts	260,916	676,260	415,344	159.2	731,000	9.0
		Operating Revenue	2,146	4,523	2,377	110.7	20,200	41.3
Loan Servicing Business	IR Loan Servicing	Receivables Outstanding	19,658	14,175	-5,483	-27.9	12,200	-20.3
		No. of Customer Accounts	283,503	296,551	13,048	4.6	-	-
		Total Principal	3,687,907	3,695,743	7,836	0.2	-	-
		Purchased Receivables	3,571,268	3,635,810	64,542	1.8	-	-
		Consignment Receivables	116,639	59,933	-56,706	-48.6	-	-
		Operating revenue	2,650	2,414	-236	-8.9	8,200	-36.2
		Collection of Purchased Receivables	2,512	2,259	-253	-10.1	-	-

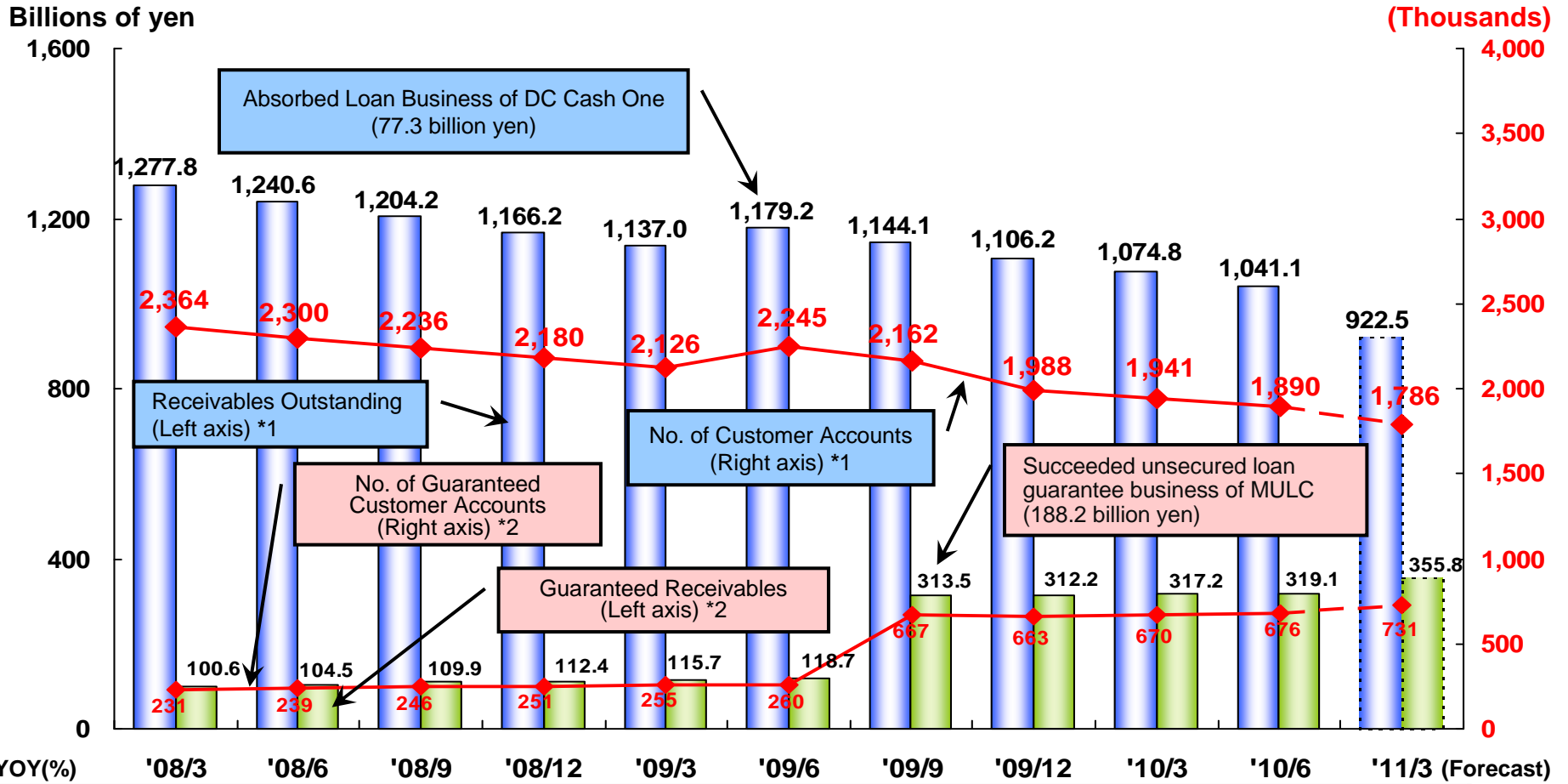
Affiliates

- ✓ Hokkaido Bank, Hiroshima Bank, Suruga Bank, Juroku Bank, Aomori Bank, HACHIJUNI BANK, NISHI- NIPPON CITY BANK, NAGASAKI BANK, Nanto Bank, HOKURIKU BANK, JoyoBank, Gunma Bank, Bank of Iwate, Bank of Tokyo-Mitsubishi UFJ, Yamagata Bank, JibunBank, Seven Bank, Iyo Bank (18 banks in total)

*Each amount is listed in consolidated basis (Loan business of DC Cash One guaranteed by ACOM is excluded)



Loan and Guarantee Business (ACOM) [Changes in Receivables Outstanding]



