
The 3rd Quarter Financial Results

for the Fiscal Year Ending March 2011



ACOM CO., LTD.

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

February 2, 2011



Summary of Third Quarter Financial Results

(Millions of yen)

	Consolidated					Non-consolidated				
	2009/12	2010/12		2011/3 (forecast)		2009/12	2010/12		2011/3 (forecast)	
	Results	Results	yoy (%)		yoy (%)	Results	Results	yoy (%)		yoy (%)
Operating Revenue (*1)	212,433	189,434	-10.8	240,700	-13.7	181,517	160,698	-11.5	203,400	-14.6
Loan Business	183,878	156,470	-14.9	198,100	-17.5	163,305	135,025	-17.3	170,000	-20.1
Guarantee Business	9,681	16,135	66.7	22,200	55.3	9,601	15,545	61.9	21,400	52.1
Loan Servicing Business	9,958	6,970	-30.0	8,500	-33.8	-	-	-	-	-
Other Businesses	8,913	9,856	10.6	11,900	2.5	8,609	10,126	17.6	12,000	6.2
Operating Expenses (*2)	201,351	215,022	6.8	272,600	-0.0	172,868	190,950	10.5	240,000	3.2
Financial Expenses	16,904	16,571	-2.0	21,400	-3.6	12,557	12,644	0.7	16,600	-0.2
Provision of Allowance for Doubtful Accounts	85,482	51,065	-40.3			77,432	42,666	-44.9		
Provision for Loss on Interest Repayment	21,189	84,044	296.6	161,400	-	21,189	84,044	296.6	149,700	-
Other Operating Expenses	77,776	63,342	-18.6	89,800	-12.4	61,689	50,894	-17.5	73,000	-11.5
Operating Income	11,081	-25,587	-	-31,900	-	8,649	-30,251	-	-36,600	-
Ordinary Income	12,732	-24,556	-	-31,100	-	10,143	-29,195	-	-35,400	-
Extraordinary Income	1,868	331	-82.3	300	-85.5	2,146	326	-84.8	300	-87.2
Extraordinary Loss	5,765	14,564	152.6	15,900	45.5	5,657	13,994	147.3	15,800	46.3
Income before Income Taxes	8,835	-38,789	-	-46,700	-	6,632	-42,863	-	-50,900	-
Income Taxes-deferred	5,841	620	-89.4	-	-	5,429	954	-82.4	1,500	-81.3
Net Income	1,638	-42,107	-	-50,900	-	1,117	-43,872	-	-52,500	-

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

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



Loan Business

◆ACOM

●Receivables Outstanding, No. of Customer Accounts, No. of New Loan Customers, and Operating Revenue by Segment (Millions of yen)

	2009/12	2010/12		2011/3 (forecast)	
	Results	Results	yoy	(%)	yoy (%)
Receivables Outstanding	1,136,652	951,316	-185,336	-16.3	896,500 -18.8
No. of Customer Accounts	1,996,255	1,770,965	-225,290	-11.3	1,713,800 -12.1
No. of New Loan Customers	123,312	94,342	-28,970	-23.5	125,000 -22.2
Operating Revenue	168,442	140,855	-27,586	-16.4	177,000 -19.4

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

%	2010/3	2010/9	2010/12	2011/3 (forecast)	%	2010/3	2010/9	2010/12	2011/3 (forecast)
Over 18%	38.8	30.4	28.6	26.4	Average Yield for FY	18.41	17.53	17.31	16.92
18% or less	61.2	69.6	71.4	73.6	Average Yield for a Year	18.41	17.84	17.50	16.92

◆EASY BUY (Kingdom of Thailand)

●Receivables Outstanding, No. of Customer Accounts, and Operating Revenue by Segment (Millions of yen / baht)

		2009/12	2010/12		2011/3 (forecast)	
		Results	Results	yoy	(%)	yoy (%)
Receivables Outstanding	¥	64,564	69,920	5,355	8.3	70,500 5.4
	Baht	24,091	(*1) 25,333	1,242	5.2	(*1) 25,543 5.4
No. of Customer Accounts		831,289	784,057	-47,232	-5.7	788,600 3.4
Operating Revenue	¥	14,372	15,614	1,242	8.6	21,100 9.0
	Baht	5,245	(*2) 5,637	392	7.5	(*2) 7,617 7.4

*1 One baht=2.76 yen (spot exchange rates as of the end of September 2010) *2 One baht=2.77 yen (average exchange rates from January to September 2010)



