

[NOTICE: This Convocation Notice is a translation of the Japanese language original for convenience purposes only, and in the event of any discrepancy, the Japanese language original shall prevail.]

Consolidated Balance Sheets

(As of March 31, 2009)

(Millions of yen)

Items	Amount	Items	Amount
(Assets)		(Liabilities)	
Current assets	1,535,181	Current liabilities	286,835
Cash and deposits	91,273	Accounts payable-trade	1,012
Operating loans	1,316,166	Short-term loans payable	29,164
Loans receivable of banking business	18,081	Current portion of long-term loans payable	147,831
Accounts receivable-installment	68,027	Current portion of bonds	57,800
Short-term investment securities	26,990	Deposits of banking business	27,376
Stocks of parent company	5,805	Lease obligations	5
Operational investment securities	3,198	Income taxes payable	306
Trading account securities	4,106	Provision for loss on guarantees	2,351
Merchandise	1,042	Provision for directors' retirement benefits	30
Miscellaneous items	169	Deferred installment income	4,353
Purchased receivables	20,923	Other	16,602
Deferred tax assets	31,672		
Short-term loans receivable	14,995	Noncurrent liabilities	866,325
Other	24,281	Bonds payable	193,463
Allowance for doubtful accounts	(91,553)	Long-term loans payable	380,957
Noncurrent assets	70,385	Lease obligations	7
Property, plant and equipment	31,481	Deferred tax liabilities	5,277
Buildings and structures	12,018	Provision for retirement benefits	146
Vehicles and delivery equipment	42	Provision of directors' retirement benefits	35
Equipment	12,529	Provision for loss on interest repayment	283,400
Land	6,518	Other	3,037
Leased assets	373	Total liabilities	1,153,160
Intangible assets	724	(Net assets)	
Leasehold rights	4	Shareholders' equity	456,396
Telephone rights	715	Capital stock	63,832
Other	4	Capital surplus	76,010
Investments and other assets	38,179	Retained earnings	335,061
Investment securities	19,859	Treasury stock	(18,507)
Deferred tax assets	324	Valuation and translation adjustment	(11,322)
Guarantee deposits	9,643	Valuation difference on available-for-sale securities	(7,631)
Prepaid pension cost	4,517	Foreign currency translation adjustment	(3,691)
Other	5,318	Minority interests	7,331
Allowance for doubtful accounts	(1,484)	Total net assets	452,406
Total Assets	1,605,567	Total liabilities and net assets	1,605,567

Consolidated Statements of Income

(From April 1, 2008 to March 31,2009)

(Millions of yen)

Items	Amount
Operating revenue	324,396
Interest on operating loans	269,673
Interest on loans of banking business	2,394
Credit card revenue	4,311
Per-item revenue	4,018
Revenue from credit guarantee	7,637
Collection from purchased receivables	15,764
Other financial revenue	1,602
Net sales	6,104
Other	12,888
Operating expenses	293,666
Financial expenses	22,204
Cost of purchased receivables	10,727
Cost of sales	4,040
Other	256,693
Operating income	30,729
Non-operating income	2,126
Interest income	358
Dividends income	1,070
House rent income	399
Other	297
Non-operating expenses	207
Interest expenses	9
Foreign exchange losses	140
Other	56
Ordinary income	32,648
Extraordinary income	2,522
Gain on sales of noncurrent assets	1
Gain on sales of investment securities	781
Gain on sales of stocks of subsidiaries and affiliates	1,714
Other	24
Extraordinary loss	11,261
Loss on sales of noncurrent assets	4
Loss on retirement of noncurrent assets	521
Impairment loss	933
Loss on sales of investment securities	81
Loss on sales of stocks of subsidiaries and affiliates	5,799
Loss on valuation of investment securities	573
Amortization of goodwill	2,751
Other	594
Net income before income taxes	23,909
Income taxes-current	718
Income taxes-deferred	9,146
Minority interests in income	383
Net income	13,662

Consolidated Statements of Changes in Net Assets

(From April 1, 2008 to March 31, 2009)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Shareholders' equity
Balance at end of previous period	63,832	76,010	337,454	(18,507)	458,789
Changes in current period					
Dividends from surplus			(15,719)		(15,719)
Net income			13,662		13,662
Acquisition of treasury stock				(0)	(0)
Decrease in retained earnings accompanying decrease in consolidated subsidiaries			(335)		(335)
Current period changes in items other than stockholders' equity (net)					
Total change in current period	—	—	(2,392)	(0)	(2,392)
Balance at end of current period	63,832	76,010	335,061	(18,507)	456,396

	Valuation and translation adjustments			Minority interests	Net assets
	Valuation difference on available-for-	Foreign currency translation	Valuation and translation adjustments		
Balance at end of previous period	4,500	435	4,935	8,419	472,144
Changes in current period					
Dividends from surplus					(15,719)
Net income					13,662
Acquisition of treasury stock					(0)
Decrease in retained earnings accompanying decrease in consolidated subsidiaries					(335)
Current period changes in items other than stockholders' equity (net)	(12,131)	(4,126)	(16,257)	(1,087)	(17,345)
Total change in current period	(12,131)	(4,126)	(16,257)	(1,087)	(19,738)
Balance at end of current period	(7,631)	(3,691)	(11,322)	7,331	452,406

Consolidated Notes

1. Significant Items Relating to the Preparation of Consolidated Statements

(1) Scope of consolidation

Number of consolidated subsidiaries: 16

For the names of major consolidated subsidiaries, please refer to the section entitled "1.(6) Status of Important Parent Companies and Subsidiaries."

