

**Brief Statement of Financial Results at the Interim
for the Fiscal Year Ending March 2001 (Consolidated)**

November 9, 2000

Forward-Looking Statements

The statements and figures contained in this Brief Statement of Financial Results at the Interim for the Fiscal Year Ending March 2001 (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 and involve risks and uncertainties. The actual results may differ from those in the forward-looking statements as a result of various factors. Potential risks and uncertainties include, without limitation, general economic conditions affecting 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 ACOM's debt, and legal limits on the interest rates charged by ACOM.

Company Name: ACOM CO., LTD. ("ACOM" or the "Company")
 Stock Listings: Tokyo Stock Exchange, First Section
 Code Number: 8572
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Meeting of Board of Directors for Approval of Interim Results: November 9, 2000

Note: All amounts in the tables, financial statements and supplementary information have been rounded down to the nearest unit.

1. Business Results for the Six-Month Period From April 1, 2000 to September 30, 2000

(1) Consolidated Operating Results

(¥ millions)						
	Total Operating Income	YoY (%)	Operating Profit	YoY (%)	Income Before Extraordinary Items	YoY (%)
9/00	182,974	-	79,012	-	79,370	-
9/99	-	-	-	-	-	-
3/00	343,644		145,488		143,703	

	Net Income	YoY (%)	Net Income per Share (¥)	Net Income per Share, Diluted (¥)
9/00	38,442	-	262.17	253.16
9/99	-	-	-	-
3/00	74,352	-	507.07	500.32

Notes:

- ① Minority interest in losses of equity-method companies
 Fiscal 2001 interim: ¥0 Fiscal 2000 interim: ¥- Fiscal 2000: ¥-
- ② Profits/losses on derivative transactions at end of interim period: ¥-
- ③ No changes in accounting standards were applicable to the above figures.
- ④ The percentage figures for total operating income, operating profit, income before extraordinary items, and net income represent year-on-year changes.
- ⑤ The company started preparing interim consolidated financial statements only in the current period. Therefore, results and year-on-year changes from the previous year are not shown.

(2) Consolidated Financial Position

(¥ millions)

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio (%)	Shareholders' Equity per Share (¥)
9/00	1,780,234	465,850	26.2	3,177.03
9/99	-	-	-	-
3/00	1,708,030	429,195	25.1	2,927.04

(3) Consolidated Cash Flows

(¥ millions)

	Operating Cash Flows	Investing Cash Flows	Financing Cash Flows	Cash and Cash Equivalents
9/00	(57,244)	(321)	24,088	66,458
9/99	-	-	-	-
3/00	(69,531)	7,503	(5,952)	99,932

(4) Scope of Consolidation and Application of Equity Method

Consolidated subsidiaries: 14

Non-consolidated subsidiaries accounted for by equity method: -

Affiliated companies accounted for by equity method: 1

(5) Changes in Scope of Consolidation and Application of Equity Method

Consolidated subsidiaries (New): 1

Consolidated subsidiaries (Excluded): -

Equity method affiliates (New): 1

Equity method affiliates (Excluded): -

2. Consolidated Forecast for Fiscal 2001 (April 1, 2000 – March 31, 2001)

(¥ millions)

	Total Operating Income	Income Before Extraordinary Items	Net Income
3/01	375,500	159,700	80,300

Reference: Projected net income per share: ¥547.63

(Supplementary Information)

1. The ACOM Group

The ACOM Group consists of ACOM CO., LTD. (the “Company”), 14 subsidiaries, and 1 affiliated company as well as 1 other related company and 1 subsidiary of that other company. The Group’s operations are broken down into two main business segments: Financial Services (Loan Business, Credit Card Business, and Installment Sales Finance); and Other Businesses, including rental operations, advertising agency, real estate-related operations and nonlife insurance agency.

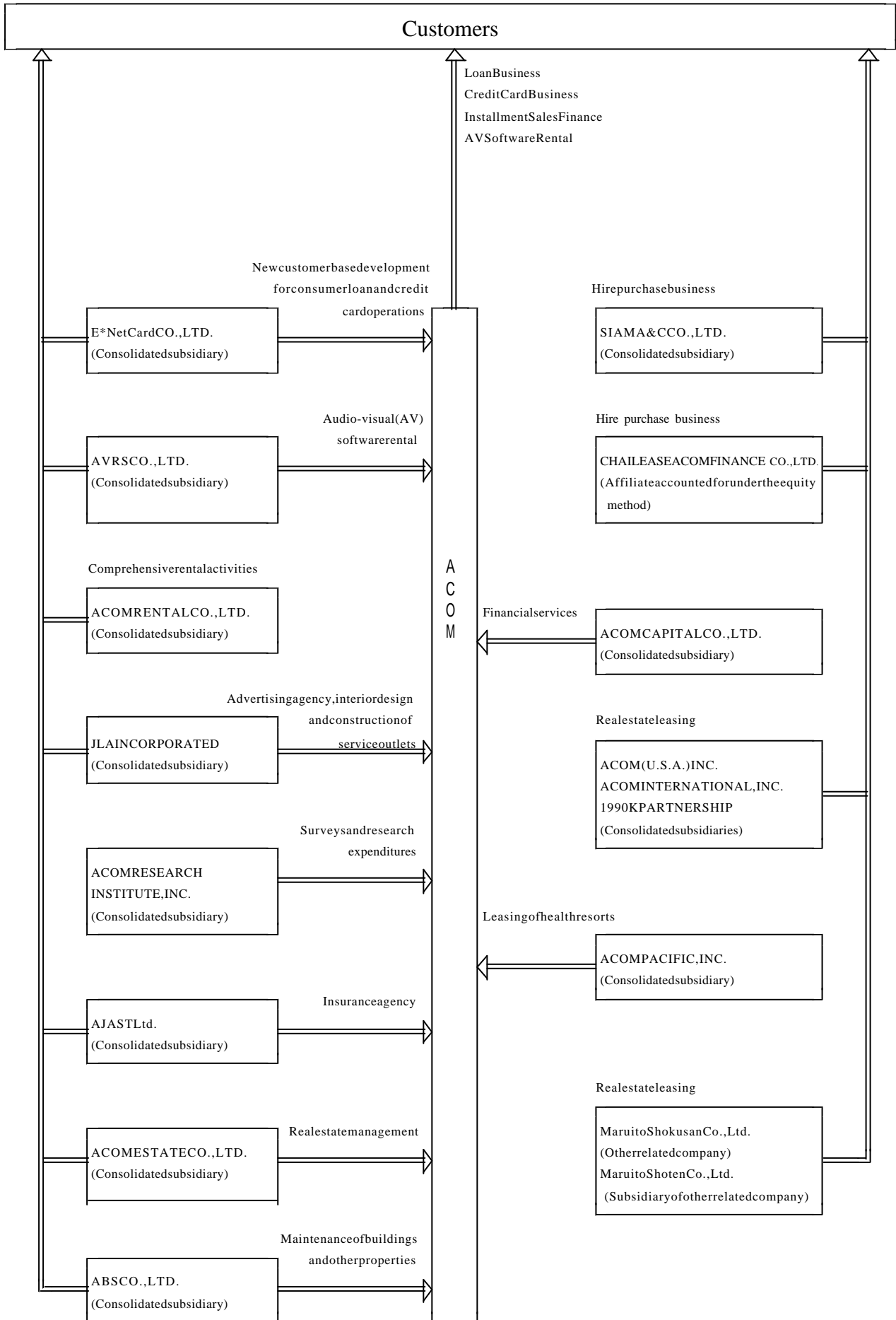
The following table explains the positioning and role of each Group company in terms of the segment classification.

Segment		Company	Business	Classification
Financial Services	Loan Business	ACOM	Unsecured and secured lending activities	-
	Credit Card Business	ACOM	Credit card business, mainly of ACOM MasterCard	-
	Installment Sales Finance	ACOM	Installment sales finance business	-
		SIAM A&C CO., LTD.	Hire purchase business in Thailand	Consolidated
		CHAILEASE ACOM FINANCE CO., LTD.	Hire purchase business in Taiwan	Equity method
	Others	E*NetCard CO., LTD.	New customer base development for consumer loan and credit card operations via the Internet.	Consolidated
ACOM CAPITAL CO., LTD.		Financial services for ACOM (Special Purpose Company)	Consolidated	
Other Businesses	Rental	ACOM	Audio-visual (AV) software rental	-
		AVRS CO., LTD.	Audio-visual (AV) software rental consignment business	Consolidated
		ACOM RENTAL CO., LTD.	Comprehensive rental activities	Consolidated
	Others	JLA INCORPORATED	Advertising agency, interior design and construction of service outlets	Consolidated
		ACOM RESEARCH INSTITUTE, INC.	Surveys and research on trends in household expenditures	Consolidated
		AJAST Ltd.	Insurance agency	Consolidated
		ACOM ESTATE CO., LTD.	Real estate management in Japan	Consolidated
		ABS CO., LTD.	Maintenance of buildings and other properties	Consolidated
		ACOM (U.S.A.) INC.	Real estate leasing in the United States	Consolidated
		ACOM INTERNATIONAL, INC.	Real estate leasing in the United States	Consolidated
		1990 K PARTNERSHIP	Real estate leasing in the United States	Consolidated
		ACOM PACIFIC, INC.	Leasing of health resorts in Guam (U.S.A.)	Consolidated
		Maruito Shokusan Co., Ltd.	Real estate leasing	Other related company
Maruito Shoten Co., Ltd.	Real estate leasing	Subsidiary of other related company		

Notes:

1. On April 1, 2000, the Company transferred its hardware rental business included in “Rental” to ACOM RENTAL CO., LTD.
2. ACOM (U.S.A.) INC. and ACOM INTERNATIONAL, INC. are shareholders of 1990 K PARTNERSHIP, and own and rent out office buildings.
3. On October 12, 2000, the Company purchased all the shares in JUKI CREDIT CO., LTD., a wholly owned subsidiary of JUKI CORPORATION, making it a subsidiary.

Positioning of Businesses



2. Operating Policies

(1) Principal Operating Policies

The ACOM Group's business activities, which center on the core business of providing financial services, are guided by three principles: "respect for human beings," "making customer satisfaction the top priority," and "creativity and innovation in management." The Company is committed to earning the trust and assuring the satisfaction of customers, shareholders, trading partners and other stakeholders.

The Company's medium-term management strategy is to effectively utilize the collective resources of the ACOM Group to solidify its operating base and enhance services as well as to manage operations efficiently to respond to rapid changes in the business environment. That business environment is characterized by the IT revolution and accompanying rapid advancement toward a Networked Society, intense competition on a global scale as economies become borderless, and a low-birthrate, aging society.

(A) Delivering High-Quality Products and Services

The ACOM Group's actions are based on the recognition that responding adroitly to the rapidly evolving needs of customers is the key to success. This doesn't mean competing with other companies on the basis of scale. Rather, the ACOM Group is dedicating itself to upgrading its ability to develop products and deliver services. The ultimate aim is to remain a winner in the 21st century.