Guarantee and Loan Servicing Businesses

		(Millions of yen)						
		2009/12	2010/12		2011/3 (forecast)			
		Results	Results	yoy	(%)		yoy (%)	
Guarantee Business	ACOM (*)	Guaranteed Receivables	312,217	431,861	119,644	38.3	437,600	37.9
		No. of Accounts with Outstanding Balance	663,875	881,363	217,488	32.8	884,100	31.9
		Operating Revenue	9,681	16,135	6,454	66.7	22,200	55.3
Loan Servicing Business	IR Loan Servicing	Receivables Outstanding	15,759	12,062	-3,696	-23.5	12,300	-19.7
		No. of Customer Accounts	292,388	303,323	10,935	3.7	-	-
		Total Principal	3,685,254	3,681,353	-3,901	-0.1	-	-
		Purchased Receivables	3,568,992	3,647,813	78,821	2.2	-	-
		Consignment Receivables	116,262	33,540	-82,722	-71.2	-	-
		Operating Revenue	9,958	6,970	-2,987	-30.0	8,500	-33.8
		Collection of Purchased Receivables	9,546	6,476	-3,070	-32.2	-	-

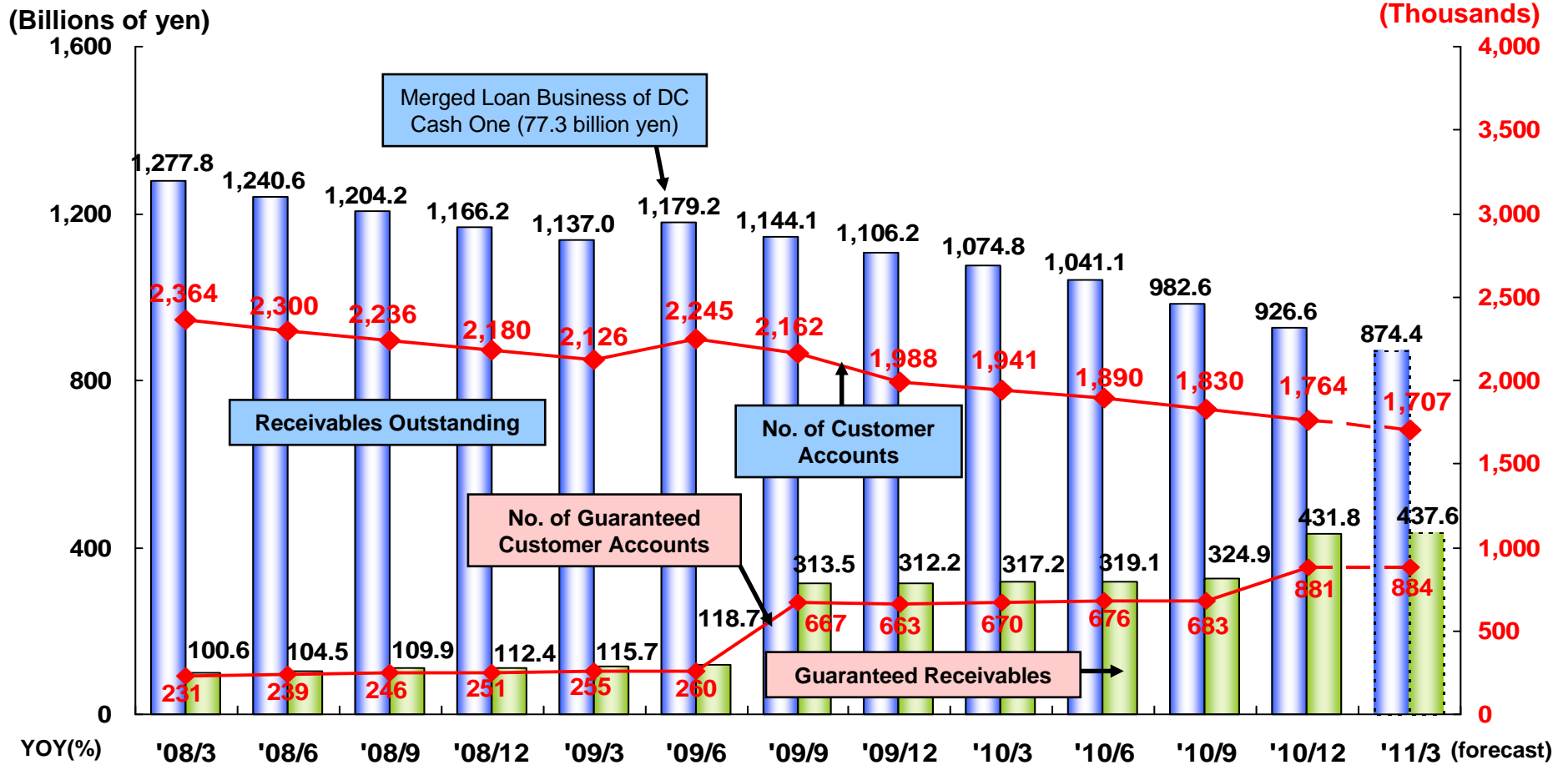
Affiliates

- ✓ 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, Seven Bank, Iyo Bank, Daisan Bank (19 banks in total)

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



Loan and Guarantee Businesses (ACOM)



*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)

◆ Provision for Loss on Interest Repayment

(Millions of yen)

