

(TRANSLATION)

**Brief Statement of Financial Results at the Interim for the
Fiscal Year Ending March 2000**

November 2, 1999

Forward Looking Statement

The statements and figures contained in this Brief Statement of Financial Results at the interim for the fiscal year ending March 2000 (the "Brief Statement") with respect to ACOM's plans and strategies and other statements that are not historical facts but are forward-looking statements about the future performance of ACOM are based on management's assumptions and beliefs in light of the information currently available to it and involve risks and uncertainties. Actual results may differ from those in the forward-looking statements as a result of various facts. Potential risks and uncertainties include, without limitation, general economic conditions in ACOM's market and changes in the size of the overall market for consumer loans, the rate of default by customers, the level of interest rates paid on the ACOM's debt, and legal limits on interest rates charged by ACOM.

Name of the company: ACOM CO., LTD. ("ACOM" or the "Company")

Code No.: 8572

Stock market: The first section of the Tokyo Stock Exchange

Location of the head office: 15-11, Fujimi 2-chome, Chiyoda-ku, Tokyo

Reference:

Position of the person in charge: General Manager of Public Relations Department

Name: Yoshitaka Tsushima

Telephone No.: (03) 3270 - 3423

Date of the board of directors' meeting at the interim for the account settlement: November 2, 1999

Commencement date for the delivery of the interim dividends: December 2, 1999

Interim dividend system: Adopted

Note: All amounts under minimum units appearing in each of the tables have been disregarded in this Brief Statement and the Annexed Materials.

1. Business results for the six-month period (From April 1, 1999 to September 30, 1999)

(1) Operating results

(Millions of yen)

	Sales (Total operating income) (year on year percentage point)	Operating profit (year on year percentage point)	Income before extraordinary items (year on year percentage point)
9/99	¥166,506 (8.9 %)	¥69,239 (25.7 %)	¥67,922 (24.5 %)
9/98	¥152,829 (9.5 %)	¥55,099 (8.9 %)	¥54,542 (8.2 %)
3/99	¥310,521	¥127,109	¥127,440

	Net income (year on year percentage point)	Net income per share (Yen)	Accounting Principle
9/99	¥35,194 (36.6 %)	¥240.02	The Standards for Preparation of Interim Financial Statements
9/98	¥25,757 (15.8 %)	¥175.66	The Standards for Preparation of Interim Financial Statements
3/99	¥56,499	¥385.32	

Notes: 1. Average number of shares outstanding for the six-month period ended:

9/99	146,630,880 shares
9/98	146,630,880 shares
3/99	146,630,880 shares

2. Changes in accounting policies:

Not applicable.

3. The Company enters the amounts of "Total operating income" into the column of "Sales".

(2) Dividends

	Interim cash dividends per share	Annual cash dividends per share
9/99	¥25.00	—
9/98	¥20.00	—
3/99	—	¥45.00

Note: Details of the interim dividends for the six-month period ended September 30, 1999:

Commemorative dividends:	¥00.00
Special dividends:	¥00.00

(3) Financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share (Yen)
	Millions of yen	Millions of yen		Yen
9/99	¥1,689,846	¥392,538	23.2%	¥2,677.05
9/98	¥1,491,142	¥315,540	21.2%	¥2,151.94
3/99	¥1,602,641	¥343,349	21.4%	¥2,341.59

Notes: 1. Number of shares issued and outstanding as at:

9/99	146,630,880 shares
9/98	146,630,880 shares
3/99	146,630,880 shares

2. Evaluated and unrealized gains or losses on securities at the end of the six-month period:

¥11,265 million

3. Evaluated and unrealized gains or losses on derivatives transactions at the end of the six-month period:

– ¥2,573 million

2. Forecasts for this fiscal year (From April 1, 1999 to March 31, 2000)

	Sales (Total operating income)	Income before extraordinary items	Net income	Annual cash dividends per share	
				Year-end dividends	
	Millions of yen	Millions of yen	Millions of yen	Yen	Yen
03/00	¥339,900	¥139,900	¥72,200	¥25.00	¥50.00

Reference: The forecasted net income per share (annual): ¥492.39

【Annexed Materials】

1. Operating Policies

(1) Principal operating policies

Based on its sprit of incorporation, namely “Expanding the Sphere of Trust”, and its corporate ideals, “respect for human beings”, “making total customer satisfaction the top priority” and “operations with creativity and renovation”, the Company has made every efforts to build up trust, not only with the customers, but also with its shareholders, business counterparties and all other interested persons who have relationship with the Company. For the six-month period ended September 30, 1999, the Company has sought reinforcement of the competitiveness in its operating services and establishment of low-cost operations and concentrated on maintaining stable profits, under its guiding operating policies, such as: “management being oriented for implementing customer satisfaction”, “establishing low-cost operations”, “adapting to global standards” and “promoting corporate disclosure”.

(2) Principal policy for the payment of dividends

The Company’s principal policy for the payment of dividends is that, having due regard to various factors, including the general economic and financial conditions, trends in the consumer finance business industry and the business results of the Company, the Company will actively and continuously seek to return profits to shareholders by making satisfactory dividends. As for internal reserves, the Company intends to use the remaining undistributed profits for the expansion of its business outlets, MUJINKUN automated loan application machines, and various facilities for information systems, aiming for the development and improvement of operating services in the future, as well as for working capital.

