

# Quarterly Securities Report

(The first quarter of the 34th fiscal year)

ACOM CO., LTD.

# Quarterly Securities Report

1. This document has been outputted and printed by adding table of contents and page numbers to the data contained in the quarterly securities report which has been submitted through the usage of Electronic Disclosure for Investors' NETwork (EDINET) that is stipulated in Article 27-30-2 of the Financial Instruments and Exchange Act of Japan.
2. This document encloses at the end both the quarterly review report that has been attached to the quarterly securities report submitted through the abovementioned method as well as the confirmation which has been submitted at the same time as that of the abovementioned quarterly securities report.

This document is a translation of the First Quarter Securities Report (original text: Japanese) submitted to Prime Minister pursuant to Article 24-4-7 of the Financial Instruments and Exchange Act. It does not bear any responsibility pertaining to the aforementioned Financial Instruments and Exchange Act regarding the content of the English text. We recommend that the determination of the authenticity of the content be based on the Japanese text of the First Quarter Securities Report.

# Contents

[Cover]	1
Part I Information on the Company	2
I. Overview of the Company	2
1. Key Financial Data and Trends	2
2. Description of Business	3
3. Information on Subsidiaries and Affiliates	3
4. Employees	3
II. Business Overview	4
1. Consolidated Operating Results	4
2. Risks Related to Business	9
3. Material Business Agreements, etc.	9
4. Analyses of Consolidated Business Results, Financial Position and Cash Flows	9
III. Equipment and Facilities	12
IV. Information on the Filing company	13
1. Information on the Company's Shares	13
2. Changes in Share Prices	15
3. Directors	16
V. Financial Information	17
1. Quarterly Consolidated Financial Statements	18
2. Others	35
Part II Information on Guarantors for the Filing Company	36

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Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Act of Japan

[Submitted to]

Director, Kanto Local Finance Bureau

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[Quarterly Accounting Period]

First Quarter of 34th Fiscal Year (from April 1, 2010 to June 30, 2010)

[Company Name]

ACOM Kabushiki-Kaisha

[Company Name in English]

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## Part I Information on the Company

### I. Overview of the Company

#### 1. Key Financial Data and Trends

Consolidated financial data, etc.

(Millions of yen, unless otherwise stated)

Fiscal period	For the three months ended June 30, 2009	For the three months ended June 30, 2010	33rd fiscal year
Period of account	From April 1, 2009 to June 30, 2009	From April 1, 2010 to June 30, 2010	From April 1, 2009 to March 31, 2010
Operating revenue	70,573	66,607	278,795
Ordinary income	10,047	22,670	7,917
Net income (loss)	7,262	6,517	(7,239)
Net assets	457,052	453,015	439,269
Total assets	1,563,030	1,461,141	1,482,520
Net assets per share (yen)	2,889.80	2,857.45	2,773.59
Net income (loss) per share (yen)	46.24	41.60	(46.18)
Diluted net income per share (yen)	46.24	—	—
Shareholders' equity ratio (%)	28.97	30.64	29.31
Net cash provided by operating activities	12,229	17,591	63,431
Net cash provided by (used in) investing activities	(2,729)	810	(6,175)
Net cash used in financing activities	(19,078)	(6,957)	(55,280)
Cash and cash equivalents at end of period	121,922	145,458	133,723
Number of employees (persons)	6,330	5,666	6,145

- (Notes)
1. Trends in key financial indicators of the Filing Company are not shown here, since the Filing Company has prepared its quarterly consolidated financial statements.
  2. "Diluted net income per share" is not shown here for the 33rd fiscal year, since the Company posted net loss per share.
  3. "Diluted net income per share" is not shown here for the three months ended June 30, 2010, since there were no residual securities with dilutive effect.
  4. Operating revenues are presented exclusive of consumption tax.

## 2. Description of Business

During the current first quarter, there was no material change in the businesses conducted by the Company Group (the Company and its subsidiaries and affiliates).

## 3. Information on Subsidiaries and Affiliates

During the current first quarter, there was no material change in the status of the Company's subsidiaries and affiliates.

## 4. Employees

### (1) Consolidated Companies

As of June 30, 2010

Number of employees	5,666 <279>
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- (Notes)
1. The number of employees represents the number of workers employed by the consolidated companies and includes 858 contracted workers.
  2. The bracketed figure is the average number of temporary workers during the current first quarter. (The average number of employees during the current first quarter calculated on the 8-working-hour per day basis was 249.)

### (2) The Company

As of June 30, 2010

Number of employees	2,166 <219>
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- (Notes)
1. The number of employees represents the number of workers employed by the Company and includes 134 contracted workers.
  2. The bracketed figure is the average number of temporary workers during the current first quarter. (The average number of employees during the current first quarter calculated on the 8-working-hour per day basis was 200.)
  3. The reason for the decrease in the number of employees by 444 employees during the current first quarter is solicitation of voluntary retirement of employees implemented as a part of Strengthening Business Management Policy in order to improve the internal organizations and strengthen the business foundation to be well-positioned for the next growth.

## II. Business Overview

### 1. Consolidated Operating Results

#### (1) Operating revenue by business segment

Business segment			For the three months ended June 30, 2009 (from April 1, 2009 to June 30, 2009)		For the three months ended June 30, 2010 (from April 1, 2010 to June 30, 2010)	
			Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Financial service businesses	Japan	Loan business	58,278	82.6	50,436	75.7
		Credit card business	1,050	1.5	919	1.4
		Guarantee business	2,146	3.0	4,523	6.8
		Loan servicing business	2,650	3.8	2,414	3.6
		Others	848	1.2	1,136	1.7
	Overseas	Loan business	4,470	6.3	5,125	7.7
		Installment sales finance business	239	0.3	159	0.3
		Banking business	886	1.3	936	1.4
Other businesses			2	0.0	954	1.4
Total			70,573	100.0	66,607	100.0

(Note) Category of business above applies the category of business stated in “Segment information” in 1. Quarterly Consolidated Financial Statements of V. Financial Information. The presentation of the three months ended June 30, 2009 follows that of the three months ended June 30, 2010.

#### (2) Transaction volume and outstanding receivables at the end of the period of the financial service business segments

##### (a) Transaction volume

Business segment		For the three months ended June 30, 2009 (from April 1, 2009 to June 30, 2009)		For the three months ended June 30, 2010 (from April 1, 2010 to June 30, 2010)	
		Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Japan	Loan business	120,252	84.0	96,128	80.0
	Credit card business	3,309	2.3	2,525	2.1
	Loan servicing business	356	0.2	146	0.1
	Others	6,706	4.7	4,790	4.0
Overseas	Loan business	11,199	7.8	12,869	10.7
	Installment sales finance business	385	0.3	347	0.3
	Banking business	1,021	0.7	3,378	2.8
Total		143,230	100.0	120,186	100.0

(Notes) 1. Category of business above applies the category of business stated in “Segment information” in 1. Quarterly Consolidated Financial Statements of V. Financial Information. The presentation of the three months ended June 30, 2009 follows that of the three months ended June 30, 2010.

2. Details and transaction volume of the above Financial Service business segments are as follows:

Loan business Provision of loans directly to customers. The scope of this segment’s transaction volume is the amount of loans to customers.

Credit card business Provision of general financial services through the use of credit cards, based on comprehensive credit administration. The scope of transaction volume is

the total amount of credit.