Specific actions being taken in this vein include expansion of the network of service outlets, establishment of more MUJINKUN automated loan application machine outlets and the commencement of Mobile-A.com services for mobile phones. The Company is also forming alliances with financial institutions for the use of cash dispensers (CDs) and automated teller machines (ATMs) to access the ACOM system, as well as enhancing its ability to provide services 24 hours a day, every day of the year. These actions demonstrate the Company's intention to take customer services to a higher level.

(B) Expansion of Financial Services Business

To strengthen the operating base of the financial services business, ACOM worked to bolster the competitiveness of the Group. In this drive, ACOM has teamed up with J COMMUNICATION CO., LTD., a mobile phone sales company, to offer a joint card. It also purchased all the shares in JUKI CREDIT CO., LTD.

Moving forward, the Company aims to forge alliances with enterprises and financial institutions, and create new and innovative business models in areas such as servicing and loan guarantees. The Company's ultimate goal is to grow in the 21st century as a customer-centric comprehensive financial services company.

(C) Developing Activities on the Global Stage

ACOM has built up considerable know-how in the financial services industry in Japan. The Company leveraged this expertise to advance into the hire purchase industry in Thailand in September 1996. In June this year, ACOM made another move in Asia, with the establishment of a hire purchase joint venture company, CHAILEASE ACOM FINANCE CO., LTD., in Taiwan.

The Company is also attempting to strengthen its global financial position by securing stable sources of funds at lower cost. This drive has seen the Company establish ACOM CAPITAL CO., LTD., a special purpose company (SPC), in the Cayman Islands with the aim of securing credit facilities overseas.

(D) Driving Management Efficiencies

In April 2000, ACOM restructured its organization to enable it to respond quickly to market changes and to strengthen its sales capabilities. Actions taken included introduction of a group support system for business headquarters.

To respond to emerging and diversifying customer needs, the Company is intent on creating a dynamic organizational structure that is responsive, flexible and open.

In a related development, ACOM inked a basic contract with IBM Japan, Ltd. under which computer center operations will be outsourced to IBM Japan. This agreement is expected to result in cost savings and more reliable computer operations. The spinning off of hardware rental operations is also expected to yield efficiencies. The Company intends to continue to drive greater management efficiencies through the use of networking and information systems.

(E) New Performance-Based Personnel System

To achieve its corporate goals, the Company in April 2000 introduced a new personnel system under the banner of developing and fostering the ability of employees. The new system, which is based on individual performance evaluation, is geared to bringing out the creativity in every employee and asks them to set and reach for lofty goals.

The Company is determined to continue to undertake reviews of its systems in order to foster employees capable of meeting the demands of the times and to invigorate the Company.

(2) Basic Dividend Policy

ACOM aims to maintain a continuous distribution of profits to shareholders in the form of dividends. Dividends are declared based on various considerations such as economic conditions and conditions in the financial services sector, market trends, the Company's business results and other factors.

Based on the above policy, the Company declared an interim dividend of ¥30 per share. Assuming a year-end dividend of ¥30 per share, the annual dividend is expected to amount to ¥60 per share.

Regarding retained earnings, the Company intends to effectively utilize these internal funds for strategic investments geared toward growing earnings in the future and strengthening its operating base. Funds will be used to strengthen the sales network to enhance services, upgrade information systems, make IT investments that yield efficiencies and for new businesses.

(3) Organizational Structure for Corporate Supervision

ACOM has put in place a system that makes possible efficient management and mobilization of operating divisions. This system also facilitates speedy and accurate decision-making in the Board of Directors and Executive Committee of matters of great importance to the Company and the Group.

Corporate auditors carry out surveys and management audits of administration and the Company's financial position, in addition to attending Board of Directors' and other important meetings. By strengthening cooperation among the Company's corporate auditors, corporate auditors of subsidiaries, the internal audit division and independent auditors, the Company is upgrading corporate governance.

Also, through vigorous IR activities both in Japan and overseas, the Company is practicing good corporate disclosure to investors and analysts. This is all part of the Company's strategy to maintain and enhance management transparency to shareholders, investors and other stakeholders.

Compliance is also positioned as a top-priority management issue at ACOM. As part of this commitment, the Company established a Business Ethics Office in April 1998. It also drafted the "ACOM's Ethical Codes for Business," which take into consideration management philosophy and rules and regulations from a global perspective. These guidelines were distributed to all employees. The importance of adherence to ethical standards is also being instilled in employees through educational programs.

(4) Pressing Issues

The ACOM Group's operating environment continues to pose challenges as evidenced by a rising unemployment rate and flaccid personal spending.

Other factors are transforming the Company's market. Legislative amendments have lowered the maximum interest rate for lending, competition is getting fiercer on a global level, and the IT revolution is driving us closer toward a Networked Society.

ACOM has responded by launching multiple initiatives grounded on two key themes: "creating value by sharing knowledge among employees and management" and "achieving goals established in consideration of our competitive advantages by responding quickly to opportunities." The Company is strengthening the competitiveness of services, diversifying funding sources and reducing the cost of funding. At the same time, it is embracing IT, upgrading corporate governance, practicing compliance, and bolstering risk management. All of these actions are geared to building a stronger operating base and securing stable earnings streams.

(5) Performance Goals and Indicators

The primary goals of the ACOM Group are to increase shareholder value and ensure the continuity of operations. As such, emphasis is being placed on consolidated return on shareholders' equity. At the same time, overall management performance is being evaluated with reference to key indicators, including the equity ratio, return on total assets, ratio of income before extraordinary items to operating income, and net income per share.

3. Operating Results

(1) Overview

In the first six months of the current fiscal year, the Japanese economy sent out mixed signals. On the positive side, exports and IT-related capital expenditures increased against a backdrop of expanded fiscal expenditures, continuation of the Bank of Japan's low-interest rate policy and robust demand overseas. On the other hand, personal consumption languished, reflecting gloomy employment prospects and falling household incomes. Also, deeply rooted structural problems were exposed with the collapse of well-known department stores and life insurers. As a result of these negative factors the economy was held to a modest recovery.

In the financial services field, a partial amendment to the Law Concerning the Regulation of Receiving of Capital Subscription in June 2000 lowered the upper limit on interest rates. Also conspiring to make the consumer finance industry more challenging were the announcement by the Bank of Japan in August that it was ending its "zero interest rate policy" in line with changes to its financial policy. Moreover, the entry of financial institutions and companies from other industries offering unsecured consumer loans is also expected to intensify competition.

In this climate of change, the ACOM Group devoted its energies to offering customers high-quality products and services and to securing stable earnings. The Group's actions were guided by the management policies of "providing goods and services that are the first choice of our customers," "creating value by sharing knowledge among employees and management," and "achieving goals established in consideration of our competitive advantages by responding quickly to opportunities."

Overarching strategies were designed to respond quickly to market shifts and to strengthen sales capabilities. Strategies executed were implementation of organizational reforms, including introduction of a group support system for business headquarters, adoption of a performance-based personnel system, the spinning off of the hardware rental division and commencement of hire purchase operations in Taiwan.

Furthermore, in August a special purpose company was established in the Cayman Islands with the aim of securing credit facilities overseas. This action was part a drive to lower the cost of procuring funds and to diversify funding sources.

In the loan business division, the Company focused on offering expanded services to customers on a 24-hour basis. Also, the lineup of low interest rate products was broadened, the number of roadside outlets and MUJINKUN automated loan application machines was increased, and the network of CDs and ATMs was expanded. In addition, preparations were made to consolidate service centers.

In Internet loan operations, the Company continued to strengthen online-A.com and worked to attract more cardholders with E*NetCard CO., LTD. Furthermore, a joint card was launched with J COMMUNICATION CO., LTD., a mobile phone sales company.

During the year, ACOM took steps to fortify credit management by lending responsibly and counseling its customers. This was in response to rising personal bankruptcies in Japan and a spate of problems concerning multiple large debts.

As a result of these efforts, loans receivable outstanding in the loan business division as of September 30, 2000 were ¥1,433,090 million. Interest on loans receivable amounted to ¥167,571 million.

In the credit card and installment sales finance division, a main theme during the interim period was promoting sales of the ACOM MasterCard by increasing the number of card issuance machines linked to MUJINKUN terminals. This is the first such service of its type in the world. Another theme was signing up more affiliated stores. Moreover, to expand the scope of business activities, ACOM established a joint venture company to conduct hire purchase operations in Taiwan in June.

As a result, installment sales finance receivable outstanding as of September 30, 2000 amounted to ¥157,063 million. Installment sales finance income, which includes income from the general extension of credit and from the extension of credit to purchase specified goods or services, was ¥8,041 million.

Moreover, to bolster the Group's competitiveness, ACOM purchased all the shares in JUKI CREDIT CO., LTD., a wholly owned subsidiary of JUKI CORPORATION, on October 12, 2000 based on an agreement inked the previous month.

In other businesses, hardware rental operations were transferred to ACOM RENTAL CO., LTD., which started business in April 2000, in a drive to improve efficiency. As a result, rental income, the total of income from hardware and software rental activities, was ¥2,944 million.

The overall result was that consolidated operating income for the interim period amounted to ¥182,974 million. Operating expenses were ¥103,961 million, income before extraordinary items was ¥79,370 million and net income came in at ¥38,442 million.

(2) Forecast for the Full Fiscal Year

The forecast for the full fiscal year predicts a continuation of the difficult operating environment. Although capital expenditures are trending upward, a recovery in personal consumption is being hampered by stagnant incomes and unease due to a high unemployment rate. Other factors clouding the picture include rising crude oil prices, unstable exchange rates and the likelihood of further stock market corrections.

To respond to such conditions in its operating environment, the Company intends to work to reinforce its financial position and upgrade sales and service capabilities in a drive to maintain stable earnings.

The Company forecasts operating income of ¥375.5 billion, income before extraordinary items of ¥159.7 billion and net income of ¥80.3 billion for the fiscal year ending March 31, 2001.