(3) Medium- and long-term operational strategies and issues to be addressed by the Company

As for the Company’s medium- and long-term operational strategies, the Company anticipates that competition on a global level among various companies is expected to intensify toward the 21st Century and that the Internet will have large and rapid impact on the World, has pursued policies of reinforcing the basis of business, establishing low-cost operations, diversifying sources of funding and utilizing the funds efficiently.

In particular, upon the Company’s becoming a principal member of MasterCard International in 1998, the Company commenced issuing “ACOM MasterCard” in April 1999, under which the Company regularly offers a “revolving repayment credit” facility. The Company intends to establish a virtual branch, “Online ACOM”, on the Internet in October 1999 and to commence providing certain customer services thereon, including acceptance of applications for loans or for issue of credit cards, credit evaluation and confirmation of account balances. In addition, in October 1999, the Company intends to establish “E* NetCard CO., LTD.”, a joint venture company with Softbank Finance Corporation, to attract new customers over the Internet and to act as intermediary acceptance of applications for issue of credit cards.

In the loan business division, the Company reinforced the competitiveness in its operating services by introducing new products lines with diversified lower interest rates, which has led to the reduction of the average interest rates and by expanding the local networks, including the roadside loan business outlets and MUJINKUN automated loan application machines. Furthermore, the Company pursued, in order to address the issues of increases in individual bankruptcies and multiple and excessive borrowings, the promotion of proper credit evaluation and counseling with customers, which is aimed for the better quality of the loan portfolios. In addition, the Company established the “Card Business Promotion Center” for the purpose of efficient development of its credit card business, and the “Business Operations” which will contribute to the low-cost operation by concentrating on routine clerical work.

Following the enactment of the Law on Issue of Bonds by Moneylenders (the so-called “Non-Bank Bond Law”), the Company has been registered as a “specified financial institution” in May 1999, and has diversified its source of funding and reduction of fund raising, such as issues of yen-denominated convertible bonds and public offering of unsecured domestic bonds.

As for personnel strategy, from the point of view of educating personnel adaptable to the new age, the 21st Century, the Company plans to introduce a new personnel system, pursuant to which the target and responsibility of achieving the results will be set in advance, so that the evaluation of the individual achievement is fairly implemented for each personnel.

(4) Measures toward building-up of corporate governance for management organization

With respect to the building-up of corporate governance, the Company has placed emphasis on reinforcing the supervision of management by activating independent corporate auditors and corporate auditors, strengthening internal inspection and internal compliance by the inspection department, and reinforcing corporate disclosure through investors relations activities. In April 1998, the Company reviewed its corporate ideals, and the business ethics and working principles prescribed in the internal regulations and rules from a global perspective, and issued and delivered the booklet “ACOM’s Ethical Codes for Business” to all the employees and officers of the Company, and in this fiscal year, the Company further ensured all staff understand it thoroughly through internal training.

In April 1999, the Company reorganized its organizational structure, such as reorganization of two business divisions, the “loan business division” and the “rental and sales division”, into one business division “Loan & Sales Finance Division”, integration of two hardware rental business divisions in Tokyo and Osaka into a single division, and incorporation of the software rental business and the hardware rental business as new subsidiary, so as to facilitate immediate decision making and manage the profitability in each business segment. In addition, the Company set up the “ALM committee” to review the risk control overall operation of the Company, and is promoting the detailed research and analysis to submit various proposals for improvement of the.

(5) Targeted managerial indices

The Company has taken into account various managerial indices comprehensively, rather than relying partially on any specific one, such as the shareholders’ equity ratio, return on

equity, return on assets, ratio of income before extraordinary items to operating income, and net income per share, with the emphasis on the importance of maximizing the shareholders value and continuous stability of developing its loan businesses.

2. Operating Results

(1) Outline of the six-month period ended September 30, 1999

During the six-month period ended September 30, 1999, although the Japanese economic and financial conditions partially showed a sign of slight recovery due to support by the government's measures of public spending and other economic implementation, sluggish conditions continued, such as the lower income level of employees, and high unemployment ratio.

Under these circumstances, the Company pursued the reinforcement of its competitiveness in its operating services through issuance of "ACOM MasterCard", increase in the number of the cash dispensers (CDs) and automated teller machines (ATMs), including roadside outlets and MUJINKUN automated loan application machines, and, in the installment sales finance business division, set up a representative office in Matsuyama city in August 1999, a part of the Hiroshima branch. In April 1999, the Company established the "Business Operations", aimed at the rationalization of management and reducing the cost by concentrating routine clerical work. Also, the Company issued the 11th series ¥10 billion unsecured domestic public offered bonds in April 1999, ¥50 billion "yen-denominated zero coupon convertible bonds due 2002" in August 1999 and the 12th series ¥20 billion unsecured domestic public offered bonds in September 1999, aiming at stable funding and cost reduction.