On December 25, 2008, ACOM sold shares of JLA INCORPORATED and ACOM RENTAL CO., LTD. which were our consolidated subsidiaries until the prior consolidated financial year, and the voting rights ratios for both companies fell below 15%. As a result, said companies were excluded from our consolidated subsidiaries.

MTBC First Investment Partnership, which was our consolidated subsidiary until the prior consolidated financial year, was dissolved as of December 26, 2008 due to the expired partnership period pursuant to provisions of the partnership contract. Consequently, said company is excluded from our consolidated subsidiaries.

(2) Significant accounting policies

1) Valuation and computation of securities

Marketable securities for trading purposes	.....	Market value (Cost of securities sold is computed using the moving average method)
Securities held to maturity	.....	Amortized cost method (straight-line method)
Other securities		
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. Cost of securities sold is computed using the moving average method)
Where there is no market price	.....	Cost determined by the moving average method The equity in limited investment partnerships and other similar partnerships (deemed as securities by the Article 2, Section 2 of the Financial Instruments 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.

2) Derivatives, etc: Valuation standards and valuation methods

Swap transactions Market value

3) Inventories: Valuation standards and valuation methods

Purchased receivables Cost on an individual specified cost basis

Merchandise

Paintings Cost on an individual specified cost basis (Balance sheet amounts are calculated by a method which reduces book values due to reduced profitability)

Other merchandise Mainly cost based on the last purchase price method (Balance sheet amounts are calculated by a method which reduces book values due to reduced profitability)

Miscellaneous items Mainly cost based on the first-in first-out method

4) Depreciation of noncurrent assets

Tangible fixed ass (excluding leased assets)

At the Company and its domestic consolidated subsidiaries Mainly declining balance method

At overseas consolidated subsidiaries Straight-line method

Intangible assets (excluding leased assets) Straight-line method

Leased assets

Leased assets related to financial lease transactions involving title transfer Same method as depreciation method applied to directly owned fixed assets

Leased assets related to finance lease transactions without title transfer Depreciated on a straight-line method, with the lease periods counted as their useful lives and no residual value.

Financial lease transactions without title transfer (of which the starting dates of lease transactions are prior to the start of the first fiscal year applying revised lease transaction accounting standards) continue to be accounted for as operating leases.

Long-term prepaid expenses Amortized in equal installments

- 5) Deferred assets treatment method
 Bond issuance cost Amortized over the redemption period
- 6) Currency translation standards for foreign-currency-denominated assets and liabilities
 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.
 The assets and liabilities of overseas subsidiaries are converted into yen using the spot market rate for the consolidated closing date. Revenues and expenses of overseas subsidiaries are converted into yen at the average rate of the consolidated accounting period. Differences in currency translation are added up as minority shareholders' interest and as currency translation adjustment accounts under shareholders' equity.
- 7) Basis for calculating allowances
- Allowance for doubtful accounts In providing for bad debts, 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.
- Provision for loss on guarantee In providing allowance for loss on guaranteed receivables, the Company and its consolidated subsidiaries make an allowance as necessary having considered the likelihood of losses at the end of this consolidated fiscal year.
- 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 employees) 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 recognized. 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 fiscal year.
- Provision for directors' benefits retirement Several domestic consolidated subsidiaries make provisions for directors' and corporate auditors' retirement benefits at the end of the fiscal year in accordance with the Company's internal rules.
 (Additional information)
 The Company resolved at the Board of Directors meeting held on March 18, 2008 to abolish the retirement benefit for directors and corporate auditors. In addition, it was approved and determined at the Annual Shareholders' Meeting held on June 20, 2008 that retirement benefits shall be paid on their retirement date to directors and corporate auditors who are incumbent as of the end of the annual shareholders' meeting, according to the terms of office up to the date of the said the annual shareholders' meeting. Therefore, a total of 631 million yen listed under "Allowance for directors' and corporate auditors' retirement benefits" was transferred to "Other" under Noncurrent liabilities.
- 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.

8) Basis of recognition of revenue and expenses

Interest on loans receivable 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.

Income from credit card business

Fees from customers Recognized mainly by credit-balance method

Fees from member outlets Recognized as fees when treated

Income from installment sales finance business

Fees from customers & member outlets Recognized by sum-of-the months' digits method on a due date basis

Fees on guaranteed receivables Recognized by credit-balance method

(Note) recording method details are as follows.

Credit-balance method Method which calculates fee at a determined rate against remaining principal, and records it as earnings

Sum-of-the months' digits me Method which records the total fees divided by the sum of the digits of the number of all installments as earnings on each payment date

9) Accounting for significant hedging activities

(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.

(2) Hedging instruments and items hedged

Interest related derivatives

Hedging instruments ... Interest-rate swaps agreements

Items hedged ... Loans with variable interest rates and straight bonds

Currency related derivatives

Hedging instruments ... Currency swaps agreements

Items hedged ... Loans denominated in foreign currency

(3) 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 relating to its variable-rate loans and straight bonds. 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.