	2010/3					2011/3				2011/3
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	Total	(forecast)
Provision for Loss on Interest Repayment	738	7,967	12,484	37,173	58,362	2,239	66,163	15,642	84,044	-
Interest Repayment	26,291	22,536	20,018	22,002	90,847	21,621	23,924	21,563	67,108	-
Interest Repayment (Cash Out Basis)	27,059	23,201	19,972	21,999	92,232	21,669	23,909	21,563	67,141	-
Bad Debt Expenses (ACOM's Voluntary Waiver of Repayments)	12,947	12,130	10,066	11,271	46,414	11,318	13,738	14,380	39,436	-
Increase or Decrease in Provision for Loss on Interest Repayment	-38,500	-26,700	-17,600	3,900	-78,900	-30,700	28,500	-20,300	-22,500	-
Provision for Loss on Interest Repayment	244,900	218,200	200,600	204,500		173,800	202,300	182,000		-

◆ Provision of Allowance for Doubtful Accounts

(Millions of yen)

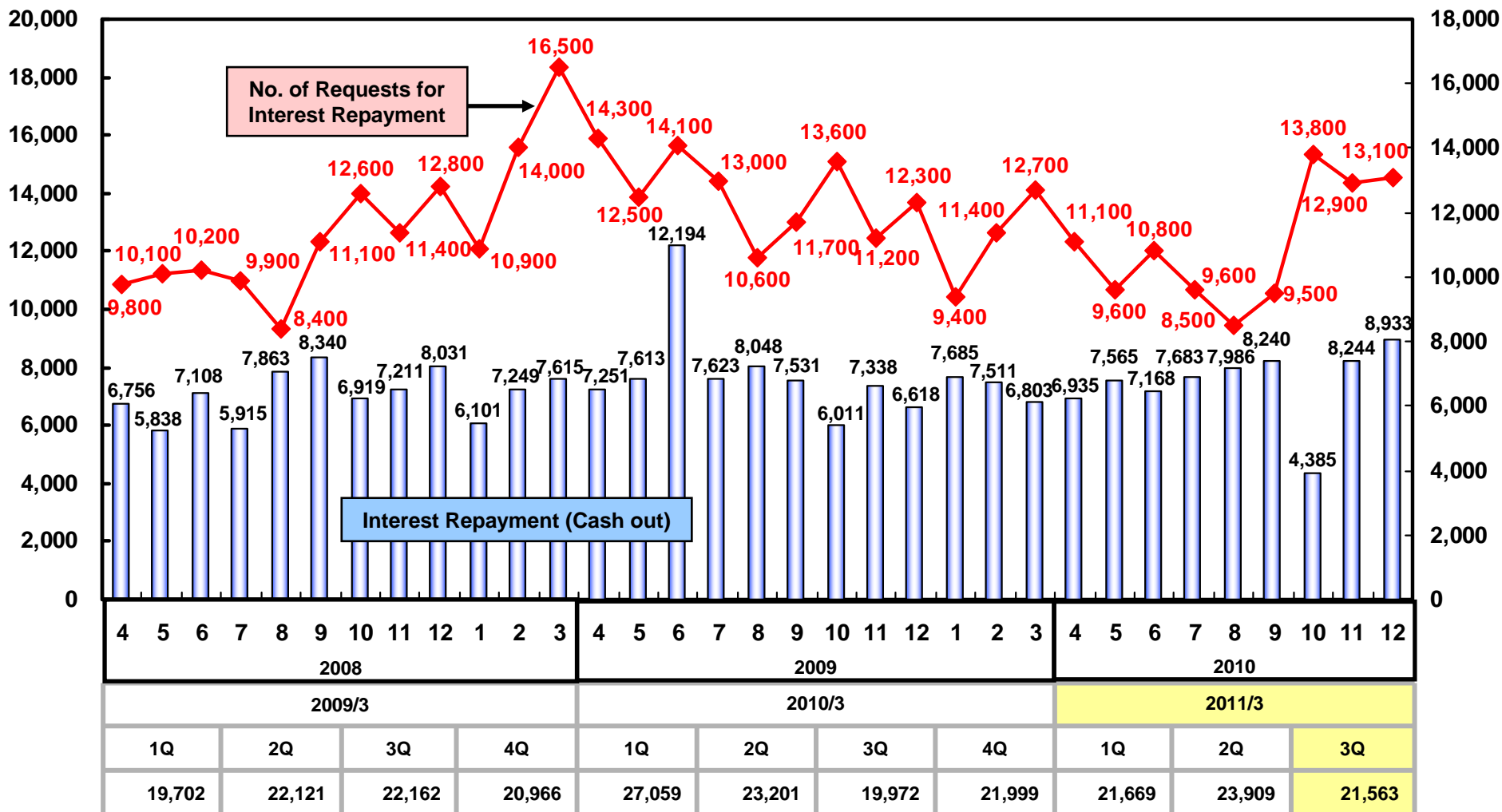
	2009/6	2009/9	2009/12	2010/3	2010/6	2010/9	2010/12	2011/3
								(forecast)
Provision of Allowance for Doubtful Accounts	26,713	55,721	77,432	75,058	12,269	27,563	42,666	-
Bad Debt Expenses	24,142	49,621	74,312	95,484	17,219	32,769	49,219	-
Loss on Sales of Accounts Receivable-operating loans	1,260	3,131	3,131	3,131	-	914	1,381	-
Increase or Decrease in Allowance for Doubtful Accounts	3,000	4,699	1,799	-22,276	-4,600	-5,700	-7,400	-
Increase or Decrease in Provision for Loss on Guarantees	-1,690	-1,731	-1,811	-1,281	-350	-420	-533	-
Allowance for Doubtful Accounts	87,000	88,700	85,800	61,700	57,100	56,000	54,300	-



