

Brief Statement of Financial Results for the Fiscal Year Ended March 2011
[Japanese GAAP (Consolidated)]

May 12, 2011

Forward-looking Statement

The statements and figures contained in this Brief Statement of Financial Results for the fiscal year ended March 2011 (the "Brief Statement") with respect to ACOM CO., LTD. ("ACOM")'s plans and strategies and other statements that are not historical facts are forward-looking statements about the future performance of ACOM which are based on management's assumptions and beliefs in light of the information currently available to it and involve risks and uncertainties. Actual results may differ from those in the forward-looking statements as a result of various factors. Potential risks and uncertainties include, without limitation, general economic conditions in ACOM's market and changes in the size of the overall market for consumer loans, the rate of default by customers, the fluctuations in number of cases of claims from and the amount paid to customers who claim us to reimburse the portion of interest in excess of the interest ceiling as specified in the Interest Rate Restriction Act, the level of interest rates paid on ACOM's debt, and legal limits on interest rates charged by ACOM.

Name of the company:	ACOM CO., LTD. ("ACOM" or "the Company")
Stock market:	First Section of Tokyo Stock Exchange
Code Number:	8572
Location of the head office:	Tokyo
URL:	http://www.acom.co.jp/ir/english/
Position of the representative:	Chairman, President & Chief Executive Officer
Name:	Shigeyoshi Kinoshita
Position of the person in charge:	Chief General Manager of Treasury Department
Name:	Chief PR& IR Officer
Telephone Number:	Takashi Kiribuchi (03) 5533-0861
Date of the shareholders' meeting:	June 24, 2011
Registration date of annual securities report:	June 24, 2011
Commencement date of dividend payment:	-
Material to supplement the financial results:	Applicable
Financial results conference:	Applicable (For financial analysts and institutional investors)

Note: 1. All amounts under minimum units appearing in each of the tables have been disregarded throughout this brief statement and the annexed materials.

Note: 2. The figures in percentages show the year-on-year change from prior fiscal year.

1. Consolidated Business Results for the Fiscal Year Ended March 2011 (from April 1, 2010 to March 31, 2011)

(1) Consolidated Operating Results

(Millions of yen)

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
3/2011	245,831	(11.8%)	(184,785)	-	(183,506)	-	(202,648)	-
3/2010	278,795	(14.1%)	6,063	(80.3%)	7,917	(75.7%)	(7,239)	-

[Note] Comprehensive income (loss) 3/2011: (194,813 million yen) [-%]

3/2010: - million yen [-%]

	Net Income per Share (Yen)	Net Income per Share Diluted (Yen)	Return on Equity (ROE)	Ordinary Income to Total Assets	Operating Margin
3/2011	(1,293.54)	-	(60.3%)	(13.2%)	(75.2%)
3/2010	(46.18)	-	(1.6%)	0.5%	2.2%

<Reference> Equity in income (loss) of affiliates

3/2011:19 million yen

3/2010:(17 million yen)

(2) Consolidated Financial Status

(Millions of yen)

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share (Yen)
3/2011	1,302,758	243,599	18.2%	1,516.95
3/2010	1,482,520	439,269	29.3%	2,773.59

<Reference> Owners' Equity

237,647 million yen (3/2011)

434,515 million yen (3/2010)

(3) Consolidated Cash Flow Status

(Millions of yen)

	From Operating Activities	From Investing Activities	From Financing Activities	Cash and Cash Equivalents at the End of Year
3/2011	97,249	(2,746)	(65,069)	162,910
3/2010	63,431	(6,175)	(55,280)	133,723

2. Dividend Status

	Dividend per Share					Total Amount of Dividend (Year) (Millions of Yen)	Payout Ratio (Consolidated)	Ratio of Payout to Net Assets (Consolidated)
	1Q (Yen)	2Q (Yen)	3Q (Yen)	4Q (Yen)	Year (Yen)			
3/2010	-	5.00	-	5.00	10.00	1,566	-	0.4%
3/2011	-	0.00	-	0.00	0.00	-	-	-
3/2012 (Forecast)	-	0.00	-	0.00	0.00	-	-	-

3. Forecasts for the Fiscal Year Ending March 31, 2012 (from April 1, 2011 to March 31, 2012)

(Millions of yen)

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Net Income per Share (Yen)
First Half	105,300	(18.2%)	26,000	-	26,300	-	24,200	-	154.47
Annual	204,300	(16.9%)	46,200	-	47,000	-	42,900	-	273.84

(The figures in percentage show year-on-year change from the same prior periods.)

4. Others

(1) Change in important subsidiaries during this fiscal year (Change in scope of consolidation): None

(2) Changes on the basis of consolidated financial statements preparation

A) Related to accounting standard revisions etc.: Applicable

B) Other changes: Applicable

[Note] Please refer to "Changes in Significant Items Relating to the Preparation of Consolidated Financial Statements" on page 27 for details.

(3) Outstanding shares (common shares)

A) Number of shares outstanding (including treasury stock)

FY March 31, 2011: 159,628,280 shares FY March 31, 2010: 159,628,280 shares

B) Number of treasury stock at the end of period

FY March 31, 2011: 2,966,693 shares FY March 31, 2010: 2,966,676 shares

C) Number of average shares outstanding

FY March 31, 2011: 156,661,601 shares

FY March 31, 2010: 156,768,936 shares

[Note] Please refer to "[8] Notes to Consolidated Financial Statements (Notes to Statistics per Share)" on page 71 for details.

(Reference)

1. Non-consolidated Business Results for the Fiscal Year Ended March 2011 (from April 1, 2010 to March 31, 2011)

(1) Non-consolidated Operating Results

(Millions of yen)

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
3/2011	207,767	(12.8%)	(190,832)	-	(189,551)	-	(204,929)	-
3/2010	238,215	(9.1%)	5,689	(78.8%)	6,495	(77.7%)	(10,056)	-

	Net Income per Share (Yen)	Net Income per Share Diluted (Yen)
3/2011	(1,308.10)	-
3/2010	(64.15)	-

(2) Non-consolidated Financial Status

(Millions of yen)

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share (Yen)
3/2011	1,181,063	228,283	19.3%	1,457.18
3/2010	1,368,028	426,597	31.2%	2,723.05

<Reference> Owners' Equity: 228,283 million yen (3/2011) 426,597 million yen (3/2010)

2. Forecasts for the Fiscal Year Ending March 31, 2012 (from April 1, 2011 to March 31, 2012)

(Millions of yen)

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Net Income per Share (Yen)
First Half	87,000	(20.8%)	22,400	-	22,800	-	22,700	-	144.90
Annual	167,500	(19.4%)	39,700	-	40,700	-	40,500	-	258.52

(The figures in percentage show year-on-year change from the same prior periods.)

(Note) Information regarding the implementation of review procedures

Financial results are not subject to review procedures. Therefore, at the time of disclosure of the financial results, the financial statement review procedures based on the Financial Instruments and Exchange Law, have not been completed.

(Note) Explanation regarding the business forecast for proper use

Please refer to "(B) Outlook for next fiscal year" of "(1) Analysis on Business Results" in "1. Business results" on page 4 for conditions which are basis of forecasts and notes for using the forecast.

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1. Business Results

(1) Analysis on Business Results

(A) Business results for this consolidated fiscal year

During this consolidated fiscal year, Japanese economy turned into recovery phase reflecting recovery in export and production and improving corporate profits. However, it is still in severe condition due to employment condition and deflation.

The consumer finance industry has strengthened the business management. It was urged to revise and improve efficiency of business earning structure, reacting to introduction of cap on total borrowing amount due to full enactment of Money Lending Business Act and requests for interest repayment.

The Great East Japan Earthquake which struck Japan in March, 2011 not only damaged the directly stricken areas, but also tremendously affects economic activities all over Japan with additional problems of electric power supply resulting from nuclear power plants incidents.

The Company expresses our heartfelt condolences to all victims of the disaster and prays for earliest recovery of stricken areas.

The Company immediately established headquarters for disaster control after occurrence of the Great East Japan Earthquake. It swiftly devises and takes measures for customers and outlet management such as gathering damage information. We will continue to react promptly to aid stricken customers as we recognize the damages done to them.

As mentioned above, the environment surrounding us remained severe. However, the Group held the vision of "aiming to become the leading company that gives prime satisfactions to as many customers as possible and trusted in the consumer loan market." In domestic region, the Group mainly promoted the operations in loan, credit guarantee, and loan servicing business. In overseas region, the Group also promoted operations in loan business in the Kingdom of Thailand and banking business in Indonesia.

ACOM mainly worked on preparations for revised Money Lending Business Act, expansion of management and earnings basis, promotion of reforming cost structure, conversion of business model for our loan business, and promotion of our business alliance with MUFG Group.

Compared to prior consolidated fiscal year, operating revenue for this consolidated fiscal year decreased by 32,964 million yen, to 245,831 million yen (down 11.8% year-on-year) due primarily to a decline in interest on operating loans.

Although provision of allowance for doubtful accounts and other operating expenses decreased, 243,456 million yen of provision for loss on interest repayment was booked for possible loss on interest repayment in the future. Operating expenses, therefore, increased by 157,885 million yen to 430,617 million yen (up 57.9% year-on-year). As a result, operating loss and ordinary loss were 184,785 million yen and 183,506 million yen, respectively.

16,740 million yen was booked in extraordinary loss due to booking of loss on valuation of stocks of parent company, loss on valuation of investment securities and loss on adjustment for changes of accounting standard for asset retirement obligations. Therefore, 202,648 million yen of net loss was booked.

Business results by segment are as follows.

(Loan and Credit Card Business)

In the loan business, we have focused on extensive preparations to response to the full-scale enforcement of the Money Lending Business Act, revised on June 18, 2010, concurrently with an emphasis on the reform of our sales business models to improve credit screening model and management method for loan portfolio, and increase new customers. As a part of value-added service to loan customers, ACOM issued credit card.

For the response to the full-scale enforcement of the Money Lending Business Act, ACOM changed the computer system and operations in loan business. ACOM also tried to reduce the burden of the customers who cannot make new borrowings due to the revised act. ACOM offered the reduction of monthly minimum payment amounts and extension of monthly payment date if needed.

Requests for interest repayment that has direct impact on revenue decreased in the first half. However, it increased again and stayed at high level due to the large consumer finance company that filed for bankruptcy.

As a result, operating revenue was 184,272 million yen. Because 243,456 million yen of provision for loss on interest repayment was booked, operating loss of 196,975 million yen was booked.

(Guarantee Business)

ACOM strengthened cooperation with existing business partners and stepped taken to find new business partners. During this fiscal year under review, the Company newly commenced guarantee business for personal loan provided by The Iyo Bank, Ltd. in July 2010 and The Daisan Bank, Ltd in November, 2010.

Moreover, the company succeeded a part of unsecured card loan guarantee business of Mitsubishi UFJ NICOS Co., Ltd. as part of the business reorganization within the MUFG Group. ACOM started succeeded guarantee business from October, 2010. As a result, operating revenue and operating income were 22,461 million

yen and 5,808 million yen, respectively.

(Loan Servicing Business)

IR Loan Servicing, Inc., which operates servicing business, worked to maximize the synergy effect to improve the collection capability function within the Group. It also worked to reduce its holdings of purchased claims secured by real estate, to strengthen purchase and collection capability, and to strengthen efficiency and revenue basis.

As a result, operating revenue and operating income were 8,966 million yen and 552 million yen, respectively.

To improve the efficiency of its Group assets and strengthen the financial foundations of its subsidiaries, IR Loan Servicing, Inc. merged A B PARTNER CO., LTD. in August, 2010.

(Finance Business at Overseas)

EASY BUY Public Company Limited, which mainly operates loan business in the Kingdom of Thailand, was anxious about an increase in NPL due to the political instability. However, based on sound credit screening measures, it maintained the quality of its loan portfolio and proactively undertake other sales activities

PT. Bank Nusantara Parahyangan, Tbk., a bank in Indonesia that the company is running as a joint venture with BTMU, improved and expanded its risk-management and compliance structures and pursued a vision of becoming a nationwide bank focused on retail banking.

As a result, operating revenue and operating income were 25,801 million yen and 4,018 million yen, respectively.

(B) Outlook for the next fiscal year

Business environment for next fiscal year will be severe due to unclear economic outlook and factors such as ongoing demands for requests for interest repayment and influence of unprecedented disaster that we have never experienced.

However, the Group will continue actively to pursue its business activities to achieve its management vision.

For the next fiscal year, we are forecasting consolidated operating revenue of 204,300 million yen, ordinary income of 47,000 million yen and net income of 42,900 million yen.

(2) Analysis on Financial Position

(A) Situations of assets, liabilities, and net assets

Compared to the end of the prior fiscal year, total assets decreased 179,761 million yen, and shareholders' equity decreased 195,670 million yen. As a result, shareholders' equity ratio was 18.2%. Details of changes in assets, liabilities and net assets are as follows:

(Assets)

Current and noncurrent assets decreased 176,514 million yen and 3,246 million yen, respectively. The change in current asset mainly consists of decreases in accounts receivable-operating loans (down by 201,215 million yen), accounts receivable-installments (down by 14,453 million yen), purchased receivables (down by 3,378 million yen) and increases in cash and deposits (up 16,327 million yen), loans receivable of banking business (up 8,073 million yen), short-term investment securities (up 4,490 million yen), and short-term loans receivable (up 9,998 million yen). The main change in noncurrent assets includes increase in goodwill (up 3,911 million yen) and decreases in investment securities (down by 3,189 million yen) and guarantee deposits (down by 1,786 million yen).

(Liabilities)

With regard to the liabilities account, changes in current, noncurrent, and total liabilities were increases of 11,916 million yen, 3,991 million yen, and 15,908 million yen, respectively. The breakdown of major increases and decreases in liabilities includes: provision for loss on interest repayment (up 78,800 million yen), loans and bonds payable (down by 65,422 million yen), deposits of banking business (up 8,626 million yen), and asset retirement obligations (up 4,475 million yen).

(Net Assets)

Changes in the net assets accounts include decrease in the shareholders' equity by 203,431 million yen due to a decline of retained earnings by 203,431 million yen. On the other hand, accumulated other comprehensive income increased by 6,563 million yen, and minority interests increased by 1,198 million yen. As a result, the net assets decreased by 195,670 million yen.

(B) Status of cash flows

Cash and cash equivalents (“funds”) at the end of this consolidated fiscal year increased by 29,186 million yen (up 21.8%) to 162,910 million yen.

Funds from operating activities showed an increase of 97,249 million yen. This was mainly attributable to 199,638 million yen in loss before income taxes, and increase of 78,800 million yen due to increase in provision for loss on interest repayment, an increase of 199,678 million yen due to a decrease in accounts receivable-operating loans, an increase of 14,433 million yen due to a decrease in accounts receivable-installment, and increase of 11,792 million yen due to an increase in deposit of banking business.

Funds from investing activities decreased by 2,746 million yen. This decrease was mainly attributable to 4,650 million yen of payment for succession of the business and revenue from collection of guarantee deposits due to reorganization of staffed and unstaffed outlets, conducted as a measure for improvement of management.

Funds from financing activities saw a decrease of 65,069 million yen. This was primarily because the total payment amount for repayment of interest-bearing debt and redemption of bonds exceeded the total amount of revenue resulting from proceeds from borrowings and issuance of bonds by 64,431 million yen, and cash dividends paid of 784 million yen.

(3) Basic Policy on Profit Distribution and Dividend for This and Next Fiscal Year

With regard to profit distribution to shareholders, it is our basic policy to attempt stable and continuous profit distribution taking the economic and financial situation, shareholders’ equity, and our own performance into consideration.

ACOM truly regrets to inform that there will be no dividend payment for the fiscal year ended March 2011 due to the net loss of 202,648 million yen.

As for next fiscal year, ACOM forecasts 42,900 million yen of net income. However, expansion of shareholder’s equity is task of the highest priority currently for implementation of future growth strategies in view of improving management stability and security. Therefore, no dividend payments are planned for next fiscal year.

The Group intends to strive for its long-term stable growth in the future.

(4) Business Risks

The following report on “business-related risks” details potential risks to the Group’s operations based on our assumptions and views as of the submission date of this financial statement.

However, the report does not include all potential risks. With future changes in the economic and market environments affecting the consumer finance industry, there may be new risks arising from various uncertain factors. Also, from the viewpoint of our positive information disclosure to investors, we have listed below some matters considered as significant from the perspectives of investment decision-making by investors, even if such matters do not always correspond to the aforementioned risk factors. The forward-looking statements in this report are based on our views as of the date of submission of this financial statement.

(A) Financial Results

The business performance of the Group may be influenced by changes, fluctuations and modifications –and the degree of these – in the each of the items (1) to (8) listed below.

- (1) Increase or decrease in number of customer accounts and average loan balance per customer accounts
- (2) Changes in judicial rulings and legal regulations applicable to the consumer finance industry
- (3) Changes in average contracted interest rates received from customers
- (4) Changes in number of requests for interest repayment, as well as amounts requested
- (5) Competition with other companies
- (6) Rate of default by customers
- (7) The Company’s ability to procure funds and costs involved
- (8) Advertising expenses, personnell expenses, and other expenses

(B) Amendment of the Money-lending Business Law and the Law Concerning Installment Sales

With the “Law to Partially Amend the Regulations Governing Money-Lending Business Law” going into effect on December 19, 2007, stronger regulations on actions, solicitations and collections were imposed on our industry. On June 18, 2010, subsequent amendments to the Money-Lending Business Law (“MBL”) prohibited agreements on interest rates exceeding those stipulated in the Interest Rate Restriction Law (“IRRL”) and placed restrictions on loans exceeding one-third of the annual income of customers. The lower yield from enforcement of these provisions is expected to reduce interest on operating loans and the stricter regulations on lending to decrease the Company’s loans receivable.

In addition, the revision of “Law Concerning Installment Sales” came into force on December 1, 2009. It

includes tougher regulations such as a requirement to make more stringent checks on the capacity of customers to pay and an obligation to supervise affiliate branches. It is possible that these revisions will impact on the performance of Group companies operating domestic credit card and installment sales finance businesses.

(C) Increase in Loss on Interest Repayment

The interest rates charged on some loan products by the Company, in which customers entered into contracts before June 17, 2007, exceed the interest rate ceilings specified in the IRRL. In addition, several consumers have taken legal action against consumer finance companies, calling for a reimbursement of payments made, asserting that such payments do not meet a part of the requirements set forth in Article 43 of the MBL. In some recent court precedents, the plaintiffs' demands were accepted.

There are cases in which our customers request a reduction in the loan amount or reimbursement of excess interest paid, citing obligations for maximum interest rates under the IRRL. In such cases, the Company may accept to release the customer from the loan or reimburse payments. The costs of releasing customers from loans and reimbursing repayments ("loss on interest repayment") have remained at high level as of the end of this consolidated fiscal year.

Due to the future potential for loss on interest repayment, further booking of the provision for loss on interest repayment, and court rulings from lawsuits demanding refunds of interest paid that put the Company and other finance companies at a clear disadvantage, could have an impact on the Group's business performance.

(D) Fund Procurement

(a) Fund procurement

The Group primarily secures the necessary funds for its operations and liabilities repayments through cash provided by operating activities, as well as financing activities such as borrowings from financial institutions, including banks and insurance companies, and direct financing from capital markets, including via bond issues.

At the end of the year under review, 49.2% of the Company's outstanding interest-bearing liabilities had been resourced mainly from 10 banks and other financial institutions (excluding those from syndicate loans).

While the Group has steadily diversified its funding resources in recent years, there is no assurance that its existing main banks and lenders will not change their current lending policy due to a potential reorganization of the financial industry in Japan or other factors. Furthermore, there is no assurance that capital markets will always be available as a reliable financing resource in the future.

There are possibility that our ability to procure fund decreases due to changes in credit rating and its rank. In that case, there are possibilities to increase the fund procurement costs and receive restrictions on amount of funding. It may have a negative impact on our business performance in the future.

(b) Interest rate on funds procured

While interest rates on our funds procured may fluctuate due to the market environment or other factors, our maximum lending interest rate is limited, according to rules stipulated by the IRRL, irrespective of fluctuations in interest rates on funds procured.

In order to minimize interest-rate risks, the Group takes various measures, including the use of swap contracts, and observes a policy of maintaining fixed-interest borrowings as a ratio of total borrowings at 90% or higher, to mitigate the influence of factors such as interest fluctuations. However, possible increases in interest rates may have a negative impact on our business performance in the future.

(E) Allowance for Doubtful Accounts

Accounts receivable-operating loans and accounts receivable-installment constitute the majority of total assets of the Group. For this reason, we book allowance for doubtful accounts, based on the conditions of customers and the estimates of pledged collateral value at the end of the fiscal year.

An increase of payment delays and uncollected loans receivable might occur due to future changes in economic conditions, the market environment, and the social structure in Japan. There may also be increases in the number of individuals (including loan customers of the Group) pursuing remedies under legal guardianship pursuant to revisions in legislation, including "Bankruptcy Act," "Law Concerning Specific Conciliation," "Civil Rehabilitation Law," and "Judicial Scrivener Law." Such events may require further increases in the allowance for doubtful accounts, which may have a negative effect on the business performance of the Group.

(F) Problems of Multiple Debtors

To address the problems of debtors who take out excessive loans or credit-card loans from multiple consumer credit companies, the Group is taking approaches. These approaches mainly consist of "Promotion of more effective consumer enlightenment activities," "Improvement of counseling functions for consumer loan customers," "Implementation of more rigorous credit administration," "Reduction in maximum lending interest rate," and "Review of the content of advertisement."

Nevertheless, business performance of the Group may be negatively influenced in cases where the

number of multiple debtors increases due to factors such as economic, employment, and market conditions in Japan or other external factors, which leads to an increase in the allowance for doubtful accounts due to increase in uncollectible loans.

(G) Information Systems

The Group relies on computer systems and networks to provide services to customers and manages our marketing activities. These systems and networks are used to manage information relating to our business, including data on our branch network and customers. If we are unable to provide services to customers due to factors such as damage to the communications infrastructure, the hardware, or the software used for these systems and networks resulting from human error, natural disasters, power outages, computer viruses, etc. or the suspension of support services provided by telecommunications carriers or computer systems companies, this may impact on the performance of the Group. For example, it may result in a decline in new customers, delays in the repayment of loans, and a loss of trust in the Group.

In addition, the Group has a backup center for general ledger system, in order to avoid possible business interruptions. However, it is possible that the Group's business may be suspended in the event of a large scale natural disaster, such as earthquake or flood.

(H) Management of Personal Information

The Group, including the Company and its main subsidiaries, are now regarded as businesses handling personal information as defined by the "Act on the Protection of Personal Information".

In the management of personal information, we have ensured management and control structure under "Policy for Protection of Personal Information" and "Regulation for Protection of Personal Information." The Company was granted the Privacy Mark authorized by Japan Information Processing Development Corporation ("JIPDEC").

As for the management of Computer Center, we have formulated rigorous safety measures for physical security, including controls on entering and leaving the Computer Center, and for information security, such as controlling access to computer systems. Moreover, we have introduced the framework of Information Security Management System ("ISMS") certification for the operation and maintenance of the Computer Center.

However, if personal information is leaked to other people for any reason whatsoever, the negative effects may not be limited to a worsening of business performance arising from a decline in the reputation of the Group or compensation for damages. In the case of a violation of regulations concerning the handling of personal information, the Group may be also subject to administrative recommendations, and orders.

(I) Business and Capital Alliance with Mitsubishi UFJ Financial Group, Inc.

In March 2004, we entered into a strategic business and capital alliance with Tokyo-Mitsubishi Financial Group, Inc. (now Mitsubishi UFJ Financial Group, Inc. "MUFG"). MUFG later raised its stake in the Company, and after completing the necessary procedures, made the Company a consolidated subsidiary in December 2008. This means that if laws and regulations governing banks, such as the Banking Law, are changed, Group companies may become subject to restrictions concerning the business fields in which they operate.

In addition, if companies that are in the same line of business as us and with which we compete enter into similar business and capital alliances with banks etc., it is possible, depending on the nature of these alliances, that the competition facing the Group will become even more intense.

(J) Investments

To date, the ACOM Group has stepped up its entry into new markets and broadened the scale of its involvement in the consumer credit market, including through the formation of joint ventures. Since the prospect of obtaining profits from such investments is uncertain, there is no assurance that the Group will be able to set up or expand new joint businesses successfully. The Group regularly reviews the profitability and growth potential of each business. It is possible that such reviews may prompt us withdraw from new joint businesses or reduce allocation of human and other resources to such businesses in the future. In the case where a joint business falls short of its profit target, there is a risk that the Group may not be able to recoup its existing investments.

In addition, in the event that the price of equity securities held by the Group drops substantially, there is a possibility that losses may be incurred, which could potentially affect the Group's business results and perhaps reduce its owner's equity ratio.

(K) Disposal of Our Shares by Major Shareholders etc.

Shigeyoshi Kinoshita, our president and chief executive officer, along with members of their families and companies with which they have connections together hold around 40% of our issued/outstanding shares. In addition, MUFG also holds around 40% of our issued/outstanding shares (including indirect holdings). If these shareholders dispose of some of their shares in the future, the market supply of our shares will increase, and this may have impact on our share price.

2. State of Business Group

ACOM is a consolidated subsidiary of Mitsubishi UFJ Financial Group, Inc. ("MUFG") , and MUFG is our "Parent company."

The ACOM Group consists of ACOM, 12 subsidiaries (including investment partnerships) and an equity-method affiliate. The Group's main line of business is "Loan and Credit Card Business", "Guarantee Business", "Loan Servicing Business" and "Foreign Financial Business."

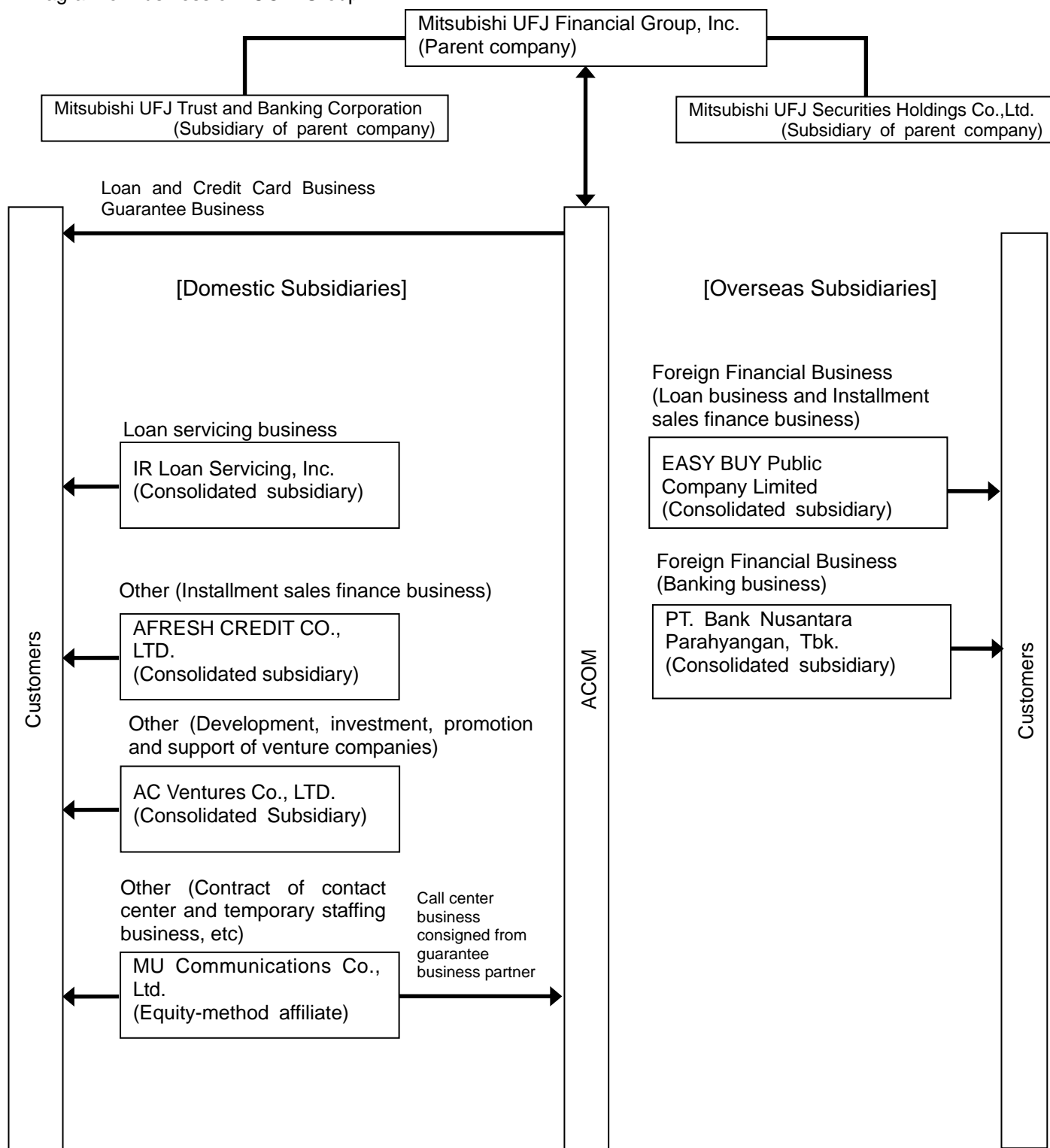
The following table explains the positioning and segment of each group company.