(4) 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.

10) Treatment of consumption tax, etc

Consumption tax is treated outside of the financial statements.

However, non-deductible consumption tax and others relating to assets is recognized as an expense during the year in which it is incurred.

(3) Matters relating to evaluation of consolidated subsidiaries' assets and liabilities

The market value method applies to the evaluation of consolidated subsidiaries' assets and liabilities, overall.

(4) Amortization of goodwill and negative goodwill

Goodwill and negative goodwill are amortized in equal installments over the 5 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. As a result of recognizing impairment losses in the shares of the affiliate company PT.BANK NUSANTARA PARAHYANGAN Tbk., 2,751 million yen was recorded as "goodwill amortization amount" under Extraordinary loss.

(5) Changes in Accounting Principle

<The Accounting Standard for Measurement of Inventories>

With regard to inventories held for sale in the ordinary course of business, paintings were previously stated at cost on an individual specified cost basis, and other merchandise was mainly measured at cost based on the last purchase price method. However, with the Company's adoption of the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9, July 5, 2006) starting from the current consolidated fiscal year, paintings are measured at cost on an individual specified cost basis (balance sheet value is stated by writing down the carrying value based upon lowered profitability), and other merchandise is mainly stated by the last purchase price method (balance sheet value is stated by writing down the carrying value based upon lowered profitability).

It is deemed that the aforementioned accounting standard was applied to the measurement of inventories at the beginning of the term. The difference of 6 million yen in inventories at the beginning of the term determined as a result of the said application is included in extraordinary loss.

The impact of this change on income before income taxes represents a decrease of 6 million yen.

<The Accounting Standard for Lease Transactions>

Finance lease transactions without title transfer were formerly accounted for as operating leases. However, the "Accounting Standard for Lease Transactions" (issued by the Accounting Standards Board of Japan on June 17, 1993, revised on March 30, 2007, ASBJ Statement No. 13) and the "Guidance on Accounting Standard for Lease Transactions" (issued by the Accounting Standards Board of Japan on January 18, 1994, last revised on March 30, 2007, ASBJ Guidance No. 16) were applied beginning the current consolidated fiscal year. As a result, the Company is capitalizing all finance lease transactions. Finance lease transactions without title transfer (of which the starting dates of lease transaction are prior to the first fiscal year in which the lease accounting standard was applied) shall continue to be accounted for as operating leases. In addition, leased assets related to finance lease transactions without title transfer are depreciated on a straight-line basis, with the lease periods counted as their useful lives and no residual value.

The impact of this change on the current consolidated fiscal year's operating income, ordinary income and income before income taxes is a decrease of 0 million yen on all counts.

<Practical Solution on Unification of Accounting Policies Applied to Overseas Subsidiaries for Consolidated Financial Statements>

"Practical Solution on Unification of Accounting Policies Applied to Overseas Subsidiaries for Consolidated Financial Statements" (Practical Issues Task Force No.18; May 17, 2006) has been applied from the current consolidated fiscal year.

In the current consolidated fiscal year, this has no impact on operating income, ordinary income, nor on net income before tax.

<Change in standard for conversion into yen of revenue and expenses of overseas subsidiaries>

Previously, revenues and expenses of overseas subsidiaries were converted into yen using the spot market rate on the closing date, but starting from the current consolidated fiscal year, they are converted at the average rate of the accounting period. This change is in order to properly reflect the revenues and expenses of overseas subsidiaries in quarterly and annual consolidated financial statements, by averaging the effects of temporary currency fluctuations.

The impact of this change on operating income, ordinary income, and income before income taxes for the current consolidated fiscal year was an increase of 249 million, 258 million yen, and 256 million yen, respectively.

(6) Changes in disclosure method

<Consolidated balance sheet>

Items which appeared as "Inventories" in the previous consolidated fiscal year are classified in "Merchandise" and "Miscellaneous items" starting from the current consolidated fiscal year.

"Inventories" of the prior consolidated fiscal year contained 1,274 million yen of "Merchandise" and 114 million yen of "Miscellaneous items".

<Income Statement>

"House rent income" previously appeared as "Rent from the company's residence", but beginning the current consolidated fiscal year it appears as "House rent income".

In the prior consolidated fiscal year, rent income other than rent from the company's residence was included in "Other" of Non-operating income. That amount was 24 million yen.

Items classified as "Loss on investment partnership investments" until the prior consolidated fiscal year are less than 10/100 of total Non-operating expenses, so starting from the current consolidated fiscal year, this is included in "Other" of Non-operating expenses.

"Loss on investment partnership investments" is 3 million yen in the current consolidated fiscal year.

Items classified as "Loss on liquidation of investment securities" until the prior consolidated fiscal year are less than 10/100 of total extraordinary losses, so beginning the current consolidated fiscal year, this is included in "Other" of Extraordinary losses.

"Loss on liquidation of investment securities" is 9 million yen in the current consolidated fiscal year.