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

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

(Millions of yen)



* No. of requests which interest repayments 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)

◆ 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	32.0	84,953	146,800	6.6	92,232	-	-	-
April	9,800	32.4	6,756	14,300	45.9	7,251	11,100	-22.4	6,935
May	10,100	17.4	5,838	12,500	23.8	7,613	9,600	-23.2	7,565
June	10,200	14.6	7,108	14,100	38.2	12,194	10,800	-23.4	7,168
July	9,900	22.2	5,915	13,000	31.3	7,623	9,600	-26.2	7,683
August	8,400	10.5	7,863	10,600	26.2	8,048	8,500	-19.8	7,986
Sept.	11,100	40.5	8,340	11,700	5.4	7,531	9,500	-18.8	8,240
Oct.	12,600	20.0	6,919	13,600	7.9	6,011	13,800	1.5	4,385
Nov.	11,400	23.9	7,211	11,200	-1.8	7,338	12,900	15.2	8,244
Dec.	12,800	50.6	8,031	12,300	-3.9	6,618	13,100	6.5	8,933
Jan.	10,900	39.7	6,101	9,400	-13.8	7,685	-	-	-
Feb.	14,000	42.9	7,249	11,400	-18.6	7,511	-	-	-
March	16,500	65.0	7,615	12,700	-23.0	6,803	-	-	-

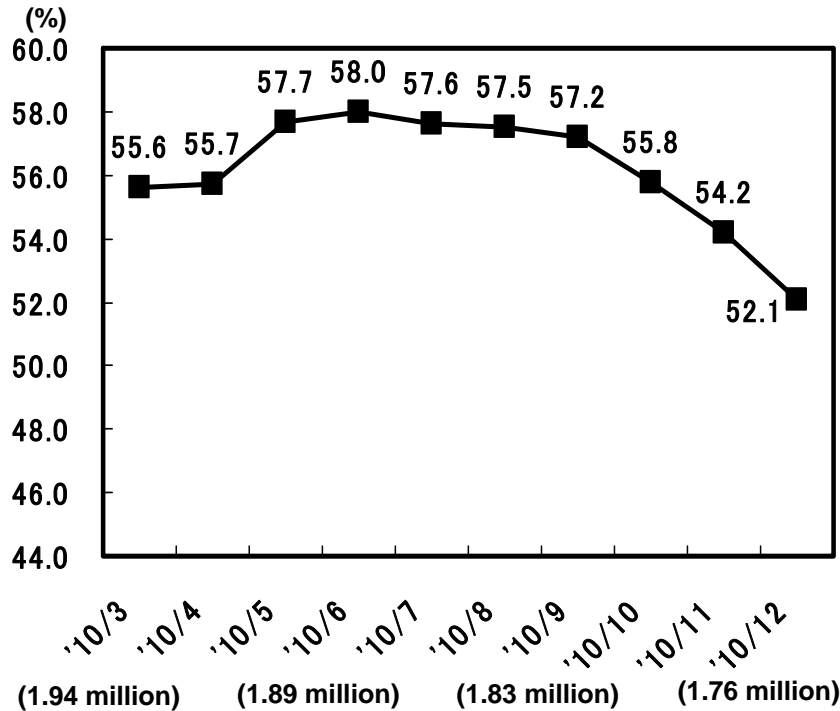
* No. of requests which interest repayments occurs as a result of ACOM's recalculation based on the interest ceiling as specified in Interest Rate Restriction Act from claims which lawyers or judicial scriveners accept debt consolidation