The four businesses below are same as "Regading operating revenue and income (loss) by reportable segments of (8) Notes to Consolidated Financial Statements in 4. Consolidted Financial Statements.

Segment	Company Name	Business Outline	Classification
Loan and Credit Card Business	ACOM CO., LTD.	Loan business including unsecured loan and secured loan	—
		Credit card business of which the principal commodity is MasterCard®	
Guarantee Business	ACOM CO., LTD.	Guarantee business for personal loan of banks, etc.	
Loan Servicing Business	IR Loan Servicing, Inc.	Loan servicing business	Consolidated subsidiary
	General Incorporated Association Mirai Capital	Purchase, management, and disposal of monetary claims (Special Purpose Company)	
	Power Investments LLC		
Foreign Financial Business	EASY BUY Public Company Limited	Unsecured loan business in Kingdom of Thailand	
		Hire purchase business in Kingdom of Thailand	
	PT. Bank Nusantara Parahyangan, Tbk.	Banking business in Republic of Indonesia	
Others	AFRESH CREDIT CO., LTD.	Installment sales finance business	
	AC Ventures Co., Ltd.	Development, investment, promotion and support of venture companies	
	ACOM (U.S.A.) INC.	—	
	MU Communications Co., Ltd.	Contract of contact center and temporary staffing business, etc.	

(Note) ACOM (U.S.A.) INC. suspended its operation.

Diagram of Business of ACOM Group



- Notes: 1. ACOM (U.S.A.) INC. suspended its operation; therefore, it is eliminated from the diagram.
 2. Investment Partnerships are omitted as they operate funds.
 3. This diagram does not include both General Incorporated Association Mirai Capital and Power investments LLC as Special Purpose Company.
 4. Mitsubishi UFJ Securities Co., Ltd. changed its corporate name to Mitsubishi UFJ Securities Holdings Co., Ltd. as of April 1, 2010.
 5. A B PARTNER CO., LTD. was merged into IR Loan Servicing, Inc. as of August 1, 2010.
 6. AFRESH CREDIT CO., LTD., which operates Installment sales finance business, plans to stop entering into new installment sales contracts and withdraw from installment sales finance business.

3. Management Policy

(1) Basic Management Policy

The Group was founded under the motto “Extending the feeling of confidence from person to person,” in which we place our corporate philosophy of “Serving humanity,” “Putting the customer first,” and “Creative and innovative management,” to deepen mutual trust between all stakeholders and achieve growth in concert with society in accordance with the following basic policy:

(A) Provide services that customers really demand, and establish a corporate brand image that inspires “confidence and trust,” through a society-oriented approach to business characterized by rigorous compliance.

(B) Comply faithfully with the changing environment, and rebuilding the foundations of our business to ensure stable, long-term growth.

(C) Transform our business model into one that facilitates sweeping cost reductions, and enhance our cost competitiveness.

(2) Target Indicators

The Group has adopted a series of target indicators intended to guide it toward the achievement of higher shareholder value and the continuation of stable business management. In this context, special emphasis is placed on return on equity (ROE), return on assets (ROA) and shareholders’ equity ratio. Similarly, the Group also intends to improve other indicators such as the ratio of ordinary income to operating revenue, expense ratio, and net income per share.

(3) Medium-to-long-term Corporate Management Strategies

The business environment surrounding the Group is expected to continue to be harsh due to structural changes in our society as represented by the declining birthrate and the aging population, intensifying competition, amendment to applicable laws and regulations, etc.

Under these circumstances, based on our corporate philosophy “Putting the Customer First,” the Group seeks to become “a leading company trusted by society” through development centering on loan and guarantee business in the consumer loan market.

The Group also intends to broaden and develop its diversified financial business lines, such as new financial business generated from business alliances with MUFG Group, business expansion toward other Asian countries. It will work as effective weapons for the accomplishment of the aforementioned objectives and will serve for the development of the Group’s medium-term growth potential.

(4) Problems to be Tackled

The Group aims to step up compliance while enhancing efficiency through the radical reform of its cost structure in order to respond properly to the changes in our operating environment.

We will aggressively focus on measures such as enhancement of service capability, construction of new loan business model fit after the full enactment of revised Money Lending Business Act, and expansion of guarantee business, etc. in order to secure long-term stable profit and establishment of business foundation for future growth.

4. Consolidated Financial Statements
(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2010	As of March 31, 2011
Assets		
Current assets		
Cash and deposits	83,747	100,074
Accounts receivable-operating loans	1,173,545	972,329
Loans receivable of banking business	25,331	33,405
Accounts receivable-installment	58,404	43,951
Purchased receivables	15,310	11,931
Short-term investment securities	21,700	26,190
Stocks of parent company	5,976	4,683
Operational investment securities	1,966	1,216
Trading account securities	2,421	414
Merchandise and finished goods	1,036	334
Raw materials and supplies	103	72
Deferred tax assets	26,589	27,906
Short-term loans receivable	29,992	39,991
Other	31,491	39,622
Allowance for doubtful accounts	(69,262)	(70,283)
Total current assets	1,408,356	1,231,841
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	31,453	31,949
Accumulated depreciation	(22,229)	(23,564)
Buildings and structures, net	9,224	8,385
Vehicles	64	59
Accumulated depreciation	(25)	(34)
Vehicles, net	38	24
Equipment	27,809	24,228
Accumulated depreciation	(16,718)	(13,951)
Equipment, net	11,091	10,277
Land	6,535	6,529
Lease assets	1,529	1,970
Accumulated depreciation	(1,023)	(1,233)
Lease assets, net	506	736
Total property, plant and equipment	27,396	25,952
Intangible assets		
Goodwill	7,469	11,381
Leasehold right	4	4
Telephone subscription right	219	62
Other	4	3
Total intangible assets	7,697	11,451
Investments and other assets		
Investment securities	22,085	18,895
Deferred tax assets	484	444
Guarantee deposits	8,660	6,874
Prepaid pension cost	3,757	3,237
Other	5,268	5,147
Allowance for doubtful accounts	(1,187)	(1,086)
Total investments and other assets	39,069	33,512
Total noncurrent assets	74,163	70,916
Total assets	1,482,520	1,302,758

(Millions of yen)

	As of March 31, 2010	As of March 31, 2011
Liabilities		
Current liabilities		
Notes and accounts payable-trade	760	221
Short-term loans payable	4,112	3,375
Current portion of long-term loans payable	183,976	168,514
Current portion of bonds	51,654	81,155
Deposits of banking business	34,574	43,200
Lease obligations	61	157
Income taxes payable	792	1,334
Deferred tax liabilities	3	-
Provision for loss on guarantees	8,275	8,822
Asset retirement obligations	-	7
Deferred installment income	3,809	2,482
Other	21,791	12,456
Total current liabilities	309,811	321,727
Noncurrent liabilities		
Bonds payable	191,249	141,489
Long-term loans payable	331,577	302,613
Lease obligations	250	561
Deferred tax liabilities	2,240	1,745
Provision for retirement benefits	144	49
Provision for directors' retirement benefits	33	18
Provision for loss on interest repayment	204,500	283,300
Asset retirement obligations	-	4,468
Other	3,442	3,184
Total noncurrent liabilities	733,439	737,431
Total liabilities	1,043,250	1,059,159
Net assets		
Shareholders' equity		
Capital stock	63,832	63,832
Capital surplus	76,010	76,010
Retained earnings	323,894	120,463
Treasury stock	(19,793)	(19,793)
Total shareholders' equity	443,944	240,512
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(6,161)	1,235
Foreign currency translation adjustment	(3,266)	(4,100)
Total accumulated other comprehensive income	(9,428)	(2,865)
Minority interests	4,753	5,951
Total net assets	439,269	243,599
Total liabilities and net assets	1,482,520	1,302,758

(2) Consolidated Statements of Income and Statements of Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	For the year ended March 31, 2010	For the year ended March 31, 2011
Operating revenue		
Interest on operating loans	231,839	192,654
Interest on loans of banking business	2,649	3,464
Credit card revenue	3,547	2,893
Per-item revenue	3,485	2,926
Revenue from credit guarantee	12,419	20,477
Collection from purchased receivable	12,273	8,278
Other financial revenue		
Interest on deposits	56	23
Interest on securities	488	164
Interest on loans	35	43
Gain on trading account securities	116	21
Gain on valuation of derivatives	264	-
Other	176	780
Total other financial revenue	1,139	1,034
Other operating revenue	11,441	14,101
Total operating revenue	278,795	245,831
Operating expenses		
Financial expenses		
Interest expenses	12,933	11,969
Interest on deposits of banking business	2,296	2,000
Interest on bonds	5,088	6,079
Amortization of bond issuance cost	269	197
Loss on valuation of derivatives	-	314
Other	1,606	1,973
Total financial expenses	22,194	22,534
Cost of purchased receivable	6,885	3,401
Other operating expenses		
Advertising expenses	7,236	5,678
Provision of allowance for doubtful accounts	74,068	73,578
Provision for loss on guarantees	2,110	4,051
Bad debts expenses	13,476	507
Provision for loss on interest repayment	58,362	243,456
Employees' salaries and bonuses	22,628	18,088
Retirement benefit expenses	2,303	4,379
Provision for directors' retirement benefits	16	14
Welfare expenses	3,360	2,594
Rent expenses	10,095	8,156
Depreciation	2,449	2,167
Commission fee	29,820	25,836
Amortization of goodwill	306	751
Other	17,418	15,420
Other operating expenses	243,652	404,681
Total operating expenses	272,732	430,617
Operating income (loss)	6,063	(184,785)

(Millions of yen)

	For the year ended March 31, 2010	For the year ended March 31, 2011
Non-operating income		
Interest income	265	269
Dividends income	476	371
Equity in earnings of affiliates	-	19
Amortization of negative goodwill	513	-
House rent income	396	304
Other	331	405
Total non-operating income	1,984	1,369
Non-operating expenses		
Interest expenses	0	6
Equity in losses of affiliates	17	-
Loss on investments in partnership	24	26
Loss on insurance cancellation	-	24
Rent expenses	24	-
Loss on abandonment of supplies	16	11
Other	46	23
Total non-operating expenses	130	90
Ordinary income (loss)	7,917	(183,506)
Extraordinary income		
Gain on sales of noncurrent assets	113	219
Gain on sales of investment securities	628	345
Gain on transfer from business divestitures	1,323	-
Other	8	43
Total extraordinary income	2,074	608
Extraordinary loss		
Loss on sales of noncurrent assets	16	27
Loss on retirement of noncurrent assets	467	179
Impairment loss	4	381
Loss on valuation on Stocks of parent company	-	5,481
Loss on sales of investment securities	70	255
Loss on valuation on investment securities	87	4,700
Business structure improvement expenses	10,167	1,528
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	4,050
Other	116	133
Total extraordinary loss	10,929	16,740
Income (loss) before income taxes	(937)	(199,638)
Income taxes-current	797	2,053
Income taxes-deferred	4,432	(530)
Total income taxes	5,229	1,523
Income (loss) before minority interests	-	(201,161)
Minority interests in income	1,071	1,486
Net income (loss)	(7,239)	(202,648)

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the year ended March 31, 2010	For the year ended March 31, 2011
Income (loss) before minority interests	-	(201,161)
Other comprehensive income		
Valuation difference on available-for-sale securities	-	7,397
Foreign currency translation adjustment	-	(1,050)
Total other comprehensive income	-	6,347
Comprehensive income (loss)	-	(194,813)
Comprehensive income attributable to		
Comprehensive income (loss) attributable to owners of the parent	-	(196,084)
Comprehensive income attributable to minority interests	-	1,270

(3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	For the year ended March 31, 2010	For the year ended March 31, 2011
Shareholder's equity		
Capital Stock		
Balance at the end of previous period	63,832	63,832
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	63,832	63,832
Capital surplus		
Balance at the end of previous period	76,010	76,010
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	76,010	76,010
Retained earnings		
Balance at the end of previous period	335,061	323,894
Changes of items during the period		
Dividends from surplus	(3,927)	(783)
Net income (loss)	(7,239)	(202,648)
Total changes of items during the period	(11,166)	(203,431)
Balance at the end of current period	323,894	120,463
Treasury stock		
Balance at the end of previous period	(18,507)	(19,793)
Changes of items during the period		
Purchase of treasury stock	(1,285)	(0)
Total changes of items during the period	(1,285)	(0)
Balance at the end of current period	(19,793)	(19,793)
Total shareholders' equity		
Balance at the end of previous period	456,396	443,944
Changes of items during the period		
Dividends from surplus	(3,927)	(783)
Net income (loss)	(7,239)	(202,648)
Purchase of treasury stock	(1,285)	(0)
Total changes of items during the period	(12,452)	(203,431)
Balance at the end of current period	443,944	240,512

(Millions of yen)

	For the year ended March 31, 2010	For the year ended March 31, 2011
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	(7,631)	(6,161)
Changes of items during the period		
Net changes of items other than shareholder's equity during the accounting period	1,469	7,397
Total changes of items during the period	1,469	7,397
Balance at the end of current period	(6,161)	1,235
Foreign currency translation adjustment		
Balance at the end of previous period	(3,691)	(3,266)
Changes of items during the period		
Net changes of items other than shareholder's equity during the accounting period	424	(834)
Total changes of items during the period	424	(834)
Balance at the end of current period	(3,266)	(4,100)
Total accumulated other comprehensive income		
Balance at the end of previous period	(11,322)	(9,428)
Changes of items during the period		
Net changes of items other than shareholder's equity during the accounting period	1,893	6,563
Total changes of items during the period	1,893	6,563
Balance at the end of current period	(9,428)	(2,865)
Minority interests		
Balance at the end of previous period	7,331	4,753
Changes of Items during the period		
Net changes of items other than shareholder's equity during the accounting period	(2,578)	1,198
Total changes of items during the period	(2,578)	1,198
Balance at the end of current period	4,753	5,951
Total net assets		
Balance at the end of previous period	452,406	439,269
Changes of Items during the period		
Dividends from surplus	(3,927)	(783)
Net income(loss)	(7,239)	(202,648)
Purchase of treasury stock	(1,285)	(0)
Net changes of items other than shareholder's equity during the accounting period	(684)	7,761
Total changes of items during the period	(13,136)	(195,670)
Balance at the end of current period	439,269	243,599

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the year ended March 31, 2010	For the year ended March 31, 2011
Net cash provided by operating activities		
Income (loss) before income taxes	(937)	(199,638)
Depreciation and amortization	2,451	2,168
Impairment loss	4	381
Amortization of goodwill	306	751
Amortization of negative goodwill	(513)	-
Increase (decrease) in allowance for doubtful accounts	(22,855)	1,050
Increase (decrease) in provision for loss on guarantee	406	(352)
Increase (decrease) in provision for retirement benefits	(4)	(93)
Increase (decrease) in provision for directors' retirement benefits	(32)	(14)
Increase (decrease) in provision for loss on interest repayment	(78,900)	78,800
Interest and dividends income	(742)	(640)
Interest expenses	0	6
Amortization of bond issuance cost	269	197
Foreign exchange losses (gain)	105	(320)
Equity in (earnings) losses of affiliates	17	(19)
Loss (gain) on sales of property, plant and equipment	(110)	(192)
Loss on retirement of property, plant and equipment	467	179
Loss (gain) on valuation of stocks of parent company	-	5,481
Loss (gain) on sales of investment securities	(557)	(89)
Loss (gain) on valuation of investment securities	87	4,700
Business structure improvement expenses	10,167	1,528
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	4,050
Decrease (increase) in operating loans receivable	146,282	199,678
Decrease (increase) in loans receivable of banking business	(3,460)	(10,508)
Decrease (increase) in accounts receivable-installment	9,785	14,433
Decrease (increase) in purchased receivables	5,612	3,378
Decrease (increase) in investment securities for sale	1,232	750
Decrease (increase) in trading account securities	2,282	1,957
Decrease (increase) in inventories	75	731
Decrease (increase) in other current assets	(7,601)	(8,459)
Decrease (increase) in prepaid pension costs	759	520
Increase (decrease) in notes and accounts payable-trade	(255)	(538)
Increase (decrease) in deposits of banking business	1,765	11,792
Increase (decrease) in deferred installment income	(565)	(1,324)
Increase (decrease) in other current liabilities	(1,509)	(2,714)
Increase (decrease) by other operating activities	(268)	(1,879)
Subtotal	63,762	105,754
Interest and dividends income received	769	665
Interest expenses paid	(0)	(6)
Payment for business structure improvement	(981)	(7,758)
Income taxes refund	449	261
Income taxes paid	(568)	(1,667)
Net cash provided by operating activities	63,431	97,249

(Millions of yen)

	For the year ended March 31, 2010	For the year ended March 31, 2011
Net cash provided by (used in) investing activities		
Proceeds from withdrawal of time deposits	1	-
Purchase of property, plant and equipment	(850)	(610)
Proceeds from sales of property, plant and equipment	816	364
Proceeds from sales of investment securities	1,044	556
Purchase of investments in subsidiaries	(3,640)	-
Proceeds from sales of investments in subsidiaries	170	-
Payments for transfer of business	(5,200)	(4,650)
Proceeds from transfer of business	680	-
Increase (decrease) by other investing activities	801	1,593
Net cash provided by (used in) investing activities	(6,175)	(2,746)
Net cash provided by (used in) financing activities		
Proceeds from short-term loans payable	82,296	39,375
Repayment of short-term loans payable	(107,995)	(40,040)
Proceeds from issuance of bonds	48,518	31,804
Redemption of bonds	(58,190)	(51,823)
Proceeds from long-term loans payable	135,769	144,436
Repayment of long-term loans payable	(150,458)	(188,183)
Proceeds from stock issuance to minority shareholders	-	230
Repayments of finance lease obligations	(7)	(84)
Purchase of treasury stock	(1,285)	(0)
Cash dividends paid	(3,927)	(784)
Net cash provided by (used in) financing activities	(55,280)	(65,069)
Effect of exchange rate change on cash and cash equivalents	375	(246)
Net increase (decrease) in cash and cash equivalents	2,350	29,186
Cash and cash equivalents at beginning of period	131,477	133,723
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	(104)	-
Cash and cash equivalents at end of period	133,723	162,910

(5) Notes on the Assumption as a Going Concern
None

(6) Significant Items Relating to the Preparation of Consolidated Financial Statements

Item	For the year ended March 31, 2010	For the year ended March 31, 2011
	(From April 1, 2009 to March 31, 2010)	(From April 1, 2010 to March 31, 2011)
1. Extent of consolidation	<p>Number of consolidated subsidiaries: 14 For the names of consolidated subsidiaries, please refer to the section entitled "2. State of Business Group." RELATES CO., LTD., which was a consolidated subsidiary until the prior consolidated fiscal year, was excluded from consolidated subsidiaries as MU Communications Co., Ltd. merged RELATES CO., LTD. on April 1, 2009. DC Cash One Ltd. , which was a consolidated subsidiary until the prior consolidated fiscal year, was excluded from consolidated subsidiaries as ACOM merged DC Cash One Ltd. on May 1, 2009.</p>	<p>Number of consolidated subsidiaries: 12 For the names of consolidated subsidiaries, please refer to the section entitled "2. State of Business Group." A B PARTNER CO., LTD., which was a consolidated subsidiary until the prior consolidated fiscal year, was excluded from consolidated subsidiaries as IR Loan Servicing Inc. merged A B PARTNER CO., LTD. on August 1, 2010. MTBC Second Investment Partnership, which was a consolidated subsidiary until the prior consolidated fiscal year, was excluded from consolidated subsidiaries on December 29, 2010 as it was liquidated due to the termination of partnership based on a contract of partnership.</p>
2. Application of the equity-method	<p>Number of equity-method-affiliate: 1 For the name of an equity-method-affiliate, please refer to the section entitled "2. State of Business Group." As MU Communications Co., Ltd. merged RELATES CO., LTD. on April 1, 2009., RELATES CO., LTD., which was a consolidated subsidiary until the prior consolidated fiscal year, became the equity-method-affiliate due to a decrease of its voting rights ratio.</p>	<p>Number of equity-method-affiliate: 1 For the name of an equity-method-affiliate, please refer to the section entitled "2. State of Business Group."</p> <p>(Revision of accounting standard) The Company adopted "Accounting Standard for Equity Method of Accounting for Investments" (the Accounting Standards Board of Japan ("ASBJ") Statement No.16 as published on March 10, 2008) and "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (ASBJ Practical Issues Task Force ("PITF") No. 24, March 10, 2008) from this fiscal year. This change has had no effect on consolidated financial statements for fiscal year ended March 31, 2011.</p>

Item	For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
3. Matters relating to fiscal year, etc. of consolidated subsidiaries	<p>Settlement date of the following consolidated subsidiaries ends on December 31: ACOM (U.S.A.) INC. EASY BUY Public Company Limited PT. Bank Nusantara Parahyangan, Tbk. General Incorporated Association Mirai Capital Power Investments LLC MTBC Second Investment Partnership MTBC Third Investment Partnership AC Ventures Fourth Investment Partnership AC Ventures Sixth Investment Partnership</p> <p>Settlement date of the following consolidated subsidiary ends on February 28: AC Ventures Fifth Investment Partnership</p> <p>Consolidated financial statements hereof are prepared by using financial statements as of the above mentioned settlement dates and important matters that occurred between the settlement date and the consolidated settlement date are subject to the adjustment necessary for consolidation.</p>	<p>Settlement date of the following consolidated subsidiaries ends on December 31: ACOM (U.S.A.) INC. EASY BUY Public Company Limited PT. Bank Nusantara Parahyangan, Tbk. General Incorporated Association Mirai Capital Power Investments LLC MTBC Third Investment Partnership AC Ventures Fourth Investment Partnership AC Ventures Sixth Investment Partnership</p> <p>Settlement date of the following consolidated subsidiary ends on February 28: AC Ventures Fifth Investment Partnership</p> <p>Consolidated financial statements hereof are prepared by using financial statements as of the above mentioned settlement dates and important matters that occurred between the settlement date and the consolidated settlement date are subject to the adjustment necessary for consolidation.</p>

Item	For the year ended March 31, 2010	For the year ended March 31, 2011
	(From April 1, 2009 to March 31, 2010)	(From April 1, 2010 to March 31, 2011)
4. Significant accounting policies		
(1) Valuation and computation of significant assets		
(A) Marketable Securities	<p>Marketable securities for trading purposes ... Market value (Cost of securities sold is computed using the moving average method.)</p> <p>Securities held to maturity ... Amortized cost method (straight-line method)</p> <p>Other securities</p> <p>Where there is a market price</p> <p>Market value as determined by the quoted price at the end of the fiscal year (The difference between the carrying value and the market value is included in equity and Cost of securities sold is computed using the moving average method)</p> <p>Where there is no market price</p> <p>Cost determined by the moving average method. The equity in limited investment partnership and other similar partnership (deemed as securities by the Article 2, Section 2 of the Securities and Exchange Law) is accounted for by the equity method, based on its latest financial statements available considering the closing dates stipulated by the respective partnership contracts.</p>	Same as left
(B) Derivative transaction	Swap transaction ... Market value	Same as left
(C) Inventories	<p>Merchandise</p> <p>Paintings...Cost on an individual specified cost basis (balance sheet value is stated by writing down the carrying value based upon lowered profitability).</p> <p>Other merchandise...Cost on an individual specified cost basis (balance sheet value is stated by writing down the carrying value based upon lowered profitability).</p> <p>Supplies...Mainly cost based on the first-in first-out method</p> <p>(Additional information)</p> <p>Purchased receivable is included in accounts receivable from this fiscal year, so allowance for doubtful accounts is booked.</p> <p>The allowance for doubtful accounts is 2,440 million yen.</p>	<p>Merchandise...Cost on an individual specified cost basis (balance sheet value is stated by writing down the carrying value based upon lowered profitability).</p> <p>Supplies...Mainly cost based on the first-in first-out method</p>
(2) Depreciation of significant property, plant and equipment		
(A) Tangible fixed assets (Leased assets excluded)	The Company and its domestic consolidated subsidiaries use mainly declining balance method, and overseas consolidated subsidiaries use straight-line method. (Depreciable life) Buildings and structures ... 3 to 47 years Vehicles ... 4 to 8 years Equipment and furniture ... 2 to 20 years	The Company and its domestic consolidated subsidiaries use mainly declining balance method, and overseas consolidated subsidiaries use straight-line method. (Depreciable life) Buildings and structures ... 2 to 47 years Vehicles ... 4 to 8 years Equipment and furniture ... 2 to 20 years

Item	For the year ended March 31, 2010	For the year ended March 31, 2011
	(From April 1, 2009 to March 31, 2010)	(From April 1, 2010 to March 31, 2011)
(B) Intangible fixed assets (Leased assets excluded)	The Company and its consolidated subsidiaries use straight-line method.	Same as left
(C) Leased assets	Finance lease transactions with title transfer ...Leased assets is depreciated same as the depreciation method applied to noncurrent asset that the company possesses Finance lease transactions without title transfer ...It is depreciated on a straight-line basis, with the lease periods counted as their useful lives and no residual value. Finance lease transactions without title transfer (of which the starting dates of lease transaction are prior to the beginning of the consolidated fiscal year 2008) which use the revised accounting standard and guidance are continually accounted for operating leases	Same as left
(D) Long-term prepaid expenses	The Company and its consolidated subsidiaries use equal installments method.	Same as left
(E) Deferred assets	Bond issue expenses ...Fully charged to income when they are paid	Same as left
(3) Basis for calculating allowances		
(A) Allowance for doubtful accounts	In providing provision for doubtful accounts, the Company and its consolidated subsidiaries make an allowance for ordinary bad debts based on the historical rate of default. For specific debts where recovery is doubtful, the Company considers the likelihood of recovery on an individual basis, making an allowance for the amount regarded as irrecoverable.	In providing provision for doubtful accounts, the Company and its consolidated subsidiaries make an allowance for ordinary bad debts based on the historical rate of default. For specific debts where recovery is doubtful, the Company considers the likelihood of recovery on an individual basis, making an allowance for the amount regarded as irrecoverable. (Additional Information) The Great East Japan Earthquake, which struck on March 11, 2011, may lead to rise in risks related to doubtful accounts. The debts of customers who reside in stricken areas are categorized by regional and transaction status. Then the likelihood of recovery for such categories are estimated, making additional allowance for the amount regarded as irrecoverable.
(B) Provision for loss on guarantees	In providing for loss on guarantees, the Company and its consolidated subsidiaries make an allowance as necessary having considered the likelihood of losses at the end of this fiscal year.	Same as left
(C) Provision for retirement benefits	The Company and its domestic consolidated subsidiaries make provisions for retirement benefits based on projected retirement obligations and pension fund asset at the balance sheet date. Adjustments are made to determine the amounts applicable to the end of this consolidated fiscal year. Past service liabilities have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employee) from the time of occurrence. Actuarial losses have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employees) following the respective fiscal years when such losses are identified. An overseas consolidated subsidiary makes provisions for retirement benefits based on projected retirement obligations at the end of the fiscal year. Adjustments are made to determine the amounts applicable to the end of this consolidated fiscal year.	The Company and its domestic consolidated subsidiaries make provisions for retirement benefits based on projected retirement obligations and pension fund asset at the balance sheet date. Adjustments are made to determine the amounts applicable to the end of this consolidated fiscal year. Past service liabilities have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employee) from the time of occurrence. Actuarial losses have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employees) following the respective fiscal years when such losses are identified. An overseas consolidated subsidiary makes provisions for retirement benefits based on projected retirement obligations at the end of the fiscal year. Adjustments are made to determine the amounts applicable to the end of this consolidated fiscal year.

Item	For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
	<p>(Changes in accounting policy) Since this fiscal year, the "Partial Amendment to the 'Accounting Standard Concerning Retirement Benefits' (Part III)" (Accounting Standard No. 19, July 31, 2008) has been applied. This change has no impact on operating income, ordinary income and loss before income taxes, as actuarial losses will be recognized from the following fiscal years. The unappropriated balance for differences of retirement benefit liabilities arising from the application of such accounting standards is none.</p>	
(D) Provision for directors' retirement benefits	Some of domestic consolidated subsidiaries of the Company make provisions for directors' retirement benefits at the end of the consolidated fiscal year in accordance with the Company's internal rules.	Same as left
(E) Provision for loss on interest repayment	In order to prepare for potential loss on interest repayments in the future, the Company estimates and provides a reasonable amount of allowance for loss on interest repayments in consideration of the past actual results and the latest conditions of such interest repayments.	Same as left
(4) Currency translation standards for significant foreign-currency-denominated assets or liabilities used in preparing the financial statements of consolidated companies on which consolidated financial statements are based	<p>Foreign-currency-denominated monetary claims and liabilities are converted into yen using the spot market rate for the consolidated accounting date, and differences in currency translation are added up as profit or loss.</p> <p>The assets and liabilities of overseas subsidiaries are converted into yen using the spot market rate for the consolidated accounting date, revenues and expenses are converted into yen are based on average exchange rates of the consolidated accounting period, and differences in currency translation are added up as minority interests and as currency translation adjustment accounts under net assets.</p>	Same as left

Item	For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
(5) Accounting for significant hedging activities	<p>(A) Accounting for hedging activities Deferred hedge accounting has been adopted. Interest-rate swaps and currency swaps which meet certain conditions are accounted for according to exceptional and allocational treatments, respectively.</p> <p>(B) Hedging instruments and items hedged Interest related derivatives Hedging instruments ... Interest-rate swaps agreements Items hedged ... Loans with variable interest rates and straight bonds ... Straight bonds with fixed interest rate</p> <p>Currency related derivatives Hedging instruments ... Currency swaps agreements Items hedged ... Loans denominated in foreign currency</p> <p>(C) Hedging policy The Company and its consolidated subsidiaries enter into derivative contracts such as interest-rate swap agreements in order to hedge against the risk of fluctuations in interest rates. The Company and consolidated subsidiaries enter into derivative contracts of interest-rate swap agreements in order to hedge against the risk of fluctuations in fair values. The Company and consolidated subsidiaries enter into derivative contracts such as currency swap agreements in order to hedge against the risk of fluctuations in foreign currency exchange rates relating to its foreign currency loans. Derivative transactions are entered into in compliance with the Companies' internal rules.</p> <p>(D) Evaluating the efficacy of hedging activities The performance of the hedging instruments and the items hedged is monitored primarily using the same criteria. As it can be assumed that changes in interest rates and foreign currency exchange rates are fully offset by changes in cash flows from hedging instruments, further evaluation is not required.</p>	<p>(A) Accounting for hedging activities Same as left</p> <p>(B) Hedging instruments and items hedged Same as left</p> <p>(C) Hedging policy Same as left</p> <p>(D) Evaluating the efficacy of hedging activities Same as left</p>
(6) Method and period of amortization of goodwill	-	Goodwill is amortized in equal installments over 10 to 15 year period.
(7) Cash and cash equivalents in the consolidated statements of cash flows	-	Cash and cash equivalents include cash at hand, demand deposits at banks and highly liquid short-term investments with negligible risk of fluctuation in value and maturities of less than three months.