4. Interim Financial Statements

(1) Interim Consolidated Balance Sheets

(¥ millions)

Subject	As of September 30, 2000 (Interim)		As of March 31, 2000 (Annual)		Year-on-year change	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Change
(ASSETS)		%		%		%
Current assets	1,648,309	92.6	1,585,600	92.8	62,709	4.0
Cash and cash equivalents	39,309		43,713		(4,403)	(10.1)
Notes and accounts receivable	374		378		(4)	(1.1)
Loans receivable	1,433,090		1,347,757		85,333	6.3
Installment sales finance receivables	157,063		130,945		26,118	19.9
Marketable securities	6,089		14,172		(8,082)	(57.0)
Inventories	7,110		7,105		4	0.1
Deferred tax assets	20,586		18,199		2,386	13.1
Short-term loans	26,443		59,171		(32,728)	(55.3)
Other current assets	19,513		17,462		2,051	11.7
Allowance for bad debts	(61,272)		(53,305)		(7,966)	14.9
Fixed assets	131,924	7.4	120,335	7.1	11,589	9.6
Tangible fixed assets	76,306		80,441		(4,135)	(5.1)
Buildings and structures	28,560		29,097		(537)	(1.8)
Vehicles and delivery equipment	16,235		16,091		144	0.9
Land	31,461		35,193		(3,732)	(10.6)
Other tangible fixed assets	48		58		(10)	(17.1)
Intangible fixed assets	1,831		1,839		(8)	(0.5)
Investments and other assets	53,787		38,054		15,733	41.3
Investments in securities	28,293		11,966		16,326	136.4
Deferred tax assets	1,420		2,212		(792)	(35.8)
Guaranty money deposited	12,204		12,194		9	0.1
Prepaid pension expenses	1,439		-		1,439	-
Other investment and other assets	11,781		12,719		(938)	(7.4)
Allowance for bad debts	(1,351)		(1,040)		(311)	29.9
Foreign currency translation adjustments	-	-	2,095	0.1	(2,095)	-
Total assets	1,780,234	100.0	1,708,030	100.0	72,203	4.2

(¥ millions)

Term Subject	As of September 30, 2000 (Interim)		As of March 31, 2000 Annual		Year-on-year change	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Change
(LIABILITIES)		%		%		%
Current liabilities	465,297	26.1	432,608	25.3	32,688	7.6
Notes and accounts payable	5,247		5,027		219	4.4
Short-term loans	14,805		20,808		(6,003)	(28.9)
Current portion of long-term loans	338,195		322,216		15,979	5.0
Commercial paper	-		1,000		(1,000)	-
Current portion of bonds and notes	25,000		5,000		20,000	400.0
Current portion of accounts payable on transferred specified claims	5,000		5,000		-	-
Accrued income taxes	38,656		38,253		402	1.1
Deferred tax liabilities	0		0		0	3.7
Deferred income on installment sales	25,588		22,172		3,415	15.4
Other current liabilities	12,804		13,128		(324)	(2.5)
Fixed liabilities	848,983	47.7	846,043	49.6	2,940	0.3
Straight bonds	155,000		155,000		-	-
Convertible bonds	50,000		50,000		-	-
Long-term loans	637,473		637,858		(384)	(0.1)
Deferred tax liabilities	1,654		-		1,654	-
Allowance for retirement benefits	-		2		-2	-
Allowance for other retirement benefits	1,626		-		(1,626)	-
Allowance for directors' and corporate auditors' retirement benefits	822		1,006		(184)	(18.3)
Other fixed liabilities	2,406		2,176		229	10.6
Total liabilities	1,314,280	73.8	1,278,652	74.9	35,628	2.8
Minority interests in consolidated subsidiaries						
Minority interests in consolidated subsidiaries	103	0.0	183	0.0	(80)	(43.8)
(SHAREHOLDERS' EQUITY)						
Common stock	17,282	1.0	17,282	1.0	-	-
Additional paid-in capital	25,772	1.4	25,772	1.5	-	-
Retained earnings	420,141	23.6	386,139	22.6	34,001	8.8
Securities valuation adjustment	4,569	0.3	-	-	4,569	-
Foreign currency translation adjustments	(1,914)	(0.1)	-	-	(1,914)	-
Treasury stock	465,850 (0)	26.2 (0.0)	429,195 (0)	25.1 (0.0)	36,655 (0)	8.5 -
Total shareholders' equity	465,850	26.2	429,195	25.1	36,655	8.5
Total liabilities, minority interests and shareholders' equity	1,780,234	100.0	1,708,030	100.0	72,203	4.2

(2) Interim Consolidated Statements of Income

(¥ millions)

Term Subject	From April 1, 2000 to September 30, 2000 Interim		From April 1, 1999 to March 31, 2000 Annual	
	Amount	Percentage	Amount	Percentage
Operating income	182,974	100.0	343,644	100.0
Interest on loans receivable	167,571		316,490	
Fees from credit card business	917		451	
Fees from installment sales finance	7,123		11,602	
Other financial income	36		367	
Sales	4,009		8,013	
Other operating income	3,316		6,719	
Operating expenses	103,961	56.8	198,155	57.7
Financial expenses	14,464	7.9	29,263	8.5
Cost of sales	2,066	1.1	2,592	0.8
Other operating expenses	87,430	47.8	166,299	48.4
Operating profit	79,012	43.2	145,488	42.3
Non-operating income	640	0.4	1,355	0.4
Interest income	72		163	
Dividends received	154		72	
Gains on sale of securities	0		33	
Amortization of consolidation adjustment account	-		46	
Equity method income	0		-	
Rent from Company's residence	192		383	
Other non-operating income	220		655	
Non-operating expenses	282	0.2	3,140	0.9
Interest expense	41		60	
Bond issue expenses	136		1,781	
Loss on revaluation of marketable securities	-		622	
Other non-operating expenses	105		675	
Income before extraordinary items	79,370	43.4	143,703	41.8
Extraordinary income	623	0.4	660	0.2
Gains on amendment to income and expenses from previous fiscal year	-		4	
Gains on sale of fixed assets	-		0	
Gain due to adoption of new accounting standards for retirement benefits	623		-	
Distribution profit on termination of anonymous association agreement	-		634	
Other extraordinary income	-		21	
Extraordinary losses	5,979	3.3	3,134	0.9
Loss on amendment to income and expenses from previous fiscal year	-		1	
Loss on sale of fixed assets	3,849		2,085	
Loss on disposal of fixed assets	150		712	
Loss on sale of investments in marketable securities	155		-	
Loss on revaluation of investments in marketable securities	-		123	
Loss on liquidation of subsidiaries	-		171	
Write-off of investment loss	1,000		-	
Other extraordinary losses	824		39	
Income before income taxes	74,015	40.5	141,229	41.1
Income taxes (corporation tax, inhabitants' tax, enterprise tax)	38,674	19.5	69,537	19.5
Deferred income taxes	(3,095)		(2,558)	
Minority shareholders' interest in consolidated subsidiaries	5	0.0	101	0.0
Net income	38,442	21.0	74,352	21.6

(3) Interim Consolidated Statement of Retained Earnings

(¥ millions)

Subject	Term	From April 1, 2000 to September 30, 2000	From April 1, 1999 to September 30, 2000
		Interim Amount	Annual Amount
Retained earnings at the beginning of the fiscal year		386,139	301,350
Retained earnings at the beginning of the fiscal year			
Cumulative effect of tax-effect accounting on previous years		- 386,139	17,810 319,160
Decrease in retained earnings			
Dividends		4,398	7,331
Directors' bonuses		41 4,440	41 7,373
Net income		38,442	74,352
Retained earnings at the end of the fiscal year		420,141	386,139

(4) Interim Consolidated Statements of Cash Flows

(¥ millions)

Subject	Term	From April 1, 2000 to September 30, 2000 Interim	From April 1, 1999 to March 31, 2000 Annual
		Amount	Amount
Cash flows from operating activities			
Income before income taxes		74,015	141,229
Depreciation and amortization		3,012	6,664
Amortization of consolidation adjustment account		-	(46)
Increase in allowance for bad debts		8,278	10,015
Increase (decrease) in allowance for retirement benefits		1,626	-
Increase (decrease) in allowance for other retirement benefits		(2)	2
Decrease (increase) in allowance for directors' and statutory auditors' retirement benefits		(184)	94
Non-operating interest and dividend income		(226)	(235)
Gain on sale of marketable securities		(0)	(33)
Non-operating interest expense		41	60
Bond issue expenses		136	1,781
Loss on revaluation of marketable securities		-	622
Gain (loss) on foreign currency exchanges		(15)	176
Equity method income		(0)	-
Distribution profit on termination of anonymous association agreement		-	(634)
Income from maturity of investment securities		-	(21)
Loss on sale of tangible fixed assets		3,845	2,085
Loss on disposal of tangible fixed assets		150	712
Loss on sale of investments in securities		155	-
Loss on revaluation of investments in securities		-	123
Loss on liquidation of subsidiaries		-	171
Write-off of investment loss		1,000	-
Decrease (increase) in notes and accounts receivable		4	(119)
Increase in loans outstanding		(85,333)	(141,355)
Increase in installment sales receivable		(26,166)	(38,574)
Increase (decrease) in inventories		(5)	195
Increase (decrease) in other current assets		(2,089)	5,030
Increase in notes and accounts payable		222	1,685
Increase in deferred income on installment sales		3,423	6,040
Increase in other current liabilities		138	2,361
Bonuses paid to directors		(41)	(41)
Decrease (increase) in other operating income		(1,154)	400
Subtotal		(19,170)	(1,608)
Non-operating interest and dividends receivable		220	233
Non-operating interest paid		(41)	(50)
Income taxes paid		(38,252)	(68,106)
Net cash used in operating activities		(57,244)	(69,531)

(¥ millions)

Term Subject	From April 1, 2000 to September 30, 2000	From April 1, 1999 to March 31, 2000
	Interim Amount	Annual Amount
Cash flows from investing activities		
Additions to time deposits	(9)	(3,210)
Maturities of time deposits	3,851	13,355
Purchases of marketable securities	-	(66)
Proceeds from sale of marketable securities	20	2,272
Purchases of tangible fixed assets	(3,209)	(4,061)
Proceeds from sale of tangible fixed assets	21	20
Purchases of investment securities	(934)	(609)
Proceeds from sale of investment securities	19	135
Proceeds from maturities of investment securities	-	123
Proceeds from liquidation of subsidiaries	-	47
Distribution profit on termination of anonymous association agreement	-	340
Increase in other investments	(390)	(1,129)
Decrease in other investments	319	296
Decrease in income from other investing activities	(9)	(9)
Net cash provided by (used in) investing activities	(321)	7,503
Cash flows from financing activities		
Proceeds from short-term loans	15,900	136,769
Repayments of short-term loans	(21,864)	(231,857)
Proceeds from issue of commercial paper	15,000	27,500
Payments for redemption of commercial paper	(16,000)	(54,000)
Proceeds from issue of straight bonds	19,864	74,066
Payments for redemption of straight bonds	-	(14,900)
Proceeds from issue of convertible bonds	-	49,951
Proceeds from long-term debt	159,642	292,285
Repayments of long-term debt	(144,053)	(278,435)
Proceeds from sale of treasury stock	-	0
Payments for purchase of treasury stock	(0)	-
Cash dividends paid	(4,399)	(7,332)
Net cash provided by (used in) financing activities	24,088	(5,952)
Effect of exchange rate changes on cash and cash equivalents	2	(50)
Decrease in cash and cash equivalents	(33,474)	(68,030)
Cash and cash equivalents at beginning of year	99,932	167,963
Cash and cash equivalents at end of year	66,458	99,932

(5) Significant Items Relating to the Presentation of Interim Consolidated Financial Statements

(A) Extent of Consolidation

Number of consolidated subsidiaries: 14

For the names of consolidated subsidiaries, please refer to the section entitled "1. The ACOM Group."

(B) Application of the Equity Method

The equity method is applied only to the affiliate CHAILEASE ACOM FINANCE CO., LTD.