Influence of Full Enactment of Revised Money Lending Business Act

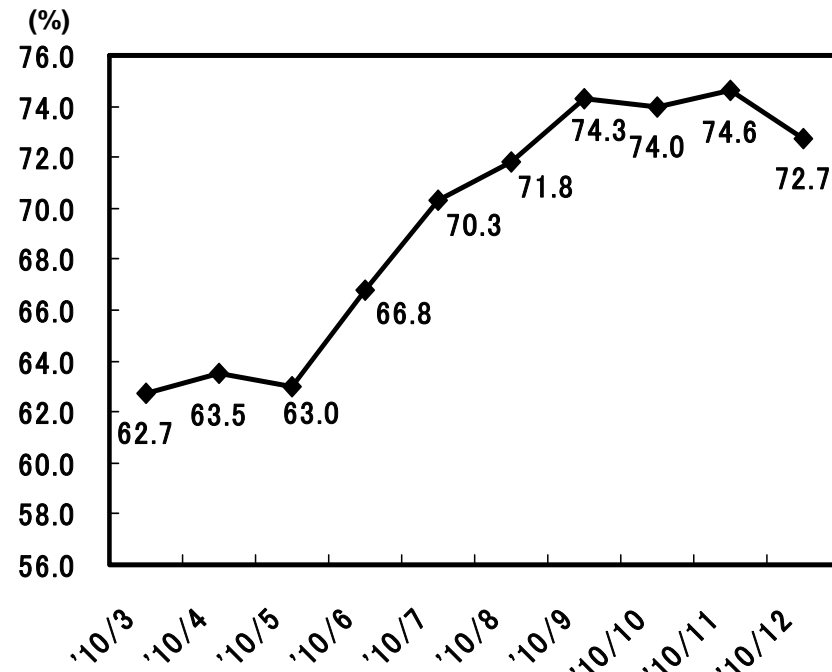
Impact of Introducing Cap on Total Borrowing Amount

◆ Trend of Customers against the Regulation of Total Borrowing Amount (*1)



(*1) Percentage of customers against the revised act
Population=All customer accounts

◆ Trend of Collection of Income Certificate (*2)



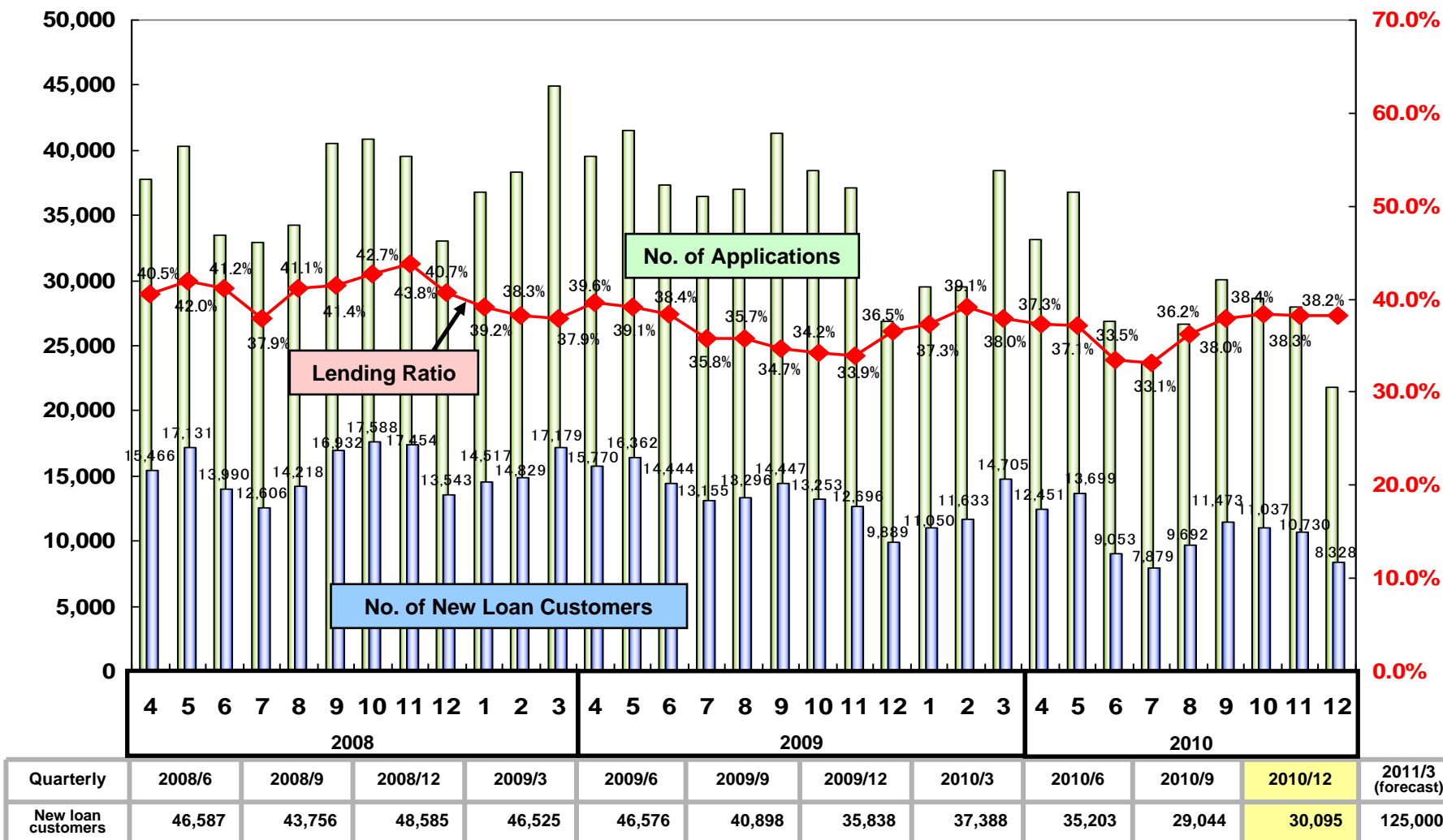
(*2) Definition of percentage of income certificate collection (Meet all conditions listed below)
1: Customers capable of further transactions, excluding housewives and sole proprietor
2: Customers with balance over half million yen at ACOM, or over one million yen including other lenders
3: Customers with balance less than one third of their annual income