2. Notes to the Consolidated Balance Sheets

(1) Assets pledged as security, and secured liabilities

Assets pledged as security		
Accounts receivable - operating loans	.....	28,963 million yen
Secured liabilities		
Current portion of long-term loans payable	.....	21,160 million yen
Long-term loans payable	.....	7,798 million yen

(2) Cumulative depreciation of property, plant and equipment 46,953 million yen

(3) Guarantee obligations

Amount of guaranteed receivables of guarantee business	144,351 million yen
<u>Allowance for loss on guaranteed receivables</u>	<u>2,351 million yen</u>
Net	142,000 million yen
Guarantees given of bank business	389 million yen

(4) Cash and deposits includes 1,777 million yen reserves of consolidated subsidiaries based on regulations of Bank Indonesia.

3. Notes on Consolidated Statements of Changes in Net Assets

(1) Type and number of issued shares at the end of the current consolidated fiscal year

Common stock	159,628,280 shares
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(2) Matters concerning dividends from surplus

1) Amount of dividends paid

At the Annual General Meeting of Shareholders on June 20, 2008, the following was resolved.

Type of shares	Common stock
Total amount of dividends	7,859 million yen
Dividends per share	50 yen
Basic date	March 31, 2008
Effective date	June 23, 2008

At the Board of Directors Meeting on November 6, 2008, the following was resolved.

Type of shares	Common stock
Total amount of dividends	7,859 million yen
Dividends per share	50 yen
Basic date	September 30, 2008
Effective date	December 4, 2008

2) Of dividends with a basic date falling in the current consolidated fiscal year, those with an effective date in the next consolidated fiscal year

At the Annual General Meeting of Shareholders on June 25, 2009, the following is scheduled for resolution.

Type of shares	Common stock
Total amount of dividends	3,143 million yen
Dividend resource	Retained earnings
Dividends per share	20 yen
Basic date	March 31, 2009
Effective date	June 26, 2009

(3) Type and number of shares potentially used for the stock subscription rights of the current consolidated fiscal year

Common stock	121,110 shares
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4. Notes on Information Per Share

Net assets per share	2831.36 yen
Net income per share	86.91 yen

5. Notes on Significant Subsequent Events

<The Merger of the Company and its Consolidated Subsidiary, DC Cash One Ltd.>

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

(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.

(2) Schedule of the Merger

Conclusion date of contract for the merger: March 6, 2009

Date of the merger (Effective date): May 1, 2009

(3) Method of the Merger

Absorption by the Company, as a surviving company and DC Cash One Ltd. was dissolved.

(4) Merger Ratio

Because it is the merger of a wholly owned subsidiary, payments for issuing new shares and merger consolidation do not occur.

(5) Business Outline, Size and Name of the Merged Company

Name: DC Cash One Ltd.

Business Outline: Unsecured loan business and credit guarantee business

Size: (Year ending March 31, 2009)

Operating income: 16,486 million yen

Net income: 91 million yen

Assets: 83,320 million yen

Liabilities: 76,009 million yen

Net assets: 7,310 million yen

Number of employees: 95

(6) Accounting Treatment

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.

<Corporate Split-Up for Credit Guarantee Business of a Consolidated Subsidiary of the Company, DCC 1>

Based on the resolution of the Board of Directors Meeting held on January 27, 2009, a consolidated subsidiary of the Company, DCC1 implemented corporate split-up for credit guarantee business and succession of the business to Mitsubishi UFJ NICOS Co., Ltd. as of April 1, 2009.

(1) Reason of the corporate split-up

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 corporate split-up is a part of this agreement to increase the competitiveness of the consumer finance segment and reorganize the business function of the MUFG group.

(2) Business outline and size of corporate split-up

Business outline of corporate split-up: credit guarantee business

Size and business results (Year ending March 31, 2009):

Guaranteed receivables 28,628 million yen

Provision for loss on guarantees 643 million yen

Revenue 3,267 million yen

(3) Method of corporate split-up

DC Cash One Ltd. is a split-up company, and Mitsubishi UFJ NICOS Co., Ltd. becomes as a succession company by a method of absorption split-up.

(4) Date of corporate split-up: April 1, 2009

6. All amount less than one million yen have been truncated.

Balance Sheets

(As of March 31, 2009)

(Millions of yen)

Subject (Assets)	Amount	Subject (Liabilities)	Amount
Current assets	1,295,061	Current liabilities	201,507
Cash and deposits	69,895	Accounts payable-trade	281
Accounts receivable-operating loans	1,171,893	Current portion of long-term loans payable	134,644
Accounts receivable-installment	32,228	Current portion of bonds	50,000
Short-term investment securities	26,000	Leased obligations	5
Stocks of parent company	5,805	Amount payable	1,876
Merchandise	1,034	Accrued expenses	10,502
Miscellaneous Items	137	Income taxes payable	230
Prepaid expenses	1,804	Deposits payable	395
Deferred tax assets	29,889	Unearned income	76
Accrued income	9,279	Provision for loss on guarantees	3,390
Short-term loans receivable	14,995	Other	105
Other	14,635		
Allowance for doubtful accounts	(82,540)		
Noncurrent assets	128,126	Noncurrent liabilities	781,280
Property, plant and equipment	29,920	Bonds payable	185,000
Buildings	9,048	Long-term loans payable	311,089
Structures	2,483	Lease obligations	7
Equipment and furniture	11,962	Deferred tax liabilities	1,124
Land	6,413	Provision for loss on interest repayment	283,400
Leased assets	11	Other	659
Intangible assets	707		
Leasehold rights	4	Total liabilities	982,788
Telephone rights	701	(Net assets)	
Other	1	Shareholders' equity	448,030
Investments and other assets	97,498	Capital stock	63,832
Investment securities	17,544	Capital surplus	76,010
Investments in shares of affiliates	15,258	Additional paid-in capital	72,322
Other investments in affiliates	4,421	Other capital surplus	3,687
Investments in equity other than capital stock	0	Retained earnings	326,694
Long-term loans to affiliates	43,205	Legal reserve	4,320
Loans to borrowers in bankruptcy or under reorganization	2,665	Other retained earnings	322,374
Long-term prepaid expenses	663	Reserve fund	285,000
Guarantee deposits	8,966	Retained earnings brought forward	37,374
Prepaid pension cost	4,514	Treasury stock	(18,507)
Other	1,719	Valuation and translation adjustments	(7,631)
Allowance for doubtful accounts	(1,460)	Valuation difference on available-for-sale securities	(7,631)
		Total net assets	440,398
Total Assets	1,423,187	Total liabilities and net assets	1,423,187