In the loan business division, the amount of loans receivable outstanding as of September 30, 1999 increased by ¥133,980 million, compared with that as of September 30, 1998, and amounted to ¥1,280,291 million (an increase of 11.7% compared with the corresponding period of the last year), interest on loans receivable amounted to ¥154,462 million (an increase of 10.2% compared with the corresponding period of the last year). In the credit card and installment sales finance business division, the amount of installment loans receivable outstanding as of September 30, 1999 increased by ¥30,889 million, compared with that as of September 30, 1998, and amounted to ¥108,503 million (an increase of 39.8% compared with the corresponding period of the last year), installment sales finance income (including the income from the general extension of credit and from the extension of credit to purchase specified goods or services) amounted to ¥5,250 million (an increase of 35.9% compared with the corresponding period of the last year). In the rental and sales business, rental income amounted to ¥3,315 million (a decrease of 16.7% compared with the corresponding period of the last year).

Consequently, for the six-month period ended September 30, 1999, total operating income amounted to ¥166,506million (an increase of 8.9% compared with the corresponding period of the last year), total operating expenses amounted to ¥97,267 million (a decrease of 0.5% compared with the corresponding period of the last year), income before income taxes and extraordinary items amounted to ¥67,922 million (an increase of 24.5% compared with the) and net income (interim) amounted to ¥35,194 million (an increase of 36.6% compared with the corresponding period of the last year).

Due to change in accounting treatment of enterprise tax, the operating expenses decreased by ¥6,250 million and the income before income taxes and extraordinary items increased by the same amount, compared with the respective corresponding amounts which would be obtainable if calculated based on the former accounting treatment.

(2) Prospects for the fiscal year ending March 31, 2000

As for the future prospects, due to the pressure of adjustment of the restructuring of personnel and assets of various corporations, it is still anticipated that the present severe economic conditions will continue, with individual income and corporations' capital expenditure remaining low and unemployment ratio remaining high.

In order to take countermeasures to such circumstances properly, the Company will endeavor to reinforce its management structure and marketing service efforts, and will seek continuous and stable profitability.

The forecasted business results for the fiscal year ending March 31, 2000 are the operating income of ¥339.9 billion (an increase of 9.5% compared with the fiscal year ended March 31, 1999), the income before income taxes and extraordinary items of ¥139.9 billion (an increase of 9.8% compared with the fiscal year ended March 31, 1999) and the net income of ¥72.2 billion (an increase of 27.8% compared with the fiscal year ended March 31, 1999).

<Countermeasures toward the Computers ' Year 2000 Problem>

(1) Status of implementation:

The Company recognizes that the Year 2000 problem will be the most materially influential management issue on the continuation of the Company's businesses and maintenance of customer services, and the Company and its affiliates have been thoroughly implementing compliance projects.

(2) Implementation system:

In order to cope with this issue, the Company, mainly through its system division, has been implementing countermeasures since 1991. In December 1998, the Company set up the "Year 2000 compliance committee", and establishes the substantially detailed plan for checking and implementing this issue on every aspect of the Company; and each of the departments have enforced the countermeasures in accordance with the prescribed schedules. The progress of implementation thereof shall regularly be reported to the Board of Directors, etc. by the officers in charge of the problem and systematically checked and controlled.

(3) Progress of the implementation:

As for the computer systems, the Company had completed the confirmation tests in work of both hardware and software of the host system, individual systems and external business network systems, etc., by September 1999. As for the other facilities and office automation equipment, the confirmation test in work has been completed by their respective manufactures.

(4) Contingency plan:

The Company has prepared, bearing in mind a possibility that any unforeseen trouble occurs, the "Year 2000 Problem Contingency Plan" in September 1999 in order to minimize the possibility of trouble and bad influence on the customers and business counterparties, as well as to the society as a whole.

Furthermore, the Company has decided to set up the "Year 2000 Problem Headquarters" which will be in charge of collecting information, determining countermeasures, and instructing direction of executing such countermeasures, in case of any unforeseen event taking place.

The Company is tackling this problem, with an involvement of every and all its employees and officers, by practicing the manual operation of computers towards the end of this year and the beginning of the next year which the system department in charge and practicing the emergency information network among all the departments of the Company. In addition, staff belonging to the divisions and departments in charge will be on site, or on standby at home, at the year-end to the beginning of the new year, to prepare for any situation.

3. Interim Financial Statements

(1) Interim Balance Sheets

(Millions of yen)