The interim period of this affiliate ends on June 30. Financial statements for this interim period are used in the preparation of the interim consolidated financial statements of ACOM CO., LTD.

(C) The interim periods of the following consolidated subsidiaries end on June 30:

ACOM (U.S.A.) INC.

ACOM INTERNATIONAL, INC.

1990 K PARTNERSHIP

ACOM PACIFIC, INC.

SIAM A&C CO., LTD.

ACOM CAPITAL CO., LTD.

For these consolidated subsidiaries, the interim balance sheet date of June 30 is used in the preparation of interim consolidated financial statements for ACOM CO., LTD. Adjustments are made in the consolidated accounts for any significant transactions that occur between this date and the interim consolidated balance sheet date.

Furthermore, as ACOM CAPITAL CO., LTD. was established after June 30, 2000, significant transactions occurring between the date of its establishment and the interim consolidated balance sheet date are reflected in the consolidated financial statements.

(D) Significant Accounting Policies

(a) Valuation and Computation of Assets

① Marketable securities

Other securities

Where there is a market quotation..... Market value as determined by the quoted price at the end of the interim period.
(The difference between the carrying value and the market value is included in equity.)
(Cost of securities sold is computed using the moving average method.)

Where there is no market quotation..... Cost as determined by the moving average method.

② Inventories

Merchandise

Paintings..... Cost on an individual specified cost basis

Other merchandise..... Cost based on the last purchase price method

Miscellaneous items..... Cost based on the first-in first-out method

③ Derivative transactions

Market value

(b) Depreciation of Property, Plant and Equipment

- ① Tangible fixed assets
 - At the Company and its domestic consolidated subsidiaries Declining balance method
 - At overseas consolidated subsidiaries Straight-line method
- ② Intangible fixed assets Straight-line method
- ③ Long-term prepaid expenses Amortized in equal installments
- ④ Deferred assets
 - Bond issue expenses Entire amount expensed as incurred

(c) Basis of Calculating Allowances

- ① Allowance for bad debts

In providing for bad debts, the Company and its domestic consolidated subsidiaries make an allowance for ordinary bad debts based on the historical rate of default. For specific debts where recovery is doubtful, the Company considers the likelihood of recovery on an individual basis, making an allowance for the amount regarded as irrecoverable.

Overseas consolidated subsidiaries make an allowance as necessary having considered the likelihood of recovery on an individual basis.

- ② Allowance for retirement benefits

The Company and its domestic consolidated subsidiaries make provisions for retirement benefits based on projected retirement obligations and pension fund assets as at the balance sheet date. Adjustments are made to determine the amounts applicable to the interim period.

One half of the ¥1,247 million gain resulting from the adoption of new accounting standards is recorded under extraordinary income.

- ③ Allowance for directors' and statutory auditors' retirement benefits

The Company and its domestic consolidated subsidiaries make provisions for directors' and corporate auditors' retirement benefits at the end of the interim period in accordance with the Company's internal rules.

(d) Accounting for Lease Transactions

The Company and its domestic consolidated subsidiaries account for finance leases where ownership of the leased asset is not transferred to the lessee as operating leases.

(e) Accounting for Hedging Activities

- ① Accounting for hedging activities
 - Deferred hedge accounting has been adopted.
 - Interest-rate swaps when meet certain conditions are accounted for separately.
- ② Hedging instruments and items hedged
 - Hedging instruments derivative transactions
(interest-rate swap agreements and interest-rate caps)
 - Items hedged: loans with variable interest rates ..
- ③ Hedging policy

The Company enters into derivative contracts such as interest-rate swap agreements in order to hedge against the risk of fluctuations in interest rates relating to its variable-rate loans. Derivative

transactions are entered into in compliance with the Company's internal rules.

④ Evaluating the efficacy of hedging activities

The performance of the hedging instruments and the items hedged is monitored primarily using the same criteria. As it can be assumed that changes in interest rates are fully offset by changes in cash flows from hedging instruments, further evaluation is not required.

(f) Other Significant Accounting Policies for the Preparation of Interim Consolidated Financial Statements

① Basis of recognition of income and expenses

Interest on loans receivable is recognized on an accrual basis. Accrued interest on loans receivable is recognized at the lower of the interest rate stipulated in the Interest Restriction Law of Japan or the contracted interest rate of the Company.

Installment credit card finance income:

Fees from customers..... Recognized mainly by credit-balance method

Fees from member outlets..... Recognized as fees when treated

Installment sales finance income

Fees from customers and member outlets..... Recognized by sum-of-the month's digits method on a due date basis

② Treatment of amount in excess of par value of convertible bonds

The amount in excess of par value of convertible bonds is amortized over the redemption period of such convertible bonds, with the amount in excess of par value being deducted from financial expenses. In the case that a request for conversion is made, the entire amount in excess of par value is amortized at once.

③ Treatment of Consumption Tax, Etc.

Consumption tax is treated outside of the financial statements.

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

(E) Cash and Cash Equivalents as Stated in Consolidated Statements of Cash Flows

Cash and cash equivalents include cash at hand, highly liquid deposits at banks and short-term investments with negligible risk of fluctuation in value and maturities of less than three months.

Additional Information

Retirement Benefit Accounting

Effective from the interim period ended September 30, 2000, the Company adopted a new accounting standard for the recognition of retirement benefits as outlined in the Business Accounting Deliberation Council's paper "Opinion Concerning the Establishment of Accounting Standards for Retirement Benefits" issued on June 16, 1998. As a result of this change, the Company recorded ¥1,439 million in prepaid pension expenses under investments and other assets in fixed assets, and ¥1,626 million under allowance for retirement benefits in fixed liabilities. The changes also had the effect of increasing retirement benefit expenses by ¥166 million, reducing income before extraordinary items by the same amount, and increasing income before income taxes by ¥457 million.

Furthermore, accruals related to retirement allowances and past service costs of the corporate pension plan are included in the allowance for retirement benefits.

Accounting for Financial Instruments

Effective from the interim period ended September 30, 2000, the Company adopted a new accounting standard for financial instruments as outlined in the Business Accounting Deliberation Council's paper "Opinion Concerning the Establishment of Accounting Standards for Financial Instruments" issued on January 22, 1999.

The effect of this change was to increase income before extraordinary items by ¥117 million and reduce income before income taxes by ¥32 million.

Furthermore, the company undertook an examination of the respective objectives of marketable securities held at the start of the interim period. Other marketable securities due to mature within one year, and those with the same characteristics as deposits, were regarded as "marketable securities" and recorded under other current assets in current assets. Securities falling outside these categories were regarded as "investment securities" and shown as "investments in securities" in fixed assets under investments and other assets. This reclassification had the effect of reducing marketable securities under other current assets by ¥16,643 million and increasing investments in securities in fixed assets by the same amount.

Accounting for Foreign Currency Denominated Transactions

Effective from the interim period ended September 30, 2000, the Company adopted a revised accounting standard for the treatment of foreign currency denominated transactions as outlined in the Business Accounting Deliberation Council's paper "Opinion Concerning Revision of Accounting Standards for Foreign Currency Translation" issued on October 22, 1999. This change had only a minimal effect on the company's earnings.

Furthermore, effective from the interim period ended September 30, 2000, foreign currency translation adjustments, which were previously recorded under assets, are now recorded under shareholders' equity and minority interests.

(6) Notes to Interim Consolidated Balance Sheets

As at September 30, 2000	As at March 31, 2000
1. Cumulative depreciation of tangible fixed assets ¥38,224 million	1. Cumulative depreciation of tangible fixed assets ¥36,055 million
2. Assets pledged as security (1) Pledged assets (¥ millions)	2. Assets pledged as security (a) Pledged assets (¥ millions)
Loans receivable 695,511 (188,408)	Loans receivable 688,888 (189,318)
Buildings and structures 2,377	Marketable securities 1,255
Land 6,370	Buildings and structures 2,479
Investments in securities 2,545	Land 6,370
Total 706,805 (188,408)	Investments in securities 326 Total 699,319 (189,318)
(2) Secured liabilities (¥ millions)	(b) Secured liabilities (¥ millions)
Short-term loans 2,250 (2,000)	Short-term loans 10,668 (6,000)
Current portion of long-term loans 232,698 (73,910)	Current portion of long-term loans 205,444 (48,084)
Long-term loans 463,367 (109,169)	Long-term loans 482,272 (133,660)
Total 698,316 (185,079)	Total 698,385 (187,744)
Figures in brackets represent amounts engaged in transfer liabilities	Figures in brackets represent amounts engaged in transfer liabilities
3. Notes maturing at the end of the interim period Notes maturing on the interim balance sheet date were accounted for on the day of settlement. As the balance sheet date fell on a non-business day for financial institutions, ¥12 million in notes maturing on this date have been included in the balance shown in the interim financial statements.	3. —
4. Delinquent loans receivable Losses on unsecured consumer loans to bankrupt parties are written off at the time bankruptcy is declared. For this reason, loans to borrowers in bankruptcy includes ¥2,541 million for debtors who have petitioned for bankruptcy as of the end of the interim period, but not yet declared bankrupt. This entire amount is charged to the allowance for bad debts. In addition, from the point of view of maintaining the soundness of the Company's assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company's policy differs from that set forth	4. Delinquent loans receivable Losses on unsecured consumer loans to bankrupt parties are written off at the time bankruptcy is declared. For this reason, loans to borrowers in bankruptcy includes ¥2,440 million for debtors who have petitioned for bankruptcy as at the end of the interim period, but not yet declared bankrupt. This entire amount is charged to the allowance for bad debts. In addition, from the point of view of maintaining the soundness of the Company's assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company's policy differs from that set forth

in Japan's tax laws, under which accrued interest is charged on loans less than one year in arrears. As a result of the Company's policy, loans in arrears includes an additional ¥14,346 million. Under the policies stipulated in Japan's tax laws, ¥10,039 million of this amount would be classified as loans overdue by three months or more, ¥1,711 million as restructured loans and ¥2,596 as loans no longer in arrears.	in Japan's tax laws, under which accrued interest is charged on loans less than one year in arrears. As a result of the Company's policy, loans in arrears includes an additional ¥11,360 million. Under the policies stipulated in Japan's tax laws, ¥6,554 million of this amount would be classified as loans overdue by three months or more, ¥1,938 million as restructured loans and ¥2,867 as loans no longer in arrears.
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(¥ millions)

As at Sept. 30, 2000		
Category	Amount	Classification criteria
Loans to bankrupt parties	(3,930) 3,930	Loans exclusive of accrued interest to bankrupt parties, parties in rehabilitation and others
Loans in arrears	(2,680) 17,027	Other loans stated exclusive of accrued interest, excluding loans that have been restructured or on which interest is reduced in the interest of rehabilitating the debtor.
Loans overdue by three months or more	(12,310) 2,271	Loans other than the above that are overdue by three months or more.
Restructured loans	(16,131) 14,420	Loans on which favorable terms have been granted, such as the waiving of interest.
Total	(35,053) 37,649	

Figures in brackets refer to the balances of delinquent loans computed according to the policies set forth in Japanese tax laws.