Loan servicing business	The amount of purchased receivables.
Installment sales finance business	Provision of financial services without using credit cards. Each transaction of this service involves customer screening and review. The scope of transaction volume is the sum of credit amount and commission fees.
Banking business	Provision of loans directly to customers. The scope of this segment's transaction volume is the amount of loans to customers.

(b) Receivables outstanding

Business segment		As of the end of the first quarter of the prior fiscal year (June 30, 2009)		As of the end of the current first quarter (June 30, 2010)		As of the end of the prior fiscal year (March 31, 2010)	
		Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Japan	Loan business	1,219,021	87.8	1,071,000	86.4	1,106,655	87.0
	Credit card business	30,839	2.2	25,334	2.0	26,485	2.1
	Loan servicing business	19,658	1.4	14,175	1.1	15,310	1.2
	Others	33,853	2.5	29,556	2.4	30,287	2.4
Overseas	Loan business	63,640	4.6	69,996	5.7	66,889	5.2
	Installment sales finance business	2,531	0.2	1,502	0.1	1,631	0.1
	Banking business	18,347	1.3	28,108	2.3	25,331	2.0
Total		1,387,892	100.0	1,239,675	100.0	1,272,592	100.0

(Note) Category of business above applies the category of business stated in "Segment information" in 1. Quarterly Consolidated Financial Statements of V. Financial Information. The presentation of the end of the first quarter of the prior fiscal year and the end of the prior fiscal year follow that of the end of the current first quarter.

## (3) Number of outlets

Category	As of the end of the first quarter of the prior fiscal year (June 30, 2009)	As of the end of the current first quarter (June 30, 2010)	As of the end of the prior fiscal year (March 31, 2010)
Outlets	1,747	1,385	1,492

The number of outlets and cash dispensers/automated teller machines of the Filling Company

Category	As of the end of the first quarter of the prior fiscal year (June 30, 2009)	As of the end of the current first quarter (June 30, 2010)	As of the end of the prior fiscal year (March 31, 2010)
Loan business outlets	1,591	1,245	1,353
Staffed outlets	118	45	45
Unstaffed outlets	1,473	1,200	1,308
MUJINKUN corners	1,590 locations (1,590)	1,245 locations (1,251)	1,353 locations (1,359)
ATMs and CDs	94,524	83,808	95,674
Proprietary	1,654	1,307	1,417
Tie-up	92,870	82,501	94,257
(Number of tie-up companies)	(105)	(63)	(103)
Machines used for settlement under agency agreements (Number of counterparties)	8,677 (1)	8,866 (1)	8,804 (1)

- (Notes) 1. In addition to the above 1,245 loan business outlets, based on the Money Lending Business Act, we registered 45 automatic contract machines (MUJINKUN corners) installed in staffed outlets (they stood at 117 as of June 30, 2009 and 45 as of March 31, 2010), 7 cash dispensers/automated teller machines installed outside outlets (11 as of June 30, 2009 and 9 as of March 31, 2010) and 1 service center (2 as of June 30, 2009 and 1 as of March 31, 2010) as outlets.
2. The number of “machines used for settlement under agency agreements” represents the number of machines for receiving payments at convenience stores.

## (4) Number of customer accounts

Business segment		As of the end of the first quarter of the prior fiscal year (June 30, 2009)	As of the end of the current first quarter (June 30, 2010)	As of the end of the prior fiscal year (March 31, 2010)
Japan	Loan business	2,270,402	1,906,317	1,957,854
	Credit card business	523,023	327,098	373,513
	Loan servicing business	283,503	296,551	293,636
	Others	146,728	141,864	144,542
Overseas	Loan business	800,177	763,213	762,657
	Installment sales finance business	63,596	40,132	45,399
	Banking business	4,087	4,934	4,516

(Notes) 1. Category of business above applies the category of business stated in “Segment information” in 1. Quarterly Consolidated Financial Statements of V. Financial Information. The presentation of the end of the first quarter of the prior fiscal year and the end of the prior fiscal year follow that of the end of the current first quarter.

2. The numbers of customer accounts by business segment shown above are as follows:

Loan business	Number of loan accounts with loans receivable
Credit card business	Number of a credit card “MasterCard®” holders
Loan servicing business	Number of accounts with outstanding purchased receivables
Installment sales finance business	Number of contracts with outstanding accounts receivable-installment business
Banking business	Number of loan accounts with outstanding loans receivable of banking business

## (5) Breakdown of loans receivable of consumer loans by loan type

Loan type		As of the end of the first quarter of the prior fiscal year (June 30, 2009)					As of the end of the current first quarter (June 30, 2010)					As of the end of the prior fiscal year (March 31, 2010)				
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Average contracted interest rate (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Average contracted interest rate (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Average contracted interest rate (%)
Consumer loans	Unsecured loans (excluding housing loans)	3,061,993	99.7	1,249,352	97.4	20.13	2,662,178	99.7	1,113,446	97.6	19.18	2,712,863	99.7	1,144,469	97.5	19.72
	Secured loans (excluding housing loans)	8,427	0.3	32,512	2.5	12.58	7,228	0.3	26,879	2.3	12.54	7,515	0.3	28,381	2.4	12.56
	Housing loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	Subtotal	3,070,420	100.0	1,281,864	99.9	19.94	2,669,406	100.0	1,140,326	99.9	19.03	2,720,378	100.0	1,172,851	99.9	19.54
Commercial loans	Unsecured loans	43	0.0	43	0.0	21.88	29	0.0	35	0.0	22.99	32	0.0	38	0.0	21.88
	Secured loans	116	0.0	753	0.1	8.81	95	0.0	635	0.1	8.83	101	0.0	655	0.1	8.91
	Subtotal	159	0.0	796	0.1	9.53	124	0.0	671	0.1	9.58	133	0.0	694	0.1	9.64
Total		3,070,579	100.0	1,282,661	100.0	19.93	2,669,530	100.0	1,140,997	100.0	19.02	2,720,511	100.0	1,173,545	100.0	19.54

## (6) Breakdown of funds

## (a) Breakdown by funding sources

Funding sources	As of the end of the first quarter of the prior fiscal year (June 30, 2009)		As of the end of the current first quarter (June 30, 2010)		As of the end of the prior fiscal year (March 31, 2010)	
	Outstanding balance (Millions of yen)	Average interest rate (%)	Outstanding balance (Millions of yen)	Average interest rate (%)	Outstanding balance (Millions of yen)	Average interest rate (%)
Borrowings from financial institutions, etc.	553,634	2.29	514,167	2.34	519,665	2.33
Others (Corporate bonds, CPs)	243,983 (243,983)	2.01 (2.01)	244,509 (244,509)	2.47 (2.47)	242,903 (242,903)	2.35 (2.35)
Total	797,617	2.21	758,676	2.38	762,569	2.34
Owners' equity (Capital stock)	793,568 (63,832)	— (—)	695,518 (63,832)	— (—)	717,136 (63,832)	— (—)

(Notes) 1. "Owners' equity" was calculated by deducting total liabilities, the amount of minority interests in the "net assets" section, and the planned amount of dividend from total assets, and then adding the total amount of reserves (including reserves under special laws).

2. "Borrowings from financial institutions, etc." as of the end of the current first quarter and the end of the prior fiscal year includes 20,000 million yen borrowings by liquidation of receivables.