Loan Business	-11.6	-11.3	-11.6	-11.2	-11.0	-4.9	-5.0	-5.1	-5.5	-11.7	-14.2
Guarantee Business	3.9	7.5	12.4	15.7	15.0	13.7	185.1	177.8	174.1	168.7	12.2

*1 The numbers of loan business above is unsecured loans for consumers.

*2 Guaranteed receivables are non-consolidated basis.



Provision for Loss on Interest Repayment and Provision of Allowance for Doubtful Accounts (ACOM, Loan Business)

◆ Provision for Loss on Interest Repayment

(Millions of yen)

	2010/3					2011/3	2011/3
	1Q	2Q	3Q	4Q	Total	1Q	(forecast)
Provision for Loss on Interest Repayment	738	7,967	12,484	37,173	58,362	2,239	-
Interest Repayment	26,291	22,536	20,018	22,002	90,847	21,621	-
Interest Repayment (Cash Out Basis)	27,059	23,201	19,972	21,999	92,232	21,669	-
Bad Debt Expenses (ACOM's Voluntary Waiver of Repayment)	12,947	12,130	10,066	11,271	46,414	11,318	-
Increase or Decrease in Provision for Loss on Interest Repayment	-38,500	-26,700	-17,600	3,900	-78,900	-30,700	-
Provision for Loss on Interest Repayment	244,900	218,200	200,600	204,500		173,800	-

◆ Provision of Allowance for Doubtful Accounts

(Millions of yen)