Subject \ Term	As of September 30, 1999 (interim)		As of March 31, 1999 (annual)		Variation as from March 31, 1998 (annual)		As of September 30, 1998 (interim)	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Variation	Amount	Composition ratio
(Assets)		%		%		%		%
I. Current assets								
Cash and deposits	105,517		119,832		-14,315	-11.9	124,661	
Notes receivable	73		86		-13	-15.4	56	
Loans receivable	1,280,291		1,206,401		73,890	6.1	1,146,310	
Account receivable	16		18		-2	-11.3	26	
Installment sales finance receivable	108,503		91,287		17,216	18.9	77,614	
Merchandise	6,740		6,744		-3	-0.1	6,753	
Other current assets	116,672		95,836		20,836	21.7	54,933	
Allowances for bad debts	-51,690		-43,900		-7,790	17.7	-40,780	
Total current assets	1,566,125	92.7	1,476,308	92.1	89,817	6.1	1,369,577	91.8
II. Fixed assets								
Tangible fixed assets								
Land	25,649		27,848		-2,199	-7.9	27,848	
Other tangible fixed assets	43,678		45,593		-1,915	-4.2	46,191	
Intangible fixed assets	1,682		1,687		-4	-0.3	1,691	
Investments and other assets	53,719		51,603		2,116	4.1	46,152	
Allowance for bad debts	-1,010		-400		-610	152.5	-320	
Total fixed assets	123,721	7.3	126,333	7.9	-2,612	-2.1	121,564	8.2
Total Assets	1,689,846	100.0	1,602,641	100.0	87,205	5.4	1,491,142	100.0

(Millions of yen)

Subject \ Term	As of September 30, 1999 (interim)		As of March 31, 1999 (annual)		Variation as from March 31, 1998 (annual)		As of September 30, 1998 (interim)	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Variation	Amount	Composition ratio
(Liabilities)		%		%		%		%
I. Current liabilities								
Account payable	1,943		1,415		527	37.3	1,336	
Short-term loans	94,128		114,797		-20,669	-18.0	152,643	
Current portion of long-term loans	287,137		273,565		13,572	5.0	238,470	
Commercial paper	—		27,500		-27,500	—	47,000	
Current portion of bonds and notes to be redeemed	14,900		14,900		—	—	—	
Current portion of accounts payable on the transferred specified claims	5,000		5,000		—	—	—	
Accrued income taxes	32,606		36,470		-3,863	-10.6	23,997	
Deferred income on installment sales	18,892		15,955		2,936	18.4	13,358	
Other current liabilities	13,144		11,762		1,381	11.7	20,322	
Total current liabilities	467,752	27.7	501,367	31.3	-33,614	-6.7	497,129	33.3
II. Fixed liabilities								
Straight bonds	115,000		85,000		30,000	35.3	69,900	
Convertible Bonds	50,000		—		50,000	—	—	
Long-term loans	661,546		670,938		-9,392	-1.4	606,883	
Allowance for directors' and statutory auditors' retirement benefits	914		872		41	4.8	825	
Other fixed liabilities	2,095		1,113		981	88.2	863	
Total fixed liabilities	829,555	49.1	757,923	47.3	71,631	9.5	678,472	45.5
Total liabilities	1,297,308	76.8	1,259,291	78.6	38,016	3.0	1,175,601	78.8

(Millions of yen)

Subject \ Term	As of September 30, 1999 (interim)		As of March 31, 1999 (annual)		Variation as from March 31, 1998 (annual)		As of September 30, 1998 (interim)	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Variation	Amount	Composition ratio
(Shareholders' Equity)		%		%		%		%
I. Common stock	17,282	1.0	17,282	1.1	—	—	17,282	1.2
II. Additional paid-in capital	25,772	1.5	25,772	1.6	—	—	25,772	1.7
III.	3,140	0.2	2,769	0.2	370	13.4	2,476	0.2
IV. Voluntary reserve	280,000		235,000		45,000	19.1	235,000	
Unappropriated retained earnings	66,342		62,524		3,818	6.1	35,008	
Total retained earnings	346,342	20.5	297,524	18.5	48,818	16.4	270,008	18.1
Total shareholders' equity	392,538	23.2	343,349	21.4	49,188	14.3	315,540	21.2
Total liabilities and shareholders' equity	1,689,846	100.0	1,602,641	100.0	87,205	5.4	1,491,142	100.0

(2) Interim Statements of Income

(Millions of yen)

Subject \ Term	From April 1, 1999 to September 30, 1999 (interim)		From April 1, 1998 to September 30, 1998 (interim)		Variation as from April 1, 1998 to September 30, 1998 (interim)		From April 1, 1998 to March 31, 1999 (annual)	
	Amount	Percent -age	Amount	Percent -age	Amount	Variation	Amount	Percent -age
I. Operating income		%		%		%		%
Interest on loans receivable	154,462		140,178		14,284	10.2	286,359	
Other financial income	218		471		-252	-53.6	815	
Rental income	3,315		3,978		-662	-16.7	7,507	
Installment sales finance income	5,193		3,855		1,337	34.7	8,364	
Sales	169		1,552		-1,383	-89.1	1,755	
Other operating income	3,146		2,793		353	12.6	5,719	
Total operating income	166,506	100.0	152,829	100.0	13,676	8.9	310,521	100.0
II. Operating expenses								
Financial expenses	14,806	8.9	14,230	9.3	575	4.0	28,777	9.3
Cost of sales	130	0.1	1,373	0.9	-1,243	-90.5	1,529	0.5
Other operating expenses	82,330	49.4	82,125	53.7	204	0.2	153,105	49.3
Total operating expenses	97,267	58.4	97,730	63.9	-463	-0.5	183,412	59.1
Operating profit	69,239	41.6	55,099	36.1	14,140	25.7	127,109	40.9
III.	674	0.4	668	0.4	5	0.9	1,324	0.4
IV.	1,991	1.2	1,225	0.8	766	62.5	993	0.3
Income before extraordinary items	67,922	40.8	54,542	35.7	13,379	24.5	127,440	41.0
V. Extraordinary Income	656	0.4	25	0.0	631	—	28	0.0
VI.	1,987	1.2	4,810	3.1	-2,823	-58.7	4,418	1.4
Income before income taxes	66,591	40.0	49,757	32.6	16,833	33.8	123,049	39.6
Income taxes (Corporation tax and inhabitants' tax)	—	—	24,000	15.7	-24,000	—	—	—
Income taxes (Corporation tax, inhabitants' tax and enterprise tax)	32,650	19.6	—	—	32,650	—	66,550	21.4
Income taxes-deferred	-1,252	-0.7	—	—	-1,252	—	—	—
Net income	35,194	21.1	25,757	16.9	9,436	36.6	56,499	18.2
Retained earnings brought forward from the previous period	13,447		9,250		4,196	45.4	9,250	
Prior year's adjustment for deferred tax	17,701		—		17,701	—	—	
Interim dividends	—		—		—	—	2,932	
Transfer to legal reserve	—		—		—	—	293	
Unappropriated retained earnings	66,342		35,008		31,334	89.5	62,524	