Source: ACOM Customers data as of the end of December, 2010



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

◆ Unsecured Loans for Consumers



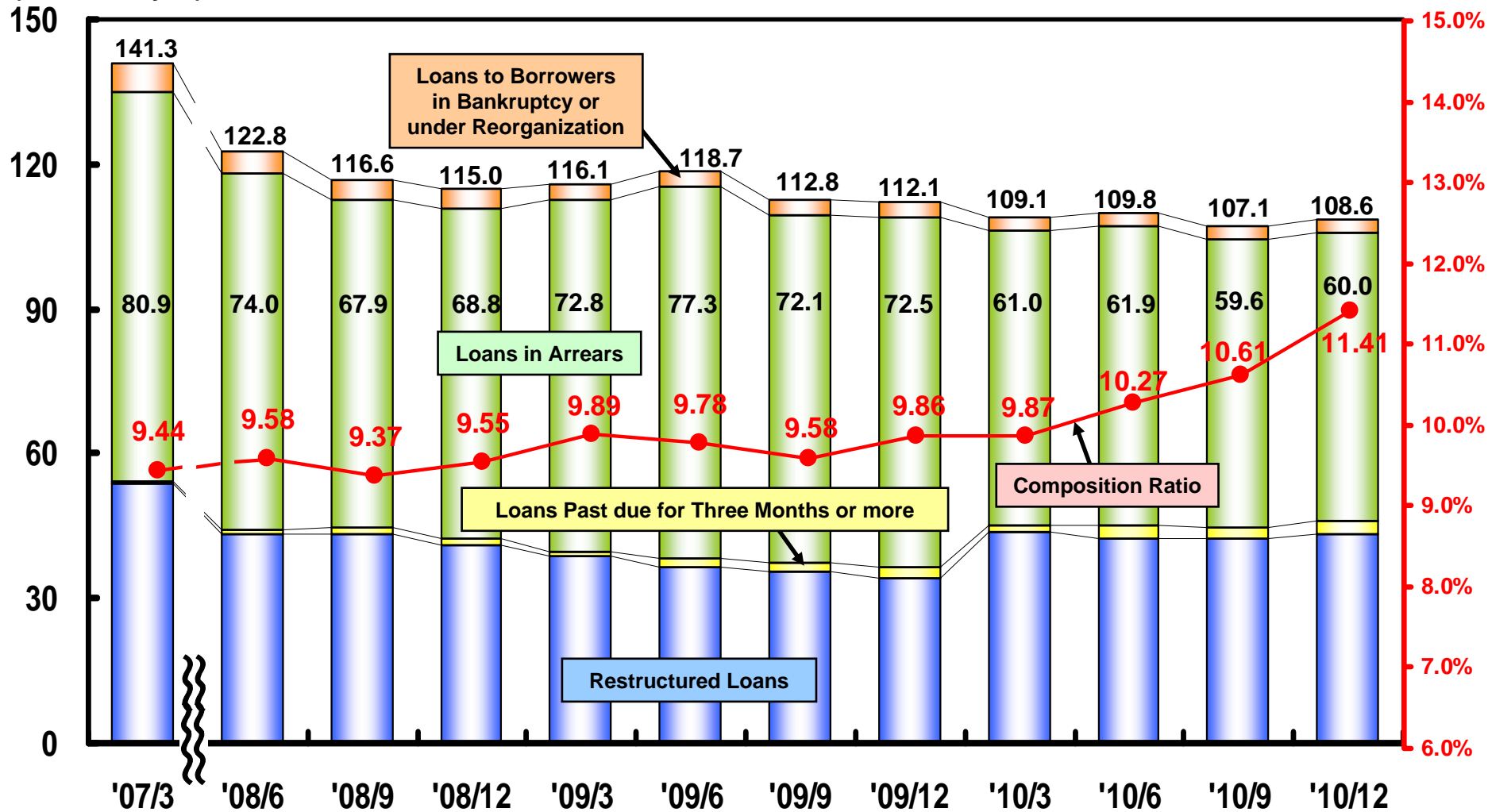
* No. of applications and new loan customers for tie-up cards are excluded from "No. of Applications" and "Lending Ratio" above



Non-performing Loans (ACOM)