Item	For the year ended March 31, 2010	For the year ended March 31, 2011
	(From April 1, 2009 to March 31, 2010)	(From April 1, 2010 to March 31, 2011)
(8) Other significant accounting policies for the preparation of consolidated financial statements		
(A) Basis of recognition of revenue and expenses	<p>Interest on operating loans</p> <p>Interest on operating loans is recognized on an accrual basis.</p> <p>Accrued interest on loans receivable is recognized at the lower of the interest rate stipulated in the Interest Rate Restriction Law of Japan or the contracted interest rate of the Company.</p> <p>Credit card revenue</p> <p>Fees from customers ... Recognized mainly by credit-balance method</p> <p>Fees from member outlets ... Recognized as fees when treated</p> <p>Per-item revenue</p> <p>Fees from customers and member outlets ... Recognized by sum-of-the-months' digits method on a due date basis</p> <p>Revenue from credit guarantee</p> <p>Recognized by credit-balance method</p> <p>(Note) The details of the method of recognition are as follows:</p> <p>Credit-balance method</p> <p>...The fees shall be calculated pursuant to the prescribed tariff applicable to the relevant credit balance and shall be recognized as revenue each time they become due.</p> <p>Sum-of-the-months'-digits method</p> <p>...The fees shall be calculated by dividing the total fees by the product of number of installments, and such divided amount shall be recognized as revenue each time they become due.</p>	<p>Interest on operating loans</p> <p>Same as left</p> <p>Credit card revenue</p> <p>Same as left</p> <p>Per-item revenue</p> <p>Same as left</p> <p>Revenue from credit guarantee</p> <p>Same as left</p>
(B) Treatment of consumption tax, etc	<p>Consumption tax is treated outside of the financial statements.</p> <p>However, non-deductible consumption tax and others relating to assets are recognized as an expense during the year in which it is incurred.</p> <p>In addition, accrued consumption tax is included in "Other" in current assets on the consolidated balance sheet and unpaid consumption tax is included in "Other" in current liabilities on the consolidated balance sheet.</p>	Same as left
5. Matters relating to evaluation of consolidated subsidiaries' assets and liabilities	The market value method applies to the evaluation of consolidated subsidiaries' assets and liabilities, over-all.	-
6. Amortization of goodwill and negative goodwill	Goodwill and negative goodwill are amortized in equal installments over the 15 year period. However, those goodwill and negative goodwill which are fairly immaterial are amortized in full in the consolidated fiscal year in which they arise.	-
7. Cash and cash equivalents in the consolidated statements of cash flows	Cash and cash equivalents include cash at hand, demand deposits at banks and highly liquid short-term investments with negligible risk of fluctuation in value and maturities of less than three months.	-

(7) Changes in Significant Items Relating to the Preparation of Consolidated Financial Statements
(Changes in accounting policies)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
-	<p><The Accounting Standard for Asset Retirement Obligations> The Company adopted "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008) from this fiscal year. The effects of this change on operating loss and ordinary loss were increases of 162 million yen, and that on loss before income taxes was an increase of 3,719 million yen, respectively.</p> <p><The Accounting Standard for Business Combinations> The Company adopted "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, December 26, 2008), "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, December 26, 2008), "Partial amendments to the Accounting Standard for Research and Development Cost" (ASBJ Statement No. 23, December 26, 2008), "Accounting Standard for Business Divestitures" (ASBJ Statement No.7, December 26, 2008), "Accounting Standard for Equity Method of Accounting for Investments" (ASBJ Statement No. 16, released on December 26, 2008) and "Guidance on Accounting Standard for Business Combinations and Business Divestitures" (ASBJ Guidance No.10, December 26, 2008) from this fiscal year.</p>

(Changes in presentation)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
<p><Consolidated statements of income> Effective from the current fiscal year, "Revenue from credit card business (sogo-assen-syueki)" and "Revenue from installment sales finance business (kohin-assen-syueki)" have been presented as "Revenue from credit card business (hokatsushinyokonyu-assen-syueki)" and "Revenue from installment sales finance business (kobetsushinyokonyu-assen-syueki)," respectively, due to the revision to the Installment Sales Act.</p> <p>"Net sales" under operating revenue, and "Cost of sales" under operating expenses, which were separately presented up to the prior consolidated fiscal year are now included in "Other operating revenue" and "Other operating expenses," respectively, from this consolidated fiscal year. This is due to their immateriality as a result of the exclusion of JLA CO., LTD. (Real estate-related business and real estate-related maintenance business) and ACOM RENTAL CO., LTD. (Rental business) from the scope of consolidation.</p> <p>"Net sales" and "cost of sales" for this consolidated fiscal year were 334 million yen and 1,578 million yen, respectively.</p> <p>"Foreign exchange losses" which has been separately presented up to the prior consolidated fiscal year, is included in "Other" of non-operating expenses as it did not exceed ten-hundredths of the total non-operating expenses since this consolidated fiscal year.</p> <p>"Foreign exchange losses" for this consolidated fiscal year was 11 million yen.</p> <p>"Loss on investments in partnership", which was included in "Other" of non-operating expenses up to prior consolidated fiscal year, has been separately presented as it exceeded ten-hundredths of the total non-operating expenses since this consolidated fiscal year.</p> <p>Loss on investments in partnership for prior consolidated fiscal year was 3 million yen.</p> <p>"Loss on abandonment of supplies", which was included in "Other" of non-operating expenses up to prior consolidated fiscal year, has been separately presented as it exceeded ten-hundredths of the total non-operating expenses since this consolidated fiscal year.</p> <p>Loss on abandonment of supplies for prior consolidated fiscal year was 5 million yen.</p>	<p><Consolidated statements of income> As a result of adoption of the "Cabinet Office Ordinance Partially Revising Regulations on Terminology, Forms and Preparation of Financial Statement" (Cabinet Office Ordinance No. 5, March 24, 2009) based on the "Accounting Standards for Consolidated Financial Statements" (ASBJ Statement No. 22, December 26, 2008), "Loss before minority interests" is posted on the Consolidated Statements of Income from this fiscal year.</p> <p>"Rent expenses" which has been separately presented up to the prior consolidated fiscal year, is included in "Other" of non-operating expenses as it did not exceed ten-hundredths of the total non-operating expenses since this consolidated fiscal year.</p> <p>"Rent expenses" for this consolidated fiscal year was 9 million yen.</p> <p>"Loss on insurance cancellation", which was included in "Other" of non-operating expenses up to prior consolidated fiscal year, has been separately presented as it exceeded ten-hundredths of the total non-operating expenses since this consolidated fiscal year.</p> <p>"Loss on insurance cancellation" for prior consolidated fiscal year was 4 million yen.</p>

(Additional information)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
-	<p>The Company adopted the "Accounting Standards for Presentation of Comorehensive Income" (ASBJ Statement No. 25, June 30, 2010)."</p> <p>However, the amounts of "Accumulated Other Comprehensive Income" and "Total Accumulated Other Comprehensive Income" for prior fiscal year are presented as "Valuation and Translation Adjustments" and "Total Valuation and Translation Adjustments"</p>

As of March 31, 2010	As of March 31, 2011
<p>6. Commitment line contracts for loans receivable of banking business</p> <p>The consolidated subsidiary, PT. Bank Nusantara Parahyangan, Tbk., has concluded a savings overdraft agreement pledging to lend funds up to an established limit when such financing is requested by a customer (as long as this lending does not violate conditions stipulated in the agreements) and a commitment line agreement on loans.</p> <p>The balance of undrawn lines of credit based on these agreements is 10,395 million yen as of the end of this consolidated fiscal year.</p> <p>A certain portion of revolving credit-line contracts lapse without ever being used. Therefore, the amount itself of outstanding unexercised facilities will not necessarily affect the future cash flow of corresponding consolidated subsidiary.</p> <p>Contracts contain provisions allowing the bank to reject applications for additional borrowing or reduce the facility in case of changes in the customer's credit standing or other material reasons. Outstanding contracts are regularly examined according to internal procedures to determine the credit standing of customers and other pertinent information. When necessary, contracts are reviewed and measures are taken to preserve loan assets.</p> <p>7. Status of non-performing loans of accounts receivable-operating loans</p> <p>Losses on unsecured consumer loans to bankrupt parties are written off at the time bankruptcy is declared. For this reason, loans to borrowers in bankruptcy include 1,098 million yen for debtors who have petitioned for bankruptcy as of the end of the fiscal year, but not yet declared bankrupt. This entire amount is charged to the allowance for doubtful accounts.</p> <p>In addition, from the point of view of maintaining the soundness of the Company's assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company's policy differs from that set forth in Japan's tax laws, under which accrued interest is charged on loans less than six months in arrears. As a result of the Company's policy, non-performing loans included additional 45,696 million yen. Under the policies stipulated in Japan's tax laws, 15,623 million yen of this amount would be classified as loans overdue by three months or more, 5,618 million yen as restructured loans and 24,454 million yen as loans no longer in arrears.</p> <p>Accrued interest is charged on operating loans of the consolidated subsidiaries in Japan in the same manner as set forth in Japan's tax laws and accrued interest on those of the consolidated subsidiaries overseas are accounted for in accordance with tax laws in countries in question.</p>	<p>6. Commitment line contracts for loans receivable of banking business</p> <p>The consolidated subsidiary, PT. Bank Nusantara Parahyangan, Tbk., has concluded a savings overdraft agreement pledging to lend funds up to an established limit when such financing is requested by a customer (as long as this lending does not violate conditions stipulated in the agreements) and a commitment line agreement on loans.</p> <p>The balance of undrawn lines of credit based on these agreements is 10,140 million yen as of the end of this consolidated fiscal year.</p> <p>A certain portion of revolving credit-line contracts lapse without ever being used. Therefore, the amount itself of outstanding unexercised facilities will not necessarily affect the future cash flow of the corresponding consolidated subsidiary.</p> <p>Contracts contain provisions allowing the bank to reject applications for additional borrowing or reduce the facility in case of changes in the customer's credit standing or other material reasons. Outstanding contracts are regularly examined according to internal procedures to determine the credit standing of customers and other pertinent information. When necessary, contracts are reviewed and measures are taken to preserve loan assets.</p> <p>7. Status of non-performing loans of accounts receivable-operating loans</p> <p>Losses on unsecured consumer loans to bankrupt parties are written off at the time bankruptcy is declared. For this reason, loans to borrowers in bankruptcy include 1,055 million yen for debtors who have petitioned for bankruptcy as of the end of the fiscal year, but not yet declared bankrupt. This entire amount is charged to the allowance for doubtful accounts.</p> <p>In addition, from the point of view of maintaining the soundness of the Company's assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company's policy differs from that set forth in Japan's tax laws, under which accrued interest is charged on loans less than six months in arrears. As a result of the Company's policy, non-performing loans included additional 32,917 million yen. Under the policies stipulated in Japan's tax laws, 10,596 million yen of this amount would be classified as loans overdue by three months or more, 5,666 million yen as restructured loans and 16,654 million yen as loans no longer in arrears.</p> <p>Accrued interest is charged on operating loans of the consolidated subsidiaries in Japan in the same manner as set forth in Japan's tax laws and accrued interest on those of the consolidated subsidiaries overseas are accounted for in accordance with tax laws in countries in question.</p>

As of March 31, 2010			As of March 31, 2011		
(Millions of yen)			(Millions of yen)		
Category	Amount	Classification criteria	Category	Amount	Classification criteria
Loans to bankrupt parties	(3,112) 3,112	Loans exclusive of accrued interest to bankrupt parties, parties in rehabilitation and reorganization, and others	Loans to bankrupt parties	(2,436) 2,436	Loans exclusive of accrued interest to bankrupt parties, parties in rehabilitation and reorganization, and others
Loans in arrears	(17,969) 63,666	Other loans stated exclusive of accrued interest, excluding loans that have been restructured or on which interest is reduced in the interest of rehabilitating the debtor	Loans in arrears	(18,552) 51,470	Other loans stated exclusive of accrued interest, excluding loans that have been restructured or on which interest is reduced in the interest of rehabilitating the debtor
Loans overdue by 3 months or more	(19,016) 3,392	Loans other than the above that are overdue by 3 months or more	Loans overdue by 3 months or more	(13,895) 3,298	Loans other than the above that are overdue by 3 months or more
Restructured loans	(52,140) 46,522	Loans other than the above on which favorable terms have been granted, such as the waiving of interest	Restructured loans	(52,589) 46,922	Loans other than the above on which favorable terms have been granted, such as the waiving of interest
Total	(92,239) 116,694		Total	(87,473) 104,128	

Figures in brackets "()" refer to the balance of non-performing loans computed according to the policies set forth in Japanese tax laws.

Figures in brackets "()" refer to the balance of non-performing loans computed according to the policies set forth in Japanese tax laws.

8. Financial assets received as freely disposable securities
The Company entered into "Gensaki" transactions (to purchase debt securities under resale agreements) and received marketable securities as securities for the money repayable from the sellers.

Amount of marketable securities purchased
(Stated as short-term loans)

29,992 million yen

Market value of marketable securities purchased at the end of the consolidated fiscal year.

29,993 million yen

9. -

8. Financial assets received as freely disposable securities
The Company entered into "Gensaki" transactions (to purchase debt securities under resale agreements) and received marketable securities as securities for the money repayable from the sellers.

Amount of marketable securities purchased
(Stated as short-term loans)

39,991 million yen

Market value of marketable securities purchased at the end of the consolidated fiscal year.

39,992 million yen

9. Financial Covenants
The company's borrowings, which are contradictory to the financial covenats, are as follows:
(1) Syndicated loan borrowed in March 2008
5,500 million yen (Financial covenants related to the rating)
(2) Syndicated loan borrowed in September 2009
7,000 million yen (Financial covenants related to the rating)
Syndicated loans above were fully paid prior to the due date in April. Therefore, these covenants did not interfere with our corporate activities.

10. Agreements for overdraft and commitment facilities
For efficient procurement of working capital, the Company and some of its subsidiaries maintain overdraft contract with three financial institutions and designated commitment line contracts with 17 financial institutions. As of the end of the current consolidated fiscal year, the unexercised portion of facilities based on these contracts was as follows.

(Millions of yen)

Agreed amount of agreement for overdraft and commitment line	161,869
Amount of borrowing	39,985
Unused amount	121,884

10. Agreements for overdraft and commitment facilities
For efficient procurement of working capital, the Company and some of its subsidiaries maintain overdraft contract with three financial institutions and designated commitment line contracts with 14 financial institutions. As of the end of the current consolidated fiscal year, the unexercised portion of facilities based on these contracts was as follows.

(Millions of yen)

Agreed amount of agreement for overdraft and commitment line	146,217
Amount of borrowing	22,812
Unused amount	123,405

(Notes to Consolidated Statements of Income)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)																
<p>1. Breakdown of gain on sales of noncurrent assets (Millions of yen)</p> <table border="0"> <tr><td>Buildings and structures</td><td style="text-align: right;">0</td></tr> <tr><td>Vehicles</td><td style="text-align: right;">3</td></tr> <tr><td>Furniture and fixtures</td><td style="text-align: right;">109</td></tr> <tr><td><u>Total</u></td><td style="text-align: right;"><u>113</u></td></tr> </table>	Buildings and structures	0	Vehicles	3	Furniture and fixtures	109	<u>Total</u>	<u>113</u>	<p>1. Breakdown of gain on sales of noncurrent assets (Millions of yen)</p> <table border="0"> <tr><td>Buildings and structures</td><td style="text-align: right;">0</td></tr> <tr><td>Vehicles</td><td style="text-align: right;">0</td></tr> <tr><td>Furniture and fixtures</td><td style="text-align: right;">219</td></tr> <tr><td><u>Total</u></td><td style="text-align: right;"><u>219</u></td></tr> </table>	Buildings and structures	0	Vehicles	0	Furniture and fixtures	219	<u>Total</u>	<u>219</u>
Buildings and structures	0																
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Vehicles	0																
Furniture and fixtures	219																
<u>Total</u>	<u>219</u>																
<p>2. Gain on transfer from business divestitures was attributable to the divestitures of DC Cash One Ltd.'s credit guarantee business, which was succeeded by Mitsubishi UFJ NICOS Co., Ltd.</p>	<p>2. -</p>																
<p>3. Breakdown of other extraordinary income (Millions of yen)</p> <table border="0"> <tr><td>Gain on sales of golf memberships</td><td style="text-align: right;">3</td></tr> <tr><td>Reversal of provision for golf membership</td><td style="text-align: right;">0</td></tr> <tr><td>Collection of guaranteed deposit</td><td style="text-align: right;">4</td></tr> <tr><td><u>Total</u></td><td style="text-align: right;"><u>8</u></td></tr> </table>	Gain on sales of golf memberships	3	Reversal of provision for golf membership	0	Collection of guaranteed deposit	4	<u>Total</u>	<u>8</u>	<p>3. Breakdown of other extraordinary income (Millions of yen)</p> <table border="0"> <tr><td>Gain on negative goodwill</td><td style="text-align: right;">2</td></tr> <tr><td>Gain on sales of golf memberships</td><td style="text-align: right;">0</td></tr> <tr><td>Reversal of provision for retirement benefits</td><td style="text-align: right;">41</td></tr> <tr><td><u>Total</u></td><td style="text-align: right;"><u>43</u></td></tr> </table>	Gain on negative goodwill	2	Gain on sales of golf memberships	0	Reversal of provision for retirement benefits	41	<u>Total</u>	<u>43</u>
Gain on sales of golf memberships	3																
Reversal of provision for golf membership	0																
Collection of guaranteed deposit	4																
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<u>Total</u>	<u>43</u>																
<p>4. Breakdown of loss on sales of noncurrent assets (Millions of yen)</p> <table border="0"> <tr><td>Buildings and structures</td><td style="text-align: right;">0</td></tr> <tr><td>Furniture and fixtures</td><td style="text-align: right;">2</td></tr> <tr><td>Telephone subscription right</td><td style="text-align: right;">13</td></tr> <tr><td><u>Total</u></td><td style="text-align: right;"><u>16</u></td></tr> </table>	Buildings and structures	0	Furniture and fixtures	2	Telephone subscription right	13	<u>Total</u>	<u>16</u>	<p>4. Loss on sales of noncurrent assets mainly consist of sales of furniture and fixtures</p>								
Buildings and structures	0																
Furniture and fixtures	2																
Telephone subscription right	13																
<u>Total</u>	<u>16</u>																
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For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)																				
<p>(2) Method of grouping assets The smallest units our Group has adopted for the grouping of assets are as below:</p> <p>(a) For the loan business: each companies (b) For the installment sales finance and credit card businesses: each companies (c) For other financial or non-financial businesses: each businesses</p> <p>For leasehold estate and property to be sold, the smallest units are the individual assets themselves. Our headquarter and welfare/leisure facilities for our employees are treated as common assets because they do not generate their own cash flows.</p>	<p>(2) Method of grouping assets The smallest units our Group has adopted for the grouping of assets are as below:</p> <p>(a) For the domestic loan, credit card and guarantee business: each businesses (b) For other financial or non-financial businesses: each companies (c) For the foreign financial service business: each companies</p> <p>For leasehold estate and property to be sold, the smallest units are the individual assets themselves. Our headquarter and welfare/leisure facilities for our employees are treated as common assets because they do not generate their own cash flows.</p>																				
<p>(3) Process through which impairment loss was recognized We recognized impairment loss on business properties where we had resolved business withdrawal.</p>	<p>(3) Process through which impairment loss was recognized We recognized impairment loss on property to be sold because the expected sale prices were significantly lower than the assets' carrying values. Due to the reorganization of business outlets, telephone subscription right , etc. became debt assets. We recognized impairment loss on the debt assets because we cannot collect the assets' carrying values through future net cash flows.</p>																				
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<p>(5) Calculation of recovery price The recovery price of the telephone subscription right to be sold is measured by net realizable value. The recovery price of the property excluding above is measured to be zero as there are no expectation to use and future net cash flows are below zero.</p>	<p>(5) Calculation of recovery price The recovery price of property to be sold is measured by net realizable value and evaluated by the minimum price guaranteed by consigned company and the price the company purchased. The recovery price of the telephone subscription right is measured to be one yen as we cannot sell the rights in the market.</p>																				

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)																																																		
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<p>9. Basis for classification of financial revenue and expenses on the statements of income</p> <p>(1) Financial revenue stated as operating revenue Include all financial revenue other than dividends and interest on investments in securities made by the Company and subsidiaries engaged in the financial service business.</p> <p>(2) Financial expenses stated as operating expenses Include all financial expenses by the Company and subsidiaries engaged in financial services, other than interest payable which has no relationship to operating revenue.</p>	<p>9. Same as left</p>																																																		

(Notes to Consolidated Statements of Comprehensive Income)
For the year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

Comprehensive income for the year ended March 31, 2010	(Millions of yen)
Comprehensive income attributable to owners of the parent	(5,345)
Comprehensive income attributable to minority interests	1,412
<u>Total</u>	<u>(3,933)</u>

Other comprehensive income for the year ended March 31, 2010	(Millions of yen)
Valuation difference on available-for-sale securities	1,469
Foreign currency translation adjustment	765
<u>Total</u>	<u>2,234</u>

(Notes to Consolidated Statements of Changes in Net Assets)

For the year ended March 31, 2010 (from April 1, 2009 to March 31, 2010)

(A) Matters related to issued shares

Type of shares	As of March 31, 2009	Increase	Decrease	As of March 31, 2010
Common Shares	159,628,280	-	-	159,628,280

(B) Matters related to treasury stocks

Type of shares	As of March 31, 2009	Increase	Decrease	As of March 31, 2010
Common Shares	2,433,889	532,787	-	2,966,676

(Outline for the change)

Increase due to purchase of shares from shareholders who oppose merger of the Company and DC Cash One Ltd.	520,911 shares
Increase due to purchase of shares from shareholders who oppose succession of the guarantee business from The Mitsubishi UFJ Home Loan Credit Co., Ltd.	11,855 shares
Purchase of shares of less than one unit	21 shares

(C) Matters related to stock acquisition rights, etc

None

(D) Matters related to dividends

(a) Dividends paid

Resolution	Type of shares	Total amount of dividends (millions of yen)	Dividends per share (yen)	Basic date	Effective date
Annual Shareholders' Meeting as of June 25, 2009	Common Shares	3,143	20.00	March 31, 2009	June 26, 2009
Board of Directors' Meeting as of November 5, 2009	Common Shares	783	5.00	September 30, 2009	December 7, 2009

(b) Dividends after the end of this consolidated fiscal year of which basic date belongs to this consolidated fiscal year

Resolution	Type of shares	Source of dividends	Total amount of dividends (millions of yen)	Dividends per share (yen)	Basic date	Effective date
Annual Shareholders' Meeting as of June 24, 2010	Common Shares	Retained earnings	783	5.00	March 31, 2010	June 25, 2010

For the year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

(A) Matters related to issued shares

Type of shares	As of March 31, 2010	Increase	Decrease	As of March 31, 2011
Common Shares	159,628,280	-	-	159,628,280

(B) Matters related to treasury stocks

Type of shares	As of March 31, 2010	Increase	Decrease	As of March 31, 2011
Common Shares	2,966,676	17	-	2,966,693

(Outline for the increase)

17 shares of increase is owing to purchase of shares in units of less than 10.

(C) Matters related to stock acquisition rights, etc

None

(D) Matters related to dividends

(a) Dividends paid

Resolution	Type of shares	Total amount of dividends (millions of yen)	Dividends per share (yen)	Basic date	Effective date
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(b) Dividends after the end of this consolidated fiscal year of which basic date belongs to current consolidated fiscal year

None

(Notes to Consolidated Statements of Cash Flows)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)																								
<p>1. Relationship between cash and cash equivalents at the end of accounting period and consolidated balance sheet items as of March 31, 2010.</p> <p style="text-align: right;">(Millions of yen)</p> <table> <tr><td>Cash and deposits</td><td style="text-align: right;">83,747</td></tr> <tr><td>Short-term investment securities</td><td style="text-align: right;">21,700</td></tr> <tr><td>Short-term loans receivable</td><td style="text-align: right;">29,992</td></tr> <tr><td>Time deposits which term of deposit is more than 3 months</td><td style="text-align: right;">(4)</td></tr> <tr><td>Cash reserved for deposit of banking business</td><td style="text-align: right;">(1,711)</td></tr> <tr><td style="border-top: 1px solid black;">Cash and cash equivalents</td><td style="text-align: right; border-top: 1px solid black;">133,723</td></tr> </table>	Cash and deposits	83,747	Short-term investment securities	21,700	Short-term loans receivable	29,992	Time deposits which term of deposit is more than 3 months	(4)	Cash reserved for deposit of banking business	(1,711)	Cash and cash equivalents	133,723	<p>1. Relationship between cash and cash equivalents at the end of accounting period and consolidated balance sheet items as of March 31, 2011.</p> <p style="text-align: right;">(Millions of yen)</p> <table> <tr><td>Cash and deposits</td><td style="text-align: right;">100,074</td></tr> <tr><td>Short-term investment securities</td><td style="text-align: right;">25,820</td></tr> <tr><td>Short-term loans receivable</td><td style="text-align: right;">39,991</td></tr> <tr><td>Time deposits which term of deposit is more than 3 months</td><td style="text-align: right;">(4)</td></tr> <tr><td>Cash reserved for deposit of banking business</td><td style="text-align: right;">(2,971)</td></tr> <tr><td style="border-top: 1px solid black;">Cash and cash equivalents</td><td style="text-align: right; border-top: 1px solid black;">162,910</td></tr> </table>	Cash and deposits	100,074	Short-term investment securities	25,820	Short-term loans receivable	39,991	Time deposits which term of deposit is more than 3 months	(4)	Cash reserved for deposit of banking business	(2,971)	Cash and cash equivalents	162,910
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<p>2. Decrease of liabilities due to transferring of business</p> <p>DC Cash One Ltd. (As of April 1, 2009)</p> <p style="text-align: right;">(Millions of yen)</p> <table> <tr><td>Current liabilities</td><td style="text-align: right;">(643)</td></tr> <tr><td>Gain on transfer from business divestitures</td><td style="text-align: right;">1,323</td></tr> <tr><td style="border-top: 1px solid black;">Proceeds from transfer of business</td><td style="text-align: right; border-top: 1px solid black;">680</td></tr> </table>	Current liabilities	(643)	Gain on transfer from business divestitures	1,323	Proceeds from transfer of business	680	<p>2. -</p>																		
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(Notes to Segment Information, etc.)

(A) Business segment information

For the year ended March 31, 2010 (from April 1, 2009 to March 31, 2010)

Detailed business segment information is omitted as operating revenue and operating income in financial service business account for more than 90% of total consolidated operating revenue and consolidated operating income across all segments.

(B) Geographical segment information

For the year ended March 31, 2010 (from April 1, 2009 to March 31, 2010)

Geographical segment information is omitted as operating revenue and assets in Japan account for more than 90% of total consolidated operating revenue and assets across all segments.

(C) Overseas sales

For the year ended March 31, 2010 (from April 1, 2009 to March 31, 2010)

Overseas sales information is omitted as overseas sales account for less than 10% of total consolidated sales.

(Segment Information)

1. Outline of Reportable Segment Information

ACOM's reportable segments are constituents of ACOM of which separate financial information are available. The board of directors review these segments on a regular basis in order to decide distribution of management resources and evaluate business results.

ACOM operates globally with loan and credit card business as its core business. In the domestic region, the Group operates guarantee business and loan servicing business in addition to the core business. In overseas region, we operate financial business in Asia.

Therefore, we deem "loan and credit card business", "guarantee business", "loan servicing business" and "overseas financial business" as our reportable segments.

As for the previous consolidated accounting period, venture capital business is included within reportable segments as its segmental loss has increased in significance.

2. Calculation methods regarding operating revenue, income(loss), assets and other items by reportable segments

The accounting treating methods regarding the reported business segments are the same as recorded in the basis of consolidated financial statements preparation. The income(loss) of business segments are based on operating income. The inter-segmental operating revenue is based on trading prices in the market.