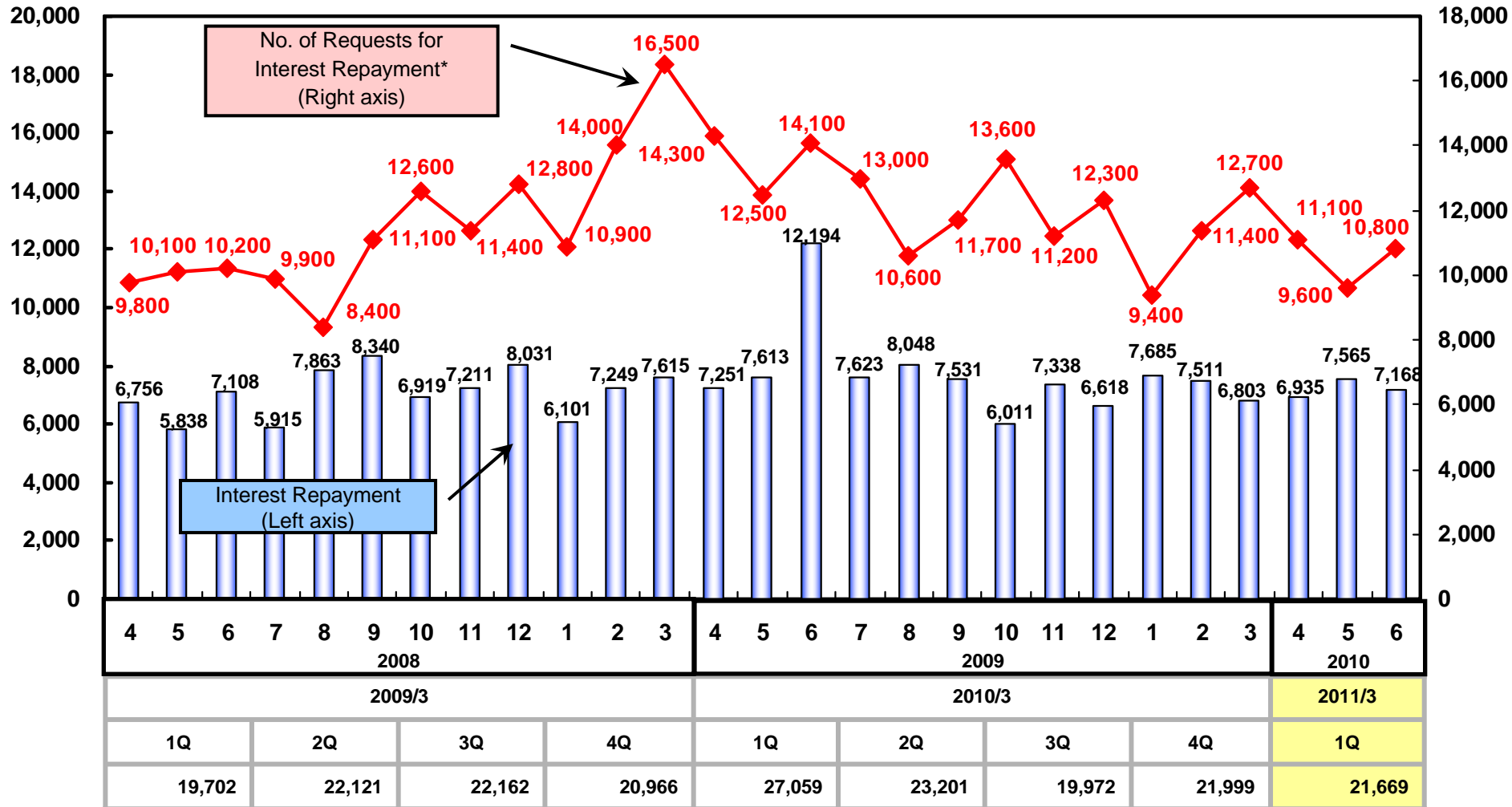
	2009/6	2009/9	2009/12	2010/3	2010/6	2011/3
						(forecast)
Provision of Allowance for Doubtful Accounts	26,713	55,721	77,432	75,058	12,269	-
Bad Debt Expenses	24,142	49,621	74,312	95,484	17,219	-
Loss on Sales of Accounts Receivable-operating Loans	1,260	3,131	3,131	3,131	-	-
Increase or Decrease in Allowance for Doubtful Accounts	3,000	4,699	1,799	-22,276	-4,600	-
Increase or Decrease in Provision for Loss on Guarantees	-1,690	-1,731	-1,811	-1,281	-350	-
Allowance for Doubtful Accounts	87,000	88,700	85,800	61,700	57,100	-



Trend of No. of Requests for Interest Repayment and Interest Repayment (Cash Out) (ACOM-1, Loan Business)

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

(Millions of yen)



*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



Trend of No. of Requests for Interest Repayment and Interest Repayment (Cash Out) (ACOM-2, Loan Business)

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

(Millions of yen)