◆ Non-performing Loans

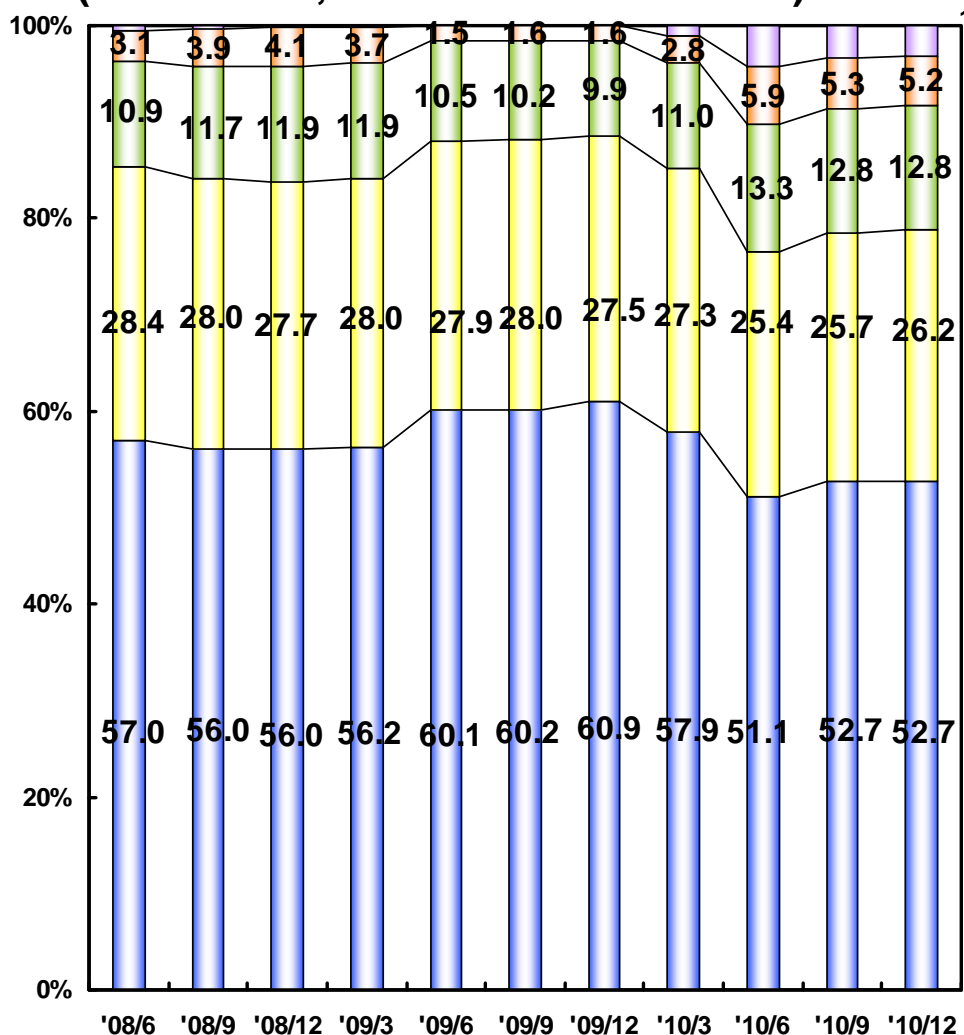
(Billions of yen)