## (b) Breakdown by financial institution

(Millions of yen)

Financial institution		As of the end of the first quarter of the prior fiscal year (June 30, 2009)				As of the end of the current first quarter (June 30, 2010)				As of the end of the prior fiscal year (March 31, 2010)			
		Beginning balance	Amount procured	Amount repaid	Final balance	Beginning balance	Amount procured	Amount repaid	Final balance	Beginning balance	Amount procured	Amount repaid	Final balance
Borrowings	City banks, etc.	142,223	3,530	4,487	141,266	122,661	2,861	5,574	119,948	142,223	19,910	39,472	122,661
	Regional banks	18,927	—	866	18,061	15,036	2,500	1,826	15,710	18,927	2,500	6,391	15,036
	Trust banks	178,005	10,243	11,515	176,734	166,978	15,175	11,011	171,143	178,005	41,852	52,878	166,978
	Foreign banks	18,844	25,589	20,258	24,174	15,460	8,137	9,729	13,868	18,844	87,080	90,464	15,460
	Life insurance companies	76,510	—	6,677	69,833	62,820	—	5,973	56,847	76,510	14,000	27,690	62,820
	Non-life insurance companies	9,072	—	40	9,032	8,088	—	152	7,936	9,072	—	984	8,088
	Business corporations (leasing and financing companies, etc.)	1,372	—	92	1,280	1,000	—	—	1,000	1,372	—	372	1,000
	Other financial institutions	112,999 (—)	744 (—)	491 (—)	113,253 (—)	127,621 (20,000)	1,168 (—)	1,075 (—)	127,714 (20,000)	112,999 (—)	38,744 (20,000)	24,122 (—)	127,621 (20,000)
Subtotal	557,952	40,107	44,426	553,634	519,665	29,842	35,340	514,167	557,952	204,088	242,375	519,665	
Corporate bonds (including current portion of bonds payable)	251,263	—	7,279	243,983	242,903	21,853	20,247	244,509	251,263	49,920	58,280	242,903	
Subtotal	251,263	—	7,279	243,983	242,903	21,853	20,247	244,509	251,263	49,920	58,280	242,903	
Total	809,215	40,107	51,705	797,617	762,569	51,695	55,588	758,676	809,215	254,008	300,655	762,569	

(Notes) 1. "City banks, etc." include Shinsei Bank, Limited and Aozora Bank, Ltd.

2. Figures in parentheses in the "Other financial institutions" are borrowings by liquidation of receivables.

3. Amounts procured and repaid by overseas subsidiaries are stated after foreign currency translation adjustment.

## 2. Risks Related to Business

There were no significant events or conditions which may cast significant doubt about the going-concern assumption, or other events having material impact on the Company's operations, during the current first quarter.

There were no significant changes to the "Risks Related to Business" described in the Securities Report for the previous fiscal year.

## 3. Material Business Agreements, etc.

As a part of reorganization and streamlining of business functions of Mitsubishi UFJ Financial Group, Inc. (hereinafter, "MUFG") based on the agreement between the Company and MUFG and The Bank of Tokyo-Mitsubishi UFJ, Ltd. on September 8, 2008 to further enhance business and capital alliance, the Board of Directors held on May 13, 2010 resolved to conclude the basic agreement for succeeding a part of unsecured card loan guarantee business of Mitsubishi UFJ NICOS Co., Ltd. (hereinafter, "MUN") on the effective date of October 1, 2010 by means of the company split. The Company and MUN concluded the agreement on the same day.

## 4. Analyses of Consolidated Business Results, Financial Position and Cash Flows

### (1) Analysis of business results

The Japanese economy during the first quarter remained formidable with the level of unemployment still holding high on top of the concern for the impact of deflation, despite the sustained apparent buoyancy. Added to this severe environment, there is industry-specific pressure due to the enforcement of the revised Money-Lending Business Control and Regulations Law, along with the impact of the requests for interest repayment, which makes the business circumstance of the Group even tougher than ever.

Under the new corporate vision aiming to be the leading company in personal loans market while gaining the trust of society, by providing the best satisfaction to as many as possible customers, the Group engages in loan business, credit guarantee business and loan servicing business in the domestic market, while our overseas operation comprises primarily loan business in Thailand and banking business in Indonesia.

In the first quarter, the Group has been engaged in the tasks to address the revised Money-Lending Business Control and Regulations Law enforced on June 18, 2010, including notification of the revision of the law, adjustment of the internal administration procedure and associated computer systems and enhancement of the organizational arrangement to cope with the surge of enquires, along with the preparation of the succession of credit guarantee business from MUN scheduled on October 1, 2010, development of tie-up partners in credit guarantee business and further streamlining of cost structure, etc.

Consolidated operating revenue for the first quarter decreased 3,966 million yen year on year, to 66,607 million yen (down 5.6%), due primarily to a 7,618 million yen year-on-year decrease in interest on consumer loans. Meanwhile, operating expenses decreased 17,105 million yen year on year, to 44,463 million yen (down 27.8%) due primarily to a 14,411 million yen year-on-year decrease in provision of allowance for doubtful accounts. As a result, operating income increased 13,138 million yen year on year, to 22,144 million yen, and ordinary income increased 12,623 million yen year on year, to 22,670 million yen. Meanwhile, however, extraordinary loss increased 14,031 million yen year on year, due primarily to losses on valuation of shares of parent company as well as on investment securities, along with asset retirement obligations applied from this first quarter. All in all, net income decreased 745 million yen year on year, to 6,517 million yen (down 10.3%).

Business results for each segment are as follows:

#### 1) Loan and credit card business

In the current first quarter, we recorded operating revenue of 51,419 million yen and segment income of 19,124 million yen for the loan and credit card business.

#### 2) Guarantee business

In the current first quarter, we recorded operating revenue of 4,523 million yen and segment income of 923 million yen for the guarantee business.

3) Loan servicing business

In the current first quarter, we recorded operating revenue of 2,420 million yen and segment income of 321 million yen for the loan servicing business.

4) Overseas finance business

In the current first quarter, we recorded operating revenue of 6,206 million yen and segment income of 940 million yen for the overseas finance business.

5) Others

In the current first quarter, we recorded operating revenue of 1,954 million yen and segment income of 450 million yen for others.

(2) Analysis of financial position

Compared with the end of the prior fiscal year, total assets decreased by 21,378 million yen while owners' equity increased by 13,136 million yen as of June 30, 2010. The shareholders' equity ratio increased 1.3 percentage points to 30.6%. Details of changes in assets, liabilities and net assets are as follows:

(Assets)

Current assets decreased by 18,422 million yen while noncurrent assets decreased by 2,956 million yen. The breakdown of major increases and decreases in current assets is as follows: loans receivable of consumer loans (down by 32,547 million yen), accounts receivable-installment (down by 2,011 million yen), purchased receivables (down by 1,135 million yen), shares of parent company (down by 1,036 million yen), cash and deposits (up 13,468 million yen), loans receivable of banking business (up 2,777 million yen) and trading account securities (up 1,258 million yen). The principal contributor to a decrease in noncurrent assets was investment securities (down by 2,341 million yen).

(Liabilities)

With regard to the liabilities account, changes in current, noncurrent, and total liabilities were a decrease of 751 million yen, a decrease of 34,372 million yen, and a decrease of 35,124 million yen, respectively. The breakdown of major increases and decreases in liabilities include: provision for loss on interest repayment (down by 30,700 million yen), loans and bonds payable (down by 3,892 million yen), deposits of banking business (up 7,165 million yen) and asset retirement obligations (up 5,099 million yen).