(3) Basic matters for preparation of the interim financial statements:

(A) Accounting principles and methods adopted hereinabove which are different from those regularly adopted at the settlement at the end of each fiscal year:

(a) Method of recognition of the depreciation:

With respect to the assets continuously held over the previous fiscal year (excluding such assets retired within the six-month period ended September 30, 1999), recognized 50% of the amount estimated to be recognized as depreciation for the fiscal year ending March, 2000, calculated based on the balance as of September 30, 1999; and with respect to the assets acquired in the six-month period ended September 30, 1999, recognized the amount obtained by allocating the amount estimated to be recognized as depreciation for the fiscal year ending March, 2000, per month.

(b) Method of recognition of the allowance for directors' and statutory auditors' retirement benefits:

Recognized 50% of the estimated amount for the fiscal year ending March, 2000, calculated in accordance with the internal rules for the allowance for directors' and statutory auditors' retirement benefits.

(c) Method of recognition of income tax and enterprise tax:

Recognized the tax amount calculated on the assumption that the six-month period ended September 30, 1999 is deemed to be one fiscal year.

(d) Method of recognition of the tax of establishment of offices:

Recognized 50% of the annual estimated amount.

(B) Basis and method of valuation of the inventories:

Merchandise:

Paintings: At cost based on actual cost method

Goods for sale in relation to rental business:

At cost based on last purchase price method

(C) Basis and method of valuation of the assets, other than for inventories, for which methods other than the cost method are adopted:

Marketable securities are valued at the lower of moving-average cost or market cost. (Subsequent recoveries in market value are not recognized.)

(D) Method for depreciation of tangible fixed assets:

The declining-balance method at the same rates as provided for by the Corporation Tax Law.

(E) Method of treatment of lease transactions:

Accounting treatment of normal lease transactions applies *mutatis mutandis* to the treatment of the finance lease transactions, other than those where the ownership of the leased object is deemed to be transferred to the lessee.

(F) Other important matters to be based on for the preparation of the interim financial statements:

(a) Basis of recognition of income and expenses:

Interest on loans receivable:

Recognized on the accrual basis.

However, the accrued interest on the loan is recognized at the lower of the interest rate provided in the Interest Restriction Law of Japan or the contracted interest rate of the Company.

Installment sales finance business:

Basis of recognition of income was as follows:

General extension of credit:

Fees from customers:

Credit balance method, in principle

Fees from member outlets:

Recognized when treated as fees.

Extension of credit to purchase specified goods or services:

Fees from customers and member outlets:

Sum-of-the-months'-digits method, recognized on the due date basis

(Note) The details of the method of recognition are as follows:

Credit balance method:

The fees shall be calculated pursuant to the prescribed tariff applicable to the relevant credit balance and shall be recognized as income each time they become due.

Sum-of-the-months'-digits method:

The total fees shall be calculated by prorating by square of the number of installments and such prorated amount shall be recognized as income each time when becomes due.

(b) Treatment of consumption tax, etc.:

Consumption tax is treated outside of the financial statements.

However, the non-exempted consumption tax, etc. concerning the assets was recognized as expense during the fiscal year in which such consumption tax incurred.

(Additional information)

As from this interim financial period, the tax effect accounting (i.e. accounting for income taxes) is adopted in accordance with the amendment to the Regulation concerning Terminology, Forms and Method of Preparation of Interim Financial Statements, etc.

Accordingly, compared with the interim financial statements for which the tax effect accounting is not adopted, the amount of assets is increased by ¥18,954 million, that of net income (interim) is increased by ¥1,252 million and that of unappropriated retained earnings is increased by ¥18,954 million.