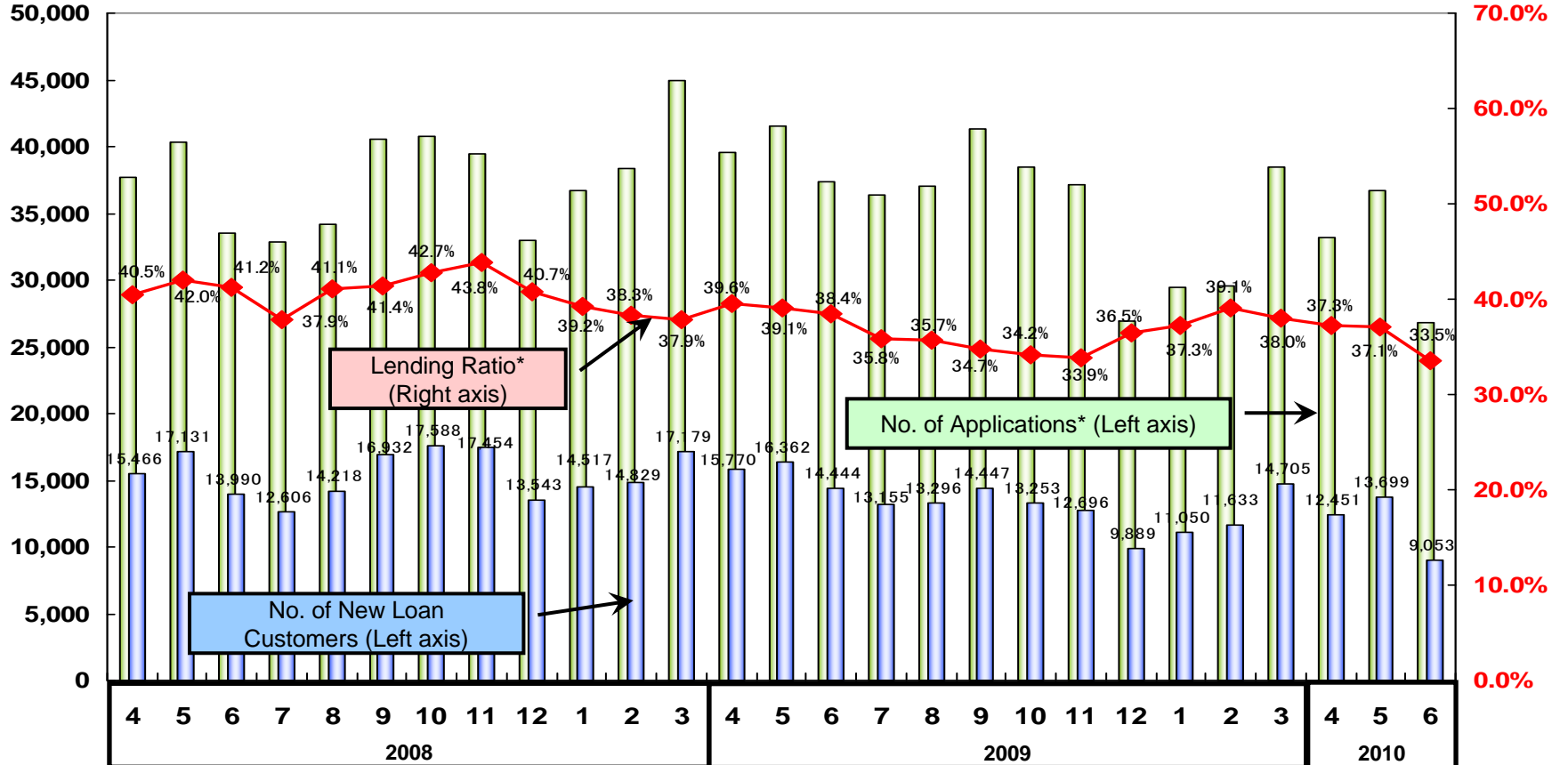
	2009/3			2010/3			2011/3		
	No. of Requests for Interest Repayment	yoy	Interest Repayment	No. of Requests for Interest Repayment	yoy	Interest Repayment	No. of Requests for Interest Repayment	yoy	Interest Repayment
Total	137,700	33,400	84,953	146,800	9,100	92,232	-	-	-
April	9,800	2,400	6,756	14,300	4,500	7,251	11,100	-3,200	6,935
May	10,100	1,500	5,838	12,500	2,400	7,613	9,600	-2,900	7,565
June	10,200	1,300	7,108	14,100	3,900	12,194	10,800	-3,300	7,168
July	9,900	1,800	5,915	13,000	3,100	7,623	-	-	-
Aug.	8,400	800	7,863	10,600	2,200	8,048	-	-	-
Sept.	11,100	3,200	8,340	11,700	600	7,531	-	-	-
Oct.	12,600	2,100	6,919	13,600	1,000	6,011	-	-	-
Nov.	11,400	2,200	7,211	11,200	-200	7,338	-	-	-
Dec.	12,800	4,300	8,031	12,300	-500	6,618	-	-	-
Jan.	10,900	3,100	6,101	9,400	-1,500	7,685	-	-	-
Feb.	14,000	4,200	7,249	11,400	-2,600	7,511	-	-	-
March	16,500	6,500	7,615	12,700	-3,800	6,803	-	-	-