(¥ millions)

As at March 31, 2000		
Category	Amount	Classification criteria
Loans to bankrupt parties	(3,776) 3,776	Loans to bankrupt parties, parties in rehabilitation and others that are stated exclusive of accrued interest
Loans in arrears	(2,047) 13,408	Other loans stated exclusive of accrued interest, excluding loans that have been restructured or on which interest is reduced in the interest of rehabilitating the debtor.
Loans overdue by three months or more	(7,053) 498	Loans other than the above that are overdue by three months or more.
Restructured loans	(18,332) 16,394	Loans on which favorable terms have been granted, such as the waiving of interest.
Total	(31,210) 34,077	

Figures in brackets refer to the balances of delinquent loans computed according to the policies set forth in the Corporation Tax Law of Japan.

(7) Notes to Interim Consolidated Statements of Income

Six months ended September 30, 2000	Year ended March 31, 2000
1. Principal items of operational expenses (¥ millions)	1. Principal items of operational expenses (¥ millions)
Advertising expenses 10,110	Advertising expenses 14,734
Transfer to allowance for bad debts 25,591	Transfer to allowance for bad debts 47,532
Salaries 14,815	Salaries 29,604
Transfer to allowance for retirement benefits 1,068	Transfer to allowance for retirement benefits 1
Transfer to allowance for directors' and corporate auditors' retirement benefits 42	Transfer to allowance for directors' and corporate auditors' retirement benefits 95
Welfare expenses 1,733	Welfare expenses 3,897
Leases 8,454	Leases 17,537
Depreciation expenses 2,754	Depreciation expenses 5,889
Fees 5,925	Fees 12,664
2. Basis of classification of financial income and expenditure on the statements of income	2. Basis of classification of financial income and expenditure on the statements of income
(1) Financial income stated as operating income	(1) Financial income stated as operating income
Includes all financial income other than dividends and interest on investments in securities made by the Company and subsidiaries engaged in the financial service business.	Includes all financial income other than dividends and interest on investments in securities made by the Company and subsidiaries engaged in the financial service business.
(2) Financial expenditure stated as operating expenses	(2) Financial expenditure stated as operating expenses
Includes all financial expenditure by the Company and subsidiaries engaged in financial services, other than interest payable which has no relationship to operating income.	Includes all financial expenditure by the Company and subsidiaries engaged in financial services, other than interest payable which has no relationship to operating income.

(8) Notes to Interim Consolidated Statements of Cash Flows

Six months ended September 30, 2000		Year ended March 31, 2000	
Relationship between cash and cash equivalents at the end of the year and balance sheet items as at September 30, 2000. (¥ millions)		Relationship between cash and cash equivalents at the end of the year and balance sheet items as at March 31, 2000. (¥ millions)	
Cash and time deposits	39,309	Cash and time deposits	43,713
Marketable securities	6,089	Marketable securities	14,172
Short-term loans	26,443	Short-term loans	59,171
Time deposits and certificates of deposit of which term of deposit is more than three months	(3,629)	Time deposits and certificates of deposit of which term of deposit is more than three months	(7,471)
Shares, bonds and stock investment trusts maturing more than three months after the date of purchase	(1,754)	Shares, bonds and stock investment trusts maturing more than three months after the date of purchase	(9,653)
Cash and cash equivalents	66,458	Cash and cash equivalents	99,932

(9) Lease Transactions

Six months ended September 30, 2000		Year ended March 31, 2000	
Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee.		Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee.	
Equivalent acquisition cost, accumulated depreciation and residual value of leased assets *Table 1		Equivalent acquisition cost, accumulated depreciation and residual value of leased assets **Table 2	
2. Equivalent balance of unaccrued lease fees (¥ millions)		2. Equivalent balance of unaccrued lease fees (¥ millions)	
Within one year	3,716	Within one year	4,167
More than one year	3,264	More than one year	4,480
Total	6,981	Total	8,647
3. Lease fees payable, equivalent of depreciation and equivalent of interest payable (¥ millions)		3. Lease fees payable, equivalent of depreciation and equivalent of interest payable (¥ millions)	
Lease fees payable	2,380	Lease fees payable	5,502
Equivalent of depreciation	2,227	Equivalent of depreciation	5,137
Equiv. of interest payable	133	Equiv. of interest payable	352
4. Method of calculating the equivalent of depreciation Calculated using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and a residual value of zero.		4. Method of calculating the equivalent of depreciation Calculated using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and a residual value of zero.	
5. Method of calculating the equivalent of interest The equivalent of interest is regarded as the difference between the total lease payments and the amount equivalent to the acquisition cost of the asset. The interest method is used to calculate the portion applicable to each accounting period.		5. Method of calculating the equivalent of interest The equivalent of interest is regarded as the difference between the total lease payments and the amount equivalent to the acquisition cost of the asset. The interest method is used to calculate the portion applicable to each accounting period.	

***Table 1**

	Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value at end of interim period
Vehicles and delivery equipment	167	67	100
Equipment and fixtures	16,579	9,911	6,668
Total	16,747	9,978	6,769

****Table 2**

	Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value at end of interim period
Vehicles and delivery equipment	212	113	98
Equipment and fixtures	18,616	10,304	8,312
Total	18,829	10,418	8,410

5. Segment Information

(1) Business Segment Information

Six months ended September 30, 2000

(¥ millions)

	Financial service business	Other business	Total	Elimination or corporate assets	Consolidated
Sales and operating profit/loss					
(1) Sales to external customers	178,949	4,025	182,974	—	182,974
(2) Inter segment and transfers	—	9,641	9,641	(9,641)	—
Total	178,949	13,666	192,616	(9,641)	182,974
Operating expenses	97,728	12,294	110,023	(6,061)	103,961
Operating profit	81,220	1,371	82,592	(3,579)	79,012

Year ended March 31, 2000

(¥ millions)

	Financial service business	Other business	Total	Elimination or corporate assets	Consolidated
Sales and operating profit/loss					
(1) Sales to external customers	335,517	8,127	343,644	—	343,644
(2) Inter segment and transfers	—	16,377	16,377	(16,377)	—
Total	335,517	24,504	360,021	(16,377)	343,644
Operating expenses	183,304	22,344	205,648	(7,492)	198,155
Operating profit	152,213	2,160	154,373	(8,884)	145,488

Notes:

1. Method of classification of business

Businesses are classified according to their types, characteristics and similarities in operating transactions.

2. Principal activities of each business

(1) Financial service business..... Loan business, installment credit card finance business, installment sales business, etc.

(2) Other businesses..... Rental business, management of real estate.

3. Unallocated operating expenses recognized under elimination or corporate assets are as follows:

(¥ millions)

	Six months ended Sept. 30, 2000	Year ended March 31, 2000	Main items
Unallocated operating expenses recognized under "elimination or corporate assets"	2,794	7,068	Expenses relating to the general affairs and accounting section of the Company

(2) Geographical Segment Information

Geographical segment information is omitted as sales in Japan account for more than 90% of total consolidated sales across all segments during the six months ended September 30, 2000 and the year ended March 31, 2000.

(3) Overseas Sales

Overseas sales information is omitted as overseas sales account for less than 10% of total consolidated sales during the six months ended September 30, 2000 and the year ended March 31, 2000.

6. Marketable Securities

(1) Other marketable securities with market quotations

(¥ millions)

Type	As at September 30, 2000		
	Book value	Market price	Unrealized gain
(A) Stocks	16,534	24,022	7,488
(B) Bonds			
Government/municipal	79	78	(0)
Corporate	161	289	127
Miscellaneous	218	344	125
(C) Others	3,192	3,177	(14)
Total	20,185	27,912	7,726

(2) Principal marketable securities where there is no market quotation

(¥ millions)

Type	As at September 30, 2000	
	Amount recorded on interim balance sheets	
Other marketable securities		
Money management fund		4,260
Unlisted securities (excluding OTC securities)		812
Unlisted foreign bonds		1,050

7. Contract Amount, Market Price and Profit or Loss on Revaluation of Derivative Transactions

As the Company enters into derivative contracts only for the purpose of hedging against interest rate fluctuations and not for trading purposes, details are omitted. Consolidated subsidiaries do not use derivative transactions.

8. Subsequent Events

Pursuant to a resolution passed at the meeting of the Board of Directors held on August 18, 2000, the Company issued unsecured straight bonds by way of public offering in Japan as described below:

Unsecured Straight Bonds—the Nineteenth Series—by way of public offering.

Total issue amount:	¥10 billion
Issue price:	¥100 per ¥100 of face value
Interest rate:	1.50% per annum
Issue date:	October 20, 2000
Redemption date:	October 20, 2003
Method of redemption:	Final redemption or purchase
Use of proceeds:	Funds for extending loans, payment of costs and the repayment of debt

Unsecured Straight Bonds—the Twentieth Series—by way of public offering.

Total issue amount:	¥10 billion
Issue price:	¥100 per ¥100 of face value
Interest rate:	1.82% per annum
Issue date:	October 20, 2000
Redemption date:	October 20, 2004
Method of redemption:	Final redemption or purchase
Use of proceeds:	Funds for extending loans, payment of costs and the repayment of debt

Unsecured Straight Bonds—the Twenty-First Series—by way of public offering.

Total issue amount:	¥10 billion
Issue price:	¥100 per ¥100 of face value
Interest rate:	1.76% per annum
Issue date:	November 8, 2000
Redemption date:	November 8, 2004
Method of redemption:	Final redemption or purchase
Use of proceeds:	Funds for extending loans, payment of costs and the repayment of debt

On October 2, 2000, the Company signed a formal contract mandating the purchase of the entire stock of JUKI CREDIT Co., Ltd., formerly a wholly owned subsidiary of JUKI CORPORATION. The transaction took place on October 12, 2000. Through this acquisition, the Company aims to reinforce marketing services and its profit base by driving synergies between consumer finance, loan and credit card businesses.

Details of the acquisition are as follows.

Seller:	JUKI CORPORATION
Date of purchase:	October 12, 2000
Stock purchased:	1,000,000 shares
Purchase price:	¥700 million
Shareholding:	100%
Procurement of funds for purchase:	Purchased using internal funds

Profile of new subsidiary

Company name:	JUKI CREDIT CO., LTD.
Principal business:	Consumer finance
Head office:	Fuchu, Tokyo
Paid-in capital:	¥500 million (total shares outstanding: 1,000,000)
Operating income:	¥4,678 million
Recurring profit:	¥559 million
Total assets:	¥52,135 million

**Brief Statement of Financial Results at the
Interim for the Fiscal Year Ending March 2001 (Non-Consolidated)**

November 9, 2000

Company Name: ACOM CO., LTD.
 Stock Listings: Tokyo Stock Exchange, First Section
 Code Number: 8572
 Head Office: 15-11, Fujimi 2-chome, Chiyoda-ku, Tokyo 102-0071
 Inquiries: Satoru Tomimatsu, General Manager of Public Relations Department
 (03) 3270-3423

Meeting of Board of Directors for Approval of Results: November 9, 2000

Interim dividend system: Yes

Interim dividend payment date: December 5, 2000

Note: All amounts in the tables, financial statements and supplementary information have been rounded down to the nearest unit.