3. Information regarding operating revenue, income(loss), assets and other items by reportable segments

For the year ended March 31, 2010 (from April 1, 2009 to March 31, 2010)

(Millions of yen)

	Reportable Segments						Other (Note 1)	Total
	Loan and Credit Card Business	Guarantee Business	Loan Servicing Business	Venture Capital Business	Overseas Financial Business	Total		
Operating revenue								
Operating revenue received from external clients	223,490	14,261	12,844	88	23,720	274,404	4,391	278,795
Intrasegment internal operating revenue or transfer	-	350	19	-	(351)	18	2,023	2,041
Total	223,490	14,612	12,863	88	23,368	274,422	6,415	280,837
Segment Income (loss)	2,878	2,697	(1,704)	(1,594)	1,485	3,762	854	4,616
Segment Asset	1,102,042	14,915	16,035	4,269	110,056	1,247,319	126,153	1,373,472
Other Items								
Depreciation	1,876	15	30	1	495	2,419	88	2,507
Amortization of goodwill	-	302	-	-	-	302	-	302
Provision for bad debts(Note 2)	66,947	8,110	4,176	-	10,068	89,303	396	89,699
Provision for loss on interest repayment	58,362	-	-	-	-	58,362	-	58,362
Increase of tangible and intangible asset	554	5	15	-	314	889	9	899

(Note 1) "Other" items are business segments excluded from reportable segments and include installment sales finance business, and entrusted back-office service business, etc.

(Note 2) This item is the sum of provision of allowance for doubtful accounts, provision for loss on guarantees and bad debt expenses

For the year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

(Millions of yen)

	Reportable Segments					Other (Note)	Total
	Loan and Credit Card Business	Guarantee Business	Loan Servicing Business	Overseas Financial Business	Total		
Operating revenue							
Operating revenue received from external clients	184,181	22,461	8,945	25,798	241,386	4,445	245,831
Intrasegment internal operating revenue or transfer	90	-	20	3	115	(213)	(98)
Total	184,272	22,461	8,966	25,801	241,501	4,231	245,733
Segment Income (loss)	(196,975)	5,808	552	4,018	(186,596)	689	(185,906)
Segment Asset	892,148	19,444	12,235	121,157	1,044,985	147,146	1,192,131
Other Items							
Depreciation	1,657	19	24	483	2,185	24	2,209
Amortization of goodwill	-	751	-	-	751	-	751
Provision for bad debts(Note 2)	54,755	12,149	2,210	9,197	78,313	-	78,313
Provision for loss on interest repayment	243,456	-	-	-	243,456	-	243,456
Increase of tangible and intangible asset	1,328	23	21	368	1,741	21	1,763

(Note 1) "Other" items are business segments excluded from reportable segments and include installment sales finance business and venture capital business, etc.

(Note 2) This item is the sum of provision of allowance for doubtful accounts, provision for loss on guarantees and bad debt expenses

4. Difference between total amounts of reportable segments and amounts of consolidated financial statements and the detail of the difference

(Millions of yen)

Operating revenue	For the year ended March 31, 2010	For the year ended March 31, 2011
Total reportable segment	274,422	241,501
Revenue categorized in "Other"	6,415	4,231
Elimination of intrasegment transactions	(2,393)	(263)
Adjustments due to standardization of accounting between parent company	351	361
Operating revenue in consolidated financial statements	278,795	245,831

(Millions of yen)

Income	For the year ended March 31, 2010	For the year ended March 31, 2011
Total reportable segment	3,762	(186,596)
Income categorized in "Other"	854	689
Elimination of intrasegment transactions	1,194	735
Adjustments due to standardization of accounting between parent company	252	385
Operating income (loss) in consolidated financial statements	6,063	(184,785)

(Millions of yen)

Asset	As of March 31, 2010	As of March 31, 2011
Total reportable segment	1,247,319	1,044,985
Asset categorized in "Other"	126,153	147,146
Elimination of intrasegment asset	(55,516)	(41,805)
Corporate assets (Note)	164,402	152,705
Adjustments due to standardization of accounting between parent company	162	(272)
Total assets in consolidated financial statements	1,482,520	1,302,758

(Note) Corporate assets are assets that belongs to headquarter, but are not included in reportable segments

Other Items	Sum of Reportable Segments		Other		Adjusted Amount		Amount in Consolidated Financial Statements	
	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	March 31, 2010	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010	March 31, 2011
Depreciation	2,419	2,185	88	24	(58)	(41)	2,449	2,167
Amortization of goodwill	302	751	-	-	4	-	306	751
Provision for bad debts	89,303	78,313	396	-	(44)	(176)	89,654	78,136
Provision for loss on interest repayment	58,362	243,456	-	-	-	-	58,362	243,546
Increase of tangible and intangible asset	889	1,741	9	21	41	320	940	2,083

(Note) The adjusted amount of increase of tangible and intangible asset is the amount of capital investment in corporate assets

(Additional Information)

Effective from this consolidated accounting year, the "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, issued by ASBJ on March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, issued by ASBJ on March 21, 2008) have been applied.

(Related Information)

For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

1. Product and Service Information

Product and service information is omitted as operating revenue received from external clients in financial service business account for more than 90% of operating revenue in consolidated statements of income.

2. Regional Information

(1) Operating Revenue

(Millions of yen)

Japan	Overseas	Total
220,020	25,811	245,831

(Note) Operating revenue is categorized by country or region based on clients' location.

(2) Tangible Asset

Details of tangible asset is omitted as value of tangible asset located in Japan account for more than 90% of all tangible assets listed in consolidated balance sheets.

3. Principal Client Information

No single external client accounts for more than 10% of operating revenue listed in consolidated statements of income.

(Information regarding impairment loss of each reportable segment)

For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

(Millions of yen)

	Loan and Credit Card Business	Guarantee Business	Loan Servicing Business	Overseas Financial Business	Other	The Group, Elimination (Note)	Total
Impairment loss	-	-	0	-	-	381	381

(Note) It is mainly excluded from reportable segment that relates to impairment loss of corporate equipment

In loan and credit card business, 2 million yen of impairment loss for business structure improvement was booked.

In other business, 12 million yen of impairment loss for business structure improvement was booked.

In the Group and elimination, 62 million yen of impairment loss for business structure improvement was booked.

In total, 76 million yen was booked in business structure improvement expenses.

The Group and elimination is impairment loss related to telephone subscription rights.

(Information regarding amortization of goodwill and unamortized amount of each reportable segment)

For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

(Millions of yen)

	Loan and Credit Card Business	Guarantee Business	Loan Servicing Business	Overseas Financial Business	Other	The Group, Elimination	Total
Amortized amount	-	751	-	-	-	-	751
Remaining amount at the end of the year	-	11,381	-	-	-	-	11,381

(Information regarding gain on negative goodwill of each reportable segment)

For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

Not applicable

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)																								
<p>Finance lease transactions without title transfer (of which the starting dates of lease transaction are prior to March 31, 2008) which use the accounting standard and guidance are accounted for as operating leases as follows;</p> <p>Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee</p> <p>(1) Equivalent of acquisition cost, accumulated depreciation, and residual value of the leased assets (Millions of yen)</p> <table border="1"> <thead> <tr> <th></th> <th>Equivalent of acquisition cost</th> <th>Equivalent of depreciation</th> <th>Equivalent of residual value</th> </tr> </thead> <tbody> <tr> <td>Vehicles</td> <td style="text-align: center;">8</td> <td style="text-align: center;">7</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Furniture and fixtures</td> <td style="text-align: center;">368</td> <td style="text-align: center;">235</td> <td style="text-align: center;">132</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">376</td> <td style="text-align: center;">243</td> <td style="text-align: center;">133</td> </tr> </tbody> </table>		Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value	Vehicles	8	7	0	Furniture and fixtures	368	235	132	Total	376	243	133	<p>Finance lease transactions without title transfer (of which the starting dates of lease transaction are prior to March 31, 2008) which use the accounting standard and guidance are accounted for as operating leases as follows;</p> <p>Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee</p> <p>(1) Equivalent of acquisition cost, accumulated depreciation, and residual value of the leased assets (Millions of yen)</p> <table border="1"> <thead> <tr> <th></th> <th>Equivalent of acquisition cost</th> <th>Equivalent of depreciation</th> <th>Equivalent of residual value</th> </tr> </thead> <tbody> <tr> <td>Furniture and fixtures</td> <td style="text-align: center;">235</td> <td style="text-align: center;">170</td> <td style="text-align: center;">65</td> </tr> </tbody> </table>		Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value	Furniture and fixtures	235	170	65
	Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value																						
Vehicles	8	7	0																						
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<p>(2) Equivalent of balance of the unaccrued lease fee, etc. Equivalent of balance of the unaccrued lease fee (Millions of yen)</p> <table> <tbody> <tr> <td>Within 1 year</td> <td style="text-align: right;">68</td> </tr> <tr> <td>More than 1 year</td> <td style="text-align: right;">68</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">136</td> </tr> </tbody> </table>	Within 1 year	68	More than 1 year	68	Total	136	<p>(2) Equivalent of balance of the unaccrued lease fee, etc. Equivalent of balance of the unaccrued lease fee (Millions of yen)</p> <table> <tbody> <tr> <td>Within 1 year</td> <td style="text-align: right;">50</td> </tr> <tr> <td>More than 1 year</td> <td style="text-align: right;">16</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">67</td> </tr> </tbody> </table>	Within 1 year	50	More than 1 year	16	Total	67												
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<p>(3) Lease fee payable, reversal of accumulated impairment loss on leased assets, equivalent of depreciation, and equivalent of interest payable (Millions of yen)</p> <table> <tbody> <tr> <td>Lease fee payable</td> <td style="text-align: right;">121</td> </tr> <tr> <td>Reversal of lease asset impaired</td> <td style="text-align: right;">10</td> </tr> <tr> <td>Equivalent of depreciation</td> <td style="text-align: right;">113</td> </tr> <tr> <td>Equivalent of interest payable</td> <td style="text-align: right;">3</td> </tr> </tbody> </table>	Lease fee payable	121	Reversal of lease asset impaired	10	Equivalent of depreciation	113	Equivalent of interest payable	3	<p>(3) Lease fee payable, equivalent of depreciation, and equivalent of interest payable (Millions of yen)</p> <table> <tbody> <tr> <td>Lease fee payable</td> <td style="text-align: right;">68</td> </tr> <tr> <td>Equivalent of depreciation</td> <td style="text-align: right;">65</td> </tr> <tr> <td>Equivalent of interest payable</td> <td style="text-align: right;">2</td> </tr> </tbody> </table>	Lease fee payable	68	Equivalent of depreciation	65	Equivalent of interest payable	2										
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<p>(4) Method of calculation of equivalent of depreciation Calculated by using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and a residual value of zero.</p>	<p>(4) Method of calculation of equivalent of depreciation Same as left</p>																								
<p>(5) Method of calculation of equivalent of interest The equivalent of interest is regarded as the difference between the total lease payments and the amount equivalent to acquisition cost of the asset. The interest method is used to calculate the portion applicable to each fiscal year.</p>	<p>(5) Method of calculation of equivalent of interest Same as left</p>																								

(Transactions between related parties)

For the year ended March 31, 2010 (from April 1, 2009 to March 31, 2010)

(A) Transactions between related parties

(a) Transactions between the consolidated financial statements reporting company and related parties

- 1) Companies Etc. with the Same Parent Company as the Company Filing Consolidated Financial Statements and Subsidiaries Etc. of Other Companies Related to the Company Filing Consolidated Financial Statements

(Millions of yen)

Attribute	Name	Address	Paid-in Capital	Business outline	Ratio of voting rights holding (held)	Relationship	Summary of transactions	Amount transacted	Subject	Outstanding amount at the end of the fiscal year
Companies of the same parent company	Mitsubishi UFJ Trust and Banking Corporation	Chiyoda-ku, Tokyo	324,279	Trust banking business	Direct (2.01%)	Borrowing	Borrowing of the capital	Borrowing: 66,080 Repayment: 39,580	Current portion of long-term loans	39,920
									Long-term loans	121,608
							Payment of interest	3,769	Other current assets	121
									Other current liabilities	304
	Loans receivable pledged as security for bank loans	7,798	-	-						
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Chiyoda-ku, Tokyo	1,711,958	Banking business	-	Borrowing	Borrowing of the capital	Borrowing: 57,250 Repayment: 6,250	Current portion of long-term loans	17,300
									Long-term loans	48,100
							Payment of interest	1,433	Other current liabilities	124
									Debt guarantee	6,496
	Guaranteed receivables for unsecured loans issued by the bank	219,538	-	-						
Mitsubishi UFJ Securities Co., Ltd.	Chiyoda-ku, Tokyo	65,518	Securities business	Direct (0.00%)	Gensaki transaction	Gensaki transaction	Purchase: 104,954 Sale: 94,959	Short-term loans receivable	9,994	
								Interest received	3	-

Note: Terms and conditions of the transaction and its policies

- Interest rates of the borrowing by Mitsubishi UFJ Trust and Banking Corporation are the money market rates. For loans receivable pledged as security for bank loans, it is the borrowings for operating loans.
- Interest rates of the borrowing by the Bank of Tokyo-Mitsubishi UFJ, Ltd. are the money market rates. Guarantee commission rate of debt guarantees is determined after negotiation by taking the market of guarantee commission into consideration.
- Interest rates of Gensaki transaction by Mitsubishi UFJ Securities Co., Ltd. are the money market rates. Mitsubishi UFJ Securities Co., Ltd. became Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. as of May 1, 2010.

2) Directors of company reporting consolidated financial statements and major shareholders, etc. (limited to individuals)
(Millions of yen)

Attribute	Name	Address	Paid-in Capital	Business outline/ occupation	Ratio of voting rights holding (held)	Relationship	Summary of transactions	Amount transacted	Subject	Outstanding amount at the end of the fiscal year
Directors and their close relative	Kyosuke Kinoshita	-	-	Chairman of the Company and also chief director of The Institute for Research on Household Economics	-	-	Donation	140	-	-
Company owned by the directors and their close relative holding the majority of ratio of voting rights	Maruito Shokusan Co., Ltd.	Osaka city, Naniwa-ku	68	Management of land, buildings, as well as trading, leasing, and mediation	Direct (17.45%) Indirect (2.47%)	Rental of real estates	Payment of rents	215	Other investments	184
	JLA CO., LTD.	Chiyoda-ku, Tokyo	100	Real estate related, interior design, construction of service outlets, and maintenance of buildings and other properties	Direct (14.9%)	Interior design and construction of service outlets	Purchase equipment and payment of expenses	2,462	Other current liabilities	1,437
						Rental of real estates	Payment of rents	452	-	-
							Payment of lease and guarantee deposits	Payment 18	Guarantee deposits	346

Notes: 1. Amount transacted above does not include consumption tax, etc.

2. Terms and conditions of the transaction and its policies

(1) The Institute for Research on Household Economics conducts research on household economy. We determine the terms and conditions of transactions by taking its business plans and business performance into consideration.

(2) Rental fees are decided, based on neighborhood market price, by negotiating with Maruito Shokusan Co., Ltd., once in every two years.

3. Transaction with JLA CO., LTD. is determined after negotiation by taking the market into consideration.

(b) Transactions between consolidated subsidiaries of the company reporting consolidated financial statements and related parties

1) Companies, etc. with the Same Parent Company as the Company Filing Consolidated Financial Statements and Subsidiaries, etc. of Other Companies Related to the Company Filing Consolidated Financial Statements

(Millions of yen)

Attribute	Name	Address	Paid-in Capital	Business outline	Ratio of voting rights holding (held)	Relationship	Summary of transactions	Amount transacted	Subject	Outstanding amount at the end of the fiscal year
Companies of the same parent company	Mitsubishi UFJ NICOS Co., Ltd.	Chiyoda-ku, Tokyo	109,312	Credit card business	-	-	Transfer of business	28,628	-	-
							Guaranteed receivable	643		
							Provision for loss on guarantees	680		
							Proceeds from transfer	1,323		
Companies of the same parent company	Mitsubishi UFJ Trust and Banking Corporation	Chiyoda-ku, Tokyo	324,279	Trust banking business	Direct (2.01%)	Borrowing	Borrowing of the capital	Borrowing: 15,506 Repayment: 15,495	Current portion of long-term loans	2,975
									Loang-term loans	3,341
									Payment of interest	395

Note: Terms and conditions of the transaction and its policies

1. DC Cash One Ltd., a consolidated subsidiary of the company, split its credit guarantee business and transferred it to Mitsubishi UFJ NICOS Co., Ltd. as of April 1, 2009. Price of transfer was determined in negotiation, based on the price estimated by third party.

2. Interest rates of the borrowing by Mitsubishi UFJ Trust and Banking Corporation are the money market rates.

2) Directors of company reporting consolidated financial statements and major shareholders, etc. (limited to individuals)

(Millions of yen)

Attribute	Name	Address	Paid-in Capital	Business outline	Ratio of voting rights holding (held)	Relationship	Summary of transactions	Amount transacted	Subject	Outstanding amount at the end of the fiscal year
Company owned by the directors and their close relative holding the majority of ratio of voting rights	JLA CO., LTD.	Chiyoda-ku, Tokyo	100	Real estate related, interior design, construction of service outlets, and maintenance of buildings and other properties	Direct (14.9%)	Rental of real estates	Payment of rent	76	Guarantee deposits	55

Notes: 1. Amount transacted above does not include consumption tax, etc.

2. Terms and conditions of the transaction and its policies

Transaction with JLA CO., LTD. is determined after negotiation by taking a market into consideration.

(B) Notes to the parent company and other important subsidiary companies

(a) Information of the Parent Company

Name of the parent company: Mitsubishi UFJ Financial Group, Inc.

Financial instruments exchange where securities issued by the parent company are listed:

Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya Stock Exchange, and New York Stock Exchange

(b) Financial Statements of other important subsidiary company

There is no subsidiary company for this consolidated fiscal year.

For the year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

(A) Transactions between related parties

(a) Transactions between the consolidated financial statements reporting company and related parties

1) Companies Etc. with the Same Parent Company as the Company Filing Consolidated Financial Statements and Subsidiaries Etc. of Other Companies Related to the Company Filing Consolidated Financial Statements

(Millions of yen)

Attribute	Name	Address	Paid-in Capital	Business outline	Ratio of voting rights holding (held)	Relationship	Summary of transactions	Amount transacted	Subject	Outstanding amount at the end of the fiscal year	
Companies of the same parent company	Mitsubishi UFJ Trust and Banking Corporation	Chiyoda-ku, Tokyo	324,279	Trust banking business	Direct (2.01%)	Borrowing	Borrowing of the capital	Borrowing: 39,920 Repayment: 39,920	Current portion of long-term loans	52,308	
							Payment of interest	3,753	Other current assets	79	
									Other current liabilities	293	
	Loans receivable pledged as security for bank loans	2,338	-	-							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Chiyoda-ku, Tokyo	1,711,958	Banking business	-	Borrowing	Borrowing of the capital	Borrowing: 15,716 Repayment: 17,716	Current portion of long-term loans	9,182	
							Payment of interest	1,581	Other current liabilities	112	
									Debt guarantee	Credit guarantee fees for unsecured loans issued by the bank received	14,319
							Guaranteed receivable for unsecured loans	338,158		-	-
	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	Chiyoda-ku, Tokyo	65,518	Securities business	Direct (0.00%)	Gensaki transaction	Gensaki transaction	Purchase: 74,977 Sale: 84,972	-	-	
							Interest received	3	-	-	

Note: Terms and conditions of the transaction and its policies

- Interest rates of the borrowing by Mitsubishi UFJ Trust and Banking Corporation are the money market rates.
For loans receivable pledged as security for bank loans, it is the borrowings for operating loans.
- Interest rates of the borrowing by the Bank of Tokyo-Mitsubishi UFJ, Ltd. are the money market rates.
Guarantee commission rate of debt guarantees is determined after negotiation by taking the market of guarantee commission into consideration.
- Interest rates of Gensaki transaction by Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. are the money market rates.

2) Directors and primary individual shareholders, etc.

(Millions of yen)

Attribute	Name	Address	Paid-in Capital	Business outline/ occupation	Ratio of voting rights holding (held)	Relationship	Summary of transactions	Amount transacted	Subject	Outstanding amount at the end of the fiscal year
Directors and their close relative	Kyosuke Kinoshita	-	-	Chief director of The Institute for Research on Household Economics	-	-	Donation	100	-	-
Company owned by the directors and their close relative holding the majority of ratio of voting rights	Maruito Shokusan Co., Ltd.	Osaka city, Naniwa-ku	68	Management of land, buildings, as well as trading, leasing, and mediation	Direct (17.45%) Indirect (2.47%)	Rental of real estates	Payment of rents	212	Guarantee deposits	184
	JLA CO., LTD.	Chiyoda-ku, Tokyo	100	Real estate related, interior design, construction of service outlets, and maintenance of buildings and other properties	Direct (14.9%)	Interior design and construction of service outlets	Purchase equipment and payment of expenses	1,223	Other current liabilities	517
						Rental of real estates	Payment of rents Payment of lease and guarantee deposits	436 Payment 3	- Guarantee deposits	- 342

Notes: 1. Amount transacted above does not include consumption tax, etc.

2. Terms and conditions of the transaction and its policies

(1) The Institute for Research on Household Economics conducts research on household economy. We determine the terms and conditions of transactions by taking its business plans and business performance into consideration.

(2) Rental fees are decided, based on neighborhood market price, by negotiating with Maruito Shokusan Co., Ltd., once in every two years.

3. Transaction with JLA CO., LTD. (JLA) is determined after negotiation by taking the market into consideration.

(b) Transactions between consolidated subsidiaries of the company reporting consolidated financial statements and related parties

1) Companies Etc. with the Same Parent Company as the Company Filing Consolidated Financial Statements and Subsidiaries Etc. of Other Companies Related to the Company Filing Consolidated Financial Statements

(Millions of yen)

Attribute	Name	Address	Paid-in Capital	Business outline	Ratio of voting rights holding (held)	Relationship	Summary of transactions	Amount transacted	Subject	Outstanding amount at the end of the fiscal year
Companies of the same parent company	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Chiyoda-ku, Tokyo	1,711,958	Banking business	-	Borrowing	Borrowing of the capital	Borrowing: 11,218	Short-term loans payable	270
								Repayment: 13,019	Loang-term loans	10,530
							Payment of interest	607	Other current liabilities	57

Note: Terms and conditions of the transaction and its policies

Interest rates of the borrowing by the Bank of Tokyo-Mitsubishi UFJ, Ltd. are the money market rates.

2) Directors of company reporting consolidated financial statements and major shareholders, etc. (limited to individuals)

(Millions of yen)

Attribute	Name	Address	Paid-in Capital	Business outline	Ratio of voting rights holding (held)	Relationship	Summary of transactions	Amount transacted	Subject	Outstanding amount at the end of the fiscal year
Company owned by the directors and their close relative holding the majority of ratio of voting rights	JLA CO., LTD.	Chiyoda-ku, Tokyo	100	Real estate related, interior design, construction of service outlets, and maintenance of buildings and other properties	Direct (14.9%)	Interior design and construction of service outlets	Construction expenses	18	-	-
						Rental of real estates	Payment of rents	60	-	-
							Payment of lease and guarantee deposits	Payment 7	Guarantee deposits	47

Notes: 1. Amount transacted above does not include consumption tax, etc.

2. Terms and conditions of the transaction and its policies

Transaction with JLA CO., LTD. is determined after negotiation by taking the market into consideration.

(B) Notes to the parent company and other important subsidiary companies

(a) Information of the Parent Company

Name of the parent company: Mitsubishi UFJ Financial Group, Inc.

Financial instruments exchange where securities issued by the parent company are listed:

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(b) Financial Statements of other important subsidiary company

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(Notes to the Method of Tax Effect Accounting)

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(Notes to Financial Instruments)

For the year ended March 31, 2010 (from April 1, 2009 to March 31, 2010)

(Additional information)

From this consolidated fiscal year, the "Accounting Standard Concerning Financial Instruments" (Accounting Standard No. 10, March 10, 2008) and the "Application Guideline Concerning the Disclosure of Market Values, etc. of Financial Instruments" (Accounting Standard Application Guideline No. 19, March 10, 2008) have been applied.

1. Information on financial instruments

(1) Financial instruments principles

The Group is engaged in financial service businesses, including loan business, credit card business, installment sales finance business, guarantee business, loan servicing business and banking business, etc. For the operation of these businesses, we raise funds through indirect financing, borrowing funds from financial institutions as well as direct financing by issuing bonds and liquidating credit, etc., taking into consideration the market conditions and adjusting the balance of fixed and floating interest rates. The Group uses derivative transactions to avoid interest-rate fluctuation risks and foreign exchange risks in fund-raising, etc., and does not intend to carry out speculative transactions.

(2) Details of financial instruments and potential risks

The principal financial assets held by the Group include accounts receivable-operating loans, loans receivable in banking business, and accounts receivable-installments, which are exposed to credit-related risks resulting from possible defaults by customers. The Group also holds stocks, bonds, investment trusts and investments in investing business associations, etc. to be held to maturity and for net investment purposes. Some consolidated subsidiaries hold such financial assets for trading purposes. Those assets are exposed to fluctuation risks in market values, as well as credit risks of the issuers and interest rate risks.

Financial liabilities, such as loans payable, bonds, and liquidation of credit are exposed to liquidity risks of failure of payment on the due date depending on the credit status of the Group and changes in the market environment. Although financial liabilities with floating interest rates are exposed to interest-rate fluctuation risks, such risks are minimized to a certain degree by interest-rate swap transactions. Furthermore, liabilities in foreign currencies are exposed to fluctuation risks in foreign exchange rates, but such risks are minimized by currency swap transactions.

Derivative transactions include interest-rate swap agreements to hedge against the fluctuation risks in interest rates relating to loans payable and bonds, and currency swap agreements to hedge against the fluctuation risks in foreign exchange rates related to loans payable in foreign currencies. For hedge instruments and items hedged, hedging policy, and evaluation of the efficacy of hedging activities, etc., please refer to "4. Significant accounting policies, (5) Accounting for significant hedging activities" in the aforementioned Significant Items Relating to the Preparation of Consolidated Financial Statements.

(3) Management of risks relating to financial instruments

i) Management of credit risks

In accordance with internal regulations, credit inquiries concerning each loan, the management of credit information, credit rating system, self-assessment system, measures to be taken against problematic accounts receivable, and a regular monitoring system of credit portfolios have been established and are in operation. As for credit inquiries and credit administration, a check-and-balance system has been introduced between the Credit Supervision Division and the Credit Business Promotion Division. Furthermore, the management team holds committees regularly to report and discuss important matters on the credit risk control and operation, and a credit management system has been established for proper credit management through verification of the appropriateness of credit management by the Internal Audit Department. Consolidated subsidiaries also operate similar systems.

ii) Market risk management

The Company and some of its consolidated subsidiaries enter into interest-rate swap agreements to reduce fluctuation risks in interest rates relating to the payment of financial liabilities such as loans payable and bonds. Also, currency risks pertinent to debts in foreign currencies are, in principle, hedged against by currency swap transactions.

As to securities such as stocks and bonds, the market conditions, market values, and financial conditions of the issuers are regularly monitored and reported to the management team. The portfolio of securities held is reviewed on a consistent basis.

The Group uses derivative transactions for the purpose of optimization of fund procurement costs and adjustments to the ratio of fixed and floating interest rates, and does not intend to use them for speculative purposes. Furthermore, the execution and management of derivative transactions is carried out with the approval of the management team at the meeting under the basic policy and in accordance with the internal regulations stipulating the authority and the upper limit amount of such transactions.

Consolidated subsidiaries conduct market risk management to that of the Company.

iii) Liquidity risk management relating to fund-raising

Based on the fund management plan approved by the management team at the meeting, the Company manages liquidity risks by reviewing on a timely basis the fund management plan according to changes in the results of fund management, the market environment, and interest-rate trends, and consistently secures a certain level of liquidity in hand, as well as securing commitment lines, diversifying fund procurement measures, diversifying and balancing fund-raising measures taking into

consideration the market environment. Consolidated subsidiaries also conduct management to that of the Company.

(4) Supplementary explanation on matters concerning the market value of financial instruments

The market values of financial instruments include not only those values based on market prices but also reasonably calculated values when there are no market prices available. Certain assumptions, etc. are used in the calculation of such values. Therefore, if different assumptions, etc. are used, such values may differ. In addition, the total of the agreements provided under "2. Matters concerning market values, etc. of financial instruments" does not indicate the market risk related to derivative transactions.

2. Matters concerning the market value, etc. of financial instruments

The amounts recorded in the consolidated balance sheet as of March 31, 2010, the market values, and the differences between them are stated below. Those items for which it is considered extremely difficult to determine the market value are not included in the following table. (See Note 2.)