Statements of Income

(From April 1, 2008 to March 31, 2009)

(Millions of yen)

Subject	Amount
Operating revenue	262,120
Interest on operating loans	238,231
Credit card revenue	4,269
Revenue from credit guarantee	10,551
Other financial revenue	347
Other operating revenue	8,720
Operating expenses	235,223
Financial expenses	14,675
Other operating expenses	220,547
Operating income	26,896
Non-operating income	2,982
Interest income	928
Interest on securities	34
Dividends income	1,086
House rent income	398
Guarantee fees	282
Other	251
Non-operating expenses	713
Interest expenses	0
Loss on investments in investing business association	677
Other	35
Ordinary income	29,165
Extraordinary income	5,180
Gain on sales of noncurrent assets	0
Gain on sales of investment securities	781
Gain on sales of subsidiaries and affiliates' stocks	4,379
Other	19
Extraordinary loss	4,852
Loss on sales of noncurrent assets	1
Loss on retirement of noncurrent assets	526
Loss on sales of investment securities	81
Loss on valuation of investment securities	571
Loss on valuation of subsidiaries and affiliates' stocks	3,380
Other	292
Income before income taxes	29,493
Income taxes-current	130
Income taxes-deferred	12,435
Net income	16,928

Summarized Non-consolidated Statement of Changes in Net Assets

Accounting Period (From April 1, 2008 to March 31, 2009)

(Millions of yen)

	Shareholders' Equity									
	Capital Stock	Capital Surplus			Legal reserve	Retained Earnings			Treasury stock	Total shareholders' equity
		Additional paid-in capital	Other capital surplus	Total capital surplus		Reserve fund	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance as of March 31, 2008	63,832	72,322	3,687	76,010	4,320	285,000	36,165	325,485	(18,507)	446,821
Changes during the accounting period										
Dividends from surplus							(15,719)	(15,719)		(15,719)
Net income for the accounting period							16,928	16,928		16,928
Acquisition of treasury stock									(0)	(0)
Net changes of items other than shareholders' equity during the accounting period										
Total changes during the accounting period	—	—	—	—	—	—	1,208	1,208	(0)	1,208
Balance as of March 31, 2009	63,832	72,322	3,687	76,010	4,320	285,000	37,374	326,694	(18,507)	448,030

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance as of March 31, 2008	4,500	4,500	451,321
Changes during the accounting period			
Dividends from surplus			(15,719)
Net income for the accounting period			16,928
Acquisition of treasury stock			(0)
Net changes of items other than shareholders' equity during the accounting period	(12,131)	(12,131)	(12,131)
Total changes during the accounting period	(12,131)	(12,131)	(10,922)
Balance as of March 31, 2009	(7,631)	(7,631)	440,398

Note: Items represent disposal of retained earnings at the Annual Shareholders Meeting in June 2006.

Notes to the Nonconsolidated Financial Statements

1. Notes to Significant Items Relating to the Preparation of Non-Consolidated Financial Statements

(1) Valuation and computation of assets

1) Valuation and computation of marketable securities

Securities of subsidiaries and affiliates Cost as determined by the moving average method

Securities held to maturity Amortized cost method (straight-line method)

Other securities

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. Cost of securities sold is computed using the moving average method.)

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.

2) Valuation and computation of derivative transactions

Swap transaction Market value

3) Valuation and computation of the inventories

Merchandise Cost on an individual specified cost basis (balance sheet price is calculated by a method which reduces book value due to decreased profitability)

Miscellaneous items Mainly cost based on the first-in first-out method

(2) Depreciation of the fixed assets

Tangible fixed assets (excluding leased assets) Declining balance method

Intangible fixed assets (excluding leased assets) Straight-line method

Leased assets

Leased assets in financial lease transactions without title transfer Depreciated on a straight-line method, with the lease periods counted as their useful lives and no residual value. Financial lease transactions without title transfer (of which the starting dates of lease transactions are prior to the start of the first fiscal year applying revised lease transaction accounting standards) continue to be accounted for as operating leases.

Long-term prepaid expenses Amortized in equal installments

(3) Deferred assets treatment method

Bond issuance cost Amortized over the redemption period

(4) Basis for calculating allowances

Allowance for doubtful accounts In providing for bad debts, 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.