(Net assets)

In terms of net assets, shareholders' equity increased 5,733 million yen year on year, due to 5,733 million yen year-on-year increase in retained earnings, while valuation and translation adjustments and minority interests increased 7,402 million yen and 608 million yen, respectively. As a result, net assets increased by 13,745 million yen.

(3) Status of cash flows

Cash and cash equivalents ("funds") as of June 30, 2010 increased by 11,734 million yen from the value at the end of the prior fiscal year to 145,458 million yen (up 21,290 million yen year-on-year). The changes in the respective cash flow and the reasons thereof are as follows:

(Net cash provided by operating activities)

Funds from operating activities showed an increase of 17,591 million yen (up 5,361 million yen year-on-year). The increase was mainly attributable to 8,500 million yen in income before income taxes and minority interests, a decrease of 30,700 million yen in provision for loss on interest repayment, an increase of 35,230 million yen due to decrease in loans receivable of consumer loans, an increase of 2,068 million yen due to a decrease in accounts receivable-installment, and an increase of 5,544 million yen reflecting an increase in deposits of banking business.

(Net cash provided by investing activities)

Funds from investing activities saw an increase of 810 million yen (up 3,540 million yen year-on-year). This was due primarily to the collection of guarantee deposits as a result of reorganization of staffed as well as unstaffed outlets, implemented as part of the Strengthening Business Management Policy.

(Net cash used in financing activities)

Funds from financing activities saw a decrease of 6,957 million yen (up 12,120 million yen year-on-year). This was due primarily to the expenditure in the form of repayment of borrowings and redemption of bonds surpassing the proceeds from borrowings and bond issuance by 6,165 million yen, plus effect of the payment of cash dividends (775 million yen).

(4) Business and financial issues to address

The current first quarter saw no significant change in business and financial issues to address, or presented new issue that the Company needed to address.

### III. Equipment and Facilities

#### (1) Situation of major equipment

During the current first quarter, reform of cost structure by means of closing of unstaffed outlet as a part of Strengthening Business Management Policy.

Major facilities which were retired resulted from the above reform are as follows.

Business Place (Location)	Name of business categories for segments	Details of major facilities and equipment	Book value (Millions of yen)					Number of employees [temporary workers, others]
			Buildings and structures	Furniture and fixtures	Property [Area in m <sup>2</sup> ]	Leased assets	Total	
MUJINKUN corner on Sunshine 60 Street (Toshima-ku, Tokyo) and other 108 unstaffed outlets	Loan and Credit card business	Unstaffed outlet	566	133	—	14	713	—

#### (2) Plans for equipment introduction, disposals, etc.

During the current first quarter, there was no significant change in the plan for major equipment introduction, disposal, etc. made at the end of the prior fiscal year. In addition, there were no new plans made to introduce, expand, improve, dispose of or sell major equipment during the period.

#### IV. Information on the Filing Company

##### 1. Information on the Company's Shares

###### (1) Total number of shares, etc.

###### 1) Total number of shares

Class	Total number of shares authorized to be issued
Common stock	532,197,400
Total	532,197,400

###### 2) Total number of shares issued

Class	As of the end of the current first quarter (June 30, 2010)	As of the submission date (August 13, 2010)	Stock exchange on which the Company is listed	Description
Common stock	159,628,280	Same as the left	First Section of the Tokyo Stock Exchange	These are the Company's standard shares with no restricted rights. One unit of stock constitutes 10 common shares.
Total	159,628,280	Same as the left	—	—

###### (2) Status of the stock acquisition rights

###### Stock acquisition rights

The stock acquisition rights issued by the Company in accordance with Articles 280-20 and 280-21 of the former Commercial Code before its revision in 2001 are as follows.

Extraordinary Resolution approved at the General Meeting of Shareholders held on June 27, 2003	
	As of the end of the current first quarter (June 30, 2010)
Number of stock acquisition rights	11,911 (Note 1)
Number of stock acquisition rights held by the Company included in the stock acquisition rights	—
Class of shares to be issued upon the exercise of the stock acquisition rights	Common stock
Number of shares to be issued upon the exercise of the stock acquisition rights	119,110 shares
Amount to be subscribed upon the exercise of the stock acquisition rights	4,931 yen per share (Note 2)
Exercise period	from July 1, 2005 to June 30, 2010
Issue price and amount per share to be credited to common stock upon the exercise of the stock acquisition rights	Issue price: 4,931 yen Amount per share to be credited to common stock: 2,466 yen
Condition for the exercise of the stock acquisition rights	Partial exercise of the stock acquisition rights is not allowed.
Transfer of the stock acquisition rights	Transfers of the stock acquisition rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—
Matters relating to the issuance of stock acquisition rights as a result of organizational restructuring action	—

- (Notes) 1. The number of shares to be issued or transferred upon exercise of each stock acquisition right shall be 10 shares of Common Stock.
2. In the event that, subsequent to the issuance of stock acquisition rights, the Company issues shares or disposes of its treasury stock at a paid in amount lower than the market price (excluding the exercise of stock acquisition rights and the transfer of the treasury stock pursuant to the provision of Supplementary Provisions, Article 5, Paragraph 2 of the Act for Partial Amendments to the Commercial Code, etc. (Act No. 79 of 2001)), the exercise price shall be adjusted according to the following formula, with any fraction of one yen occurring upon such adjustment rounded up to the nearest yen.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares outstanding} + \frac{\text{Number of newly issued shares} \times \text{Paid-in amount per share}}{\text{Market price per share}}}{\text{Number of shares outstanding} + \text{Number of newly issued shares}}$$

In the above formula, “Number of shares outstanding” is defined as the total number of shares issued by the Company excluding treasury stock held by the Company. In the event of disposition of treasury stock, “Number of newly issued shares” shall read as “Number of shares of treasury stock disposed of.” In addition, in the event that the Company splits or consolidates its shares of common stock subsequent to the issuance, the exercise price shall be adjusted in accordance with the split or consolidation ratio, with any fraction of one yen occurring upon such adjustment rounded up to the nearest yen.

Further, subsequent to the issuance, if the Company carries out the reduction of capital, merger, company split, etc. that makes it necessary to adjust the exercise price, the exercise price shall be adjusted within a reasonable price range, in consideration of the terms, etc. of capital reduction, merger or company split.

- (3) Status in the exercise of bonds with stock acquisition rights with exercise price amendment  
Not applicable.
- (4) Rights plans  
Not applicable.
- (5) Changes in the total number of shares issued and the amount of capital stock and other

(Millions of yen, unless otherwise stated)

Period	Changes in the total number of shares issued (Thousand shares)	Balance of the total number of shares issued (Thousand shares)	Changes in capital stock	Balance of capital stock	Changes in legal capital surplus	Balance of legal capital surplus
From April 1, 2010 to June 30, 2010	—	159,628	—	63,832	—	72,322

(6) Major Shareholders

The Company did not identify any significant changes in major shareholders during the current first quarter since it did not receive any copies of substantial shareholding reports, etc.

(7) Status of voting rights

Details of registered shareholders as of June 30, 2010 have not yet been confirmed, and therefore we are unable to present the situation of voting rights on that date. The information regarding voting rights presented below relates to the shareholders registered as of March 31, 2010.