(Millions of yen)

Type	Book value	Market price	Unrealized gain (loss)
(1) Cash and deposits	83,747	83,747	-
(2)Accounts receivable-operating loans Allowance for doubtful accounts Provision for loss on interest repayment (ACOMs voluntary waiver of repayments)	1,173,545 (52,745) (88,700)		
	1,032,099	1,226,231	194,132
(3) Loans receivable of banking business Allowance for doubtful accounts	25,331 (227)		
	25,104	27,031	1,927
(4) Accounts receivable-installment Allowance for doubtful accounts Deferred installment income	58,404 (5,846) (3,603)		
	48,954	56,711	7,756
(5) Purchased receivables Allowance for doubtful accounts	15,310 (2,440)		
	12,869	12,869	-
(6) Securities, stocks of parent company, trading accounts securities, and investment securities			
1. Securities held for sales	2,421	2,421	-
2. Bonds held to maturity	2,400	2,597	196
3. Other securities	44,847	44,847	-
(7) Short-term loans receivable	29,992	29,993	0
Sum of assets	1,282,437	1,486,451	204,013
(1)Short-term loans payable	4,112	4,112	-
(2)Deposits of banking business	34,574	34,574	-
(3)Current portion of bonds and bonds payable	242,903	237,213	(5,690)
(4)Current portion of long-term loans payable and long-term loans payable	515,553	507,915	(7,637)
Sum of liabilities	797,144	783,816	(13,327)
Derivatives transaction	(358)	(358)	-

Note 1: Calculation method for the market value of financial instruments and matters concerning securities and derivative transactions

Assets

(1) Cash and deposits

As for deposits without maturity, as market value approximates to book value, such book value is stated as the market value. The book value of deposits with maturity is stated as the market value, as the remaining period is short (within one year) and the market value is almost the same as the book value.

(2) Accounts receivable-operating loans; (3) loans receivable of banking business; and (4) accounts receivable-installment

As to the balance as of the end of the fiscal year, the present value of the estimated future cash flows of principals and interests, with their collectability taken into consideration, and discounted by the market rate, is stated as the market value. However, the market values of secured assets are very close to the amount calculated by deducting the present estimated bad debt loss from the balance sheet values as of the date of account closing, as such estimated bad debt loss is calculated based on the expected amount collectible from the collateral. Therefore, such calculated amount is stated as the market value. As to the installment sales finance business of some of our subsidiaries, the average remaining period is approximately one year, and the market value is very close to the amount calculated by deducting the allowance for doubtful accounts from the balance sheet value. Therefore, this calculated value is presented as the market value.

(5) Purchased receivables

Concerning purchased receivables, as the estimated bad debt loss is calculated based on the present value of the estimated future cash flows, or the expected collectible amount from collaterals and guarantees, the market value is very close to the amount calculated by deducting the present estimated bad debt loss from the balance sheet value as of the date of consolidated account closing. Therefore, this calculated value is presented as the market value.

(6) Securities, stocks of the parent company, trading account securities, and investment securities

The market values of stocks are taken from the stock prices settled at the stock exchange, those of bonds are the prices settled at the stock exchange or the prices presented by financial institutions, and those of investment trusts are the announced reference prices. Market values of certain bonds, which are redeemed in a short period, are very close to the book value. Therefore, the book value based on the amortized cost method is presented as the market value. The market value of certificates of deposit, which are redeemed in a short period, is very close to the book value. Therefore, this book value is presented as the market value.

For matters concerning securities by purpose of holding, please refer to the Note to "Marketable Securities."

(7) Short-term loans receivable

Short-term loans receivable are presented in the amount provided by the financial institutions, our business partners.

Liabilities

(1) Short-term loans payable and (2) Deposits of banking business

These liabilities shall be settled in a short period and their market values are similar to book values. Therefore, these book values are presented.

(3) Current portion of bonds and bonds payable

Bonds payable with market quotations are presented as their market prices. As for bonds without market quotations and private placement bonds, the present values of the aggregate amount of principal and interest discounted by the discount rate, with market interest rates and credit risks taken into consideration, are treated as the market value. (Bonds payable that meet specific conditions for exceptional treatment of interest-rate swaps are presented as the total of the principal and interest after such swap transactions.)

(4) Current portion of long-term loans payable and long-term loans payable

As for long-term loans payable, the present values of the aggregate amount of principal and interest discounted by the discount rate, with market interest rates and credit risks taken into consideration, are treated as the market value. (Loans payable that meet certain conditions for specific treatments of interest-rate swaps and currency swaps are stated in the aggregate amount of principal and interest using the rate after the swap transactions).

Derivative transactions

Please refer to the Notes to "Derivative Transaction."

Note 2: Financial instruments, etc., for which the market values are extremely difficult to determine, are listed below:

(Millions of yen)

Type	Amount booked on consolidated balance sheets
1.Unlisted securities (*1) (*2)	2,458
2.Investments in investing association (*1) (*3)	54
3.Operational investment securities (*1)	1,966
Total	4,480

(*1) These are not included in "Assets, (6) Securities, stocks of the parent company, trading account securities and investment securities" under the Market value information of financial instruments.

(*2) Unlisted stocks are not presented under market value disclosure, with no market prices available and due to difficulties in determining the market values.

(*3) Market values of investments in investing business associations are not disclosed, as the assets of the business association consist of unlisted stocks for which it is extremely difficult to determine the market values.

Note 3: Expected redemption amounts of monetary claims and securities with maturity subsequent to the consolidated account closing date

(Millions of yen)

Type	Current Portion	More than a year, less than 2 years	More than 2 years, less than 3 years	More than 3 years, less than 4 years	More than 4 years, less than 5 years	Over 5 years
Cash and deposits	83,747	-	-	-	-	-
Accounts receivable-operating loans (*1) (*2)	204,472	194,299	198,582	195,698	193,743	79,531
Loans receivable of banking business	16,151	1,041	1,574	1,717	1,805	3,041
Accounts receivable-installment (*1) (*2)	22,319	11,692	7,669	5,735	5,006	1,772
Short-term investment securities, and investment securities						
1. Bonds held to maturity (Government)	-	391	1,198	529	-	281
2. Other marketable securities with maturity						
Government bonds	-	-	-	-	-	52
Miscellaneous bonds	21,700	-	-	-	-	-
Short-term loans receivable	29,992	-	-	-	-	-
Total	378,384	207,424	209,024	203,681	200,555	84,678

(*1) Among accounts receivable-operating loans and accounts receivable-installments, possible bad debts (88,067 million yen) with no redemption expected, etc. are excluded.

(*2) The credit card business portion in accounts receivable-operating loans and accounts receivable-installments is stated in the expected amount in the case where repayment will be made monthly on the prescribed date by the average minimum payment method.

Note 4: Expected repayment amount of bonds, long-term loans payable, lease obligations, and other interest-bearing liabilities subsequent to the closing date of consolidated financial accounts

(Millions of yen)

Type	Current Portion	More than a year, less than 2 years	More than 2 years, less than 3 years	More than 3 years, less than 4 years	More than 4 years, less than 5 years	Over 5 years
Short-term loans payable	4,112	-	-	-	-	-
Deposits of banking business	34,574	-	-	-	-	-
Current portion of bonds and bonds payable	51,654	80,495	67,994	22,760	20,000	-
Current portion of long-term loans payable and long-term loans payable	183,976	141,693	98,856	68,823	22,203	-
Lease obligations	61	62	62	63	62	-
Total	274,378	222,251	166,914	91,646	42,265	-

For the year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

1. Information on financial instruments

(1) Financial instruments principles

The Group is engaged in financial service businesses, including loan business, credit card business, installment sales finance business, guarantee business, loan servicing business and banking business, etc. For the operation of these businesses, we raise funds through indirect financing, borrowing funds from financial institutions as well as direct financing by issuing bonds and liquidating credit, etc., taking into consideration the market conditions and adjusting the balance of fixed and floating interest rates. The Group uses derivative transactions to avoid interest-rate fluctuation risks and foreign exchange risks in fund-raising, etc., and does not intend to carry out speculative transactions.

(2) Details of financial instruments and potential risks

The principal financial assets held by the Group include accounts receivable-operating loans, loans receivable in banking business, and accounts receivable-installments, which are exposed to credit-related risks resulting from possible defaults by customers. The Group also holds stocks, bonds, investment trusts and investments in investing business associations, etc. to be held to maturity and for net investment purposes. Some consolidated subsidiaries hold such financial assets for trading purposes. Those assets are exposed to fluctuation risks in market values, as well as credit risks of the issuers and interest rate risks.

Financial liabilities, such as loans payable, bonds, and liquidation of credit are exposed to liquidity risks of failure of payment on the due date depending on the credit status of the Group and changes in the market environment. Although financial liabilities with floating interest rates are exposed to interest-rate fluctuation risks, such risks are minimized to a certain degree by interest-rate swap transactions. Furthermore, liabilities in foreign currencies are exposed to fluctuation risks in foreign exchange rates, but such risks are minimized by currency swap transactions.

Derivative transactions include interest-rate swap agreements to hedge against the fluctuation risks in interest rates relating to loans payable and bonds, and currency swap agreements to hedge against the fluctuation risks in foreign exchange rates related to loans payable in foreign currencies. For hedge instruments and items hedged, hedging policy, and evaluation of the efficacy of hedging activities, etc., please refer to "4. Significant accounting policies, (5) Accounting for significant hedging activities" in the aforementioned Significant Items Relating to the Preparation of Consolidated Financial Statements.

(3) Management of risks relating to financial instruments

i) Management of credit risks

In accordance with internal regulations, credit inquiries concerning each loan, the management of credit information, credit rating system, self-assessment system, measures to be taken against problematic accounts receivable, and a regular monitoring system of credit portfolios have been established and are in operation. As for credit inquiries and credit administration, a check-and-balance system has been introduced between the Credit Supervision Division and the Credit Business Promotion Division. Furthermore, the management team holds committees regularly to report and discuss important matters on the credit risk control and operation, and a credit management system has been established for proper credit management through verification of the appropriateness of credit management by the Internal Audit Department. Consolidated subsidiaries also operate similar systems.

ii) Market risk management

The Company and some of its consolidated subsidiaries enter into interest-rate swap agreements to reduce fluctuation risks in interest rates relating to the payment of financial liabilities such as loans payable and bonds. Also, currency risks pertinent to debts in foreign currencies are, in principle, hedged against by currency swap transactions.

As to securities such as stocks and bonds, the market conditions, market values, and financial conditions of the issuers are regularly monitored and reported to the management team. The portfolio of securities held is reviewed on a consistent basis.

The Group uses derivative transactions for the purpose of optimization of fund procurement costs and adjustments to the ratio of fixed and floating interest rates, and does not intend to use them for speculative purposes. Furthermore, the execution and management of derivative transactions is carried out with the approval of the management team at the meeting under the basic policy and in accordance with the internal regulations stipulating the authority and the upper limit amount of such transactions. Consolidated subsidiaries conduct market risk management to that of the Company.

All accounts receivable-operating loans, the principal financial asset of the Group, are in fixed interest rates and are not under interest rate risks. Principal financial assets under interest rate risks consist of loans and straight bonds with variable interest rates (which are not in derivative contracts with interest-rate swaps). Qualitative analysis is not conducted as the majority of loans and straight bonds are in fixed interest rate and thus are little influenced by fluctuations of interest rate.

Assuming that all risk factors other than interest rate for items whose market value is calculated using the market rate, if the interest rate as of March 31, 2011 was lower by 1 basis point (0.01%), the difference between affected financial assets and financial liabilities are estimated to increase by 95 million yen. If the interest rate was higher by 1 basis point (0.01%), on the contrary, the difference is estimated to decrease by 95 million yen.

iii) Liquidity risk management relating to fund-raising

Based on the fund management plan approved by the management team at the meeting, the Company manages liquidity risks by reviewing on a timely basis the fund management plan according to changes in the results of fund management, the

market environment, and interest-rate trends, and consistently secures a certain level of liquidity in hand, as well as securing commitment lines, diversifying fund procurement measures, diversifying and balancing fund-raising measures taking into consideration the market environment. Consolidated subsidiaries also conduct management to that of the Company.

(4) Supplementary explanation on matters concerning the market value of financial instruments

The market values of financial instruments include not only those values based on market prices but also reasonably calculated values when there are no market prices available. Certain assumptions, etc. are used in the calculation of such values. Therefore, if different assumptions, etc. are used, such values may differ. In addition, the total of the agreements provided under “2. Matters concerning market values, etc. of financial instruments” does not indicate the market risk related to derivative transactions.

2. Matters concerning the market value, etc. of financial instruments

The amounts recorded in the consolidated balance sheet as of March 31, 2011, the market values, and the differences between them are stated below. Those items for which it is considered extremely difficult to determine the market value are not included in the following table. (See Note 2.)

(Millions of yen)

Type	Book value	Market price	Unrealized gain (loss)
(1) Cash and deposits	100,074	100,074	-
(2)Accounts receivable-operating loans Allowance for doubtful accounts Provision for loss on interest repayment (ACOM's voluntary waiver of repayments)	972,329 (53,711) (80,600)		
	838,017	1,040,272	202,254
(3) Loans receivable of banking business Allowance for doubtful accounts	33,405 (323)		
	33,081	35,764	2,682
(4) Accounts receivable-installment Allowance for doubtful accounts Deferred installment income	43,951 (4,534) (2,367)		
	37,050	44,248	7,198
(5) Purchased receivables Allowance for doubtful accounts	11,931 (2,164)		
	9,767	9,767	-
(6) Securities, stocks of parent company, trading accounts securities, and investment securities			
1. Securities held for sales	414	414	-
2. Bonds held to maturity	2,203	2,457	253
3. Other securities	45,223	45,223	-
(7) Short-term loans receivable	39,991	39,992	1
Sum of assets	1,105,824	1,318,215	212,390
(1)Short-term loans payable	3,375	3,375	-
(2)Deposits of banking business	43,200	43,200	-
(3)Current portion of bonds and bonds payable	222,644	217,597	(5,047)
(4)Current portion of long-term loans payable and long-term loans payable	471,128	470,394	(734)
Sum of liabilities	740,348	734,567	(5,781)
Derivatives transaction	(651)	(651)	-

Note 1: Calculation method for the market value of financial instruments and matters concerning securities and derivative transactions

Assets

(1) Cash and deposits

As for deposits without maturity, as market value approximates to book value, such book value is stated as the market value.

The book value of deposits with maturity is stated as the market value, as the remaining period is short (within one year) and the market value is almost the same as the book value.

(2) Accounts receivable-operating loans; (3) loans receivable of banking business; and (4) accounts receivable-installment

As to the balance as of the end of the fiscal year, the present value of the estimated future cash flows of principals and interests, with their collectability taken into consideration, and discounted by the market rate, is stated as the market value. However, the market values of secured assets are very close to the amount calculated by deducting the present estimated bad debt loss from the balance sheet values as of the date of account closing, as such estimated bad debt loss is calculated based on the expected amount collectible from the collateral. Therefore, such calculated amount is stated as the market value. As to the installment sales finance business of some of our subsidiaries, the average remaining period is approximately one year, and the market value is very close to the amount calculated by deducting the allowance for doubtful accounts from the balance sheet value. Therefore, this calculated value is presented as the market value.

(5) Purchased receivables

Concerning purchased receivables, as the estimated bad debt loss is calculated based on the present value of the estimated future cash flows, or the expected collectible amount from collaterals and guarantees, the market value is very close to the amount calculated by deducting the present estimated bad debt loss from the balance sheet value as of the date of consolidated account closing. Therefore, this calculated value is presented as the market value.

(6) Securities, stocks of the parent company, trading account securities, and investment securities

The market values of stocks are taken from the stock prices settled at the stock exchange, those of bonds are the prices settled at the stock exchange or the prices presented by financial institutions, and those of investment trusts are the announced reference prices. Market values of certain bonds, which are redeemed in a short period, are very close to the book value. Therefore, the book value based on the amortized cost method is presented as the market value. The market value of certificates of deposit, which are redeemed in a short period, is very close to the book value. Therefore, this book value is presented as the market value.

For matters concerning securities by purpose of holding, please refer to the Note to "Marketable Securities."

(7) Short-term loans receivable

Short-term loans receivable are all gensaki transactions and presented in the amount provided by the financial institutions, our business partners.

Liabilities

(1) Short-term loans payable and (2) Deposits of banking business

These liabilities shall be settled in a short period and their market values are similar to book values. Therefore, these book values are presented.

(3) Current portion of bonds and bonds payable

Bonds payable with market quotations are presented as their market prices. As for bonds without market quotations and private placement bonds, the present values of the aggregate amount of principal and interest discounted by the discount rate, with market interest rates and credit risks taken into consideration, are treated as the market value. (Bonds payable that meet specific conditions for exceptional treatment of interest-rate swaps are presented as the total of the principal and interest after such swap transactions.)

(4) Current portion of long-term loans payable and long-term loans payable

As for long-term loans payable, the present values of the aggregate amount of principal and interest discounted by the discount rate, with market interest rates and credit risks taken into consideration, are treated as the market value. (Loans payable that meet certain conditions for specific treatments of interest-rate swaps and currency swaps are stated in the aggregate amount of principal and interest using the rate after the swap transactions).

Derivative transactions

Please refer to the Notes to "Derivative Transaction."

Note 2: Financial instruments, etc., for which the market values are extremely difficult to determine, are listed below:

(Millions of yen)

Type	Amount booked on consolidated balance sheets
1.Unlisted securities (*1) (*2)	2,319
2.Investments in investing association (*1) (*3)	23
3.Operational investment securities (*1)	1,216
Total	3,559

(*1) These are not included in “Assets, (6) Securities, stocks of the parent company, trading account securities and investment securities” under the Market value information of financial instruments.

(*2) Unlisted stocks are not presented under market value disclosure, with no market prices available and due to difficulties in determining the market values.

(*3) Market values of investments in investing business associations are not disclosed, as the assets of the business association consist of unlisted stocks for which it is extremely difficult to determine the market values.

Note 3: Expected redemption amounts of monetary claims and securities with maturity subsequent to the consolidated account closing date

(Millions of yen)

Type	Current Portion	More than a year, less than 2 years	More than 2 years, less than 3 years	More than 3 years, less than 4 years	More than 4 years, less than 5 years	Over 5 years
Cash and deposits	100,074	-	-	-	-	-
Accounts receivable-operating loans (*1) (*2)	181,134	164,499	164,832	161,909	160,443	51,785
Loans receivable of banking business	20,145	1,508	2,399	1,840	3,063	4,447
Accounts receivable-installment (*1) (*2)	16,428	8,763	5,834	4,443	3,919	1,158
Short-term investment securities, and investment securities						
1. Bonds held to maturity (Government)	370	1,104	466	-	-	262
2. Other marketable securities with maturity						
Government bonds	-	-	-	-	-	54
Miscellaneous bonds	25,820	-	-	-	-	-
Short-term loans receivable	39,991	-	-	-	-	-
Total	383,965	175,875	173,532	168,193	167,426	57,706

(*1) Among accounts receivable-operating loans and accounts receivable-installments, possible bad debts (72,762 million yen) with no redemption expected, etc. are excluded.

(*2) The credit card business portion in accounts receivable-operating loans and accounts receivable-installments is stated in the expected amount in the case where repayment will be made monthly on the prescribed date by the average minimum payment method.

Note 4: Expected repayment amount of bonds, long-term loans payable, lease obligations, and other interest-bearing liabilities subsequent to the closing date of consolidated financial accounts

(Millions of yen)

Type	Current Portion	More than a year, less than 2 years	More than 2 years, less than 3 years	More than 3 years, less than 4 years	More than 4 years, less than 5 years	Over 5 years
Short-term loans payable	3,375	-	-	-	-	-
Deposits of banking business	43,200	-	-	-	-	-
Current portion of bonds and bonds payable	81,155	88,274	33,215	20,000	-	-
Current portion of long-term loans payable and long-term loans payable	168,514	145,471	97,920	47,264	11,956	-
Lease obligations	157	158	160	161	80	-
Total	296,403	233,903	131,296	67,426	12,036	-

(Notes to Marketable Securities)

Prior consolidated fiscal year (as of March 31, 2010)

1. Marketable securities for trading purposes

Valuation adjustments for the consolidated accounting period: 116 million yen

2. Bonds held to maturity

(Millions of yen)

Type	Book value	Market price	Unrealized gain (loss)
Market price greater than book value			
(a) Government/municipal	2,400	2,597	196
(b) Corporate	-	-	-
(c) Miscellaneous	-	-	-
Subtotal	2,400	2,597	196
Book value greater than market price			
(a) Government/municipal	-	-	-
(b) Corporate	-	-	-
(c) Miscellaneous	-	-	-
Subtotal	-	-	-
Total	2,400	2,597	196

3. Other marketable securities

(Millions of yen)

Type	Book value	Acquisition cost	Unrealized gain (loss)
Book value greater than acquisition cost			
(a) Stocks	9,252	4,872	4,379
(b) Bonds			
Government/municipal	52	51	0
Corporate	-	-	-
Miscellaneous	-	-	-
(c) Other	34	30	4
Subtotal	9,339	4,954	4,385
Acquisition cost greater than book value			
(a) Stocks	13,083	21,750	(8,666)
(b) Bonds			
Government/municipal	-	-	-
Corporate	-	-	-
Miscellaneous	-	-	-
(c) Other	724	889	(165)
Subtotal	13,808	22,640	(8,832)
Total	23,147	27,594	(4,447)

4. Other marketable securities sold during the consolidated fiscal year (from April 1, 2009 to March 31, 2010)

(Millions of yen)

Type	Amount of sales	Total gains on sales	Total losses on sales
(a) Stocks	756	628	70
(b) Bonds			
Government/municipal	-	-	-
Corporate	-	-	-
Miscellaneous	-	-	-
(c) Other	-	-	-
Total	756	628	70

5. Marketable securities treated with an impairment loss

At the end of current consolidated fiscal year, other securities were treated with an impairment loss of 87 million of yen.

Current consolidated fiscal year (as of March 31, 2011)

1. Marketable securities for trading purposes

Valuation adjustments for the consolidated accounting period: 21 million yen

2. Bonds held to maturity

(Millions of yen)

Type	Book value	Market price	Unrealized gain (loss)
Market price greater than book value			
(a) Government/municipal	2,203	2,457	253
(b) Corporate	-	-	-
(c) Miscellaneous	-	-	-
Subtotal	2,203	2,457	253
Book value greater than market price			
(a) Government/municipal	-	-	-
(b) Corporate	-	-	-
(c) Miscellaneous	-	-	-
Subtotal	-	-	-
Total	2,203	2,457	253

3. Other marketable securities

(Millions of yen)

Type	Book value	Acquisition cost	Unrealized gain (loss)
Book value greater than acquisition cost			
(a) Stocks	6,909	3,680	3,229
(b) Bonds			
Government/municipal	54	52	2
Corporate	-	-	-
Miscellaneous	-	-	-
(c) Other	32	30	1
Subtotal	6,996	3,763	3,233
Acquisition cost greater than book value			
(a) Stocks	11,740	12,238	(498)
(b) Bonds			
Government/municipal	-	-	-
Corporate	-	-	-
Miscellaneous	-	-	-
(c) Other	666	894	(228)
Subtotal	12,406	13,133	(726)
Total	19,403	16,896	2,506

4. Other marketable securities sold during the consolidated fiscal year (from April 1, 2010 to March 31, 2011)

(Millions of yen)

Type	Amount of sales	Total gains on sales	Total losses on sales
(a) Stocks	900	345	255
(b) Bonds			
Government/municipal	-	-	-
Corporate	-	-	-
Miscellaneous	-	-	-
(c) Other	-	-	-
Total	900	345	255

5. Marketable securities treated with an impairment loss

At the end of current consolidated fiscal year, other securities were treated with an impairment loss of 10,182 million of yen.

(Notes to Derivative Transaction)

For the year ended March 31, 2010 (as of March 31, 2010)

1. Derivative transaction without hedging accounting

(a) Currency related

The currency-related derivative transactions used by some consolidated subsidiaries are currency swap transactions that fix the value of foreign-currency-denominated borrowings in yen. Because these borrowings include transactions between Group companies that are eliminated during consolidation, they are not treated as hedging transactions in the consolidated accounts.

(Millions of yen)

Type	Description	Amount in contract	More than 1 year of amount in contract	Market price	valuation gain (loss)
Transaction excluding market transaction	Currency swaps	9,070	9,070	(358)	(358)

Note: Calculation of market price

Calculated based on the price presented by transacting financial institutions

2. Derivative transaction with hedging accounting

(a) Interest-rate related

(Millions of yen)

Method of hedging accounting	Description	Items hedged	Amount in contract	More than 1 year of amount in contract	Market price
Specific treatment of interest-rate swaps	Interest-rate swaps Fixed interest receivables and floating interest payment	Bonds payable	2,760	2,760	14
	Fixed interest payment and floating interest receivables	Long-term loans payable Bonds payable	260,319	204,858	(5,534)
Total			263,079	207,618	(5,520)

Note: The market values of securities that are subject to specific treatment of interest-rate swaps, are treated collectively with bonds and long-term loans payable to be hedged; therefore, they are included in the market values of such long-term loans payable.

(b) Currency related

(Millions of yen)

Method of hedging accounting	Description	Items hedged	Amount in contract	More than 1 year of amount in contract	Market price
Exceptional treatment in forward contracts, etc.	Currency swaps	Long-term loans payable	6,136	3,341	734
Total			6,136	3,341	734

Note: The market values of securities that are subject to specific treatment of interest-rate swaps, are treated collectively with bonds and long-term loans payable to be hedged; therefore, they are included in the market values of such long-term loans payable.

For the year ended March 31, 2011 (as of March 31, 2011)

1. Derivative transaction without hedging accounting

(a) Currency related

The currency-related derivative transactions used by some consolidated subsidiaries are currency swap transactions that fix the value of foreign-currency-denominated borrowings in yen. Because these borrowings include transactions between Group companies that are eliminated during consolidation, they are not treated as hedging transactions in the consolidated accounts.

(Millions of yen)

Type	Description	Amount in contract	More than 1 year of amount in contract	Market price	valuation gain (loss)
Transaction excluding market transaction	Currency swaps	8,872	5,780	(651)	(651)

Note: Calculation of market price

Calculated based on the price presented by transacting financial institutions

2. Derivative transaction with hedging accounting

(a) Interest-rate related

(Millions of yen)

Method of hedging accounting	Description	Items hedged	Amount in contract	More than 1 year of amount in contract	Market price
Specific treatment of interest-rate swaps	Interest-rate swaps	Bonds payable	2,700	2,700	41
	Fixed interest receivables and floating interest payment				
	Fixed interest payment and floating interest receivables	Long-term loans payable Bonds payable	254,486	175,478	(4,142)
	Total		257,186	178,178	(4,100)

Note: The market values of securities that are subject to specific treatment of interest-rate swaps, are treated collectively with bonds and long-term loans payable to be hedged; therefore, they are included in the market values of such long-term loans payable.

(b) Currency related

(Millions of yen)

Method of hedging accounting	Description	Items hedged	Amount in contract	More than 1 year of amount in contract	Market price
Exceptional treatment in forward contracts, etc.	Currency swaps	Long-term loans payable	4,935	2,691	402
Total			4,935	2,691	402

Note: The market values of securities that are subject to specific treatment of interest-rate swaps, are treated collectively with bonds and long-term loans payable to be hedged; therefore, they are included in the market values of such long-term loans payable.