Provision for loss on guarantee In providing allowance for loss on guaranteed receivables, the Company makes an allowance as necessary having considered the likelihood of losses at the end of the this fiscal year.

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.

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.

- (5) Basis of recognition of revenue and expenses
- | | | |
|--|-------|--|
| Interest on operating loans | ..... | Recognized on an accrual basis |
| | | Accrued interest on loans receivable is recognized at the lower of the interest rate stipulated in the Interest Restriction Law of Japan or the contracted interest rate of the Company. |
| Income from credit card business | | |
| Fee from customers | ..... | Recognized mainly by credit balance method |
| Fees from members outl | ..... | Recognized as fees when treated |
| Income from credit guarantee business | ..... | Recognized by credit-balance method |
| (Note) The recording method is as follows. | | |
| Credit-balance method | ..... | Method which calculates fee at a determined rate against remaining principal, and records it in earnings |
- (6) Accounting for hedging activities
- 1) Accounting for hedging activities

Deferred hedge accounting has been adopted. Interest-rate swaps which meet certain conditions are accounted for according to exceptional treatments.
 - 2) Hedging instruments and items hedged

Hedging instruments	.....	Interest-rate swaps agreements
Items hedged	.....	Loans with variable interest rates
 - 3) Hedging policy

The Company enters into derivative contracts such as interest-rate swap agreements in order to hedge against the risk of fluctuations in interest rates relating to its variable-rate loans.
 - 4) 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 are fully offset by changes in cash flows from hedging instruments, further evaluation is not required.
- (7) Treatment of consumption tax, etc.
- Consumption tax is treated outside of the financial statements. However, non-deductible consumption tax and others relating to assets are recognized as an expense during the year in which it is incurred.
- (8) Changes in significant accounting policies
- <The Accounting Standard for Measurement of Inventories>
- Inventories held for sale in the ordinary course of business were previously stated at cost on an individual specified cost basis. However, with the Company's adoption of the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9, July 5, 2006) starting from the current fiscal year, they are measured at cost on an individual specified cost basis (balance sheet value is stated by writing down the carrying value based upon lowered profitability).
- It is deemed that the aforementioned accounting standard was applied to the measurement of inventories at the beginning of the term. The difference of 6 million yen in inventories at the beginning of the term determined as a result of the said application is included in extraordinary loss.
- The impact of this change on income before income taxes represents a decrease of 6 million yen.
- <The Accounting Standard for Lease Transactions>
- Finance lease transactions without title transfer were formerly accounted for as operating leases. However, the "Accounting Standard for Lease Transactions" (issued by the Accounting Standards Board of Japan on June 17, 1993, revised on March 30, 2007, ASBJ Statement No. 13) and the "Guidance on Accounting Standard for Lease Transactions" (issued by the Accounting Standards Board of Japan on January 18, 1994, last revised on March 30, 2007, ASBJ Guidance No. 16) were applied beginning the current fiscal year. As a result, the Company is capitalizing all finance lease transactions. Finance lease transactions without title transfer (of which the starting dates of lease transaction are prior to the first fiscal year in which the lease accounting standard was applied) shall continue to be accounted for as operating leases. In addition, leased assets related to finance lease transactions without title transfer are depreciated on a straight-line basis, with the lease periods counted as their useful lives and no residual value.
- The impact of this change on the current fiscal year's operating income, ordinary income and income before income taxes is a decrease of 0 million yen on all counts.
- (9) Changes in disclosure method
- <Non-consolidated balance sheet>
- "Miscellaneous items" previously appeared as "Other" of Current Assets, but appear as "Miscellaneous items" beginning the current fiscal year.
- This amount in the previous business year was 77 million yen.
- <Non-consolidated income statement>
- Items classified as "Insurance payment received" until the prior consolidated accounting year are within 10/100 of total Non-operating income, so beginning the current consolidated accounting year, this is included in "Other" of Non-operating income.
- The current fiscal year's "Insurance payment received" is 50 million yen.
- "House rent income" previously appeared as "Rent from the company's residence", but beginning the current fiscal year it appears as "House rent income".

(10) Other notes

Abolishment of retirement benefit for directors and corporate auditors

The Company resolved at the Board of Directors held on March 18, 2008 to abolish the retirement benefit for directors and corporate auditors. In addition, it was approved and determined at the Annual Shareholders' system Meeting held on June 20, 2008 that retirement benefits shall be paid on their retirement date to directors and corporate auditors who are incumbent as of the end of the annual shareholders' meeting, according to the terms of office up to the date of the said the annual shareholders' meeting.

Therefore, a total of 631 million yen listed under "Allowance for directors' and corporate auditors' retirement benefits" was transferred to "Other" under Noncurrent liabilities.