(4) Notes to the Interim Balance Sheets:

	As of September 30, 1999 (interim)	As of September 30, 1998 (interim)	As of March 31, 1999 (annual)
(A) Number of treasury stock and its value shown in the interim balance sheet	82 shares ¥1 million	65 shares ¥0 million	62 shares ¥0 million
(B) Accumulated depreciation of tangible fixed assets	¥32,557 million	¥27,338 million	¥29,977 million
Accumulated depreciation of buildings and structures which are classified as "Investment and other assets"	¥58 million	¥51 million	¥55 million
(C) Assets and liabilities denominated in foreign currencies			
Cash and deposit	¥26 million (US\$ 249 thousand)	—	¥101 million (US\$ 840 thousand)
	¥37 million (14,490 thousand Thai Baht)	—	¥11 million (3,728 thousand Thai Baht)
Other current assets	¥1,050 million (405,720 thousand Thai Baht)	—	¥207 million (65,000 thousand Thai Baht)
Investment and other assets	¥5,674 million (US\$ 36,056 thousand)	¥5,674 million (US\$ 36,056 thousand)	¥5,674 million (US\$ 36,056 thousand)
	¥219 million (S\$ 3,000 thousand)	¥219 million (S\$ 3,000 thousand)	¥219 million (S\$ 3,000 thousand)
	¥327 million (138,800 thousand Thai Baht)	¥291 million (82,000 thousand Thai Baht)	¥540 million (162,000 thousand Thai Baht)

	As of September 30, 1999 (interim)	As of September 30, 1998 (interim)	As of March 31, 1999 (annual)
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Amounts of long-term claims denominated in foreign currencies and converted into yen at the exchange rate as of the last day of the six-month period ended September 30, 1999 (the settlement date) are as follows:

Amount shown in the interim balance sheet	¥357 million (US\$ 1,000 thousand) (80,000 thousand Thai Baht)	¥346 million (US\$ 1,000 thousand) (70,000 thousand Thai Baht)	¥595 million (US\$ 1,000 thousand) (150,000 thousand Thai Baht)
Amount converted into yen at the exchange rate as of the last day of this interim fiscal period (the settlement date)	¥314 million	¥377 million	¥599 million
Differential (profit or loss)	-¥43 million	¥30 million	¥3 million

(D) Assets pledged as security

Loans receivable	¥740,760 million	¥687,639 million	¥745,324 million
Other current assets	¥1,355 million	¥196 million	¥1,481 million
Tangible fixed assets	¥2,573 million	¥5,056 million	¥5,008 million
Investment and other assets	¥326 million	¥74 million	¥326 million

(E) Liabilities for guarantee

(a) Guarantee to ACOM ESTATE CO., LTD. as to bank loans:

	¥1,100 million	—	¥2,200 million
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(b) Guarantee to SIAM A&C CO., LTD. as to bank loans:

	—	¥324 million (US\$ 2,400 thousand)	—
	—	—	—
	—	—	¥7 million (2,459 thousand Thai Baht)

(F) Change in method of indication:

As for the six-month period ended September 30, 1998, accrued enterprise tax was included in “ Other current liabilities ” ; however, as from the six-month period ended September 30, 1999, accrued enterprise tax (¥6,250 million) was included in “ Accrued income taxed ” .

(5) Notes to the Interim Statements of Income:

	As of September 30, 1999 (interim)	As of September 30, 1998 (interim)	As of March 31, 1999 (annual)
(A) Details of the extraordinary income:			
Gains on amendment to income and expenses of the previous fiscal year	—	¥24 million	¥24 million
Gains on sale of fixed assets	—	¥0 million	¥3 million
Gains on distribution upon termination of anonymous partnership agreement	¥634 million	—	—
Other extraordinary income	¥21 million	—	—
(B) Details of the extraordinary losses:			
Loss on sale of fixed assets	¥1,602 million	¥1,956 million	¥2,027 million
Loss on disposal of fixed assets	¥284 million	¥238 million	¥720 million
Loss on sale of investments in marketable securities	—	—	¥868 million
Loss on revaluation of investments in marketable securities	¥87 million	¥2,606 million	¥549 million
Loss on arrangement of subsidiaries	—	—	¥223 million
Other extraordinary losses	¥12 million	¥9 million	¥29 million

(Additional information)

Formerly, accrued enterprise tax was included in “ Other operating expenses ” ; however, as for the previous fiscal year, enterprise tax was included in “ Income taxes (corporation tax, inhabitants ’ tax and enterprise tax) ” .

Following the above change, operating profit, income before extraordinary items and income before income taxes (interim) increased by ¥6,250 million, respectively, compared with the respective corresponding amounts which would be obtained if calculated by the former method; however, net income (interim) was not affected thereby.