(Notes to Retirement Benefits Accounting)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)																																				
<p>1. Overview of retirement benefit plans The Company and consolidated subsidiaries have two types of defined-benefits retirement plans: defined benefit pension plan and retirement lump sum payment plan. There are also cases when an employee is given a severance pay premium on leaving the company. 3 companies within the Group have retirement lump sum payment plan. In addition, as to the defined benefit pension plan, the Group has a jointly managed annuity plan.</p>	<p>1. Overview of retirement benefit plans The Company and consolidated subsidiaries have two types of defined-benefits retirement plans: defined benefit pension plan and retirement lump sum payment plan. There are also cases when an employee is given a severance pay premium on leaving the company. 3 companies within the Group have retirement lump sum payment plan. In addition, as to the defined benefit pension plan, the Group has a jointly managed annuity plan.</p>																																				
<p>2. Retirement benefit liabilities as of March 31, 2010 (Millions of yen)</p> <table border="0"> <tr> <td>(1) Retirement benefit liabilities</td> <td style="text-align: right;">(18,022)</td> </tr> <tr> <td>(2) Pension assets</td> <td style="text-align: right;">18,166</td> </tr> <tr> <td>(3) Unfunded retirement benefit liabilities</td> <td style="text-align: right;">143</td> </tr> <tr> <td></td> <td style="text-align: right;">((1)+(2))</td> </tr> <tr> <td>(4) Unrecognized past service liabilities</td> <td style="text-align: right;">(28)</td> </tr> <tr> <td>(5) Unrecognized difference with actuarial liability</td> <td style="text-align: right;">3,498</td> </tr> <tr> <td>(6) Difference ((3)+(4)+(5))</td> <td style="text-align: right;">3,613</td> </tr> <tr> <td>(7) Prepaid pension cost</td> <td style="text-align: right;">3,757</td> </tr> <tr> <td>(8) Provision for retirement benefits ((6)-(7))</td> <td style="text-align: right;">(144)</td> </tr> </table> <p>Notes: Some consolidated subsidiaries use the simplified method for calculating retirement benefit liabilities.</p>	(1) Retirement benefit liabilities	(18,022)	(2) Pension assets	18,166	(3) Unfunded retirement benefit liabilities	143		((1)+(2))	(4) Unrecognized past service liabilities	(28)	(5) Unrecognized difference with actuarial liability	3,498	(6) Difference ((3)+(4)+(5))	3,613	(7) Prepaid pension cost	3,757	(8) Provision for retirement benefits ((6)-(7))	(144)	<p>2. Retirement benefit liabilities as of March 31, 2011 (Millions of yen)</p> <table border="0"> <tr> <td>(1) Retirement benefit liabilities</td> <td style="text-align: right;">(17,612)</td> </tr> <tr> <td>(2) Pension assets</td> <td style="text-align: right;">16,142</td> </tr> <tr> <td>(3) Unfunded retirement benefit liabilities</td> <td style="text-align: right;">(1,470)</td> </tr> <tr> <td></td> <td style="text-align: right;">((1)+(2))</td> </tr> <tr> <td>(4) Unrecognized past service liabilities</td> <td style="text-align: right;">(16)</td> </tr> <tr> <td>(5) Unrecognized difference with actuarial liability</td> <td style="text-align: right;">4,675</td> </tr> <tr> <td>(6) Difference ((3)+(4)+(5))</td> <td style="text-align: right;">3,187</td> </tr> <tr> <td>(7) Prepaid pension cost</td> <td style="text-align: right;">3,237</td> </tr> <tr> <td>(8) Provision for retirement benefits ((6)-(7))</td> <td style="text-align: right;">(49)</td> </tr> </table> <p>Notes: Some consolidated subsidiaries use the simplified method for calculating retirement benefit liabilities.</p>	(1) Retirement benefit liabilities	(17,612)	(2) Pension assets	16,142	(3) Unfunded retirement benefit liabilities	(1,470)		((1)+(2))	(4) Unrecognized past service liabilities	(16)	(5) Unrecognized difference with actuarial liability	4,675	(6) Difference ((3)+(4)+(5))	3,187	(7) Prepaid pension cost	3,237	(8) Provision for retirement benefits ((6)-(7))	(49)
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(8) Provision for retirement benefits ((6)-(7))	(144)																																				
(1) Retirement benefit liabilities	(17,612)																																				
(2) Pension assets	16,142																																				
(3) Unfunded retirement benefit liabilities	(1,470)																																				
	((1)+(2))																																				
(4) Unrecognized past service liabilities	(16)																																				
(5) Unrecognized difference with actuarial liability	4,675																																				
(6) Difference ((3)+(4)+(5))	3,187																																				
(7) Prepaid pension cost	3,237																																				
(8) Provision for retirement benefits ((6)-(7))	(49)																																				
<p>3. Retirement benefit expenses (Millions of yen)</p> <table border="0"> <tr> <td>(1) Service expenses (Note 1)</td> <td style="text-align: right;">1,310</td> </tr> <tr> <td>(2) Interest expenses</td> <td style="text-align: right;">416</td> </tr> <tr> <td>(3) Expected investment income</td> <td style="text-align: right;">(561)</td> </tr> <tr> <td>(4) Recognized past service liabilities</td> <td style="text-align: right;">(15)</td> </tr> <tr> <td>(5) Difference from change of accounting standards</td> <td style="text-align: right;">721</td> </tr> <tr> <td>(6) Special severance pay premium</td> <td style="text-align: right;">140</td> </tr> <tr> <td>(7) Others (Note 2)</td> <td style="text-align: right;">291</td> </tr> <tr> <td>(8) Retirement benefit expenses</td> <td style="text-align: right;">2,303</td> </tr> <tr> <td></td> <td style="text-align: right;">((1)+(2)+(3)+(4)+(5)+(6)+(7))</td> </tr> </table> <p>Notes: 1. Retirement benefit expenses of consolidated subsidiaries using the simplified method are added up in "(1) service expenses". 2. Others are premium paid to a defined-contribution pension plan.</p>	(1) Service expenses (Note 1)	1,310	(2) Interest expenses	416	(3) Expected investment income	(561)	(4) Recognized past service liabilities	(15)	(5) Difference from change of accounting standards	721	(6) Special severance pay premium	140	(7) Others (Note 2)	291	(8) Retirement benefit expenses	2,303		((1)+(2)+(3)+(4)+(5)+(6)+(7))	<p>3. Retirement benefit expenses (Millions of yen)</p> <table border="0"> <tr> <td>(1) Service expenses (Note 1)</td> <td style="text-align: right;">1,307</td> </tr> <tr> <td>(2) Interest expenses</td> <td style="text-align: right;">428</td> </tr> <tr> <td>(3) Expected investment income</td> <td style="text-align: right;">(650)</td> </tr> <tr> <td>(4) Recognized past service liabilities</td> <td style="text-align: right;">(15)</td> </tr> <tr> <td>(5) Difference from change of accounting standards</td> <td style="text-align: right;">352</td> </tr> <tr> <td>(6) Special severance pay premium</td> <td style="text-align: right;">2,734</td> </tr> <tr> <td>(7) Others (Note 2)</td> <td style="text-align: right;">221</td> </tr> <tr> <td>(8) Retirement benefit expenses</td> <td style="text-align: right;">4,379</td> </tr> <tr> <td></td> <td style="text-align: right;">((1)+(2)+(3)+(4)+(5)+(6)+(7))</td> </tr> </table> <p>Notes: 1. Retirement benefit expenses of consolidated subsidiaries using the simplified method are added up in "(1) service expenses". 2. Others are premium paid to a defined-contribution pension plan.</p>	(1) Service expenses (Note 1)	1,307	(2) Interest expenses	428	(3) Expected investment income	(650)	(4) Recognized past service liabilities	(15)	(5) Difference from change of accounting standards	352	(6) Special severance pay premium	2,734	(7) Others (Note 2)	221	(8) Retirement benefit expenses	4,379		((1)+(2)+(3)+(4)+(5)+(6)+(7))
(1) Service expenses (Note 1)	1,310																																				
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For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
<p>4. Assumptions in calculating retirement benefit liabilities</p> <p>(1) Discount rate 2.0%</p> <p>(2) Expected rate of return on investments 3.0%</p> <p>(3) Allocation of projected benefit liabilities Straight-line method</p> <p>(4) Years for amortizing past service liabilities 5 years Past service liabilities have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employee) from the time of occurrence.</p> <p>(5) Years for amortizing actuarial losses 5 years Actuarial losses have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employees) following the respective fiscal years when such losses are identified.</p>	<p>4. Assumptions in calculating retirement benefit liabilities</p> <p>(1) Discount rate 1.255%-2.0%</p> <p>(2) Expected rate of return on investments 3.0%</p> <p>(3) Allocation of projected benefit liabilities Straight-line method</p> <p>(4) Years for amortizing past service liabilities 5 years Past service liabilities have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employee) from the time of occurrence.</p> <p>(5) Years for amortizing actuarial losses 5 years Actuarial losses have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employees) following the respective fiscal years when such losses are identified.</p>

(Notes to Stock Options, etc.)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)

(A) Details of stock options

Company Name	Filing company	(Consolidated subsidiary) IR Loan Servicing, Inc.
Date of resolution	June 27, 2003	August 6, 2004
Type and number of persons awarded options	10 director(s) of this company 1,739 employee(s) of this company	5 director(s) of the company concerned 30 employee(s) of the company concerned
Type of stock and number of options awarded	Common shares 349,800 shares	Common shares 133 shares
Award date	August 1, 2003	October 1, 2004
Conditions for rights determination	Continuously employed from the award date (August 1, 2003) to the rights-determination date (June 30, 2005)	An employee on the rights determination date (the date the company is listed)
Period of employment covered	From August 1, 2003 to June 30, 2005	From October 1, 2004 to August 31, 2007
Period of handling exercise of options	From July 1, 2005 to June 30, 2010	From the date the company is listed to August 31, 2010

(B) Amount of stock options and changes in this amount

(a) Number of stock options

Company Name	Filing company	(Consolidated subsidiary) IR Loan Servicing, Inc.
Date of resolution	June 27, 2003	August 6, 2004
Before rights determination (share)		
At end of the prior consolidated fiscal year	-	49
Award	-	-
Expiry	-	15
Rights determination	-	-
Undetermined balance	-	34
After rights determination (share)		
At end of the prior consolidated fiscal year	121,110	-
Rights determination	-	-
Rights exercised	-	-
Expiry	2,000	-
Unexercised balance	119,110	-

(b) Price information

Exercise price (yen)	4,931	67,900
Average stock price at exercise (yen)	-	-
Fair appraised price on award date (yen)	-	-

For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

(A) Details of stock options

Company Name	Filing company	(Consolidated subsidiary) IR Loan Servicing, Inc.
Date of resolution	June 27, 2003	August 6, 2004
Type and number of persons awarded options	10 director(s) of this company 1,739 employee(s) of this company	5 director(s) of the company concerned 30 employee(s) of the company concerned
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Period of employment covered	From August 1, 2003 to June 30, 2005	From October 1, 2004 to August 31, 2007
Period of handling exercise of options	From July 1, 2005 to June 30, 2010	From the date the company is listed to August 31, 2010

(B) Amount of stock options and changes in this amount

(a) Number of stock options

Company Name	Filing company	(Consolidated subsidiary) IR Loan Servicing, Inc.
Date of resolution	June 27, 2003	August 6, 2004
Before rights determination (share)		
At end of the prior consolidated fiscal year	-	34
Award	-	-
Expiry	-	34
Rights determination	-	-
Undetermined balance	-	-
After rights determination (share)		
At end of the prior consolidated fiscal year	119,110	-
Rights determination	-	-
Rights exercised	-	-
Expiry	119,110	-
Unexercised balance	-	-

(b) Price information

Exercise price (yen)	4,931	67,900
Average stock price at exercise (yen)	-	-
Fair appraised price on award date (yen)	-	-

(Notes to Business Combinations, etc.)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)

(Transactions under the Common Control)

Based on a resolution at the Board of Directors held on February 19, 2009, ACOM made its consolidated subsidiary, DC Cash One Ltd., a wholly owned subsidiary on April 1, 2009, and DC Cash One Ltd. was merged into ACOM on May 1, 2009.

1. Name and Business of Combined Entity, Legal Form of Business Combination, Name of Entity after the Business Combination, and Outline and Objectives of the Deal

(1) Name and Business of Combined Entity

1) Surviving Company

Name: ACOM CO., LTD.

Business Outline: Loan Business

2) Dissolved Company

Name: DC Cash One Ltd.

Business Outline: Loan Business

(2) Legal Form of Business Combination

Absorption by ACOM, a surviving company, and DC Cash One Ltd., which was dissolved.

(3) Name of the Company after Business Combination

ACOM CO., LTD.

(4) Outline and Objectives of the Deal

On September 8, 2008, the Company, Mitsubishi UFJ Financial Group, Inc. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. reached the agreement on "ACOM CO., LTD., Mitsubishi UFJ Financial Group, Inc. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. to further strengthen business and capital alliance." This absorption was a part of this agreement to increase the competitiveness of the consumer finance segment and reorganize the business function of the MUFG group.

2. Outline of Accounting Procedure Carried Out

In accordance with "Accounting Standard for Business Combinations" (issued by the Business Accounting Council on October 31, 2003) and "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ revised Implementation Guidance No.10 issued by ASBJ on November 15, 2007), the Company accounted for the merger as transactions under the common control.

3. Details of Assets and Liabilities Transferred from Subsidiary

(As of April 30, 2009)

Subject	Amount (Millions of yen)	Subject	Amount (Millions of yen)
(Assets)		(Liabilities)	
Cash and deposits	5,153	Long-term loans payable	73,500
Accounts receivable-operating loans	77,304	Income taxes payable	33
Investment securities	237	Other	1,161
Other	798	Total liabilities	74,695
Total assets	83,494	Net balance of assets	8,799

(Split for credit guarantee business of DC Cash One Ltd., a consolidated subsidiary of the Company)

Based on the resolution of the Board of Directors held on January 27, 2009, a consolidated subsidiary of the Company, DC Cash One Ltd., decided the company split for credit guarantee business and succession the business to Mitsubishi UFJ NICOS Co., Ltd.

1. Name of Company to which Business was Transferred, Transferred Business, Main Reason for Corporate Division, and Outline of Deal Including the Legal Form of Corporate Division

(1) Name of Company to which Business was Transferred

Mitsubishi UFJ NICOS Co., Ltd.

(2) Transferred Business

Guarantee Business

(3) Main Reason for Corporate Division

On September 8, 2008, the Company, Mitsubishi UFJ Financial Group, Inc. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. reached the agreement on "ACOM CO., LTD., Mitsubishi UFJ Financial Group, Inc. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. to further strengthen business and capital alliance." This corporate division was a part of this agreement to increase the competitiveness of the consumer finance segment and reorganize the business function of the MUFG group.

(4) Outline of Deal Including the Legal Form of Corporate Division

Company split by DC Cash One Ltd., a splitting company, and Mitsubishi UFJ NICOS Co., Ltd., which became a succeeding company

2. Outline of Accounting Procedure Carried Out

In accordance with "Accounting Standard for Business Combinations" (issued by the Business Accounting Council on October 31, 2003) and "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ revised Implementation Guidance No.10 issued by ASBJ on November 15, 2007), the Company accounted for the merger as transactions under the common control.

3. Fair book value and major breakdown of assets and liabilities of the transferred business

Guaranteed receivables concerning guarantee business 28,628 million yen

Provision for loss on guarantees 643 million yen

(Succession of unsecured card loan guarantee business by the Company)

Based on a resolution at the Board of Directors held on July 21, 2009, ACOM succeeded unsecured card loan guarantee business of The Mitsubishi UFJ Home Loan Credit Co., Ltd. on the effective date of September 1, 2009 by the company split.

1. Name and Business of Acquired Company, Purpose and Legal Form of Business Combination

(1) Name of Company

The Mitsubishi UFJ Home Loan Credit Co., Ltd.

(2) Acquired Business

Guarantee business consigned by customers of unsecured card loan offered by The Bank of Tokyo-Mitsubishi UFJ, Ltd.

(3) Legal Form of Business Combination

ACOM CO., LTD. and The Mitsubishi UFJ Home Loan Credit Co., Ltd. became a succeeding company and a splitting company, respectively by a method of absorption-type company split.

(4) Purpose of Business Combination

On September 8, 2008, the Company, Mitsubishi UFJ Financial Group, Inc. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. reached the agreement on "ACOM CO., LTD., Mitsubishi UFJ Financial Group, Inc. (MUFG) and The Bank of Tokyo-Mitsubishi UFJ, Ltd. to further strengthen business and capital alliance." This corporate division was a part of this agreement to increase the competitiveness of the consumer finance segment and reorganize the business function of the MUFG group.

2. Acquisition Cost 5,200 millions of yen

3. Amount, Cause of Occurrence, Depreciation Method and Term of Goodwill

(1) Amount of goodwill

7,772 million yen

(2) Cause of occurrence

Expected surplus from future business performance

(3) Depreciation Method and Term

Amortized in equal installments for 15 years

4. Outline of Accounting Procedure Carried Out

In accordance with "Accounting Standard for Business Combinations" (issued by the Business Accounting Council on October 31, 2003) and "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ revised Implementation Guidance No.10 issued by ASBJ on November 15, 2007), the Company accounted for the merger as transactions under the common control.

5. Fair book value and major breakdown of assets and liabilities of the acquired business

Guaranteed receivables 188,234 million yen

Provision for loss on guarantees 6,161 million yen

For the year ended March 31, 2011(From April 1, 2010 to March 31, 2011)

Transactions under the Common Control

(Succession of unsecured card loan guarantee business by the Company)

Based on a resolution at the Board of Directors held on August 23, 2010, ACOM succeeded unsecured card loan guarantee business of Mitsubishi UFJ NICOS Co., Ltd. On the effective date of October 1, 2010 by the company split.

1. Name and Business of Acquired Company, Purpose and Legal Form of Business Combination

(1) Name of Company

Mitsubishi UFJ NICOS Co., Ltd.

(2) Acquired Business

Guarantee business consigned by customers of unsecured card loan offered by
The Bank of Tokyo-Mitsubishi UFJ, Ltd.

(3) Legal Form of Business Combination

ACOM CO., LTD. and Mitsubishi UFJ NICOS Co., Ltd. became a succeeding company and
a splitting company, respectively by a method of absorption-type company split.

(4) Purpose of Business Combination

On September 8, 2008, the Company, Mitsubishi UFJ Financial Group, Inc. and The Bank of
Tokyo-Mitsubishi UFJ, Ltd. reached the agreement on "ACOM CO., LTD., Mitsubishi UFJ Financial Group,
Inc. (MUFG) and The Bank of Tokyo-Mitsubishi UFJ, Ltd. to further strengthen business and capital alliance."
This corporate division was a part of this agreement to increase the competitiveness of the consumer finance
segment and reorganize the business function of the MUFG group.

2. Acquisition Cost

4,650 millions of yen

3. Amount, Cause of Occurrence, Depreciation Method and Term of Goodwill

(1) Amount of goodwill

4,662 million yen

(2) Cause of occurrence

Expected surplus from future business performance

(3) Depreciation Method and Term

Amortized in equal installments for 10 years

4. Outline of Accounting Procedure Carried Out

In accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21,
December 26, 2008) and "Guidance on Accounting Standard for Business Combinations and
Business Divestitures" (ASBJ Guidance No. 10, December 26, 2008), the company split has been
accounted for as a transaction between entities under common control.

5. Fair book value and major breakdown of assets and liabilities of the acquired business

Guaranteed receivables

109,859 million yen

Provision for loss on guarantees

903 million yen

(Notes to Asset Retirement Obligations)

As of March 31, 2011

Asset retirement obligations booked in the balance sheet

(1) Outline of relevant asset retirement obligations

Asset retirement obligations are booked for internal equipments, etc. furnished in leased properties where restoration is required in lease contracts.

(2) Calculation method for the amount of relevant asset retirement obligations

Assumed use period of 5 to 16 years following acquisition, and discount rate at marketing rate corresponding to rebate period are adopted for calculation of asset retirement obligations.

(3) Increase or decrease of relevant asset retirement obligations in this consolidated fiscal year

	(Millions of yen)
Balance at the beginning of period (Note)	5,075
Increase due to acquisition of property, plant and equipment	4
Adjustments made for passage of time	74
Decrease due to execution of asset retirement obligations	(675)
Difference due to foreign currency translation	(2)
Other increases (decreases)	(1)
Balance at the end of period	<u>4,475</u>

(Note) This is the balance at the beginning of period due to adoption of "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008) from this consolidated fiscal year.

(Notes to Statistics per Share)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)		For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)	
	(Yen)		(Yen)
Net assets per share	2,773.59	Net assets per share	1,516.95
Net income (loss) per share	(46.18)	Net income (loss) per share	(1,293.54)
Diluted net loss per share is not stated since the Company posted net loss per share		Diluted net loss per share is not stated since the Company posted net loss per share	

Note: 1. Net assets per share is calculated based on the following data.

	For the year ended March 31, 2010 (As of March 31, 2010)	For the year ended March 31, 2011 (As of March 31, 2011)
Total net assets (Millions of yen)	439,269	243,599
The amounts deducted from total net assets (Millions of yen) [Minority interests included in the above] (Millions of yen)	4,753 [4,753]	5,951 [5,951]
Amounts of net assets related to common shares at the end of consolidated fiscal year (Millions of yen)	434,515	237,647
Number of shares issued within common shares	159,628,280 shares	159,628,280 shares
Number of treasury stocks within common shares	2,966,676 shares	2,966,693 shares
Number of common shares to calculate net assets per share at the end of consolidated fiscal year	156,661,604 shares	156,661,587 shares

Note: 2. Net income per share and net income per share diluted are calculated based on the following data.

	For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
Net income (loss) per share		
Net income (Millions of yen)	(7,239)	(202,648)
Net income not available to common shareholders (Millions of yen)	-	-
Net income related to common shares (Millions of yen)	(7,239)	(202,648)
Weighted average number of common shares during the consolidated fiscal year	156,768,936 shares	156,661,601 shares
Net income per share diluted		
Net income effect of dilutive securities (Millions of yen) [Change of share ratio related to share diluted issued by subsidiaries]	- [-]	- [-]
Number of increase of common shares	-	-
Residual securities which do not dilute net income per share and have important change since the end of this consolidated fiscal year	Stock options (treasury stock method) 119,110 shares	-

(Notes to Subsequent Events)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)								
<p>On May 13, 2010, the Board of Directors of ACOM CO., LTD. resolved to conclude the basic agreement for succeeding a part of unsecured card loan guarantee business of Mitsubishi UFJ NICOS Co., Ltd. by the company split.</p> <p>1. Purpose of the merger</p> <p>On September 8, 2008, the Company, Mitsubishi UFJ Financial Group, Inc. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. reached the agreement on "ACOM CO., LTD., Mitsubishi UFJ Financial Group, Inc. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. to further strengthen business and capital alliance." The merger is a part of this agreement to increase the competitiveness of the consumer finance segment and reorganize the business function of the MUFG group.</p> <p>2. Succeeding Business Outline and Scale, etc.</p> <p>Succeeding Business Outline: Guarantee Business Business results, assets and liabilities of succeeding category were not fixed at this moment</p> <p>3. Outline of Splitting Company Concerning the Company Split</p> <p>Splitting Company: Mitsubishi UFJ NICOS Co., Ltd. Business outline (As of March 31, 2009)</p> <table data-bbox="188 810 651 913"> <tr> <td>Assets</td> <td>3,170,805 million yen</td> </tr> <tr> <td>Liabilities</td> <td>2,984,867 million yen</td> </tr> <tr> <td>Net assets</td> <td>185,938 million yen</td> </tr> <tr> <td>Number of employees</td> <td>3,728</td> </tr> </table> <p>(Note) Numbers above are consolidated basis</p> <p>4. Date of the Company Split</p> <p>Conclusion of Contract for Split: Late August, 2010 (planned) Date of the Split (Effective Date): October 1, 2010 (planned)</p>	Assets	3,170,805 million yen	Liabilities	2,984,867 million yen	Net assets	185,938 million yen	Number of employees	3,728	-
Assets	3,170,805 million yen								
Liabilities	2,984,867 million yen								
Net assets	185,938 million yen								
Number of employees	3,728								

5. Consolidated Operating Results

(1) Operating Revenue by Segment

(Millions of yen)

Segment	Term	For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)		For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)		Change	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Percentage
			%		%		%
Financial service business		278,786	100.0	244,876	99.6	(33,909)	(12.2)
s D o m e s t i c	Loan business	220,684	79.2	180,778	73.5	(39,905)	(18.1)
	Credit card business	3,949	1.4	3,403	1.4	(546)	(13.8)
	Guarantee business	14,295	5.1	22,461	9.1	8,166	57.1
	Loan servicing business	12,844	4.6	8,945	3.7	(3,899)	(30.4)
	Others	3,292	1.2	3,490	1.4	197	6.0
s e v e r	Loan business	19,357	6.9	21,077	8.6	1,719	8.9
	Installment sales finance business	815	0.3	527	0.2	(287)	(35.3)
	Banking business	3,547	1.3	4,193	1.7	645	18.2
Other business		9	0.0	954	0.4	945	-
Total		278,795	100.0	245,831	100.0	(32,964)	(11.8)

(Note) "Others" and "Other business" of Domestic financial service business is categorized in "Other" of "(8) Information regarding operating revenue and income(loss) by reportable segments" of "4. Consolidated Financial Statements."

(2) Other Statistics

(A) Receivables Outstanding

(Millions of yen)

Segment	Term	For the year ended March 31, 2010 (As of March 31, 2010)		For the year ended March 31, 2011 (As of March 31, 2011)		Change	
							Percentage
							%
s D o m e s t i c	Loan business	1,106,655		903,707		(202,948)	(18.3)
	Credit card business	26,485		21,625		(4,860)	(18.3)
	Loan servicing business	15,310		11,931		(3,378)	(22.1)
	Others	30,287		21,336		(8,951)	(29.6)
s e v e r	Loan business	66,889		68,621		1,732	2.6
	Installment sales finance business	1,631		989		(641)	(39.3)
	Banking business	25,331		33,405		8,073	31.9
Total		1,272,592		1,061,618		(210,973)	(16.6)

(B) Number of Customer Accounts

Segment	Term	For the year ended March 31, 2010 (As of March 31, 2010)		For the year ended March 31, 2011 (As of March 31, 2011)		Change	
							Percentage
							%
s D o m e s t i c	Loan business	1,957,854		1,718,769		(239,085)	(12.2)
	Credit card business	373,513		235,118		(138,395)	(37.1)
	Loan servicing business	293,636		303,339		9,703	3.3
	Others	144,542		108,776		(35,766)	(24.7)
s e v e r	Loan business	762,657		786,404		23,747	3.1
	Installment sales finance business	45,399		29,383		(16,016)	(35.3)
	Banking business	4,516		7,278		2,762	61.2

(1) Loan business: Number of loan accounts with loan balance outstanding

(2) Credit card business: Cardholder of MasterCard®

(3) Installment sales finance business: Number of contracts with receivable outstanding

(4) Loan servicing business: Number of accounts with purchased loans

(5) Banking business: Number of loan accounts with loans receivable of banking business

(C) Others

Item	Term	For the year ended March 31, 2010 (As of March 31, 2010)	For the year ended March 31, 2011 (As of March 31, 2011)	Change	
					Percentage
Number of outlets		1,492	1,277	(215)	% (14.4)
Number of employees		6,145	5,571	(574)	(9.3)
Allowance for doubtful accounts (Millions of yen)		70,449	71,369	920	1.3
Provision for loss on guarantees (Millions of yen)		8,275	8,822	547	6.6
Provision for loss on interest repayment (Millions of yen)		204,500	283,300	78,800	38.5
Bad debts expenses (Millions of yen)		112,109	77,450	(34,658)	(30.9)
Interest repayment and voluntary waiver of repayment (Millions of yen)		137,262	164,656	27,393	20.0

6. Non-consolidated Financial Statements
(1) Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2010	As of March 31, 2011
Assets		
Current assets		
Cash and deposits	66,768	89,032
Accounts receivable-operating loans	1,103,969	902,200
Accounts receivable-installment	26,485	21,625
Short-term investment securities	20,900	25,000
Stocks of parent company	5,976	4,683
Merchandise and finished goods	1,034	334
Raw materials and supplies	56	42
Prepaid expenses	1,620	1,727
Deferred tax assets	24,959	25,992
Accrued income	9,280	8,853
Short-term loans receivable	29,992	39,991
Current portion of long-term loans receivable from subsidiaries and affiliates	-	14,897
Right to reimbursement	-	15,128
Other	18,302	4,254
Allowance for doubtful accounts	(60,530)	(61,870)
Total current assets	1,248,816	1,091,894
Noncurrent assets		
Property, plant and equipment		
Buildings	24,593	26,014
Accumulated depreciation	(17,474)	(19,243)
Buildings, net	7,119	6,771
Structures	5,597	4,849
Accumulated depreciation	(3,834)	(3,450)
Structures, net	1,763	1,399
Furniture and fixtures	25,878	22,237
Accumulated depreciation	(15,385)	(12,610)
Furniture and fixtures, net	10,492	9,627
Land	6,411	6,411
Lease assets	307	774
Accumulated depreciation	(16)	(107)
Lease assets, net	290	666
Total property, plant and equipment	26,076	24,876
Intangible assets		
Goodwill	7,469	11,381
Leasehold right	4	4
Telephone subscription right	210	58
Other	1	1
Total intangible assets	7,686	11,446
Investments and other assets		
Investment securities	19,358	16,722
Stocks of subsidiaries and affiliates	11,524	12,248
Investments in other securities of subsidiaries and affiliates	3,163	2,564
Investments in capital	0	-
Long-term loans receivable from subsidiaries and affiliates	35,425	7,596
Claims provable in bankruptcy, claims provable in rehabilitation and other	2,123	1,812
Long-term prepaid expenses	635	401
Guarantee deposits	8,223	6,534
Prepaid pension cost	3,766	3,240
Other	2,397	2,756
Allowance for doubtful accounts	(1,170)	(1,030)
Total investments and other assets	85,449	52,846
Total noncurrent assets	119,212	89,168
Total assets	1,368,028	1,181,063

(Millions of yen)

	As of March 31, 2010	As of March 31, 2011
Liabilities		
Current liabilities		
Accounts payable-trade	212	138
Current portion of long-term loans payable	171,243	159,153
Current portion of bonds	50,495	81,155
Lease obligations	61	157
Accounts payable-other	11,050	1,039
Accrued expenses	8,674	8,710
Income taxes payable	236	211
Deposit received	302	233
Unearned revenue	57	37
Provision for loss on guarantees	8,270	8,770
Asset retirement obligations	-	7
Other	57	148
Total current liabilities	250,659	259,761
Noncurrent liabilities		
Bonds payable	171,005	121,685
Long-term loans payable	312,644	281,658
Lease obligations	250	561
Deferred tax liabilities	1,730	1,265
Provision for loss on interest repayment	204,500	283,300
Asset retirement obligations	-	4,316
Other	641	230
Total noncurrent liabilities	690,772	693,017
Total liabilities	941,431	952,779
Net assets		
Shareholders' equity		
Capital stock	63,832	63,832
Capital surplus		
Legal capital surplus	72,322	72,322
Other capital surplus	3,687	3,687
Total capital surplus	76,010	76,010
Retained earnings		
Legal retained earnings	4,320	4,320
Other retained earnings		
General reserve	285,000	285,000
Retained earnings brought forward	23,390	(182,322)
Total retained earnings	312,710	106,998
Treasury stock	(19,793)	(19,793)
Total shareholders' equity	432,760	227,047
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(6,162)	1,236
Total valuation and translation adjustments	(6,162)	1,236
Total net assets	426,597	228,283
Total liabilities and net assets	1,368,028	1,181,063

(2) Non-consolidated Statements of Income

(Millions of yen)