2. Notes to the Balance Sheets

(1) Assets pledged as security, and secured liabilities

Assets pledged as security

Accounts receivable - 28,963 million yen
operating loans

Secured liabilities

Current portion of long-term 21,160 million yen
loans payable

Long-term loans payable 7,798 million yen

(2) Cumulative depreciation of property, plant and equipment 43,976 million yen

(3) Guaranteed receivables

Amount of credit guarantees against borrowings of affiliates 132,641 million yen

Amount of guaranteed receivables of guarantee business 193,862 million yen

Provision for loss on guarantees 3,390 million yen

Net 190,472 million yen

(4) Monetary loans and monetary debts to affiliates

Short term monetary claims 804 million yen

Long term monetary claims 184 million yen

Short term monetary debts 329 million yen

Long term monetary debts 27 million yen

3. Notes to the Income Statements

Volume of transactions with affiliates

Volume of operating transactions

Operating revenues 4,418 million yen

Operating expenses 13,837 million yen

Volume of non-operating transactions 2,033 million yen

4. Notes to Non-Consolidated Statement of Changes in Net Assets

Type and number of treasury stock at the end of the current fiscal year
Common stock 2,433,889 shares

5. Notes to the Method of Tax Effect Accounting

The tax effects of temporary differences which give rise to a significant portion of the deferred tax assets and liabilities

(Millions of yen)

Deferred tax assets:	
Bad debt write-offs	15,115
Allowance for bad debts	3,302
Allowance for loss on guaranteed receivables	1,379
Allowance for loss on interest repayments	115,315
Accrued bonuses	960
Allowance for directors' and corporate auditors' retirement benefits	256
Unrecognized accrued interest income	1,275
Software application	7,262
Deferred assets	934
Deferred consumption tax and other	330
Loss on revaluation of marketable securities	15,387
Loss on revaluation of investments in affiliates	1,375
Valuation loss of golf club memberships	101
Loss on revaluation of merchandise	202
Impairment loss	98
Tax loss carryforward	47,994
Others	334
Subtotal deferred tax assets	211,626
Valuation allowance	(179,900)
Total deferred tax assets	31,726
Deferred tax liabilities:	
Change in valuation of other marketable securities	1,124
Charge for prepaid pension expenses	1,837
Total deferred tax liabilities	2,961
Balance of deferred tax assets	28,764

6. Notes on Noncurrent Assets Used through Leases

In addition to noncurrent assets recorded in the balance sheets, some vehicles, transport equipment and ATMs for loan business are used through finance lease agreements without title transfer.

Financial lease transactions without title transfer with starting date of lease transaction on or before March 31, 2008 are accounted for as operating leases, with details as follows.

(1) Equivalent of acquisition costs, accumulated depreciation, and residual value of the leased assets

	Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value
Vehicles & delivery equipment	13 million yen	9 million yen	3 million yen
Equipment & furniture	455 million yen	313 million yen	142 million yen
Total	469 million yen	323 million yen	145 million yen

(2) Equivalent balance of the unaccrued lease fees

Within 1 year	79 million yen
Over 1 year	68 million yen
Total	148 million yen

(3) Lease fees payable, equivalent of depreciation expense, and equivalent of interest charges

Lease fees payable	149 million yen
Equivalent of depreciation	145 million yen
Equivalent of interest payable	4 million yen

(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.

(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 accounting period.

7. Notes to Transactions Between Related Parties

Beginning with the current fiscal year, "Accounting Standard for Related Party Disclosures" (ASBJ Statement No. 11; October 17, 2006) and "Guidance on Accounting Standard for Related Party Disclosures" (ASBJ Guidance No. 13; October 17, 2006) are applied.

(1) Directors and primary individual shareholders, etc.

(Millions of yen)

Type	Name	Location	Paid-in Capital	Business outline/ Occupation	Ratio of voting rights holding (held)	Relationship Between Related Parties	Summary of transactions	Amount transacted	Subject	Outstanding amount at the end of the fiscal year	
Director	Kyosuke Kinoshita	—	—	Chairman of the Company and also chief director of The Institute for Research on Household Economics	—	—	Donation	150	—	—	
	MARUITO SHOKUSAN Co., Ltd.	Kita-ku, Osaka City	68	Management of property, and buildings, purchase and sales, lease, installment sales and agency business	Direct (17.39%) Indirect (2.46%)	Rental of real estates	Payment of land rent	17	—	—	
							Sec. deposit	Deposit 184	Sec. deposit	184	
Company owned by the directors and their close relative holding the majority of ratio of voting rights inclusive of subsidiaries	MARUITO Co., Ltd.	Kita-ku, Osaka City	384	Rental of real estates	Direct (7.98%)	—	Sale of subsidiary shares	Sale amount 11,148 Gain on sale 4,379	—	—	
	JLA CO., LTD.	Chiyoda-ku, Tokyo	100	Real estate related business, interior design, construction of service outlets and maintenance of buildings and other properties.	Direct (14.9%)	Interior design and construction	Facilities purchase, expense payment	897	Accounts payable	187	
							Accrued expenses	374			
							Rental of real estates	Payment of land and building rental	153	—	—
								Placed security deposits	Deposit 38	Sec. deposits	364
	HOTEL MONTEREY CO., LTD.	Kita-ku, Osaka City	100	Hotel business	—	Use of facilities (corporate members)	Initial membership fees Guaranty money	—	Investments, other assets, etc.	2	
Annual membership fees etc.							16	Accrued expenses	0		

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) Calculation of sale price of affiliates' stock (JLA CO., LTD. and ACOM RENTAL CO., LTD.) to Maruito Co., Ltd. is determined by taking price valuation by the independent third party into consideration.
- (4) Transaction with JLA CO., LTD. (JLA) is determined after negotiation by taking the market into consideration. JLA was excluded from Company's subsidiary company group due to sale of JLA's stock on December 25, 2008. As a result above JLA transaction shows ever since when JLA has become a correspondence company by fulfillin
- (5) Transactions with HOTEL MONTEREY CO., LTD. are the same as transactions with ordinary parties with which we have dealings. Regarding transactions amounts of Nippon Life Insurance Company and JLA CO., LTD., it notes the transaction amounts since January 2009, when they became related parties.