(6) Notes to lease transactions:

(Finance lease transactions, other than those where the ownership of the leased object is deemed to be transferred to the lessee)

	As of September 30, 1999 (interim)	As of September 30, 1998 (interim)	As of March 31, 1999 (annual)
(A) Equivalent of acquisition cost, equivalent of accumulated depreciation and equivalent of balance of the unpaid lease fee of the leased objects:			
Equivalent of acquisition cost			
Vehicles and delivery equipment	¥182 million	¥162 million	¥161 million
Equipment and fixtures	¥20,426 million	¥22,814 million	¥21,230 million
Total	¥20,608 million	¥22,977 million	¥21,391 million
Equivalent of accumulated depreciation			
Vehicles and delivery equipment	¥94 million	¥81 million	¥96 million
Equipment and fixtures	¥10,338 million	¥10,960 million	¥10,401 million
Total	¥10,432 million	¥11,042 million	¥10,497 million
Equivalent of balance of the unpaid lease fee			
Vehicles and delivery equipment	¥87 million	¥81 million	¥64 million
Equipment and fixtures	¥10,088 million	¥11,854 million	¥10,828 million
Total	¥10,176 million	¥11,935 million	¥10,893 million
(B) Equivalent of balance of the unearned lease fee:			
Within 1 year	¥4,499 million	¥5,333 million	¥4,856 million
More than 1 year	¥5,920 million	¥6,908 million	¥6,305 million
Total	¥10,419 million	¥12,241 million	¥11,161 million
(C) Lease fee payable, equivalent of depreciation and equivalent of interest payable:			
Lease fee payable	¥2,902 million	¥2,986 million	¥6,067 million
Equivalent of depreciation	¥2,709 million	¥2,771 million	¥5,637 million
Equivalent of interest payable	¥189 million	¥221 million	¥430 million

(D) Method of calculation of equivalent of depreciation:

Calculated by using the straight line method, on the assumption that the lease period corresponds to the useful life of the property and the residual value is ¥0.

(E) Method of calculation of equivalent of interest:

Obtained by appropriating the differential between the total lease fee payable and the equivalent of acquisition cost of the leased object, for the lease period by interest method.

4. Actual Results:

(1) Operating income by segments

(Millions of yen)

Division	Segment	Term		From April 1, 1999 to September 30, 1999 (interim)		From April 1, 1998 to September 30, 1998 (interim)		From April 1, 1998 to March 31, 1999 (annual)	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio		
Financial services business division	Interest on loans receivable	154,462	92.8	140,178	91.7	286,359	92.2		
	Unsecured loans	150,399	90.3	136,438	89.3	278,684	89.7		
	Consumers	150,148	90.2	136,395	89.3	278,452	89.6		
	Commercials	251	0.1	43	0.0	232	0.1		
	Secured loans	4,062	2.5	3,739	2.4	7,675	2.5		
	Installment sales finance income	5,250	3.1	3,861	2.6	8,379	2.7		
	General extension of credit	57	0.0	6	0.0	15	0.0		
Extension of credit to purchase of specified goods/service	5,193	3.1	3,855	2.6	8,364	2.7			
Other business division	Rental income	3,315	2.0	3,978	2.6	7,507	2.4		
	Audio-visual software rental	1,662	1.0	2,338	1.5	4,247	1.4		
	Hardware rental	1,653	1.0	1,587	1.1	3,149	1.0		
	Other rentals	—	—	52	0.0	110	0.0		
	Sales	169	0.1	1,552	1.0	1,755	0.6		
Other division	Other financial income	218	0.1	471	0.3	815	0.3		
	Other operating income	3,089	1.9	2,787	1.8	5,704	1.8		
	Collection of bad debts previous written-off	2,848	1.7	2,580	1.7	5,265	1.7		
	Others	241	0.2	206	0.1	438	0.1		
Total		166,506	100.0	152,829	100.0	310,521	100.0		

Note: "Sales" of the "Other business division" include those of merchandise sold at the rental outlets.

(2) Operating statistics

(Millions of yen)

Subject \ Term	As of September 30, 1999 (interim)	As of September 30, 1998 (interim)	As of March 31, 1999 (annual)
Loans receivable outstanding	¥1,280,291	¥1,146,310	¥1,206,401
Unsecured loans	¥1,206,175	¥1,075,004	¥1,133,197
Consumers	¥1,203,975	¥1,073,892	¥1,131,255
Commercials	¥2,200	¥1,111	¥1,941
Secured loans	¥74,116	¥71,306	¥73,204
Number of loan customer accounts	2,642,287	2,529,314	2,572,127
Unsecured loans	2,628,986	2,516,835	2,559,255
Consumers	2,627,819	2,516,317	2,558,273
Commercials	1,167	518	982
Secured loans	13,301	12,479	12,872
Number of outlets	1,654	1,474	1,588
Loan business outlets	1,587	1,397	1,521
Staffed	512	510	509
Unstaffed	1,075	887	1,012
Installment sales finance business	8	7	8
Rental business	58	69	58
Other business	1	1	1
Number of "Mujinkun" outlets (Figures in the parentheses are number of machines)	1,573 (1,575)	1,381 (1,383)	1,507 (1,509)
Number of cash dispensers and ATMs	15,458	14,195	14,594
Proprietary	1,890	1,696	1,824
Open 365 days / year	1,882	1,685	1,814
Open 24 hours / day	1,576	1,378	1,507
Tie-up	13,568	12,499	12,770
Number of employees	4,405	4,269	4,258
Bad debt written-offs	16,994	16,645	32,355
Allowance for bad debts	¥52,700	¥41,100	¥44,300
Amount of increase or decrease	¥8,400	¥4,200	¥7,400

5. Market price, etc. of securities:

(Millions of yen)