1) Issued shares

As of March 31, 2010

Classification	Number of shares (shares)	Number of voting rights (units)	Details
Shares without voting rights	—	—	—
Shares with limited voting rights (treasury stock, etc.)	—	—	—
Shares with limited voting rights (others)	—	—	—
Shares with full voting rights (treasury stock, etc.)	(Treasury stock) Common stock 2,966,670	—	—
Shares with full voting rights (others)	Common stock 156,659,930	15,665,993	—
Shares of less than one unit	Common stock 1,680	—	—
Total number of shares issued	159,628,280	—	—
Total voting rights held by all shareholders	—	15,665,993	—

- (Notes) 1. The number of shares of common stock in the “Shares with full voting rights (others)” box includes 300 shares (30 units of voting rights) held by Japan Securities Depository Center, Inc.  
2. The number of shares of common stock in the “Shares of less than one unit” box includes 6 shares of treasury stock held by the Company.

2) Treasury stock, etc.

As of March 31, 2010

Shareholder	Address of shareholder	Number of shares held under own name (shares)	Number of shares held under the names of others (shares)	Total (shares)	Percentage of shares held to the total number of issued shares (%)
(Treasury stock) ACOM CO., LTD.	1-1, Marunouchi 2- chome, Chiyoda-ku, Tokyo	2,966,670	—	2,966,670	1.85
Total	—	2,966,670	—	2,966,670	1.85

2. Changes in Share Prices

Highest and lowest share prices by month during the three months ended June 30, 2010

Month	April 2010	May 2010	June 2010
Highest (yen)	1,624	1,458	1,291
Lowest (yen)	1,460	1,136	1,090

(Note) The highest and lowest share prices are marked on the first section of the Tokyo Stock Exchange.

### 3. Directors

There was no change in directors after the submission date of the securities report for the prior fiscal year to the submission date of this quarterly report.

## V. Financial Information

### 1. Basis of preparation of the quarterly consolidated financial statements

The quarterly consolidated financial statements of the Company are prepared in accordance with the “Regulations Concerning the Terminology, Forms and Preparation of Quarterly Consolidated Financial Statements” (Cabinet Office Ordinance No. 64, 2007, hereinafter referred to as the “Regulations of Quarterly Consolidated Financial Statements”) and the “Ordinance on Reorganization of Accounting Methods for Special Finance Corporations, etc.” (Ordinance of General Administrative Agency of the Cabinet/the Finance Ministry No. 32 of 1999).

The quarterly consolidated financial statements for the first quarter of the prior fiscal year (from April 1, 2009 to June 30, 2009) and for the three months ended June 30, 2009 (from April 1, 2009 to June 30, 2009) have been prepared in accordance with the the Regulations of Quarterly Consolidated Financial Statements prior to the revision, whereas the quarterly consolidated financial statements for the current first quarter (from April 1, 2010 to June 30, 2010) and for the three months ended June 30, 2010 (from April 1, 2010 to June 30, 2010) have been prepared in accordance with the Regulations of Quarterly Consolidated Financial Statements after the revision.

### 2. Audit and review reports

Pursuant to the first paragraph of Article 193-2 of the Financial Instruments and Exchange Act, the Company’s quarterly consolidated financial statements for the first quarter of the prior fiscal year (from April 1, 2009 to June 30, 2009) and for the three months ended June 30, 2009 (from April 1, 2009 to June 30, 2009), and those for the current first quarter (from April 1, 2010 to June 30, 2010) and for the three months ended June 30, 2010 (from April 1, 2010 to June 30, 2010) were reviewed by Deloitte Touche Tohmatsu LLC.

1. Quarterly Consolidated Financial Statements  
(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of June 30, 2010		As of March 31, 2010 (Summary)	
<b>Assets</b>				
Current assets				
Cash and deposits	*3	97,216	*3	83,747
Loans receivable of consumer loans	*2, *5	1,140,997	*2, *5	1,173,545
Loans receivable of banking business		28,108		25,331
Accounts receivable-installment		56,393		58,404
Purchased receivables		14,175		15,310
Short-term investment securities		20,760		21,700
Shares of parent company		4,939		5,976
Operational investment securities		1,810		1,966
Trading account securities		3,679		2,421
Merchandise and finished goods		334		1,036
Raw materials and supplies		98		103
Deferred tax assets		25,683		26,589
Short-term loans receivable		29,987		29,992
Other		30,378		31,491
Allowance for doubtful accounts		(64,630)		(69,262)
Total current assets		1,389,934		1,408,356
Noncurrent assets				
Property, plant and equipment				
Buildings and structures, net	*1	9,927	*1	9,224
Equipment, net	*1	10,994	*1	11,091
Land		6,540		6,535
Other, net	*1	490	*1	545
Total property, plant and equipment		27,953		27,396
Intangible assets				
Goodwill		7,340		7,469
Other		227		227
Total intangible assets		7,568		7,697
Investments and other assets				
Investment securities		19,743		22,085
Deferred tax assets		483		484
Guarantee deposits		7,976		8,660
Prepaid pension cost		3,410		3,757
Other	*5	5,420	*5	5,268
Allowance for doubtful accounts		(1,347)		(1,187)
Total investments and other assets		35,685		39,069
Total noncurrent assets		71,207		74,163
Total assets		1,461,141		1,482,520

(Millions of yen)

	As of June 30, 2010		As of March 31, 2010 (Summary)	
<b>Liabilities</b>				
Current liabilities				
Notes and accounts payable-trade		697		760
Short-term loans payable		1,980		4,112
Current portion of long-term loans payable	*2	194,713	*2	183,976
Current portion of bonds payable		47,030		51,654
Deposits of banking business		41,740		34,574
Income taxes payable		1,013		792
Provision for loss on guarantees	*4	7,926	*4	8,275
Asset retirement obligations		13		—
Unearned income		3,584		3,809
Other		10,359		21,855
<b>Total current liabilities</b>		<b>309,059</b>		<b>309,811</b>
Noncurrent liabilities				
Bonds payable		197,478		191,249
Long-term loans payable	*2	317,473	*2	331,577
Deferred tax liabilities		1,614		2,240
Provision for retirement benefits		153		144
Provision for directors' retirement benefits		8		33
Provision for loss on interest repayment		173,800		204,500
Asset retirement obligations		5,086		—
Other		3,451		3,693
<b>Total noncurrent liabilities</b>		<b>699,066</b>		<b>733,439</b>
<b>Total liabilities</b>		<b>1,008,126</b>		<b>1,043,250</b>
<b>Net assets</b>				
Shareholders' equity				
Capital stock		63,832		63,832
Capital surplus		76,010		76,010
Retained earnings		329,628		323,894
Treasury stock		(19,793)		(19,793)
<b>Total shareholders' equity</b>		<b>449,678</b>		<b>443,944</b>
Valuation and translation adjustments				
Valuation difference on available-for-sale securities		998		(6,161)
Foreign currency translation adjustment		(3,024)		(3,266)
<b>Total valuation and translation adjustments</b>		<b>(2,025)</b>		<b>(9,428)</b>
Minority interests		5,362		4,753
<b>Total net assets</b>		<b>453,015</b>		<b>439,269</b>
<b>Total liabilities and net assets</b>		<b>1,461,141</b>		<b>1,482,520</b>