(2) Subsidiaries, etc.

(Millions of yen)

Type	Name	Location	Paid-in Capital	Business outline	Ratio of voting rights holding (held)	Relationship Between Related Parties	Summary of transactions	Amount transacted	Subject	Outstanding amount at the end of the fiscal year
Subsidiary	DC Cash One Ltd.	Chuo-ku, Tokyo	14,341	Unsecured loan business	Direct 54.73%	Guarantee receivables to the same company	Credit guarantees receiving for the same company's unsecured loans	3,950	Guaranteed receivables balance	78,138
									Accrued income	330
							Guarantees receiving for borrowings	150	Guaranteed receivables balance	74,593
									Accrued income	12
	IR Loan Servicing, Inc.	Chiyoda-ku, Tokyo	520	Loan servicing business	Direct 100%	Financial support	Loans of funds	Lent:-	Long-term loans to affiliates	17,705
								Collected: 6,205		
	AFRESH CREDIT CO., LTD.	Chiyoda-ku, Tokyo	500	Installment sales finance business	Direct 100%	Financial support	Loans of funds	Lent 7,700	Long-term loans to affiliates	21,500
								Collected 6,900		
	EASY BUY Public Company Limited	Bangkok, Kingdom of Thailand	200,000 (thousand Thai baht)	Hire purchase and unsecured loan business in Kingdom of Thailand	Direct 49%	Guarantee receivables to the same company	Guarantees receiving for borrowing	122	Guaranteed receivables balance	54,675
									Accrued income	8
									Unearned income	3

Note: Terms and conditions of the transaction and its policies

1. Guarantee fee rates for receivable guarantees on unsecured loans of DC Cash One Ltd. are determined after negotiations with reference to guarantee fee market conditions.
2. Guarantee fee rates for receivable guarantees on bank borrowings of DC Cash One Ltd. and EASY BUY Public Company Limited are determined similar to general transaction terms, with consideration of guarantee fee market conditions.
3. Interest rates on loans of IR Loan Servicing, Inc. and AFRESH CREDIT CO., LTD. are rationally determined, considering market interest rates.

(3) Subsidiaries of parent and other related companies

(Millions of yen)

Type	Name	Location	Paid-in Capital	Business outline	Ratio of voting rights holding (held)	Relationship Between Related Parties	Summary of transactions	Amount transacted	Subject	Outstanding amount at the end of the fiscal year
Subsidiaries of parent company	Mitsubishi UFJ Trust and Banking Corporation	Chiyoda-ku, Tokyo	324,279	Trust banking business	Direct (2.00%)	Borrowing	Borrowing of the capital	Borrowing : 52,500	Current portion of long-term loans payable	36,580
									Long-term loans payable	95,948
							Payment of interest	3,440	Prepaid expenses	205
									Accrued expenses	239
	The Bank of Tokyo-Mitsubishi UFJ	Chiyoda-ku, Tokyo	1,196,295	Banking business	-	Receivable guarantee	Credit guarantees receiving for the same company's unsecured loans	681	Guaranteed receivable balance	19,170
									Accrued income	246
	Mitsubishi UFJ Securities Co., Ltd.	Chiyoda-ku, Tokyo	65,518	Securities business	Direct (0.00%)	Gensaki transaction	Gensaki transaction	Purchase: 59,973	-	-
								Sale: 59,973		
						Interest received	23	-	-	

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.
- Guarantee fee rates for receivable guarantees on personal loans of The Bank of Tokyo-Mitsubishi UFJ, Ltd. are determined after negotiations with reference to guarantee fee market conditions
- Interest rates of Gensaki transaction by Mitsubishi UFJ Securities Co., Ltd. are the money market rates.

8. Notes to Statistics per Share

	(Yen)
(1) Net assets per share	2801.62
(2) Net loss per share	107.69

9. Notes on Significant Subsequent Events

<The Merger of the Company and its Consolidated Subsidiary, DC Cash One Ltd.>

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

(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.

(2) Schedule of the Merger

Conclusion date of contract for the merger: March 6, 2009

Date of the merger (Effective date): May 1, 2009

(3) Method of the Merger

Absorption by the Company, as a surviving company and DC Cash One Ltd. was dissolved.

(4) Merger Ratio

Because it is the merger of a wholly owned subsidiary, payments for issuing new shares and merger consolidation do not occur.

(5) Business Outline, Size and Name of the Merged Company

Name: DC Cash One Ltd.

Business Outline: Unsecured loan business and credit guarantee business

Size: (Year ending March 31, 2009)

Operating income: 16,486 million yen

Net income: 91 million yen

Assets: 83,320million yen

Liabilities: 76,009million yen

Net assets: 7,310millin yen

Number of employees: 95

(6) Accounting Treatment

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.

10. Amounts appearing are round down to the nearest million yen.