1. Non-Consolidated Business Results for the Six-Month Period From April 1, 2000 to September 30, 2000

(1) Non-Consolidated Operating Results

(¥ millions)

	Total Operating Income	YoY (%)	Operating Profit	YoY (%)	Income Before Extraordinary Items	YoY (%)
9/00	179,805	8.0	78,072	12.8	78,504	15.6
9/99	166,506	8.9	69,239	25.7	67,922	24.5
3/00	341,767		144,374		142,735	

	Net Income	YoY (%)	Net Income per Share (¥)
9/00	38,198	8.5	260.51
9/99	35,194	36.6	240.02
3/00	74,038		504.93

Notes:

- ① Average number of shares:
 Fiscal 2001 interim: 146,630,880
 Fiscal 2000 interim: 146,630,880
 Fiscal 2000: 146,630,880
- ② No changes in accounting standards were applicable to the above figures
- ③ The percentage figures for total operating income, operating profit, income before extraordinary items, and net income represent year-on-year changes.

(2) Dividends

	Interim Dividend Per Share (¥)	Annual Dividend Per Share (¥)
9/00	30.00	-
9/99	25.00	-
3/00	-	55.00

Note: There are no special or commemorative dividends paid with respect to the interim period ended September 30, 2000.

(3) Non-Consolidated Financial Position

(¥ millions)

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio (%)	Shareholders' Equity per Share (¥)
9/00	1,771,584	466,026	26.3	3,178.23
9/99	1,689,846	392,538	23.2	2,677.05
3/00	1,700,322	427,716	25.2	2,916.96

Note:

Fiscal 2001 interim: 146,630,880

Fiscal 2000 interim: 146,630,880

Fiscal 2000: 146,630,880

2. Non-Consolidated Forecast for Fiscal 2001 (April 1, 2000 – March 31, 2001)

(¥ millions)

	Sales (Total Operating Income)	Income Before Extraordinary Items	Net Income	Year-End Dividend (¥)	Total Annual Dividend (¥)
3/01	366,700	158,600	80,000	30.00	60.00

Reference: Projected net income per share: ¥545.59

10 Interim Financial Statements

(1) Interim Non-Consolidated Balance Sheets

(¥ millions)

Term Subject	As of September 30, 2000 (Interim)		As of March 31, 2000 (Annual)		Variation as From 31-Mar-99		As of September 30, 1999 (Interim)	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Change	Amount	Composition ratio
		%		%		%		%
(ASSETS)								
Current assets	1,641,039	92.6	1,578,904	92.9	62,135	3.9	1,566,125	92.7
Cash and cash equivalents	38,295		42,085		(3,789)	(9.0)	105,517	
Notes receivable	-		113		(113)	-	73	
Loans receivable	1,433,090		1,347,757		85,333	6.3	1,280,291	
Accounts receivable	-		18		(18)	-	16	
Installment sales finance receivables	153,713		128,293		25,420	19.8	108,503	
Merchandise	6,730		6,736		(5)	(0.1)	6,740	
Deferred tax assets	20,416		18,101		2,315	12.8	-	
Other current assets	49,933		89,059		(39,126)	(43.9)	116,672	
Allowance for bad debts	(61,140)		(53,260)		(7,880)	14.8	(51,690)	
Fixed assets	130,545	7.4	121,417	7.1	9,127	7.5	123,721	7.3
Tangible fixed assets	62,325		67,500		(5,175)	(7.7)	69,328	
Land	20,310		24,852		(4,541)	(18.3)	25,649	
Other tangible fixed assets	42,014		42,647		(633)	(1.5)	43,678	
Intangible fixed assets	1,662		1,678		(15)	(0.9)	1,682	
Investments and other assets	67,917		53,279		14,637	27.5	53,719	
Allowance for bad debts	(1,360)		(1,040)		(320)	30.8	(1,010)	
Total assets	1,771,584	100.0	1,700,322	100.0	71,262	4.2	1,689,846	100.0

(¥ millions)

Term Subject	As of September 30, 2000 (Interim)		As of March 31, 2000 (Annual)		Variation as From 31-Mar-99		As of September 30, 1999 (Interim)	
	Amount	Composition ratio %	Amount	Composition ratio %	Amount	Change %	Amount	Composition ratio %
(LIABILITIES)								
Current liabilities	460,337	26.0	428,458	25.2	31,879	7.4	467,752	27.7
Accounts payable	2,776		2,415		360	14.9	1,943	
Short-term loans	12,250		18,668		(6,418)	(34.4)	94,128	
Current portion of long-term loans	338,141		322,216		15,925	4.9	287,137	
Commercial paper	-		1,000		(1,000)	-	-	
Current portion of bonds and notes to be redeemed	25,000		5,000		20,000	400.0	14,900	
Current portion of accounts payable on the transferred specified claims	5,000		5,000		-	-	5,000	
Accrued income taxes	38,056		38,018		38	0.1	32,606	
Deferred income on installment sales	25,107		21,749		3,357	15.4	18,892	
Other current liabilities	14,006		14,389		(382)	(2.7)	13,144	
Fixed liabilities	845,220	47.7	844,147	49.6	1,072	0.1	829,555	49.1
Straight bonds	155,000		155,000		-	-	115,000	
Convertible bonds	50,000		50,000		-	-	50,000	
Long-term loans	635,489		636,041		(552)	(0.1)	661,546	
Allowance for retirement benefits	1,575		-		1,575	-	-	
Allowance for directors' and corporate auditors' retirement benefits	776		955		(179)	(18.7)	914	
Other fixed liabilities	2,378		2,149		228	10.6	2,095	
Total liabilities	1,305,557	73.7	1,272,605	74.8	32,952	2.6	1,297,308	76.8
(SHAREHOLDERS' EQUITY)								
Common stock	17,282	1.0	17,282	1.0	-	-	17,282	1.0
Additional paid-in capital	25,772	1.4	25,772	1.5	-	-	25,772	1.5
Legal reserve	3,951	0.2	3,507	0.2	443	12.7	3,140	0.2
Other reserves	414,469	23.4	381,154	22.5	33,315	8.7	346,342	20.5
Voluntary reserves	360,000		280,000		80,000	28.6	280,000	
Unappropriated retained earnings	54,469		101,154		(46,684)	(46.2)	66,342	
Securities valuation adjustment	4,551	0.3	-	-	4,551	-	-	-
Total shareholders' equity	466,026	26.3	427,716	25.2	38,310	9.0	392,538	23.2
Total liabilities and shareholders' equity	1,771,584	100.0	1,700,322	100.0	71,262	4.2	1,689,846	100.0

(2) Interim Non-Consolidated Statements of Income

(¥ millions)

Term Subject	From April 1, 2000 to September 30, 2000 Interim		From April 1, 1999 to September 30, 2000 Interim		YoY Change		From April 1, 1999 to March 31, 2000	
	Amount	Percentage	Amount	Percentage	Amount	Change	Amount	Percentage
Operating income	179,805	100.0	166,506	100.0	13,299	8.0	341,767	100.0
Interest on Loans Receivable	167,571		154,462		13,109	8.5	316,490	
Fees from credit card business	917		-		917	-	451	
Fees from installment sales finance	6,744		5,193		1,551	29.9	11,136	
Other financial income	35		218		(182)	(83.6)	367	
Rental income	1,137		3,315		(2,178)	(65.7)	6,395	
Sales	73		169		(96)	(56.7)	320	
Other operating income	3,324		3,146		177	5.7	6,605	
Operating expenses	101,733	56.6	97,267	58.4	4,466	4.6	197,392	57.8
Financial expenses	14,406	8.0	14,806	8.9	(400)	(2.7)	29,250	8.6
Cost of sales	56	0.0	130	0.1	(73)	(56.6)	247	0.1
Other operating expenses	87,270	48.6	82,330	49.4	4,940	6.0	167,894	49.1
Operating profit	78,072	43.4	69,239	41.6	8,832	12.8	144,374	42.2
Non-operating income	665	0.4	674	0.4	(9)	(1.4)	1,319	0.4
Non-operating expenses	233	0.1	1,991	1.2	(1,758)	(88.3)	2,958	0.8
Income before extraordinary items	78,504	43.7	67,922	40.8	10,581	15.6	142,735	41.8
Extraordinary income	628	0.3	656	0.4	(28)	(4.3)	656	0.2
Extraordinary losses	5,992	3.3	1,987	1.2	4,005	201.6	3,178	1.0
Income before income taxes	73,139	40.7	66,591	40.0	6,548	9.8	140,213	41.0
Income taxes	38,070		32,650		5,420		69,030	
Deferred income taxes	(3,129)	19.5	(1,252)	18.9	(1,876)	11.3	(2,854)	19.3
Net income	38,198	21.2	35,194	21.1	3,004	8.5	74,038	21.7
Retained earnings b/fwd	16,270		13,447		2,823	21.0	13,447	
Prior year's adjustment for deferred tax	-		17,701		(17,701)	-	17,701	
Interim dividends	-		-		-	-	3,665	
Transfer to legal reserve	-		-		-	-	366	
Unappropriated retained earnings	54,469		66,342		(11,873)	(17.9)	101,154	

(b) Hedging instruments and items hedged

Hedging instruments... derivative transactions
(interest-rate swap agreements and interest-rate caps)
Items hedged..... loans with variable interest rates

(c) Hedging policy

The Company enters into derivative contracts such as interest-rate swap agreements in order to hedge against the risk of fluctuation in interest rates relating to its variable-rate loans. Derivative transactions are entered into in compliance with the Company's internal rules.

(d) Evaluating the efficacy of hedging activities

The performance of the hedging instruments and the items hedged are monitored primarily using the same criteria. As it can be assumed that changes in interest rates are fully offset by changes in cash flows from hedging instruments, further evaluation is not required.

(F) Other Significant Accounting Policies for the Preparation of Interim Financial Statements

(a) Basis of recognition of income and expenses

Interest on loans receivable
Interest on loans receivable is recognized on an accrual basis. Accrued interest on loans receivable is recognized at the lower of the interest rate stipulated in the Interest Restriction Law of Japan or the contracted interest rate of the Company.

Installment credit card finance income:

Fees from customers..... Recognized mainly by the credit-balance method
Fees from member outlets..... Recognized as fees when treated

Installment sales finance income

Fees from customers and member outlets..... Recognized by sum-of-the-month's digits method on a due date basis

(b) Treatment of amount in excess of par value of convertible bonds

The amount in excess of par value of convertible bonds is amortized over the redemption period of such convertible bonds, with the amount in excess of par value being deducted from financial expenses. In the case that a request for conversion is made, the entire amount in excess of par value is amortized at once.

(c) Treatment of Consumption Tax, etc.