* 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



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

◆ Unsecured Loans for Consumers



Quarterly	2008/6	2008/9	2008/12	2009/3	2009/6	2009/9	2009/12	2010/3	2010/6	2011/3 (forecast)
No. of New Customers	46,587	43,756	48,585	46,525	46,576	40,898	35,838	37,388	35,203	180,000

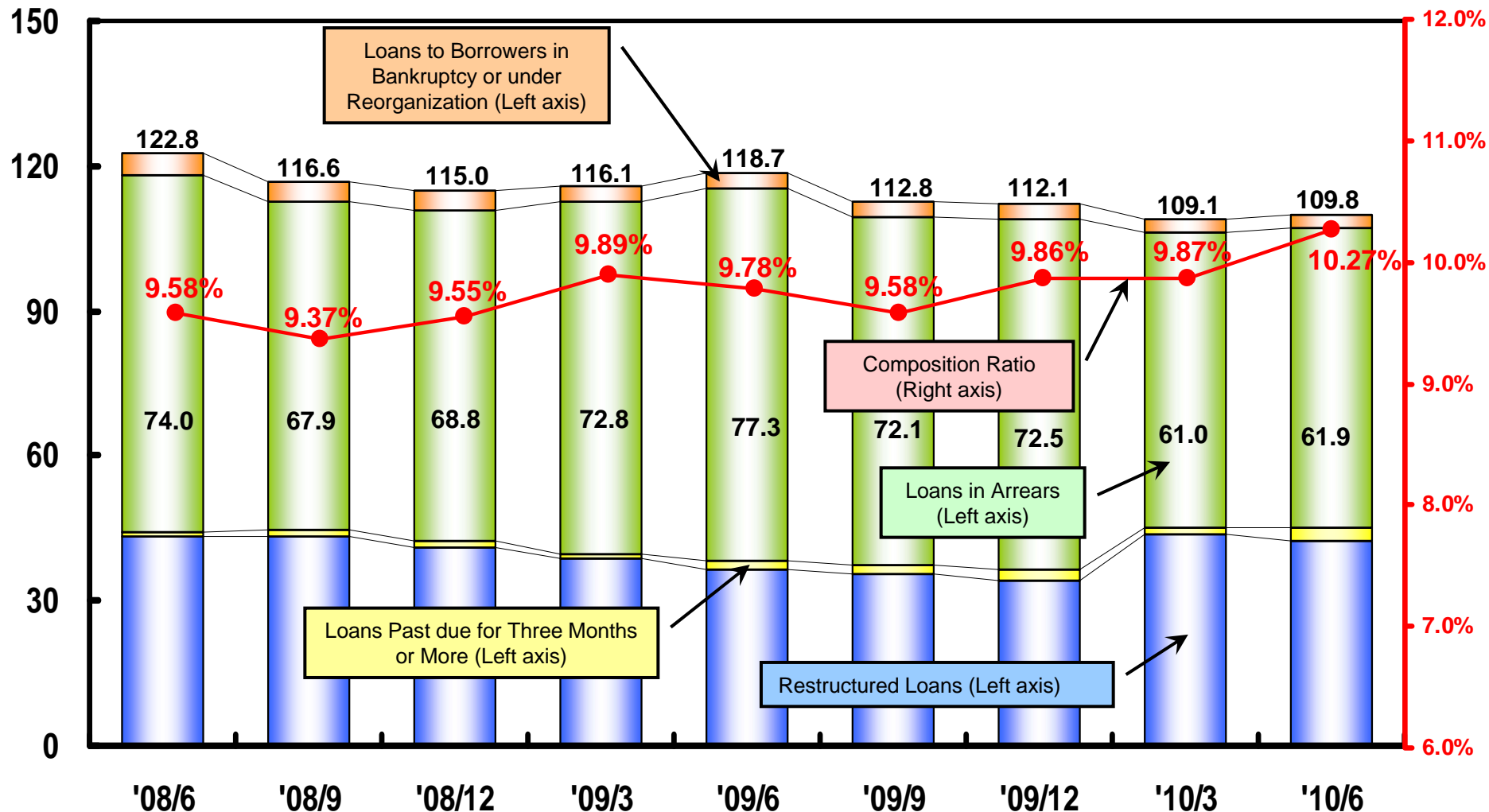
* No. of applications and new loan customers for tie-up card are excluded from “No. of Applications” and “Lending Ratio” above