(2) Quarterly Consolidated Statements of Income  
Three month ended June 30, 2010

(Millions of yen)

	For the three months ended June 30, 2009	For the three months ended June 30, 2010
<b>Operating revenue</b>		
Interest on consumer loans	60,736	53,117
Interest on loans of banking business	598	784
Revenue from credit card business	949	780
Revenue from installment sales finance business	894	801
Revenue from credit guarantee	1,763	4,156
Collection from purchased receivable	2,512	2,259
Other financial revenue	*1 352	*1 423
Other operating revenue	2,766	4,284
<b>Total operating revenue</b>	<b>70,573</b>	<b>66,607</b>
<b>Operating expenses</b>		
Financial expenses	*2 5,405	*2 5,591
Cost of purchased receivable	1,258	881
Other operating expenses	*3 54,903	*3 37,990
<b>Total operating expenses</b>	<b>61,568</b>	<b>44,463</b>
<b>Operating income</b>	<b>9,005</b>	<b>22,144</b>
<b>Non-operating income</b>		
Interest income	60	65
Dividend income	322	202
Equity in earnings of affiliates	—	1
Amortization of negative goodwill	513	—
House rent income	98	—
Income by gratuitous allotment of stocks	—	134
Other	77	152
<b>Total non-operating income</b>	<b>1,072</b>	<b>556</b>
<b>Non-operating expenses</b>		
Interest expense	0	1
Equity in losses of affiliates	15	—
Foreign exchange losses	3	—
Loss on disposal of supplies	10	—
Loss on insurance cancellation	—	19
Other	1	9
<b>Total non-operating expenses</b>	<b>30</b>	<b>29</b>
<b>Ordinary income</b>	<b>10,047</b>	<b>22,670</b>

(Millions of yen)

	For the three months ended June 30, 2009	For the three months ended June 30, 2010
Extraordinary income		
Gain on sales of noncurrent assets	0	0
Gain on sales of investment securities	215	99
Gain on transfer from business divestitures	1,323	—
Other	0	—
Total extraordinary income	1,540	100
Extraordinary loss		
Loss on sales of noncurrent assets	8	0
Loss on retirement of noncurrent assets	138	29
Loss on valuation of shares of parent company	—	5,225
Loss on valuation of investment securities	0	4,953
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	4,050
Restructuring loss	87	—
Other	5	12
Total extraordinary losses	239	14,270
Income before income taxes and minority interests	11,347	8,500
Income taxes-current	106	712
Income taxes-deferred	3,197	842
Total income taxes	3,303	1,554
Income before minority interests	—	6,945
Minority interests in income	781	428
Net income	7,262	6,517

## (3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	For the three months ended June 30, 2009	For the three months ended June 30, 2010
Net cash provided by operating activities		
Income before income taxes and minority interests	11,347	8,500
Depreciation and amortization	615	544
Amortization of goodwill	—	129
Amortization of negative goodwill	(513)	—
Increase (decrease) in allowance for doubtful accounts	729	(4,648)
Decrease in provision for loss on guarantees	(8)	(349)
Increase in provision for retirement benefits	2	3
Decrease in provision for directors' retirement benefits	(45)	(25)
Decrease in provision for loss on interest repayment	(38,500)	(30,700)
Interest and dividend income	(382)	(268)
Interest expense	0	1
Amortization of bond issuance costs	—	116
Foreign exchange gains	(110)	(298)
Equity in (earnings) losses of affiliates	15	(1)
Gain on sales of property, plant and equipment	(0)	(0)
Loss on retirement of property, plant and equipment	138	29
Gain on sales of investment securities	(215)	(99)
Loss on valuation of shares of parent company	—	5,225
Loss on valuation of investment securities	0	4,953
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	4,050
Decrease in loans receivable of consumer loans	37,169	35,230
Decrease (increase) in loans receivable of banking business	369	(1,685)
Decrease in accounts receivable-installment	958	2,068
Decrease in purchased receivables	1,264	1,135
Decrease in investment securities for sale	28	155
Increase in trading account securities	(4,086)	(1,116)
Decrease in inventories	70	708
Decrease in other current assets	1,145	1,361
Decrease in prepaid pension costs	463	347
Decrease in notes and accounts payable-trade	(159)	(64)
Increase in deposits of banking business	5,997	5,544
Decrease in unearned income	(26)	(232)
Decrease in other current liabilities	(3,774)	(4,366)
Decrease by other operating activities	(430)	(1,336)
Subtotal	12,065	24,912
Interest and dividend income received	404	267
Interest expense paid	(0)	(1)
Business structure improvement expenses paid	—	(7,123)
Income taxes refund	—	1
Income taxes paid	(241)	(465)
Net cash provided by operating activities	12,229	17,591

(Millions of yen)

	For the three months ended June 30, 2009		For the three months ended June 30, 2010	
Net cash provided by (used in) investing activities				
Proceeds from withdrawal of time deposits		1		—
Purchase of property, plant and equipment		(539)		(157)
Proceeds from sales of property, plant and equipment		2		4
Proceeds from sales of investment securities		501		167
Purchase of investments in subsidiaries		(3,577)		—
Proceeds from sales of investments in subsidiaries		170		—
Proceeds from transfer of business		680		—
Increase by other investing activities		32		796
Net cash provided by (used in) investing activities		(2,729)		810
Net cash used in financing activities				
Proceeds from short-term loans payable		25,665		8,528
Repayments of in short-term loans payable		(36,551)		(10,736)
Proceeds from issuance of bonds		—		20,879
Payments at maturity of bonds		(7,950)		(20,247)
Proceeds from long-term loans payable		28,315		19,576
Repayment of long-term loans payable		(24,168)		(24,166)
Repayments of finance lease obligations		(1)		(16)
Purchase of treasury stock		(1,263)		—
Cash dividends paid		(3,125)		(775)
Net cash used in financing activities		(19,078)		(6,957)
Effect of exchange rate change on cash and cash equivalents		127		291
Net increase (decrease) in cash and cash equivalents		(9,450)		11,734
Cash and cash equivalents at beginning of period		131,477		133,723
Decrease in cash and cash equivalents resulting from change of scope of consolidation		(104)		—
Cash and cash equivalents at end of period	*1	121,922	*1	145,458

[Notes on going-concern assumption]

For the current first quarter (from April 1, 2010 to June 30, 2010)

Not applicable.

[Changes in significant matters providing the basis for the preparation of quarterly consolidated financial statements]

Item	For the current first quarter (from April 1, 2010 to June 30, 2010)
Changes in accounting policies	<p>(1) Adoption of Accounting Standard for Equity Method of Accounting for Investments and Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method The Company adopted “Accounting Standard for Equity Method of Accounting for Investments” (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” (PITF No. 24, March 10, 2008) from the current first quarter. This change has had no effect on operating income, ordinary income and income before income taxes and minority interests.</p> <p>(2) 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 the current first quarter. The impact of this change on operating income and ordinary income was a decrease of 56 million yen, and that on income before income taxes and minority interests was a decrease of 4,106 million yen, respectively. The balance of asset retirement obligations at the beginning of the period due to adoption of this accounting standard is 5,075 million yen. The amount of change in asset retirement obligations is 23 million yen.</p>

[Changes in presentation]

For the current first quarter (from April 1, 2010 to June 30, 2010)

(Quarterly Consolidated Statements of Income)

The items presented as “Revenue from credit card business (sogo-assen-syueki)” and “Revenue from installment sales finance business (kohin-assen-syueki)” for the three months ended June 30, 2009 have been presented as “Revenue from credit card business (hokatsu-shinyokonyu-assen-syueki)” and “Revenue from installment sales finance business (kobetsu-shinyokonyu-assen-syueki),” respectively, due to the revision to the Installment Sales Act.