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

(G) Change in Method of Presentation

Installment credit card finance income was previously included in other operating income under operating income. However, effective from the second half of the previous fiscal year, installment credit card finance income is recorded as a separate item to improve clarity. This change reflects the increasing importance of the credit card business.

Installment credit card finance income for the previous interim period was ¥57 million.

Additional Information

Retirement Benefit Accounting

Effective from the interim period ended September 30, 2000, the Company adopted a new accounting standard for the recognition of retirement benefits as outlined in the Business Accounting Deliberation Council's paper "Opinion Concerning the Establishment of Accounting Standard for Retirement Benefits"

issued on June 16, 1998. As a result of this change, the Company recorded ¥1,412 million in prepaid pension expenses under investments and other assets in fixed assets, and ¥1,575 million under allowance for retirement benefits in fixed liabilities. The changes also had the effect of increasing retirement benefit expenses by ¥160 million, reducing income before extraordinary items by the same amount, and increasing income before income taxes by ¥467 million.

Furthermore, accruals related to retirement allowances and past service costs of the corporate pension plan are included in the allowance for retirement benefits.

Accounting for Financial Instruments

Effective from the interim period ended September 30, 2000, the Company adopted a new accounting standard for financial instruments as outlined in the Business Accounting Deliberation Council's paper "Opinion Concerning the Establishment of Accounting Standards for Financial Instruments" issued on January 22, 1999.

The effect of this change was to increase income before extraordinary items by ¥117 million and reduce income before income taxes by ¥45 million.

Furthermore, the company undertook an examination of the respective objectives of marketable securities held at the start of the interim period. Other marketable securities due to mature within one year, and those with the same characteristics as deposits, were regarded as "marketable securities" and shown under other current assets in current assets. Securities falling outside these categories were regarded as "investment securities" and shown under investments and other assets in fixed assets. This reclassification had the effect of reducing other current assets by ¥16,535 million and increasing investments and other assets in fixed assets by the same amount.

Accounting for Foreign Currency Denominated Transactions

Effective from the interim period ended September 30, 2000, the Company adopted a revised accounting standard for the treatment of foreign currency denominated transactions as outlined in the Business Accounting Deliberation Council's paper "Opinion Concerning Revision of Accounting Standards for Foreign Currency Translation" issued on October 22, 1999. This change had only a minimal effect on the company's earnings.

(4) Notes to Interim Non-Consolidated Balance Sheets

As at Sept. 30, 2000	As at Sept. 30, 1999	As at March 31, 2000
1. Number of shares of treasury stock and book value 40 shares ¥0 million	1. Number of shares of treasury stock and book value 82 shares ¥1 million	1. Number of shares of treasury stock and book value 3 shares ¥0 million
2. Cumulative depreciation of tangible fixed assets ¥36,807 million Accumulated depreciation of buildings and structures in trust which are classified as “investments and other assets” ¥63 million	2. Cumulative depreciation of tangible fixed assets ¥32,557 million Accumulated depreciation of buildings and structures in trust which are classified as “investments and other assets” ¥58 million	2. Cumulative depreciation of tangible fixed assets ¥34,858 million Accumulated depreciation of buildings and structures in trust which are classified as “investments and other assets” ¥61 million
4. Delinquent loans receivable Losses on unsecured consumer loans to bankrupt parties are written off at the time bankruptcy is declared. For this reason, loans to borrowers in bankruptcy includes ¥2,541 million for debtors who are being petitioned for bankruptcy as at the end of the interim period, but not yet declared bankrupt. This entire amount is charged to the allowance for bad debts. In addition, from the point of view of maintaining the soundness of the Company’s assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company’s policy differs from that set forth in Japan’s tax laws, under which accrued interest is charged on loans less than one year in arrears. As a result of the Company’s policy, loans in arrears includes an additional ¥14,346 million. Under the policies stipulated in Japan’s tax laws, ¥10,039 million of this amount would be classified as loans overdue by three months or more, ¥1,711 million as restructured loans and ¥2,596 as loans no longer in arrears.	4. Delinquent loans receivable Losses on unsecured consumer loans to bankrupt parties are written off at the time bankruptcy is declared. For this reason, loans to borrowers in bankruptcy includes ¥2,965 million for debtors who are being petitioned for bankruptcy as at the end of the interim period, but not yet declared bankrupt. This entire amount is charged to the allowance for bad debts. In addition, from the point of view of maintaining the soundness of the Company’s assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company’s policy differs from that set forth in Japan’s tax laws, under which accrued interest is charged on loans less than one year in arrears. As a result of the Company’s policy, loans in arrears includes an additional ¥9,854 million. Under the policies stipulated in Japan’s tax laws, ¥5,935 million of this amount would be classified as loans overdue by three months or more, ¥2,086 million as restructured loans and ¥1,832 as loans no longer in arrears.	4. Delinquent loans receivable Losses on unsecured consumer loans to bankrupt parties are written off at the time bankruptcy is declared. For this reason, loans to borrowers in bankruptcy includes ¥2,440 million for debtors who are being petitioned for bankruptcy as at the end of the interim period, but not yet declared bankrupt. This entire amount is charged to the allowance for bad debts. In addition, from the point of view of maintaining the soundness of the Company’s assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company’s policy differs from that set forth in Japan’s tax laws, under which accrued interest is charged on loans less than one year in arrears. As a result of the Company’s policy, loans in arrears includes an additional ¥11,360 million. Under the policies stipulated in Japan’s tax laws, ¥6,554 million of this amount would be classified as loans overdue by three months or more, ¥1,938 million as restructured loans and ¥2,867 as loans no longer in arrears.

(¥ millions)

As at September 30, 2000		
Category	Amount	Classification criteria
Loans to bankrupt parties	(3,930) 3,930	Loans to bankrupt parties, parties in rehabilitation and others that are stated exclusive of accrued interest
Loans in arrears	(2,680) 17,027	Other loans stated exclusive of accrued interest, excluding loans that have been restructured or on which interest is reduced in the interest of rehabilitating the debtor.
Loans overdue by three months or more	(12,310) 2,271	Loans other than the above that are overdue by three months or more.
Restructured loans	(16,131) 14,420	Loans on which favorable terms have been granted, such as the waiving of interest.
Total	(35,053) 37,649	

Figures in brackets refer to the balances of delinquent loans computed according to the policies set forth in Japanese tax laws.

4. —

(¥ millions)

As at September 30, 1999		
Category	Amount	Classification criteria
Loans to bankrupt parties	(4,310) 4,310	Loans to bankrupt parties, parties in rehabilitation and others that are stated exclusive of accrued interest
Loans in arrears	(2,377) 12,232	Other loans stated exclusive of accrued interest, excluding loans that have been restructured or on which interest is reduced in the interest of rehabilitating the debtor.
Loans overdue by three months or more	(7,127) 1,192	Loans other than the above that are overdue by three months or more.
Restructured loans	(17,851) 15,765	Loans on which favorable terms have been granted, such as the waiving of interest.
Total	(31,668) 33,500	

Figures in brackets refer to the balances of delinquent loans computed according to the policies set forth in Japanese tax laws.

4. Foreign currency denominated assets and liabilities

Cash and time deposits ¥26 million
 (US\$249 thousand)
 ¥37 million
 (US\$14,490 thousand Thai Baht)

Current assets and others ¥1,050 million
 (405,720 thousand Thai Baht)

Investments and other assets ¥5,674 million
 (US\$36,056 thousand)
 ¥219 million
 (3,000 thousand Singapore Dollars)
 ¥327 million
 (138,800 thousand Thai Baht)

(¥ millions)

As at March 31, 2000		
Category	Amount	Classification criteria
Loans to bankrupt parties	(3,776) 3,776	Loans to bankrupt parties, parties in rehabilitation and others that are stated exclusive of accrued interest
Loans in arrears	(2,047) 13,408	Other loans stated exclusive of accrued interest, excluding loans that have been restructured or on which interest is reduced in the interest of rehabilitating the debtor.
Loans overdue by three months or more	(7,053) 498	Loans other than the above that are overdue by three months or more.
Restructured loans	(18,332) 16,394	Loans on which favorable terms have been granted, such as the waiving of interest.
Total	(31,210) 34,077	

Figures in brackets refer to the balances of delinquent loans computed according to the policies set forth in Japanese tax laws.

4. Foreign currency denominated assets and liabilities

Cash and time deposits ¥31 million
 (US\$301 thousand)
 ¥7 million
 (2,624 thousand Thai Baht)

Investments and other assets ¥5,674 million
 (US\$36,056 thousand)
 ¥78 million
 (58,800 thousand Thai Baht)

As at September 30, 2000	As at September 30, 1999	As at March 31, 2000
	<p>Long-term monetary claims denominated in foreign currencies and converted into yen at the exchange rate as at the interim balance sheet date are as follows. Balance sheet amount ¥357 million (US\$1,000 thousand) (80,000 thousand Thai Baht) Yen amount at the exchange rate as at the interim balance sheet date ¥314 million Differential (loss) ¥43 million</p>	<p>Long-term monetary claims denominated in foreign currencies and converted into yen at the exchange rate as at the balance sheet date are as follows. Balance sheet amount ¥108 million (US\$1,000 thousand) Yen amount at the exchange rate as at the interim balance sheet date ¥106 million Differential (loss) ¥2 million</p>
<p>5. Assets pledged as security (1) Pledged assets (¥ millions) Loans receivable 695,511 (188,408) Tangible fixed assets 2,465 Investments and other assets 2,545 Total 700,523 (188,408)</p>	<p>5. Assets pledged as security (1) Pledged assets (¥ millions) Loans receivable 740,760 (197,780) Other current assets 1,355 Tangible fixed assets 2,579 Investments and other assets 326 Total 745,021 (197,780)</p>	<p>5. Assets pledged as security (1) Pledged assets (¥ millions) Loans receivable 688,888 (189,318) Other current assets 1,255 Tangible fixed assets 2,535 Investments and other assets 326 Total 693,006 (189,318)</p>
<p>(2) Secured liabilities (¥ millions) Short-term loans 2,250 (2,000) Current portion of long-term loans 232,698 (73,910) Long-term loans 462,267 (109,169) Total 697,216 (185,079)</p> <p>Figures in brackets represent amounts engaged in transfer liabilities</p>	<p>(2) Secured liabilities (¥ millions) Short-term loans 83,628 (16,500) Current portion of long-term loans 198,817 (42,760) Long-term loans 461,829 (137,003) Total 744,274 (196,263)</p> <p>Figures in brackets represent amounts engaged in transfer liabilities</p>	<p>(2) Secured liabilities (¥ millions) Short-term loans 10,668 (6,000) Current portion of long-term loans 205,444 (48,084) Long-term loans 481,172 (133,660) Total 697,285 (187,744)</p> <p>Figures in brackets represent amounts engaged in transfer liabilities</p>
<p>6. Liabilities for guarantees The Company guarantees the following liabilities for affiliated companies. (¥ millions) ACOM ESTATE CO., LTD. 1,300 SIAM A&C CO., LTD. 2,820 (1,110,600 thousand Thai Baht) 1990 K PARTNERSHIP 864 (US\$8,000 thousand) The above foreign currency denominated liabilities for guarantees are converted into yen using the exchange rate as at the interim balance sheet date.</p>	<p>6. Liabilities for guarantees The Company guarantees the following liabilities for affiliated companies. (¥ millions) ACOM ESTATE CO., LTD. 1,100 1990 K PARTNERSHIP 748 (US\$7,000 thousand) The above foreign currency denominated liabilities for guarantees are converted into yen using the exchange rate as at the interim balance sheet date.</p>	<p>6. Liabilities for guarantees The Company guarantees the following liabilities for affiliated companies. (¥ millions) ACOM ESTATE CO., LTD. 1,100 SIAM A&C CO., LTD. 2,450 (875,000 thousand Thai Baht) 1990 K PARTNERSHIP 743 (US\$7,000 thousand) The above foreign currency denominated liabilities for guarantees are converted into yen using the exchange rate as at the balance sheet date.</p>