Term Kind	As of September 30, 1999 (interim)			As of September 30, 1998 (interim)			As of March 31, 1999 (annual)		
	Value on the Interim B/S	Market price	Profit/ loss on re- valuation	Value on the interim B/S	Market price	Profit/ loss on re- valuation	Value on the B/S	Market price	Profit/ loss on re- valuation
(1) Classified as current assets									
Shares	8,868	16,167	7,299	8,585	12,047	3,461	9,154	14,418	5,264
Bonds	161	258	96	238	303	65	161	235	74
Others	831	937	106	1,219	904	-314	1,832	1,810	-21
Sub-total	9,861	17,363	7,502	10,043	13,255	3,212	11,147	16,465	5,317
(2) Classified as fixed assets									
Shares	7,072	10,835	3,763	3,081	3,179	97	6,895	9,854	2,959
Bonds	88	88	0	—	—	—	10	10	0
Others	—	—	—	—	—	—	—	—	—
Sub-total	7,161	10,924	3,763	3,081	3,179	97	6,905	9,864	2,959
Total	17,022	28,288	11,265	13,124	16,434	3,310	18,052	26,330	8,277

(Notes) 1. Methods of calculation of market price, etc.:

- (1) Listed securities: Valued at closing price on the Tokyo Stock Exchange, in principle.
- (2) Over-the-counter securities: Valued at sale price, etc. reported by the Japan Securities Dealers Association.
- (3) Securities valued at quoted price:
(excluding those to be included
in (1) or (2) above): Valued at quoted price, etc. of over-the-counter bonds reported by the Japan Securities Dealers Association.
- (4) Unlisted beneficial securities
of the securities investment trust: Valued at standard price.
- (5) Bonds other than (1) through (4) above
(except for those whose market price
is difficult to evaluate) Valued at a price calculated upon taking into account the yield of the over-the-counter bonds, for which quoted prices are reported by the Japan Securities Dealers Association, and the remaining term thereof, etc.

The calculation of the remaining term of the above bonds was made on the assumption that the date of redemption shall be the date on which most of the same kind of bonds becomes due and payable upon maturity and that the month of redemption shall be June or December.

2. Shares classified as the current assets include the treasury stock.

Profit or loss on revaluation of the treasury stock shall be as follows:

As of September 30, 1999 (interim)	As of September 30, 1998 (interim)	As of March 31, 1999 (annual)
¥0 million	– ¥0 million	¥0 million

3. Amounts of securities included in the interim balance sheets and the balance sheets, but not disclosed:

		As of September 30, 1999 (interim)	As of September 30, 1998 (interim)	As of March 31, 1999 (annual)
(1) Classified as current assets	Unlisted domestic bonds to be redeemed within one year	¥2,000 million	—	¥2,000 million
	Beneficial securities of the securities investment trust within the closed period	¥230 million	¥230 million	¥230 million
	Money Management Fund	¥4,005 million	—	—
(2) Classified as fixed assets	Unlisted shares (excluding the over- the-counter shares)	¥14,994 million (of which shares of affiliates: ¥14,027 million)	¥15,466 million (of which shares of affiliates: ¥13,948 million)	¥14,818 million (of which shares of affiliates: ¥13,548 million)
	Unlisted domestic bonds	¥35 million	¥45 million	¥35 million
	Unlisted foreign bonds	¥1,158 million	¥1,158 million	¥1,158 million
	Beneficial securities of the securities investment trust within the closed period	¥2,140 million	¥2,140 million	¥2,140 million

5. Contract amount, market price and profit or loss on revaluation of derivative transactions:

Related to interest rates:

(Millions of yen)

Classification	Term Kind	As of September 30, 1999 (interim)				As of September 30, 1998 (interim)				As of March 31, 1999 (annual)			
		Contract amount		Market price	Profit/loss on re-valuation	Contract amount		Market price	Profit/loss on re-valuation	Contract amount		Market price	Profit/loss on re-valuation
			(Non-current portion)				(Non-current portion)				(Non-current portion)		
Transactions outside the market	Option transaction:												
	Interest rate option transaction:												
	(Interest rate cap transaction)												
	Buying												
	Call	35,000	35,000			30,000	30,000	429	-43	35,000	35,000	653	34
(Option charges)	(548)	(407)	333	-215	(472)	(371)			(619)	(478)			
Swap transaction:													
Interest rate													
swap transaction:													
Payment: - Fixed amount	161,26	157,42											
Receipt: - Floating amount	0	5	-2,358	-2,358	150,300	146,595	-3,827	-3,827	158,162	158,162	-1,385	-1,385	
Currency interest rate													
swap transaction:													
Payment (Yen): - Fixed amount	—	—	—	—	2,560	—	160	160	—	—	—	—	
Receipt (US\$): - Floating amount	—	—	—	—	—	—	—	—	—	—	—	—	
Total		196,26 0	192,42 5	-2,024	-2,573	182,860	176,59 5	-3,237	-3,709	193,162	193,162	-732	-1,351

Notes: 1. "Market price" is based on the prices presented by the financial institutions.

2. Amounts in the parentheses in the columns of "Contract amount" of the "Interest rate option transaction" shall be the amounts of option premium shown in the interim balance sheets.