Non-performing Loans (ACOM, Loan Business)

◆ Non-performing Loans

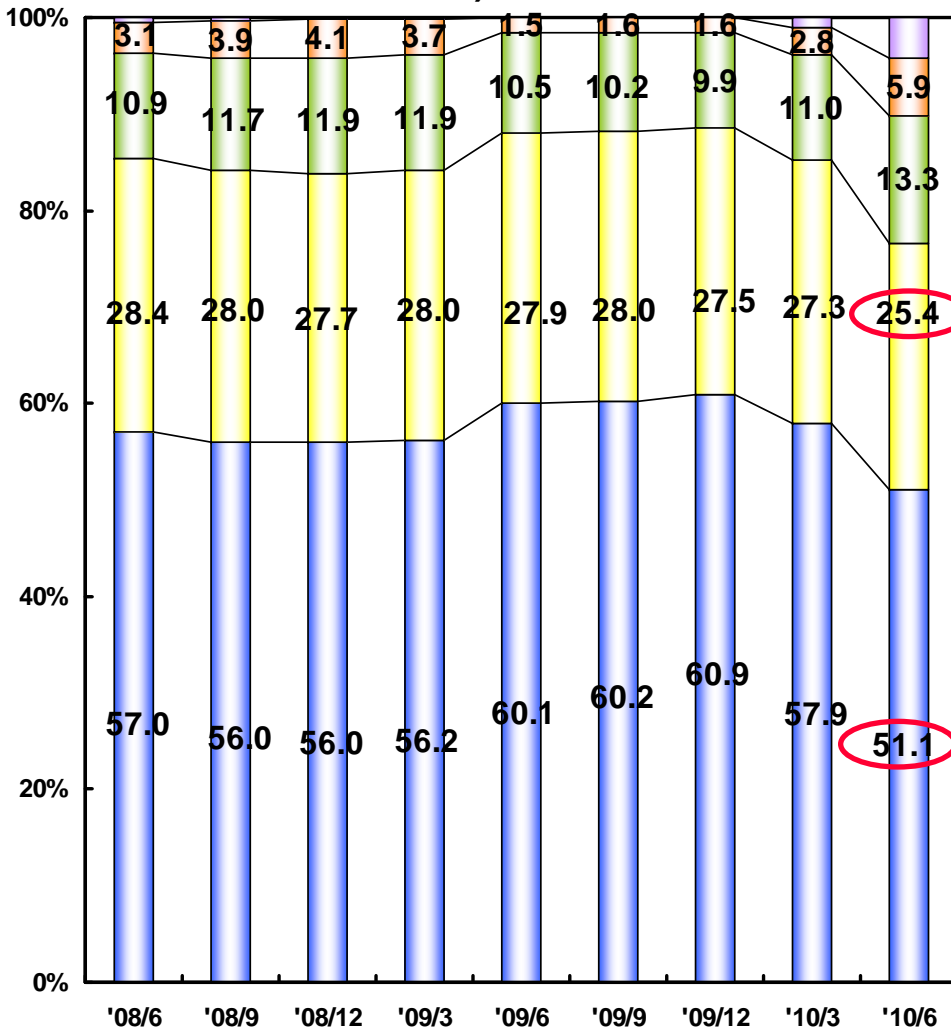
(Billions of yen)