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), “Income before minority interests” is posted on the Consolidated Statements of Income for the three months ended June 30, 2010.

“House rent income,” which was separately presented in non-operating income up to the three months ended June 30, 2009, has been included and reported in “Other” of non-operating income since the three months ended June 30, 2010 as it does not account for more than 20 percent of the total non-operating income.

“House rent income” for the three months ended June 30, 2010 was 77 million yen.

“Foreign exchange losses,” which was separately presented in non-operating expenses up to the three months ended June 30, 2009, has been included and reported in “Other” of non-operating expenses since the three months ended June 30, 2010 as it does not account for more than 20 percent of the total non-operating expenses.

“Foreign exchange losses” for the three months ended June 30, 2010 was 2 million yen.

“Loss on insurance cancellation,” which had been included in “Other” in non-operating expenses up to the three months ended June 30, 2009, has exceeded 20 percent of total non-operating expenses. For that reason, it is separately listed effective from the three months ended June 30, 2010.

“Loss on insurance cancellation” for the three months ended June 30, 2009 was 0 million yen.

[Adoption of simplified method of accounting]

For the current first quarter (from April 1, 2010 to June 30, 2010)

There are no significant applicable items.

[Adoption of specific method of accounting for the preparation of quarterly consolidated financial statements]

For the current first quarter (from April 1, 2010 to June 30, 2010)

Not applicable

[Notes]

(Notes to Quarterly Consolidated Balance Sheets)

As of the end of the current first quarter (June 30, 2010)	As of the end of the prior fiscal year (March 31, 2010)
*1. Accumulated depreciation of property, plant and equipment (Millions of yen)	*1. Accumulated depreciation of property, plant and equipment (Millions of yen)
42,956	39,996
*2. Pledged assets (Millions of yen)	*2. Pledged assets (Millions of yen)
(1) Assets pledged as collateral	(1) Assets pledged as collateral
Loans receivable of consumer loans	Loans receivable of consumer loans
42,655 [37,236]	45,678 [37,878]
(2) Secured obligations	(2) Secured obligations
Current portion of long-term loans payable	Current portion of long-term loans payable
8,678 [4,999]	9,209 [3,749]
Long-term loans payable	Long-term loans payable
16,738 [15,000]	18,588 [16,250]
Total	Total
25,417 [20,000]	27,798 [20,000]
Figures in brackets “[ ]” represent amount concerning liquidation of receivables. In addition, accounts receivable-operating loans of 37,236 million yen shown above have been transferred by trust for the purpose of liquidation, whose right of ownership has been transferred to the trust bank (trustees).	Figures in brackets “[ ]” represent amount concerning liquidation of receivables. In addition, accounts receivable-operating loans of 37,878 million yen shown above have been transferred by trust for the purpose of liquidation, whose right of ownership has been transferred to the trust bank (trustees).
*3. Cash and deposits include 2,500 million yen of reserve for deposit of a consolidated subsidiary pursuant to the regulations of Bank Indonesia.	*3. Cash and deposits include 1,711 million yen of reserve for deposit of a consolidated subsidiary pursuant to the regulations of Bank Indonesia.
*4. Contingent liabilities (Millions of yen)	*4. Contingent liabilities (Millions of yen)
Outstanding guarantee obligation in the guarantee business	Outstanding guarantee obligation in the guarantee business
319,110	317,240
Outstanding guarantee obligation in the banking business	Outstanding guarantee obligation in the banking business
682	574
Provision for loss on guarantees	Provision for loss on guarantees
7,926	8,275
Net	Net
311,866	309,539

As of the end of the current first quarter (June 30, 2010)			As of the end of the prior fiscal year (March 31, 2010)		
*5. Status of non-performing loans in loans receivable of consumer loans  (Millions of yen)			*5. Status of non-performing loans in loans receivable of consumer loans  (Millions of yen)		
Category	Amount	Classification criteria	Category	Amount	Classification criteria
Loans to bankrupt parties	<3,005> 3,005	Of loans exclusive of accrued interest, loans to bankrupt parties, parties in rehabilitation and reorganization, and others.	Loans to bankrupt parties	<3,112> 3,112	Of loans exclusive of accrued interest, loans to bankrupt parties, parties in rehabilitation and reorganization, and others.
Loans in arrears	<20,018> 64,197	Other loans exclusive of accrued interest, excluding loans on which interest payment is deferred for the purpose of reconstructing or assisting debtors.	Loans in arrears	<17,969> 63,666	Other loans exclusive of accrued interest, excluding loans on which interest payment is deferred for the purpose of reconstructing or assisting debtors.
Loans overdue by three months or more	<20,161> 4,441	Loans other than the above that are overdue by three months or more.	Loans overdue by three months or more	<19,016> 3,392	Loans other than the above that are overdue by three months or more.
Restructured loans	<51,258> 45,323	Loans other than the above that are restructured on favorable terms for debtors, such as reduction or waiving of interest, in order to facilitate collection of outstanding balance.	Restructured loans	<52,140> 46,522	Loans other than the above that are restructured on favorable terms for debtors, such as reduction or waiving of interest, in order to facilitate collection of outstanding balance.
Total	<94,444> 116,967	—	Total	<92,239> 116,694	—
<p>Figures in brackets “&lt;&gt;” represent the balance of non-performing loans when loans exclusive of accrued interest are calculated according to the policies set forth in the general directives concerning Corporation Tax Act.</p>			<p>Figures in brackets “&lt;&gt;” represent the balance of non-performing loans when loans exclusive of accrued interest are calculated according to the policies set forth in the general directives concerning Corporation Tax Act.</p>		

## (Notes to Quarterly Consolidated Statements of Income)

For the three months ended June 30, 2009 (from April 1, 2009 to June 30, 2009)	For the three months ended June 30, 2010 (from April 1, 2010 to June 30, 2010)																																														
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<p>4. Basis for classification of financial revenue and financial expenses on quarterly consolidated statements of income</p> <p>(1) Financial revenue stated as operating revenue Includes all financial revenue earned by the Company and its subsidiaries engaged in the financial service business, excluding dividends and interest on investment securities.</p> <p>(2) Financial expenses stated as operating expenses Include all financial expenses spent by the Company and its subsidiaries engaged in the financial service business, excluding interest expense, etc. which are clearly not corresponding to operating revenue.</p>	<p>4. Same as the left</p>																																														

## (Notes to Quarterly Consolidated Statements of Cash Flows)

For the three months ended June 30, 2009 (from April 1, 2009 to June 30, 2009)	For the three months ended June 30, 2010 (from April 1, 2010 to June 30, 2010)
*1. Relationship between the quarter-end balance of cash and cash equivalents and the amount of quarterly consolidated balance sheet items. (As of June 30, 2009; in millions of yen)	*1. Relationship between the quarter-end balance of cash and cash equivalents and the amount of quarterly consolidated balance sheet items. (As of June 30, 2010; in millions of yen)
Cash and deposits 82,486	Cash and deposits 97,216
Short-term investment securities 15,900	Short-term investment securities 20,760
Short-term loans receivable 24,995	Short-term loans receivable 29,987
Time deposits with original maturities of more than three months (4)	Time deposits with original maturities of more than three months (4)
<u>Cash reserved for banking business (1,454)</u>	<u>Cash reserved for banking business (2,500)</u>
Cash and cash equivalents 121,922	Cash and cash equivalents 145,458

(Notes to Shareholders' Equity, etc.)