	For the year ended March 31, 2010	For the year ended March 31, 2011
Operating revenue		
Interest on operating loans	212,839	173,209
Credit card revenue	3,529	2,889
Revenue from credit guarantee	12,736	20,477
Other financial revenue		
Interest on deposits	19	10
Interest on securities	30	27
Interest on loans	35	43
Total other financial revenue	85	81
Net sales of goods	-	952
Other operating revenue	9,024	10,157
Total operating revenue	238,215	207,767
Operating expenses		
Financial expenses		
Interest expenses	10,726	10,197
Interest on bonds	4,302	5,041
Amortization of bond issuance cost	215	192
Other	1,395	1,909
Total financial expenses	16,639	17,340
Cost of sales		
Beginning goods	1,034	1,034
Cost of purchased goods	-	-
Total	1,034	1,034
Valuation loss on goods	-	-
Ending goods	1,034	334
Cost of goods sold	-	700
Other operating expenses		
Advertising expenses	6,926	5,261
Provision of allowance for doubtful accounts	61,163	62,396
Provision for loss on guarantees	2,108	4,000
Bad debts expenses	11,785	507
Provision for loss on interest repayment	58,362	243,456
Employees' salaries and bonuses	17,765	13,295
Retirement benefit expenses	2,177	4,270
Welfare expenses	2,872	2,139
Rent expenses	9,087	7,318
Depreciation	1,891	1,676
Commission fee	28,375	24,278
Amortization of goodwill	302	751
Other	13,066	11,205
Other operating expenses	215,886	380,559
Total operating expenses	232,526	398,600
Operating income (loss)	5,689	(190,832)

(Millions of yen)

	For the year ended March 31, 2010	For the year ended March 31, 2011
Non-operating income		
Interest income	900	676
Interest on securities	5	5
Dividends income	476	371
House rent income	418	311
Other	328	467
Total non-operating income	2,128	1,832
Non-operating expenses		
Interest expenses	0	6
Loss on investments in partnership	1,247	492
Other	75	52
Total non-operating expenses	1,323	552
Ordinary income(loss)	6,495	(189,551)
Extraordinary income		
Gain on sales of noncurrent assets	109	216
Gain on sales of investment securities	628	345
Gain on sales of subsidiaries and affiliates' stocks	154	-
Gain on extinguishment of tie-in shares	1,453	-
Other	4	0
Total extraordinary income	2,350	561
Extraordinary loss		
Loss on sales of noncurrent assets	8	27
Loss on retirement of noncurrent assets	437	165
Impairment loss	-	381
Loss on valuation of stocks of parent company	-	5,481
Loss on sales of investment securities	70	255
Loss on valuation of investment securities	87	4,696
Business structure improvement expenses	10,167	1,007
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	3,941
Other	29	122
Total extraordinary loss	10,800	16,079
Income (loss) before income taxes	(1,954)	(205,069)
Income taxes-current	100	70
Income taxes-deferred	8,002	(210)
Total income taxes	8,102	(140)
Net income (loss)	(10,056)	(204,929)

(3) Non-consolidated Statements of Changes in Net Assets

(Millions of yen)

	For the year ended March 31, 2010	For the year ended March 31, 2011
Shareholder's equity		
Capital Stock		
Balance at the end of previous period	63,832	63,832
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	63,832	63,832
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	72,322	72,322
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	72,322	72,322
Other capital surplus		
Balance at the end of previous period	3,687	3,687
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	3,687	3,687
Total capital surplus		
Balance at the end of previous period	76,010	76,010
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	76,010	76,010
Retained earnings		
Legal retained earnings		
Balance at the end of previous period	4,320	4,320
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	4,320	4,320
Other retained earnings		
General reserve		
Balance at the end of previous period	285,000	285,000
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	285,000	285,000
Retained earnings brought forward		
Balance at the end of previous period	37,374	23,390
Changes of items during the period		
Dividends from surplus	(3,927)	(783)
Net income (loss)	(10,056)	(204,929)
Total changes of items during the period	(13,983)	(205,712)
Balance at the end of current period	23,390	(182,322)

(Millions of yen)

	For the year ended March 31, 2010	For the year ended March 31, 2011
Total retained earnings		
Balance at the end of previous period	326,694	312,710
Changes of items during the period		
Dividends from surplus	(3,927)	(783)
Net income (loss)	(10,056)	(204,929)
Total changes of items during the period	<u>(13,983)</u>	<u>(205,712)</u>
Balance at the end of current period	<u>312,710</u>	<u>106,998</u>
Treasury stock		
Balance at the end of previous period	(18,507)	(19,793)
Changes of items during the period		
Purchase of treasury stock	(1,285)	(0)
Total changes of items during the period	<u>(1,285)</u>	<u>(0)</u>
Balance at the end of current period	<u>(19,793)</u>	<u>(19,793)</u>
Total shareholders' equity		
Balance at the end of previous period	448,030	432,760
Changes of items during the period		
Dividends from surplus	(3,927)	(783)
Net income (loss)	(10,056)	(204,929)
Purchase of treasury stock	(1,285)	(0)
Total changes of items during the period	<u>(15,269)</u>	<u>(205,712)</u>
Balance at the end of current period	<u>432,760</u>	<u>227,047</u>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	(7,631)	(6,162)
Changes of items during the period		
Net changes of items other than shareholders' equity	1,468	7,398
Total changes of items during the period	<u>1,468</u>	<u>7,398</u>
Balance at the end of current period	<u>(6,162)</u>	<u>1,236</u>
Total valuation and translation adjustments		
Balance at the end of previous period	(7,631)	(6,162)
Changes of items during the period		
Net changes of items other than shareholders' equity	1,468	7,398
Total changes of items during the period	<u>1,468</u>	<u>7,398</u>
Balance at the end of current period	<u>(6,162)</u>	<u>1,236</u>
Total net assets		
Balance at the end of previous period	440,398	426,597
Changes of items during the period		
Dividends from surplus	(3,927)	(783)
Net income (loss)	(10,056)	(204,929)
Purchase of treasury stock	(1,285)	(0)
Net changes of items other than shareholders' equity	1,468	7,398
Total changes of items during the period	<u>(13,801)</u>	<u>(198,313)</u>
Balance at the end of current period	<u>426,597</u>	<u>228,283</u>

(4) Notes on the Assumption as a Going Concern
None

(5) Significant Accounting Policies

Item	For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
1. Valuation and computation of marketable securities	(1) Securities of subsidiaries and affiliates ... Cost as determined by the moving average method (2) Securities held to maturity Amortized cost method (straight-line (3) Other marketable securities (A) Where there is a market price ...Market value as determined by the quoted price at the end of the fiscal year (The difference between the carrying value and the market value is included in equity, and cost of securities sold is computed using the moving average method.) (B) Where there is no market price ...Cost determined by the moving average method :The equity in limited investment partnership and other similar partnership (deemed as securities by the Article 2, Section 2 of the Securities and Exchange Law) is accounted for by the equity method, based on its latest financial statements available considering the closing dates stipulated by the respective partnership contracts.	(1) Securities of subsidiaries and affiliates ... Same as left (2) Securities held to maturity - (3) Other marketable securities Same as left
2. Valuation and computation of derivative transactions	Swap transaction ... Market value	Same as left
3. Valuation and computation of the inventories	Merchandise...Cost on an individual specified cost basis (balance sheet value is stated by writing down the carrying value based upon lowered profitability) Supplies...Mainly cost based on the first-in first-out method	Same as left
4. Depreciation of the noncurrent assets	(1) Tangible noncurrent assets (excluding lease assets) ...Declining balance method (Depreciable life) Buildings...3 to 47 years Structure...3 to 45 years Equipment and furniture...2 to 20 years (2) Intangible noncurrent assets (Lease assets excluded)...Straight-line method Goodwill ... Amortized in equal installments for 15 years	(1) Tangible noncurrent assets (excluding lease assets) ...Declining balance method (Depreciable life) Buildings...2 to 47 years Structure...3 to 45 years Equipment and furniture...2 to 20 years (2) Intangible noncurrent assets (Lease assets excluded)...Straight-line method Goodwill ... Amortized in equal installments for 10 to 15 years

Item	For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
	<p>(3) Lease assets Lease assets related to finance lease transactions without title transfer ...Depreciated on straight-line method, with the lease periods counted as their useful lives and no residual value. Finance lease transactions without title transfer (of which the starting dates of lease transaction are prior to the beginning of the consolidated fiscal year 2008) which use the accounting standard and guidance are accounted for as operating leases.</p> <p>(4) Long-term prepaid expenses ... Amortized in equal installments</p>	<p>(3) Lease assets Same as left</p> <p>(4) Long-term prepaid expenses ... Same as left</p>
5. Method of treatment of deferred assets	Bond issue expenses are expensed the entire amount as incurred	Same as left
6. Currency translation standards for foreign-currency-denominated assets or liabilities into yen	Foreign-currency-denominated monetary claims and liabilities are converted into yen using the spot market rate for the accounting date, and differences in currency translation are added up as profit or loss.	Same as left
7. Basis for calculating allowances	<p>(1) Allowance for doubtful accounts In providing for doubtful accounts, the Company makes an allowance for ordinary bad debts based on the historical rate of default. For specific debts where recovery is doubtful, the Company considers the likelihood of recovery on an individual basis, making an allowance for the amount regarded as irrecoverable.</p> <p>(2) Provision for loss on guarantees In providing for loss on guarantees, the Company makes an allowance as necessary having considered the likelihood of losses at the end of the this fiscal year.</p>	<p>(1) Allowance for doubtful accounts In providing for doubtful accounts, the Company makes an allowance for ordinary bad debts based on the historical rate of default. For specific debts where recovery is doubtful, the Company considers the likelihood of recovery on an individual basis, making an allowance for the amount regarded as irrecoverable. (Additional Information) The Great East Japan Earthquake, which struck on March 11, 2011, may lead to rise in risks related to doubtful accounts. The debts of customers who reside in stricken areas are categorized by regional and transaction status. Then the likelihood of recovery for such categories are estimated, making additional allowance for the amount regarded as irrecoverable.</p> <p>(2) Provision for loss on guarantees Same as left</p>

Item	For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
	<p>(3) Provision for retirement benefits The Company makes provisions for retirement benefits based on projected retirement obligations and pension fund asset at the balance sheet date. Adjustments are made to determine the amounts applicable to the end of this fiscal year. Past service liabilities have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employee) from the time of occurrence. Actuarial losses have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employees) following the respective fiscal years when such losses are identified. As projected pension fund asset exceeds the adjusted amounts of projected benefit obligation by unrecognized projected past service liabilities and unrecognized actuarial gains or losses, the surplus is included in the balance of prepaid pension expenses.</p> <p>(Changes in Accounting Policies) Since this fiscal year, the "Partial Amendment to the 'Accounting Standard Concerning Retirement Benefits' (Part III)" (Accounting Standard No. 19, July 31, 2008) has been applied. This change has no impact on operating income, ordinary income and loss before income taxes, as actuarial losses will be recognized from the following fiscal years. The unappropriated balance for differences of retirement benefit liabilities arising from the application of such accounting standards is none.</p> <p>(4) Provision for loss on interest repayment In order to prepare for potential loss on interest repayments in the future, the Company estimates and provides a reasonable amount of provision for loss on interest repayment in consideration of the past actual results and the latest conditions of such interest repayments.</p>	<p>(3) Provision for retirement benefits The Company makes provisions for retirement benefits based on projected retirement obligations and pension fund asset at the balance sheet date. Adjustments are made to determine the amounts applicable to the end of this fiscal year. Past service liabilities have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employee) from the time of occurrence. Actuarial losses have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employees) following the respective fiscal years when such losses are identified. As projected pension fund asset exceeds the adjusted amounts of projected benefit obligation by unrecognized projected past service liabilities and unrecognized actuarial gains or losses, the surplus is included in the balance of prepaid pension expenses.</p> <p>(4) Provision for loss on interest repayment Same as left</p>

Item	For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
8. Basis of recognition of income and expenses	<p>(1) Interest on operating loans Interest on loans receivable is recognized on an accrual basis. Accrued interest on loans receivable is recognized at the lower of the interest rate stipulated in the Interest Rate Restriction Law of Japan or the contracted interest rate of the Company.</p> <p>(2) Credit card revenue Fees from customers ... Recognized mainly by credit-balance method Fees from member outlets ... Recognized as fees when treated</p> <p>(3) Revenue from credit guarantee Recognized by credit-balance method</p> <p>(Note) The details of the method of recognition are as follows: Credit-balance method ...The fees shall be calculated pursuant to the prescribed tariff applicable to the relevant credit balance and shall be recognized as income each time they become due.</p>	<p>(1) Interest on operating loans Same as left</p> <p>(2) Credit card revenue Same as left</p> <p>(3) Revenue from credit guarantee Same as left</p>
9. Accounting for hedging activities	<p>(1) Accounting for hedging activities Deferred hedge accounting has been adopted. Interest-rate swaps and currency swaps which meet certain conditions are accounted for according to exceptional treatments.</p> <p>(2) Hedging instruments and items hedged Hedging instruments ...Interest-rate swaps agreements Items hedged ...Loans with variable interest rates and straight bonds</p> <p>(3) Hedging policy In accordance with the Company's internal rules, the Company enters into derivative transactions of interest-rate swaps to hedge against the risk of fluctuations in interest rates relating to the loans payable with variable interest rates for the purpose of protecting cash flows.</p> <p>(4) Evaluating the efficacy of hedging activities Important requirements concerning hedging instruments and hedging items are closely matched with each other. Also, the Company can assume that fluctuations in interest rates and cash flows are fully offset by the fluctuations in hedging instruments on an ongoing basis since the implementation of hedging contracts. Therefore, the judgment of hedging effectiveness is omitted.</p>	<p>(1) Accounting for hedging activities Same as left</p> <p>(2) Hedging instruments and items hedged Same as left</p> <p>(3) Hedging policy Same as left</p> <p>(4) Evaluating the efficacy of hedging activities Same as left</p>
10. Other significant accounting policies for the preparation of non-consolidated financial statements	<p>Treatment of consumption tax Transactions subject to consumption tax are recorded at the amount exclusive of consumption tax. However, consumer tax and other taxes imposed on non tax-deductible assets are recorded as an expense when incurred. In addition, accrued consumption tax is included in "Other" in current assets on the balance sheet.</p>	<p>Treatment of consumption tax Transactions subject to consumption tax are recorded at the amount exclusive of consumption tax. However, consumer tax and other taxes imposed on non tax-deductible assets are recorded as an expense when incurred. In addition, unpaid consumption tax is included in "Other" in current assets on the balance sheet.</p>

(6) Changes in Important Accounting Policies
(Change in accounting policies)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
-	<p><Adoption of Accounting Standard for Asset Retirement Obligations> The Company adopted "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008) from this fiscal year. The effects of this change on operating loss and ordinary loss were increases of 136 million yen, and that on loss before income taxes was an increase of 3,590 million yen, respectively.</p> <p><Adoption of Accounting Standard for Business Combinations> The Company adopted "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, December 26, 2008), "Partial Amendments to the Accounting Standard for Research and Development Cost" (ASBJ Statement No. 23, December 26, 2008), "Accounting Standard for Business Divestitures" (ASBJ Statement No.7, December 26, 2008), "Accounting Standard for Equity Method of Accounting for Investments" (ASBJ Statement No. 16, released on December 26, 2008) and "Implementation Guidance on Accounting Standard for Business Combinations and Business Divestitures" (Revised ASBJ Guidance No.10, December 26, 2008) from this fiscal year.</p>
-	

(Changes in presentation)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
<p><Non-consolidated balance sheet> -</p>	<p><Non-consolidated balance sheet> "Current portion of long-term loans receivable from subsidiaries and affiliates," which had been included in "Long-term loans receivable from subsidiaries and affiliates" in noncurrent asset up to prior fiscal year, has exceeded one percent of total asset. For that reason, it is separately listed effective from this fiscal year. "Current portion of long-term loans receivable from subsidiaries and affiliates" for prior fiscal year was 10,632 million yen. "Right to reimbursement," which had been included in "Other" in current asset up to prior fiscal year, has exceeded one percent of total asset. For that reason, it is separately listed effective from this fiscal year. "Right to reimbursement" for prior fiscal year was 13,379 million yen.</p> <p>"Investments in capital," which was separately presented until prior fiscal year, has been included and reported in "Other" of investments and other assets since the current fiscal year as it was fairly immaterial. "Investments in capital" for the current fiscal year was 0 million yen.</p>
<p><Non-consolidated statements of income> The items presented as "Revenue from credit card business (sogo-assen-syueki)" for prior fiscal year presented as "Revenue from credit card business (hokatsu-shinyokonyu-assen-syueki)" due to the revision to the Installment Sales Act from this fiscal year.</p> <p>"Guarantee commission received," which was separately presented up to the prior fiscal year, has been included and reported in "Other" of nonoperating income since the current fiscal year as it does not account for more than 10 percent of the total non-operating income. "Guarantee commission received" for this fiscal year was 129 million yen.</p>	<p><Non-consolidated statements of income> -</p>

As of March 31, 2010	As of March 31, 2011																																				
<p>4. Status of non-performing loans of accounts receivable-operating loans</p> <p>Losses on unsecured consumer loans to bankrupt parties are written off at the time bankruptcy is declared. For this reason, loans to borrowers in bankruptcy include 1,042 millions of yen for debtors who have petitioned for bankruptcy as of the end of the fiscal year, but not yet declared bankrupt. This entire amount is charged to the allowance for doubtful accounts.</p> <p>In addition, from the point of view of maintaining the soundness of the Company's assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company's policy differs from that set forth in Japan's tax laws, under which accrued interest is charged on loans less than six months in arrears. As a result of the Company's policy, non-performing loans included additional 43,242 millions of yen. Under the policies stipulated in Japan's tax laws, 15,417 millions of yen of this amount would be classified as loans overdue by three months or more, 3,370 million yen as restructured loans and 24,454 million yen as loans no longer in arrears.</p> <p style="text-align: right;">(Millions of yen)</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Amount</th> <th>Classification criteria</th> </tr> </thead> <tbody> <tr> <td>Loans to bankrupt parties</td> <td style="text-align: right;">(2,767) 2,767</td> <td>Loans exclusive of accrued interest to bankrupt parties, parties in rehabilitation and reorganization, and others</td> </tr> <tr> <td>Loans in arrears</td> <td style="text-align: right;">(17,818) 61,060</td> <td>Other loans stated exclusive of accrued interest, excluding loans that have been restructured or on which interest is reduced in the interest of rehabilitating the debtor.</td> </tr> <tr> <td>Loans overdue by 3 months or more</td> <td style="text-align: right;">(16,860) 1,443</td> <td>Loans other than the above that are overdue by 3 months or more</td> </tr> <tr> <td>Restructured loans</td> <td style="text-align: right;">(47,234) 43,863</td> <td>Loans other than the above on which favorable terms have been granted, such as the waiving of interest</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">(84,680) 109,134</td> <td></td> </tr> </tbody> </table> <p>Figures in brackets "()" refer to the balance of non-performing loans computed according to the policies set forth in Japanese tax laws.</p>	Category	Amount	Classification criteria	Loans to bankrupt parties	(2,767) 2,767	Loans exclusive of accrued interest to bankrupt parties, parties in rehabilitation and reorganization, and others	Loans in arrears	(17,818) 61,060	Other loans stated exclusive of accrued interest, excluding loans that have been restructured or on which interest is reduced in the interest of rehabilitating the debtor.	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The Company's policy differs from that set forth in Japan's tax laws, under which accrued interest is charged on loans less than six months in arrears. As a result of the Company's policy, non-performing loans included additional 31,510 millions of yen. Under the policies stipulated in Japan's tax laws, 10,472 millions of yen of this amount would be classified as loans overdue by three months or more, 4,383 million yen as restructured loans and 16,654 million yen as loans no longer in arrears.</p> <p style="text-align: right;">(Millions of yen)</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Amount</th> <th>Classification criteria</th> </tr> </thead> <tbody> <tr> <td>Loans to bankrupt parties</td> <td style="text-align: right;">(2,282) 2,282</td> <td>Loans exclusive of accrued interest to bankrupt parties, parties in rehabilitation and reorganization, and others</td> </tr> <tr> <td>Loans in arrears</td> <td style="text-align: right;">(18,465) 49,976</td> <td>Other loans stated exclusive of accrued interest, excluding loans that have been restructured or on which interest is reduced in the interest of rehabilitating the debtor.</td> </tr> <tr> <td>Loans overdue by 3 months or more</td> <td style="text-align: right;">(12,121) 1,649</td> <td>Loans other than the above that are overdue by 3 months or more</td> </tr> <tr> <td>Restructured loans</td> <td style="text-align: right;">(48,853) 44,470</td> <td>Loans other than the above on which favorable terms have been granted, such as the waiving of interest</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">(81,723) 98,377</td> <td></td> </tr> </tbody> </table> <p>Figures in brackets "()" refer to the balance of non-performing loans computed according to the policies set forth in Japanese tax laws.</p>	Category	Amount	Classification criteria	Loans to bankrupt parties	(2,282) 2,282	Loans exclusive of accrued interest to bankrupt parties, parties in rehabilitation and reorganization, and others	Loans in arrears	(18,465) 49,976	Other loans stated exclusive of accrued interest, excluding loans that have been restructured or on which interest is reduced in the interest of rehabilitating the debtor.	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<p>5. Financial assets received as freely disposable securities</p> <p>The Company entered into "Gensaki" transactions (to purchase debt securities under resale agreements) and received marketable securities as securities for the money repayable from the sellers.</p> <p>Amount of marketable securities purchased (Stated as short-term loans receivable)</p> <p style="text-align: right;">29,992 million yen</p> <p>Market value of marketable securities purchased at the end of the fiscal year.</p> <p style="text-align: right;">29,993 million yen</p>	<p>5. Financial assets received as freely disposable securities</p> <p>The Company entered into "Gensaki" transactions (to purchase debt securities under resale agreements) and received marketable securities as securities for the money repayable from the sellers.</p> <p>Amount of marketable securities purchased (Stated as short-term loans receivable)</p> <p style="text-align: right;">39,991 million yen</p> <p>Market value of marketable securities purchased at the end of the fiscal year.</p> <p style="text-align: right;">39,992 million yen</p>																																				

As of March 31, 2010	As of March 31, 2011												
<p>6. -</p>	<p>6. Financial Covenants The company's borrowings, which are contradictory to the financial covenats, are as follows: (1) Syndicated loan borrowed in March 2008 5,500 million yen (Financial covenants related to the rating) (2) Syndicated loan borrowed in September 2009 7,000 million yen (Financial covenants related to the rating) Syndicated loans above were fully paid prior to the due date in April. Therefore, these covenants did not interfere with our corporate activities.</p>												
<p>7. Agreements for overdraft and commitment facilities For efficient procurement of working capital, the Company maintains overdraft contract with one financial institution and designated commitment line contracts with one financial institution. As of the end of the current consolidated fiscal year, the unexercised portion of facilities based on these contracts was as follows. (Millions of yen)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Agreed amount of agreement for overdraft and commitment line</td> <td style="text-align: right;">104,600</td> </tr> <tr> <td>Amount of borrowing</td> <td style="text-align: right;">-</td> </tr> <tr> <td style="border-top: 1px solid black;">Unused amount</td> <td style="text-align: right; border-top: 1px solid black;">104,600</td> </tr> </table>	Agreed amount of agreement for overdraft and commitment line	104,600	Amount of borrowing	-	Unused amount	104,600	<p>7. Agreements for overdraft and commitment facilities For efficient procurement of working capital, the Company maintains overdraft contract with one financial institution and designated commitment line contracts with one financial institution. As of the end of the current consolidated fiscal year, the unexercised portion of facilities based on these contracts was as follows. (Millions of yen)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Agreed amount of agreement for overdraft and commitment line</td> <td style="text-align: right;">104,600</td> </tr> <tr> <td>Amount of borrowing</td> <td style="text-align: right;">-</td> </tr> <tr> <td style="border-top: 1px solid black;">Unused amount</td> <td style="text-align: right; border-top: 1px solid black;">104,600</td> </tr> </table>	Agreed amount of agreement for overdraft and commitment line	104,600	Amount of borrowing	-	Unused amount	104,600
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(Notes to Non-consolidated Statements of Income)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)																						
<p>1. The business operation results with subsidiaries and affiliates are included into non-operating income as follows;</p> <p style="text-align: right;">(Millions of yen)</p> <table style="width: 100%;"> <tr> <td>Interest income</td> <td style="text-align: right;">892</td> </tr> <tr> <td>Dividends income</td> <td style="text-align: right;">134</td> </tr> <tr> <td>Guarantee commission received</td> <td style="text-align: right;">129</td> </tr> <tr> <td>House rent income</td> <td style="text-align: right;">23</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>1,179</u></td> </tr> </table>	Interest income	892	Dividends income	134	Guarantee commission received	129	House rent income	23	<u>Total</u>	<u>1,179</u>	<p>1. The business operation results with subsidiaries and affiliates are included into non-operating income as follows;</p> <p style="text-align: right;">(Millions of yen)</p> <table style="width: 100%;"> <tr> <td>Interest income</td> <td style="text-align: right;">669</td> </tr> <tr> <td>Dividends income</td> <td style="text-align: right;">146</td> </tr> <tr> <td>Guarantee commission received</td> <td style="text-align: right;">113</td> </tr> <tr> <td>House rent income</td> <td style="text-align: right;">9</td> </tr> <tr> <td>Part-time director's bonus</td> <td style="text-align: right;">3</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>942</u></td> </tr> </table>	Interest income	669	Dividends income	146	Guarantee commission received	113	House rent income	9	Part-time director's bonus	3	<u>Total</u>	<u>942</u>
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<p>3. Loss on sales of noncurrent assets mainly consist of sales of furniture and fixtures</p>	<p>3. Loss on sales of noncurrent assets mainly consist of sales of furniture and fixtures</p>																						
<p>4. Gain on sales of subsidiaries and affiliates' stocks resulted from sales of EASY BUY Public Company Limited's stocks</p>	<p>4. -</p>																						
<p>5. Gain on extinguishment of tie-in shares resulted from the merger of DC Cash One Ltd.</p>	<p>5. -</p>																						
<p>6. Breakdown of other extraordinary income</p> <p style="text-align: right;">(Millions of yen)</p> <table style="width: 100%;"> <tr> <td>Gain on sales of golf memberships</td> <td style="text-align: right;">3</td> </tr> <tr> <td>Reversal of provision for golf membership</td> <td style="text-align: right;">0</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>4</u></td> </tr> </table>	Gain on sales of golf memberships	3	Reversal of provision for golf membership	0	<u>Total</u>	<u>4</u>	<p>6. Other extraordinary income resulted from gain on sales of golf memberships</p>																
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<p>7. Loss on sales of noncurrent assets results from sales of telephone subscription right</p>	<p>7. Loss on sales of noncurrent assets results from sales of equipment</p>																						
<p>8. Loss on retirement of noncurrent assets mainly consists of transfer of operating outlets, remodeling of interior and change of signboards. The breakdown thereof is set out below.</p> <p style="text-align: right;">(Millions of yen)</p> <table style="width: 100%;"> <tr> <td>Building</td> <td style="text-align: right;">206</td> </tr> <tr> <td>Structures</td> <td style="text-align: right;">110</td> </tr> <tr> <td>Furniture and fixtures</td> <td style="text-align: right;">117</td> </tr> <tr> <td>Land</td> <td style="text-align: right;">2</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>437</u></td> </tr> </table>	Building	206	Structures	110	Furniture and fixtures	117	Land	2	<u>Total</u>	<u>437</u>	<p>8. Loss on retirement of noncurrent assets mainly consists of transfer of operating outlets, remodeling of interior and change of signboards. The breakdown thereof is set out below.</p> <p style="text-align: right;">(Millions of yen)</p> <table style="width: 100%;"> <tr> <td>Building</td> <td style="text-align: right;">79</td> </tr> <tr> <td>Structures</td> <td style="text-align: right;">46</td> </tr> <tr> <td>Furniture and fixtures</td> <td style="text-align: right;">39</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>165</u></td> </tr> </table>	Building	79	Structures	46	Furniture and fixtures	39	<u>Total</u>	<u>165</u>				
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For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)																			
9. -	<p>9. Impairment loss The Company has reported impairment loss for this consolidated fiscal year as below:</p> <p>(1) Assets recognized as having suffered impairment</p> <table border="1" data-bbox="667 300 1118 600"> <thead> <tr> <th>Location</th> <th>Usage</th> <th>Type</th> </tr> </thead> <tbody> <tr> <td>Tokyo Chiyoda-ku, etc</td> <td>Property to be sold</td> <td>Furniture and fixtures</td> </tr> <tr> <td>Tokyo Chiyoda-ku, etc</td> <td>Debt asset</td> <td>Telephone subscription right</td> </tr> </tbody> </table> <p>(2) Method of grouping assets The smallest units our Group has adopted for the grouping of assets are as below: (a) For the loan and credit card business: each businesses (b) For the guarantee business: each business For property to be sold, the smallest units are the individual assets themselves. Our headquarter and welfare/leisure facilities for our employees are treated as common assets because they do not generate their own cash flows.</p> <p>(3) Process through which impairment loss was recognized We recognized impairment loss on property to be sold because the expected sale prices were significantly lower than the assets' carrying values. Due to the reorganization of business outlets, telephone subscription right, etc. became debt assets. We recognized impairment loss on the debt assets because we cannot collect the assets' carrying values through future net cash flows.</p> <p>(4) Calculation of impairment loss</p> <table data-bbox="678 1243 1118 1361"> <tr> <td></td> <td style="text-align: right;">(Millions of yen)</td> </tr> <tr> <td>Furniture and fixtures</td> <td style="text-align: right;">291</td> </tr> <tr> <td>Telephone subscription right</td> <td style="text-align: right;">89</td> </tr> <tr> <td>Other intangible assets</td> <td style="text-align: right;">0</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>381</u></td> </tr> </table> <p>(5) Calculation of recovery price The recovery price is measured by net realizable value. The recovery price is measured by minimum price guaranteed by consigned company and the price the company purchased. The recovery price of the telephone subscription right is measured to be one yen as we cannot sell the rights in the market.</p>	Location	Usage	Type	Tokyo Chiyoda-ku, etc	Property to be sold	Furniture and fixtures	Tokyo Chiyoda-ku, etc	Debt asset	Telephone subscription right		(Millions of yen)	Furniture and fixtures	291	Telephone subscription right	89	Other intangible assets	0	<u>Total</u>	<u>381</u>
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<p>10. Business structure improvement expenses were booked for strengthening business management policy</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: right;">(Millions of yen)</td> </tr> <tr> <td>Special retirement benefits</td> <td style="text-align: right;">5,305</td> </tr> <tr> <td>Outplacement expenses</td> <td style="text-align: right;">760</td> </tr> <tr> <td>Restructuring of business outlets expenses</td> <td style="text-align: right;">2,205</td> </tr> <tr> <td>Loss on retirement of noncurrent assets</td> <td style="text-align: right;">1,415</td> </tr> <tr> <td>Impairment loss</td> <td style="text-align: right;">481</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>10,167</u></td> </tr> </table> <p>Loss on retirement of noncurrent assets mainly consists of transfer and close of operating outlets and remodeling of interior due to restructuring business outlets. The breakdown thereof is set out below.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: right;">(Millions of yen)</td> </tr> <tr> <td>Buildings</td> <td style="text-align: right;">886</td> </tr> <tr> <td>Structures</td> <td style="text-align: right;">387</td> </tr> <tr> <td>Furniture and fixtures</td> <td style="text-align: right;">142</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>1,415</u></td> </tr> </table> <p>The Company has reported impairment loss above because telephone subscription right became dead assets due to restructuring business outlets. The recovery price is measured by net realizable value.</p>		(Millions of yen)	Special retirement benefits	5,305	Outplacement expenses	760	Restructuring of business outlets expenses	2,205	Loss on retirement of noncurrent assets	1,415	Impairment loss	481	<u>Total</u>	<u>10,167</u>		(Millions of yen)	Buildings	886	Structures	387	Furniture and fixtures	142	<u>Total</u>	<u>1,415</u>	<p>10. Business structure improvement expenses were booked for strengthening business management policy executed last year and further strengthening business management policy</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: right;">(Millions of yen)</td> </tr> <tr> <td>Loss on retirement of noncurrent assets</td> <td style="text-align: right;">727</td> </tr> <tr> <td>Temporary amortization of long-term prepaid expenses</td> <td style="text-align: right;">5</td> </tr> <tr> <td>Restructuring of business outlets expenses</td> <td style="text-align: right;">209</td> </tr> <tr> <td>Impairment loss</td> <td style="text-align: right;">64</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>1,007</u></td> </tr> </table> <p>Loss on retirement of noncurrent assets mainly consists of transfer and close of operating outlets and remodeling of interior due to restructuring business outlets. The breakdown thereof is set out below.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: right;">(Millions of yen)</td> </tr> <tr> <td>Buildings</td> <td style="text-align: right;">492</td> </tr> <tr> <td>Structures</td> <td style="text-align: right;">184</td> </tr> <tr> <td>Furniture and fixtures</td> <td style="text-align: right;">49</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>727</u></td> </tr> </table> <p>The Company has reported impairment loss above because telephone subscription right became dead assets due to restructuring business outlets. The recovery price is measured to be one yen as we will not use it and cannot sell it in the market.</p>		(Millions of yen)	Loss on retirement of noncurrent assets	727	Temporary amortization of long-term prepaid expenses	5	Restructuring of business outlets expenses	209	Impairment loss	64	<u>Total</u>	<u>1,007</u>		(Millions of yen)	Buildings	492	Structures	184	Furniture and fixtures	49	<u>Total</u>	<u>727</u>
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<p>11. Breakdown of other extraordinary loss</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: right;">(Millions of yen)</td> </tr> <tr> <td>Loss on valuation of golf club membership</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Provision of allowance for doubtful accounts of golf club membership</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Temporary amortization of long-term prepaid expenses</td> <td style="text-align: right;">28</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>29</u></td> </tr> </table>		(Millions of yen)	Loss on valuation of golf club membership	0	Provision of allowance for doubtful accounts of golf club membership	0	Temporary amortization of long-term prepaid expenses	28	<u>Total</u>	<u>29</u>	<p>11. Breakdown of other extraordinary loss</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: right;">(Millions of yen)</td> </tr> <tr> <td>Loss on disaster</td> <td style="text-align: right;">82</td> </tr> <tr> <td>Loss on sales of golf club memberships</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Provision of allowance for doubtful accounts of golf club membership</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Temporary amortization of long-term prepaid expenses</td> <td style="text-align: right;">38</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>122</u></td> </tr> </table> <p>Loss on disaster above is expenses paid for recovery and removal of the assets damaged by the Pacific Coast of Tohoku Earthquake</p>		(Millions of yen)	Loss on disaster	82	Loss on sales of golf club memberships	0	Provision of allowance for doubtful accounts of golf club membership	0	Temporary amortization of long-term prepaid expenses	38	<u>Total</u>	<u>122</u>																								
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<p>12. Basis for classification of financial revenue and expenses on the statements of income</p> <p>(1) Financial revenue stated as operating revenue Include all financial revenue excluding dividends and interest related to affiliated companies and excluding dividends and interest, etc., received on investment securities.</p> <p>(2) Financial expenses stated as operating expenses Include all financial expenses by the Company engaged in financial services, other than interest payable which has no relationship to operating revenue.</p>	<p>12. Same as left</p>																																														