(5) Notes to Interim Non-Consolidated Statements of Income

Six months ended Sept. 30, 2000	Six months ended Sept. 30, 1999	Year ended March 31, 2000
1. Principal items of other financial income (¥ millions)	1. Principal items of other financial income (¥ millions)	1. Principal items of other financial income (¥ millions)
Interest on deposits 16	Interest on deposits 78	Interest on deposits 130
Interest on marketable securities 2	Interest on marketable securities 38	Interest on marketable securities 69
Interest on loans receivable 16	Interest on loans receivable 22	Interest on loans receivable 38
	Dividends received 79	Dividends received 128
2. Principal items of financial expenses (¥ millions)	2. Principal items of financial expenses (¥ millions)	2. Principal items of financial expenses (¥ millions)
Interest paid 12,230	Interest paid 13,315	Interest paid 25,961
Interest on bonds 1,779	Interest on bonds 1,152	Interest on bonds 2,579
3. Principal items of non-operating income (¥ millions)	3. Principal items of non-operating income (¥ millions)	3. Principal items of non-operating income (¥ millions)
Interest income 13	Interest income 68	Interest income 119
Interest on securities 57	Interest on securities 104	Interest on securities 126
Dividends received 167	Dividends received 53	Dividends received 83
Rent from Company's residence 192	Gain on sale of securities 10	Gain on sale of securities 29
Sale of miscellaneous merchandise 36	Insurance payment received 10	<u>Insurance fees received</u> 29
Profit from investment in anonymous partnership 73	Rent from Company's residence 191	Rent from Company's residence 383
	Sale of miscellaneous merchandise 48	Sale of miscellaneous merchandise 151
	Profit from investment in anonymous partnership 51	Profit from investment in anonymous partnership 110
4. Principal items of non-operating expenses (¥ millions)	4. Principal items of non-operating expenses (¥ millions)	4. Principal items of non-operating expenses (¥ millions)
Bond issue expenses 136	Bond issue expenses 1,483	Bond issue expenses 1,781
	Loss on revaluation of marketable securities 163	Loss on revaluation of marketable securities 622
5. Principal items of extraordinary income (¥ millions)	5. Principal items of extraordinary income (¥ millions)	5. Principal items of extraordinary income (¥ millions)
Gain due to adoption of new accounting standards for retirement benefits 628	Distribution profit on termination of anonymous association agreement 634	Distribution profit on termination of anonymous association agreement 634
6. Principal items of extraordinary losses (¥ millions)	6. Principal items of extraordinary losses (¥ millions)	6. Principal items of extraordinary losses (¥ millions)
Loss on sale of fixed assets 3,848	Loss on sale of fixed assets 1,602	Loss on sale of fixed assets 2,085
Loss on disposal of fixed assets 164	Loss on disposal of fixed assets 284	Loss on disposal of fixed assets 775
Loss on sale of investments in marketable securities 155	Loss on sale of investments in marketable securities 87	Loss on sale of investments in marketable securities 106
Write-off of investment loss 1,000		Loss on liquidation of subsidiaries 171
7. Depreciation and amortization (¥ millions)	7. Depreciation and amortization (¥ millions)	7. Depreciation and amortization (¥ millions)
Tangible fixed assets 2,892	Tangible fixed assets 3,021	Tangible fixed assets 6,195
Intangible fixed assets 4	Intangible fixed assets 4	Intangible fixed assets 8

(6) Lease Transactions

Six months ended Sept. 30, 2000	Six months ended Sept. 30, 1999	Year ended March 31, 2000
<p>Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee.</p> <p>Equivalent acquisition cost, accumulated depreciation and residual value of leased assets</p> <p>#Table 1</p>	<p>Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee.</p> <p>Equivalent acquisition cost, accumulated depreciation and residual value of leased assets</p> <p>##Table 2</p>	<p>Finance lease transactions other than those where ownership of the leased asset is transferred to the lessee.</p> <p>Equivalent acquisition cost, accumulated depreciation and residual value of leased assets</p> <p>###Table 3</p>
<p>2. Equivalent balance of unaccrued lease fees (¥ millions)</p> <p>Within one year 3,695</p> <p>More than one year 3,236</p> <p>Total 6,931</p>	<p>2. Equivalent balance of unaccrued lease fees (¥ millions)</p> <p>Within one year 4,499</p> <p>More than one year 5,920</p> <p>Total 10,419</p>	<p>2. Equivalent balance of unaccrued lease fees (¥ millions)</p> <p>Within one year 4,149</p> <p>More than one year 4,463</p> <p>Total 8,613</p>
<p>3. Lease fees payable, equivalent of depreciation and equivalent of interest payable (¥ millions)</p> <p>Lease fees payable 2,366</p> <p>Equivalent of depreciation 2,215</p> <p>Equiv. of interest payable 132</p>	<p>3. Lease fees payable, equivalent of depreciation and equivalent of interest payable (¥ millions)</p> <p>Lease fees payable 2,902</p> <p>Equivalent of depreciation 2,709</p> <p>Equiv. of interest payable 189</p>	<p>3. Lease fees payable, equivalent of depreciation and equivalent of interest payable (¥ millions)</p> <p>Lease fees payable 5,481</p> <p>Equivalent of depreciation 5,119</p> <p>Equiv. of interest payable 351</p>
<p>4. Method of calculating the equivalent of depreciation</p> <p>Calculated using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and a residual value of zero.</p>	<p>4. Method of calculating equivalent of depreciation</p> <p>Calculated using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and a residual value of zero.</p>	<p>4. Method of calculating equivalent of depreciation</p> <p>Calculated using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and a residual value of zero.</p>
<p>5. Method of calculating the equivalent of interest</p> <p>The equivalent of interest is regarded as the difference between the total lease payments and the amount equivalent to the acquisition cost of the asset. The interest method is used to calculate the portion applicable to each accounting period.</p>	<p>5. Method of calculating the equivalent of interest</p> <p>The equivalent of interest is regarded as the difference between the total lease payments and the amount equivalent to the acquisition cost of the asset. The interest method is used to calculate the portion applicable to each accounting period.</p>	<p>5. Method of calculating the equivalent of interest</p> <p>The equivalent of interest is regarded as the difference between the total lease payments and the amount equivalent to the acquisition cost of the asset. The interest method is used to calculate the portion applicable to each accounting period.</p>

#Table 1

	Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value at end of interim period
Vehicles and delivery equipment	160	65	94
Equipment and fixtures	16,466	9,839	6,627
Total	16,626	9,905	6,721

##Table 2

	Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value at end of interim period
Vehicles and delivery equipment	182	94	87
Equipment and fixtures	20,426	10,338	10,088
Total	20,608	10,432	10,176

###Table 3

	Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value at end of interim period
Vehicles and delivery equipment	212	113	98
Equipment and fixtures	18,525	10,244	8,280
Total	18,737	10,358	8,378

11. Actual Results

(1) Operating income by segments

(¥ millions)

Division	Term Segment	Six months ended September 30, 2000		Six months ended September 30, 1999		Fiscal yearended March 31, 2000	
		Amount	Percent of total %	Amount	Percent of total %	Amount	Percent of total %
Finance business	Interest on loans receivable	167,571	93.2	154,462	92.8	316,490	92.6
	Unsecured loans	163,486	90.9	150,399	90.3	308,205	90.2
	Consumer	163,262	90.8	150,148	90.2	307,697	90.0
	Commercial	223	0.1	251	0.1	508	0.2
	Secured loans	4,085	2.3	4,062	2.5	8,284	2.4
	Installment sales finance income	7,662	4.3	5,250	3.1	11,588	3.4
	Credit card	917	0.5	57	0.0	451	0.1
	Installment sales finance	6,744	3.8	5,193	3.1	11,136	3.3
Other business	Rental income	1,137	0.6	3,315	2.0	6,395	1.9
	Audio-visual software	1,137	0.6	1,662	1.0	3,007	0.9
	Hardware rental	-	-	1,653	1.0	3,388	1.0
	Sales	73	0.0	169	0.1	320	0.1
Others	Other financial income	35	0.0	218	0.1	367	0.1
	Other operating income	3,324	1.9	3,089	1.9	6,605	1.9
	Collection of bad debts previously written off	3,138	1.8	2,848	1.7	6,134	1.8
	Others	186	0.1	241	0.2	470	0.1
Total		179,805	100.0	166,506	100.0	341,767	100.0

Note: "Sales" in the "other business" division comprises merchandise sold at rental outlets.

(2) Other statistics

(¥ millions)

Term Item	Six months ended September 30, 2000	Six months ended September 30, 1999	Fiscal yearended March 31, 2000
Loans receivable outstanding	1,433,090	1,280,291	1,347,757
Unsecured loans	1,361,591	1,206,175	1,273,899
Consumer	1,359,805	1,203,975	1,271,865
Commercial	1,786	2,200	2,034
Secured loans	71,498	74,116	73,857
Number of loan customer accounts	2,743,533	2,642,287	2,669,016
Unsecured loans	2,730,306	2,628,986	2,655,803
Consumer	2,729,220	2,627,819	2,654,651
Commercial	1,086	1,167	1,152
Secured loans	13,227	13,301	13,213
Number of outlets	1,752	1,654	1,692
Loan business outlets	1,703	1,587	1,635
Staffed	515	512	512
Unstaffed	1,188	1,075	1,123
Installment sales finance business	8	8	8
Rental business	40	58	48
Other business	1	1	1
Number of MUJINKUN outlets (machines)	(1,696) 1,694	(1,575) 1,573	(1,625) 1,623
Number of cash dispensers and ATM	22,980	15,458	18,478
Proprietary	2,011	1,890	1,944
Open 365 days/year	2,004	1,882	1,937
Open 24 hours/day	1,706	1,576	1,633
Tie-up	20,969	13,568	16,534
Number of employees	4,300	4,405	4,314
Bad debt written off	17,628	16,994	37,461
Allowance for bad debt	62,500	52,700	54,300
Increased during the accounting period	8,200	8,400	10,000