As of the end of the current first quarter (June 30, 2010), and for the three months ended June 30, 2010  
(from April 1, 2010 to June 30, 2010)

1. Class and total number of outstanding shares

Class of shares	As of June 30, 2010
Common stock	159,628,280 shares

2. Class and number of treasury shares

Class of shares	As of June 30, 2010
Common stock	2,966,676 shares

3. Matters related to stock acquisition rights, etc.

Not applicable.

4. Matters related to dividends

(1) Dividends paid

Resolution	Class of shares	Total amount of dividends (Millions of yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
General Shareholders' Meeting held on June 24, 2010	Common stock	783	5.00	March 31, 2010	June 25, 2010	Retained earnings

(2) Dividends whose record date falls in the period from the commencement date of the current fiscal year to the end of the current first quarter, but whose effective date comes after June 30, 2010

Not applicable.

(Segment information, etc.)

[Business segment information]

For the three months ended June 30, 2009 (from April 1, 2009 to June 30, 2009)

Detailed business segment information is omitted as both the operating revenue and the operating income of “Financial Service Business” account for more than 90% of the consolidated operating revenue and the consolidated operating income of the Company and its consolidated subsidiaries.

[Geographical segment information]

For the three months ended June 30, 2009 (from April 1, 2009 to June 30, 2009)

Geographical segment information is omitted as the total amount of the operating revenue in Japan accounts for more than 90% of the total amount of the consolidated operating revenue of the Company and its consolidated subsidiaries.

[Overseas operating revenue]

For the three months ended June 30, 2009 (from April 1, 2009 to June 30, 2009)

Overseas operating revenue information is omitted as the overseas operating revenue accounts for less than 10% of the total consolidated operating revenue of the Company and its consolidated subsidiaries.

[Segment information]

(Additional Information)

The Company adopted “Accounting Standard for Disclosures about Segments of an Enterprise and Related information (ASBJ Statement No. 17, March 27, 2009)” and “Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No. 20, March 21, 2008)” from the current first quarter.

1. Outline of reported segments

The reported segment of the Company are the business units for which the Company is able to obtain respective financial information separately in order for the Board of Directors to conduct periodic review to determine distribution of management resources and evaluate their business results.

The Company conducts finance businesses comprised mainly of loan and credit card business in Japan and overseas.

In Japan, the Company mainly conducts guarantee business and loan servicing business in addition to loan and credit card business. In overseas, the Company also conducts finance businesses in Asia.

Accordingly, the Company’s reported segments are “Loan and credit card business,” “Guarantee business,” “Loan servicing business” and “Overseas finance business.”

2. Information regarding operating revenue and income or loss by reported segments

For the three months ended June 30, 2010 (from April 1, 2010 to June 30, 2010)

(Millions of yen)

	Reported segments					Others (Note)	Total
	Loan and credit card business	Guarantee business	Loan servicing business	Overseas finance business	Subtotal		
Operating revenue							
Operating revenue from external customers	51,356	4,523	2,414	6,221	64,516	2,091	66,607
Intersegment operating revenue or transfers	62	—	5	(15)	53	(136)	(82)
Total	51,419	4,523	2,420	6,206	64,569	1,954	66,524
Segment income	19,124	923	321	940	21,309	450	21,760

(Note) “Others” category is a business segments which is not included in the reported segments and includes installment sales finance business, various entrusted back-office (clerical work) services and venture capital business, etc.

3. Amount and outline of difference between the total segment income or loss and operating income on quarterly consolidated statements of income

Income	Amount (Millions of yen)
Total amount of income from reporting segments	21,309
Income of “Others” category	450
Elimination of inter-segment transactions	169
Adjustment due to unification of accounting treatment between parent company and subsidiaries, etc.	214
Operating income on quarterly consolidated statements of income	22,144

(Notes to securities)

As of the end of the current first quarter (June 30, 2010)

Other available-for-sales securities with market values have become an important part in business operations, and furthermore, significant changes have occurred in comparison with the end of the prior fiscal year.

(Millions of yen)

Category	Acquisition cost	Carrying amount	Unrealized gain /loss
(1) Stocks	16,577	19,006	2,429
(2) Bonds			
Government/municipal	51	54	2
Corporate	—	—	—
Other	—	—	—
(3) Other	921	683	(237)
Total	17,550	19,744	2,194

(Note) During the current first quarter, other securities with market values were treated with an impairment loss of 10,178 million yen.

Impairment losses on stocks are written off when the market value of a given stock fell more than 50% of original cost and the market value is deemed unlikely to recover the level of the original cost. Impairment losses on stocks are also written off when the market value did not recover the fall out ratio of 30% for one year after the market value of a given stock fell more than 30% to below 50% of original cost and the market value is deemed unlikely to recover the level of the original cost considering financial condition, financial results, and trends of market value.

(Per share information)

1. Net assets per share

As of the end of the current first quarter (June 30, 2010)	As of the end of the prior fiscal year (March 31, 2010)
Net assets per share 2,857.45 yen	Net assets per share 2,773.59 yen

(Note) The basis for calculation of net assets per share is as follows:

Item	(Millions of yen, unless otherwise stated)	
	As of the end of the current first quarter (June 30, 2010)	As of the end of the prior fiscal year (March 31, 2010)
Total net assets	453,015	439,269
Amount deducted from the total net assets [Minority interests included in the above]	5,362 [5,362]	4,753 [4,753]
Amount of net assets related to common shares at June 30 and at March 31	447,652	434,515
Number of common shares used to calculate net assets per share at June 30 and at March 31	156,661,604 shares	156,661,604 shares

2. Net income per share, etc.

For the three months ended June 30, 2009 (from April 1, 2009 to June 30, 2009)	For the three months ended June 30, 2010 (from April 1, 2010 to June 30, 2010)
Net income per share 46.24 yen	Net income per share 41.60 yen
Diluted net income per share 46.24 yen	Diluted net income per share is not stated since there is no dilutive security that has dilutive effects

(Note) The basis for calculation of net income per share and diluted net income per share is as follows:

Item	(Millions of yen, unless otherwise stated)	
	For the three months ended June 30, 2009 (from April 1, 2009 to June 30, 2009)	For the three months ended June 30, 2010 (from April 1, 2010 to June 30, 2010)
Net income per share		
Net income	7,262	6,517
Net income not attributable to common shareholders	—	—
Net income related to common shares	7,262	6,517
Weighted average number of common shares during the quarter	157,076,836 shares	156,661,604 shares
Diluted net income per share		
Amount of net income adjustments	(0)	—
[Change in the equity ratio concerning dilutive securities issued by subsidiaries]	[(0)]	[—]
Number of increase in common shares	—	—
Significant changes from March 31, 2010, in dilutive securities that didn't have dilutive effects and therefore were not included in the calculation of diluted net income per share.	—	—

2. Others

Not applicable.

Part II Information on Guarantors for the Filing Company

Not applicable.