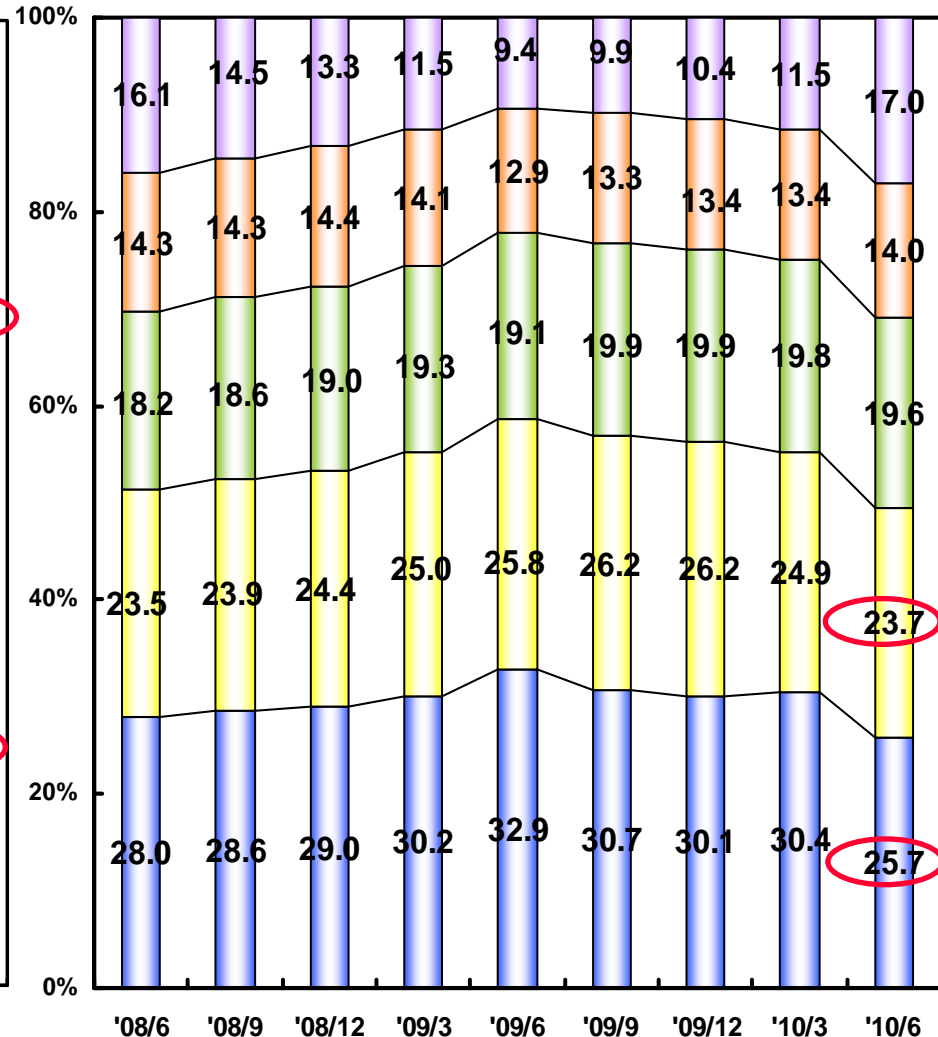


Trend of Composition Ratio of Loans Receivables Outstanding by Number of Other Lenders (ACOM, Loan Business)