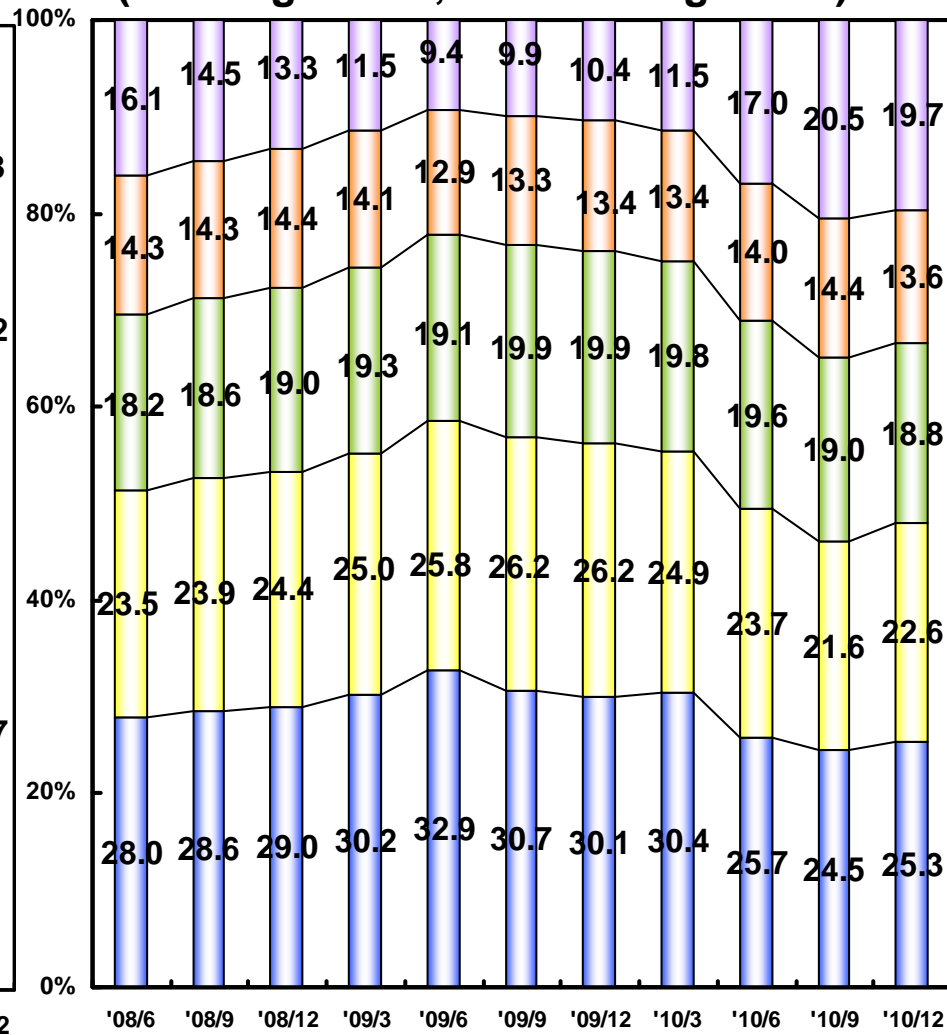


Trend of Composition Ratio of Loans Receivable Outstanding by Number of Other Lenders (ACOM)

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



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



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



Funds Procurements (ACOM)

(Millions of yen)

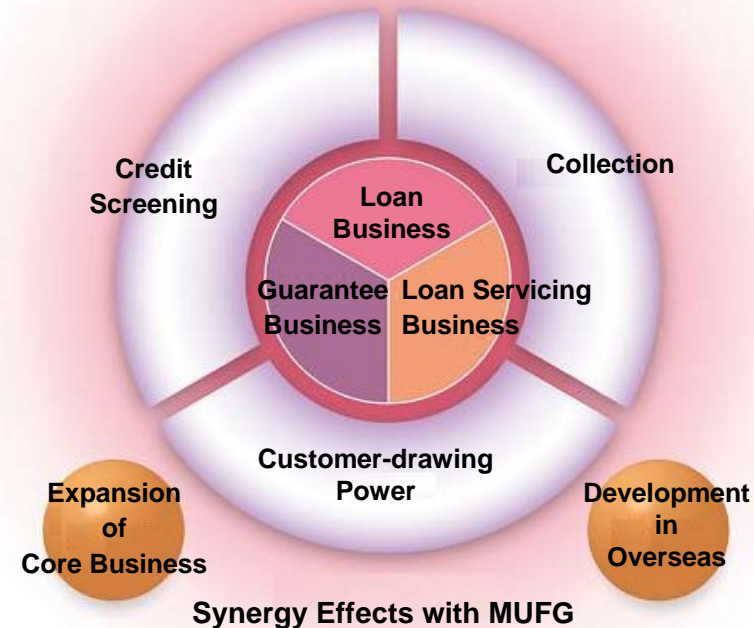
	2010/3			2010/9			2010/12			2011/3 (forecast)		
	Results	C.R. (%)	yoy (%)	Results	C.R. (%)	yoy (%)	Results	C.R. (%)	yoy (%)		C.R. (%)	yoy (%)
Borrowings	705,387	100.0	3.6	677,527	100.0	-11.1	651,307	100.0	-8.2	622,800	100.0	-11.7
Indirect	463,887	65.8	4.1	436,524	64.4	-14.0	421,967	64.8	-14.4	404,700	65.0	-12.8
Direct	241,500	34.2	2.8	241,002	35.6	-5.5	229,340	35.2	5.9	218,100	35.0	-9.7
Straight Bonds	221,500	31.4	-5.7	222,252	32.8	-5.4	211,840	32.5	7.8	-	-	-
Asset Based Lending	20,000	2.8	-	18,750	2.8	-6.3	17,500	2.7	-12.5	-	-	-
Fixed	630,422	89.4	2.9	606,209	89.5	-10.8	579,198	88.9	-8.9	571,100	91.7	-9.4
Average Nominal Interest Rate on Funds Procured during the Year (%)	1.74			1.82			1.83			1.82		
Term Average of Long-term Prime Rate (%)	1.87			1.51			1.48			-		
Amount to be paid within one year	221,738			202,033			182,004			-		
Cash and Cash Equivalents and Commitment Facilities	217,661			249,154			257,694			-		
Cash and Deposits	66,768			78,666			84,722			-		
Short-term Loans Receivable	29,992			49,988			49,971			-		
Certificate of Deposits	20,900			20,500			23,000			-		
Commitment Facilities (unused amount)	100,000			100,000			100,000			-		



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





Reference

- ◆ **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>