(Notes to Non-consolidated Statements of Changes in Net Assets)

For the year ended March 31, 2010 (from April 1, 2009 to March 31, 2010)

Matters for treasury stock

Type of shares	As of March 31, 2009	Increase	Decrease	As of March 31, 2010
Common Shares	2,433,889	532,787	-	2,966,676

(Outline for the change)

Increase due to purchase of shares from shareholders who oppose merger of the Company and DC Cash One Ltd.	520,911 shares
Increase due to purchase of shares from shareholders who oppose succession of the guarantee business from The Mitsubishi UFJ Home Loan Credit Co., Ltd.	11,855 shares
Purchase of shares of less than one unit	21 shares

For the year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

Matters for treasury stock

Type of shares	As of March 31, 2010	Increase	Decrease	As of March 31, 2011
Common Shares	2,966,676	17	-	2,966,693

(Outline for the change)

17 shares of increase is owing to purchase of shares in units of less than 10.

(Notes to Lease Transactions)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)																																																
<p>Finance lease transactions</p> <p>Finance lease transactions without title transfer</p> <p>(1) Details of lease assets</p> <p>Property, plant and equipment</p> <p>They are mainly vehicles and MUJINKUN of loan business.</p> <p>(2) Depreciation of lease assets</p> <p>Depreciated on straight-line method, with the lease periods counted as their useful lives and no residual value.</p> <p>Finance lease transactions without title transfer (of which the starting dates of lease transaction are prior to March 31, 2008) which use the accounting standard and guidance are accounted for as operating leases as follows;</p> <p>Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee</p> <p>1. Equivalent of acquisition cost, accumulated depreciation and residual value of the leased assets</p> <p style="text-align: right;">(Millions of yen)</p> <table border="1"> <thead> <tr> <th></th> <th>Equivalent of acquisition cost</th> <th>Equivalent of depreciation</th> <th>Equivalent of residual value</th> </tr> </thead> <tbody> <tr> <td>Vehicles</td> <td style="text-align: center;">8</td> <td style="text-align: center;">7</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Furniture and fixtures</td> <td style="text-align: center;">232</td> <td style="text-align: center;">166</td> <td style="text-align: center;">66</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">241</td> <td style="text-align: center;">174</td> <td style="text-align: center;">67</td> </tr> </tbody> </table> <p>2. 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Method of calculation of equivalent of depreciation</p> <p>Calculated by using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and a residual value of zero.</p> <p>5. Method of calculation of equivalent of interest</p> <p>The equivalent of interest is regarded as the difference between the total lease payments and the amount equivalent to acquisition cost of the asset. The interest method is used to calculate the portion applicable to each fiscal year.</p>		Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value	Vehicles	8	7	0	Furniture and fixtures	232	166	66	Total	241	174	67	Within 1 year	41	More than 1 year	26	Total	68	Lease fee payable	85	Equivalent of depreciation	79	Equivalent of interest payable	2	<p>Finance lease transactions</p> <p>Finance lease transactions without title transfer</p> <p>(1) Details of lease assets</p> <p style="text-align: center;">Same as left</p> <p>(2) Depreciation of lease assets</p> <p style="text-align: center;">Same as left</p> <p>Finance lease transactions without title transfer (of which the starting dates of lease transaction are prior to March 31, 2008) which use the accounting standard and guidance are accounted for as operating leases as follows;</p> <p>Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee</p> <p>1. 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(Notes to Marketable Securities (Subsidiary and affiliate stock))

As of March 31, 2010

(Additional information)

From this consolidated fiscal year, "Accounting Standard Concerning Financial Instruments" (Accounting Standard No. 10, March 10, 2008) and "Application Guideline Concerning the Disclosure of Market Values, etc. of Financial Instruments" (Accounting Standard Application Guideline No. 19, March 10, 2008) have been applied.

Subsidiary and affiliate stock

(Millions of yen)

Type	Book value	Market price	Defference
Subsidiary stock	2,137	1,815	(321)
Affiliate stock	-	-	-
Total	2,137	1,815	(321)

(Note): Subsidiary and affiliate to which estimate of market price is extremely difficult

(Millions of yen)

Type	Book value
Subsidiary stock	8,887
Affiliate stock	500
Total	9,387

Those listed above do not have market value; therefore, it is deemed extremely difficult to estimate their market price

As of March 31, 2011

Subsidiary and affiliate stock

(Millions of yen)

Type	Book value	Market price	Defference
Subsidiary stock	2,861	3,134	273
Affiliate stock	-	-	-
Total	2,861	3,134	273

(Note): Subsidiary and affiliate to which estimate of market price is extremely difficult

(Millions of yen)

Type	Book value
Subsidiary stock	8,887
Affiliate stock	500
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As of March 31, 2010	As of March 31, 2011																																																																																																																
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<p>2. Reconciliation between the statutory tax rate and the effective tax rate as a percentage of income before effective tax rate (%)</p> <table> <tr><td>statutory tax rate</td><td style="text-align: right;">40.7%</td></tr> <tr><td>(Adjustment)</td><td></td></tr> <tr><td>Succession due to merger</td><td style="text-align: right;">422.5%</td></tr> <tr><td>Valuation allowance</td><td style="text-align: right;">(869.5%)</td></tr> <tr><td>Amortization of goodwill</td><td style="text-align: right;">(6.3%)</td></tr> <tr><td>Inhabitants' per capita taxes</td><td style="text-align: right;">(5.3%)</td></tr> <tr><td>Other</td><td style="text-align: right;">3.2%</td></tr> <tr><td>The effective tax rate</td><td style="text-align: right;"><u>(414.5%)</u></td></tr> </table>	statutory tax rate	40.7%	(Adjustment)		Succession due to merger	422.5%	Valuation allowance	(869.5%)	Amortization of goodwill	(6.3%)	Inhabitants' per capita taxes	(5.3%)	Other	3.2%	The effective tax rate	<u>(414.5%)</u>	<p>2. Reconciliation between the statutory tax rate and the effective tax rate as a percentage of income before effective tax rate (%)</p> <table> <tr><td>statutory tax rate</td><td style="text-align: right;">40.7%</td></tr> <tr><td>(Adjustment)</td><td></td></tr> <tr><td>Succession due to merger</td><td style="text-align: right;">(0.8%)</td></tr> <tr><td>Valuation allowance</td><td style="text-align: right;">(39.7%)</td></tr> <tr><td>Amortization of goodwill</td><td style="text-align: right;">(0.2%)</td></tr> <tr><td>Inhabitants' per capita taxes</td><td style="text-align: right;">(0.0%)</td></tr> <tr><td>The effective tax rate</td><td style="text-align: right;"><u>0.1%</u></td></tr> </table>	statutory tax rate	40.7%	(Adjustment)		Succession due to merger	(0.8%)	Valuation allowance	(39.7%)	Amortization of goodwill	(0.2%)	Inhabitants' per capita taxes	(0.0%)	The effective tax rate	<u>0.1%</u>																																																																																		
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(Notes to Business Combinations, etc.)

As of March 31, 2010

Transactions under the Common Control

(Merger of the Company and its consolidated subsidiary, DC Cash One Ltd.)

Based on a resolution at the Board of Directors held on February 19, 2009, ACOM made its consolidated subsidiary, DC Cash One Ltd., a wholly owned subsidiary on April 1, 2009, and DC Cash One Ltd. was merged into ACOM on May 1, 2009.

1. Name and Business of Combined Entity, Legal Form of Business Combination, Name of Entity after the Business Combination, and Outline and Objectives of the Deal

(1) Name and Business of Combined Entity

1) Surviving Company

Name: ACOM CO., LTD.

Business Outline: Loan Business

2) Dissolved Company

Name: DC Cash One Ltd.

Business Outline: Loan Business

(2) Legal Form of Business Combination

Absorption by ACOM, a surviving company, and DC Cash One Ltd., which was dissolved.

(3) Name of the Company after Business Combination

ACOM CO., LTD.

(4) Outline and Objectives of the Deal

On September 8, 2008, the Company, Mitsubishi UFJ Financial Group, Inc. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. reached the agreement on "ACOM CO., LTD., Mitsubishi UFJ Financial Group, Inc. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. to further strengthen business and capital alliance." This absorption was a part of this agreement to increase the competitiveness of the consumer finance segment and reorganize the business function of the MUFG group.

2. Outline of Accounting Procedure Carried Out

In accordance with "Accounting Standard for Business Combinations" (issued by the Business Accounting Council on October 31, 2003) and "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ revised Implementation Guidance No.10 issued by ASBJ on November 15, 2007), the Company accounted for the merger as transactions under the common control.

3. Details of Assets and Liabilities Transferred from Subsidiary

(As of April 30, 2009)

Subject	Amount (Millions of yen)	Subject	Amount (Millions of yen)
(Assets)		(Liabilities)	
Cash and deposits	5,153	Long-term loans payable	73,500
Accounts receivable-operating loans	77,304	Income taxes payable	33
Investment securities	237	Other	1,161
Other	798	Total liabilities	74,695
Total assets	83,494	Net balance of assets	8,799

(Succession of unsecured card loan guarantee business by the Company)

Based on a resolution at the Board of Directors held on July 21, 2009, ACOM succeeded unsecured card loan guarantee business of The Mitsubishi UFJ Home Loan Credit Co., Ltd. on the effective date of September 1, 2009 by the company split.

1. Name and Business of Acquired Company, Purpose and Legal Form of Business Combination

(1) Name of Company

The Mitsubishi UFJ Home Loan Credit Co., Ltd.

(2) Acquired Business

Guarantee business consigned by customers of unsecured card loan offered by The Bank of Tokyo-Mitsubishi UFJ, Ltd.

(3) Legal Form of Business Combination

ACOM CO., LTD. and The Mitsubishi UFJ Home Loan Credit Co., Ltd. became a succeeding company and a splitting company, respectively by a method of absorption-type company split.

(4) Purpose of Business Combination

On September 8, 2008, the Company, Mitsubishi UFJ Financial Group, Inc. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. reached the agreement on "ACOM CO., LTD., Mitsubishi UFJ Financial Group, Inc. (MUFG) and The Bank of Tokyo-Mitsubishi UFJ, Ltd. to further strengthen business and capital alliance." This corporate division was a part of this agreement to increase the competitiveness of the consumer finance segment and reorganize the business function of the MUFG group.

2. Acquisition Cost

5,200 millions of yen

3. Amount, Cause of Occurrence, Depreciation Method and Term of Goodwill

(1) Amount of goodwill

7,772 million yen

(2) Cause of occurrence

Expected surplus from future business performance

(3) Depreciation Method and Term

Amortized in equal installments for 15 years

4. Outline of Accounting Procedure Carried Out

In accordance with "Accounting Standard for Business Combinations" (issued by the Business Accounting Council on October 31, 2003) and "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ revised Implementation Guidance No.10 issued by ASBJ on November 15, 2007), the Company accounted for the merger as transactions under the common control.

5. Fair book value and major breakdown of assets and liabilities of the acquired business

Guaranteed receivables

188,234 million yen

Provision for loss on guarantees

6,161 million yen

As of March 31, 2011

Transactions under the Common Control

(Succession of unsecured card loan guarantee business by the Company)

Based on a resolution at the Board of Directors held on August 23, 2010, ACOM

succeeded unsecured card loan

guarantee business of Mitsubishi UFJ NICOS Co., Ltd. On the effective date of October 1,

2010 by the company split.

1. Name and Business of Acquired Company, Purpose and Legal Form of Business Combination

(1) Name of Company

Mitsubishi UFJ NICOS Co., Ltd.

(2) Acquired Business

Guarantee business consigned by customers of unsecured card loan offered by
The Bank of Tokyo-Mitsubishi UFJ, Ltd.

(3) Legal Form of Business Combination

ACOM CO., LTD. and Mitsubishi UFJ NICOS Co., Ltd. became a succeeding company and
a splitting company, respectively by a method of absorption-type company split.

(4) Purpose of Business Combination

On September 8, 2008, the Company, Mitsubishi UFJ Financial Group, Inc. and The Bank of
Tokyo-Mitsubishi UFJ, Ltd. reached the agreement on "ACOM CO., LTD., Mitsubishi UFJ Financial Group,
Inc. (MUFG) and The Bank of Tokyo-Mitsubishi UFJ, Ltd. to further strengthen business and capital alliance."
This corporate division was a part of this agreement to increase the competitiveness of the consumer finance
segment and reorganize the business function of the MUFG group.

2. Acquisition Cost

4,650 millions of yen

3. Amount, Cause of Occurrence, Depreciation Method and Term of Goodwill

(1) Amount of goodwill

4,662 million yen

(2) Cause of occurrence

Expected surplus from future business performance

(3) Depreciation Method and Term

Amortized in equal installments for 10 years

4. Outline of Accounting Procedure Carried Out

In accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21,
December 26, 2008) and "Guidance on Accounting Standard for Business Combinations and
Business Divestitures" (ASBJ Guidance No. 10, December 26, 2008), the company split has been
accounted for as a transaction between entities under common control.

5. Fair book value and major breakdown of assets and liabilities of the acquired business

Guaranteed receivables

109,859 million yen

Provision for loss on guarantees

903 million yen

(Notes to Asset Retirement Obligations)

As of March 31, 2011

Asset retirement obligations booked in the balance sheet

(1) Outline of relevant asset retirement obligations

Asset retirement obligations are booked for internal equipments, etc. furnished in leased properties where restoration is required in lease contracts.

(2) Calculation method for the amount of relevant asset retirement obligations

Assumed use period of 16 years following acquisition, and discount rate at marketing rate corresponding to rebate period are adopted for calculation of asset retirement obligations.

(3) Increase or decrease of relevant asset retirement obligations in this consolidated fiscal year

	(Millions of yen)
Balance at the beginning of period (Note)	4,911
Increase due to acquisition of property, plant and equipment	1
Adjustments made for passage of time	72
Decrease due to execution of asset retirement obligations	(659)
Other increases (decreases)	(1)
Balance at the end of period	<u>4,324</u>

(Note) This is the balance at the beginning of period due to adoption of "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008) from this consolidated fiscal year.

(Notes to Per Share Information)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
(Yen)	(Yen)
Net assets per share 2,723.05	Net assets per share 1,457.18
Net income(loss) per share (64.15)	Net income (loss) per share (1,308.10)
Diluted net income per share is not stated since the Company posted net loss per share	Diluted net income per share is not stated since the Company posted net loss per share

Note: 1. Net assets per share is calculated based on the following data.

	As of March 31, 2010	As of March 31, 2011
Total net assets (Millions of yen)	426,597	228,283
The amounts deducted from total net assets (Millions of yen)	-	-
Amounts of net assets related to common shares at the end of fiscal year (Millions of yen)	426,597	228,283
Number of shares issued within common shares	159,628,280 shares	159,628,280 shares
Number of treasury stock within common shares	2,966,676 shares	2,966,693 shares
Number of common shares to calculate net assets per share at the end of fiscal year	156,661,604 shares	156,661,587 shares

Note: 2. Net income or loss per share and net income per share diluted are calculated based on the following data.

	For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)
Net income (loss) per share		
Net income (Millions of yen)	(10,056)	(204,929)
Net income not available to common shareholders (Millions of yen)	-	-
Net income related to common shares (Millions of yen)	(10,056)	(204,929)
Weighted average number of common shares during accounting period	156,768,936 shares	156,661,601 shares
Net income per share diluted		
Net income effect of dilutive securities (Millions of yen)	-	-
Number of increase of common shares	-	-
Residual securities which do not dilute net income per share and have important change since the end of this fiscal year	Stock options (treasury stock method) 119,110 shares	-

(Notes to Subsequent Events)

For the year ended March 31, 2010 (From April 1, 2009 to March 31, 2010)	For the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)								
<p>On May 13, 2010, the Board of Directors of ACOM CO., LTD. resolved to conclude the basic agreement for succeeding a part of unsecured card loan guarantee business of Mitsubishi UFJ NICOS Co., Ltd. by the company split.</p> <p>1. Purpose of the merger On September 8, 2008, the Company, Mitsubishi UFJ Financial Group, Inc. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. reached the agreement on "ACOM CO., LTD., Mitsubishi UFJ Financial Group, Inc. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. to further strengthen business and capital alliance." The merger is a part of this agreement to increase the competitiveness of the consumer finance segment and reorganize the business function of the MUFG group.</p> <p>2. Succeeding Business Outline and Scale, etc. Succeeding Business Outline: Guarantee Business Business results, assets and liabilities of succeeding category were not fixed at this moment</p> <p>3. Outline of Splitting Company Concerning the Company Split Splitting Company: Mitsubishi UFJ NICOS Co., Ltd. Business outline (As of March 31, 2009)</p> <table data-bbox="167 779 566 884"><tr><td>Assets</td><td>3,170,805 million yen</td></tr><tr><td>Liabilities</td><td>2,984,867 million yen</td></tr><tr><td>Net assets</td><td>185,938 million yen</td></tr><tr><td>Number of employees</td><td>3,728</td></tr></table> <p>(Note) Numbers above are consolidated basis</p> <p>4. Date of the Company Split Conclusion of Contract for Split: Late August, 2010 (planned) Date of the Split (Effective Date): October 1, 2010 (planned)</p>	Assets	3,170,805 million yen	Liabilities	2,984,867 million yen	Net assets	185,938 million yen	Number of employees	3,728	-
Assets	3,170,805 million yen								
Liabilities	2,984,867 million yen								
Net assets	185,938 million yen								
Number of employees	3,728								

7. Non-consolidated Operating Results

(1) Operating Revenue by Segment

(Millions of yen)

Division	Segment	Term		For the year ended March 31, 2010		For the year ended March 31, 2011		Change	
				(From April 1, 2009 to March 31, 2010)		(From April 1, 2010 to March 31, 2011)			
		Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio		
Financial service division	Interest on operating loans	212,839	89.3	173,209	83.3	(39,629)	(18.6)		
	Unsecured loans	209,265	87.8	170,154	81.9	(39,110)	(18.7)		
	Consumers	209,258	87.8	170,150	81.9	(39,107)	(18.7)		
	Commercials	6	0.0	3	0.0	(2)	(42.6)		
	Secured loans	3,574	1.5	3,055	1.5	(519)	(14.5)		
	Revenue from credit card	3,529	1.5	2,889	1.4	(640)	(18.2)		
	Credit card	3,529	1.5	2,889	1.4	(640)	(18.2)		
	Revenue from credit guarantee	12,736	5.3	20,477	9.9	7,740	60.8		
	Other financial revenue	85	0.0	81	0.0	(3)	(4.3)		
	Other division	Other operating revenue	9,024	3.8	11,110	5.4	2,085	23.1	
Collection of bad debts deducted		7,625	3.2	8,826	4.3	1,201	15.8		
Others		1,399	0.6	2,283	1.1	884	63.2		
	Total	238,215	100.0	207,767	100.0	(30,448)	(12.8)		

Note: Sales amount of "MasterCard®" is included in the "Credit card."

(2) Other Statistics

(A) Receivables Outstanding

(Millions of yen)

Segment	Term	For the year ended March 31, 2010		For the year ended March 31, 2011		Change	
		(As of March 31, 2010)		(As of March 31, 2011)			Percentage
							%
Loan business		1,103,969		902,200		(201,769)	(18.3)
Unsecured loans		1,074,933		878,778		(196,154)	(18.2)
Consumers		1,074,894		878,761		(196,132)	(18.2)
Commercials		38		17		(21)	(55.8)
Secured loans		29,036		23,421		(5,615)	(19.3)
Credit card business		26,485		21,625		(4,860)	(18.3)
Credit card		26,485		21,625		(4,860)	(18.3)
Others		-		-		-	-

(B) Number of Customer Accounts

Segment	Term	For the year ended March 31, 2010		For the year ended March 31, 2011		Change	
		(As of March 31, 2010)		(As of March 31, 2011)			Percentage
							%
Loan business		1,948,949		1,712,560		(236,389)	(12.1)
Unsecured loans		1,941,333		1,706,011		(235,322)	(12.1)
Consumers		1,941,301		1,705,994		(235,307)	(12.1)
Commercials		32		17		(15)	(46.9)
Secured loans		7,616		6,549		(1,067)	(14.0)
Credit card business		373,513		235,118		(138,395)	(37.1)
Credit card		373,513		235,118		(138,395)	(37.1)

Notes: The definition of number of customer accounts is as follows;

- (1) Loan business: Number of loan accounts with loan balance outstanding
- (2) Credit card: Cardholder of MasterCard®

(C) Number of outlets, MUJINKUN, and CD/ATM

Item	Term	For the year ended March 31, 2010	For the year ended March 31, 2011	Change	
		(As of March 31, 2010)	(As of March 31, 2011)		Percentage
Number of outlets		1,353	1,141	(212)	(15.7)%
Loan business outlets		1,353	1,141	(212)	(15.7)%
Staffed		45	39	(6)	(13.3)%
Unstaffed		1,308	1,102	(206)	(15.7)%
Number of MUJINKUN outlets <machines>		<1,359> 1,353	<1,148> 1,141	(212)	(15.7)%
Number of CD/ATM		95,674	50,593	(45,081)	(47.1)%
Proprietary		1,417	1,201	(216)	(15.2)%
Open 365 days / year		1,417	1,201	(216)	(15.2)%
Open 24 hours / day		1,254	1,051	(203)	(16.2)%
Tie-up		94,257	49,392	(44,865)	(47.6)%
Others		8,804	8,973	169	1.9%

(D) Others

Item	Term	For the year ended March 31, 2010	For the year ended March 31, 2011	Change	
		(As of March 31, 2010)	(As of March 31, 2011)		Percentage
Number of employees		2,610	1,876	(734)	(28.1)%
Allowance for doubtful accounts (Millions of yen)		61,700	62,900	1,200	1.9%
Provision for loss on guarantees (Millions of yen)		8,270	8,770	500	6.0%
Provision for loss on interest repayment (Millions of yen)		204,500	283,300	78,800	38.5%
Bad debt expenses (Millions of yen)		98,615	66,108	(32,506)	(33.0)%
Interest repayments and voluntary waiver of repayments (Millions of yen)		137,262	164,656	27,394	20.0%

8. Changes in Directors

(1) Change in directors planned (As of June 24, 2011)

Director scheduled for retirement
Deputy Chairman: Yuji Ohashi

(2) Changes in directors planned (As of June 24, 2011)

(A) Candidates for directors

Director: Toshiaki Kajiuwa Currently: Senior Managing Executive Officer of Mitsubishi UFJ Trust and Banking Corporation
Director: Tatsunori Imagawa Currently: Corporate Auditor of The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Corporate Auditor of Mitsubishi UFJ Lease & Finance Company Limited

(B) Director scheduled for retirement

Managing Director: Shigeru Sato (planned to be Company Auditor of the Company)

(C) Candidates for Company Auditors

Company Auditor: Shigeru Sato Currently: Managing Director of the Company
The Head of ACOM Health Insurance Society
Company Auditor: Shinichi Yasuda Currently: Corporate Auditor of IR Loan Servicing, Inc.
Company Auditor: Eiji Oshima Currently: Corporate Auditor of Mitsubishi Corporation
Company Auditor: Takashi Doi Currently: Lawyer

(D) Company Auditors scheduled for retirement

Company Auditor: Tatsuaki Murata
Company Auditor: Satoshi Ito
Company Auditor: Minoru Ikeda
Company Auditor: Norikatsu Takahashi Currently: Lawyer

(Nore) Candidates for Company Auditors, Mr. Shinichi Yasuda, Mr. Eiji Oshima and Mr. Takashi Doi are all candidates of Outside Company Auditors stipulated under the Article 2-16 of the Companies Act.