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



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



No other lenders
Three other lenders

One other lender
4 or more lenders

Two other lenders



Funds Procurements (ACOM)

(Millions of yen)

	2010/3			2010/6			2011/3 (Forecast)		
	Results	C.R. (%)	yoy (%)	Results	C.R. (%)	yoy (%)		C.R. (%)	yoy (%)
Borrowings	705,387	100.0	3.6	701,175	100.0	-5.4	654,100	100.0	-7.3
Indirect	463,887	65.8	4.1	458,922	65.5	-9.3	416,800	63.7	-10.2
Direct	241,500	34.2	2.8	242,253	34.5	3.1	237,300	36.3	-1.7
Straight Bond	221,500	31.4	-5.7	222,253	31.7	-5.4	-	-	-
Asset Based Lending	20,000	2.8	-	20,000	2.9	-	-	-	-
Fixed	630,422	89.4	2.9	632,131	90.2	-6.6	615,600	94.1	-2.4
Average Nominal Interest Rate on Funds Procured during the Year (%)	1.74			1.81			2.17		
Term average of Long-term Prime Rate (%)	1.87			1.58			-		
Amount to be paid within one year	221,738			221,626			-		
Cash and Cash Equivalents and Commitment Facilities	217,661			229,840			-		
Cash and Deposits	66,768			79,852			-		
Short-term Loans Receivable	29,992			29,987			-		
Certificate of Deposit	20,900			20,000			-		
Commitment Facilities (Unused amount)	100,000			100,000			-		

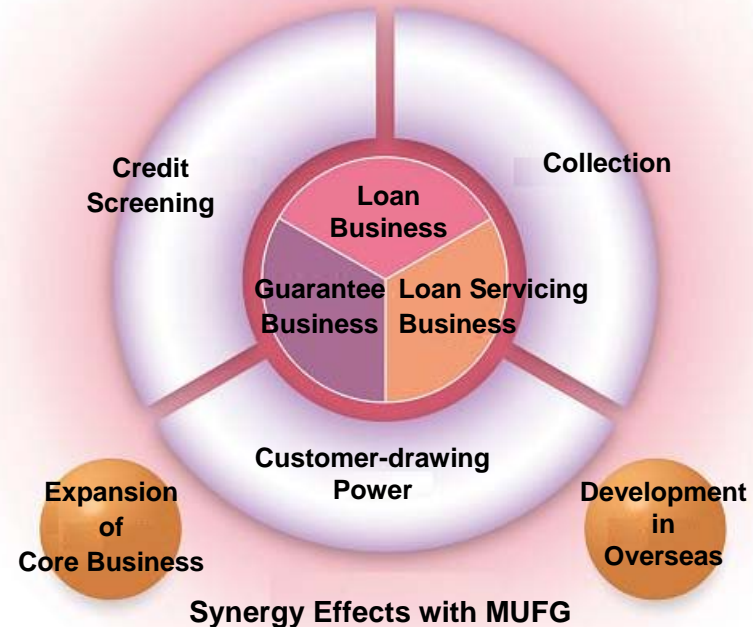
“C.R.” indicates composition ratio.



Moving toward an Entirely New ACOM

◆ Restructuring Internal Organization and Strengthening Business Foundation for Next Growth

ACOM is concentrating its management resources in three areas – its mainstay unsecured loan business and its other core guarantee and loan servicing businesses – and will commit to build the stable earning base by further strengthening the business management, restructure internal organization and strengthen business foundation for next growth





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

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