

(TRANSLATION)

Brief Statement of Financial Results
for the Fiscal Year Ended March 2001 (Consolidated)

May 10, 2001

Forward-looking Statement

The statements and figures contained in this Brief Statement of Financial Results for the fiscal year ended 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 to it and involve risks and uncertainties. Actual results may differ from those in the forward-looking statements as a result of various factors. Potential risks and uncertainties include, without limitation, general economic conditions in ACOM's market and changes in the size of the overall market for consumer loans, the rate of default by customers, the level of interest rates paid on ACOM's debt, and legal limits on interest rates charged by ACOM.

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

Stock market: Tokyo Stock Exchange

Code No.: 8572

Location of the head office: Tokyo

Reference:
Position of the person in charge: General Manager of Public Relations Department
Name: Satoru Tomimatsu
Telephone No.: (03) 3270 - 3423

Date of the board of directors' meeting for the account settlement: May 10, 2001

U.S. accounting standards: Not adopted

Note: All amounts under minimum units appearing in each of the tables have been disregarded, except for per share amounts throughout this Brief Statement (Consolidated) and the Annexed Materials.

1. Consolidated Business Results for the Fiscal Year (from April 1, 2000 to March 31, 2001)

(1) Consolidated Operating Results (Millions of yen)

	Operating Income		Operating Profit		Income Before Extraordinary Items	
3/01	375,674	9.3 %	160,310	10.2 %	160,811	11.9 %
3/00	343,644	— %	145,488	— %	143,703	— %

	Net Income (Millions of yen)		Net Income per Share (Yen)	Net Income per Share Diluted (Yen)	Return on Equity	Income Before Extraordinary Items to Total Assets	Income Before Extraordinary Items to Operating Income
3/01	81,369	9.4 %	554.93	535.97	17.5 %	8.8%	42.8%
3/00	74,352	— %	507.07	500.32	17.3 %	8.4%	41.8%

- Notes:
- ① Equity in earnings of affiliated companies: 3/01: (¥ 5 million) 3/00: ¥ — million
 - ② Average outstanding shares (consolidated): 146,630,843 in fiscal 2000 and 146,630,839 in fiscal 1999.
 - ③ Change in accounting polices: none
 - ④ Regarding operating income, operating profit, income before extraordinary items, net profit of this fiscal year, the figures in percentages show growth of change from previous fiscal year.

(2) Consolidated Financial Status (Millions of yen)

	Total Assets	Shareholders' Equity	Ratio of Shareholders' Equity	Shareholder's Equity per Share (Yen)
3/01	1,943,836	503,335	25.9 %	3,432.67
3/00	1,708,030	429,195	25.1 %	2,927.04

Note: Outstanding shares (consolidated) at fiscal year-end were 146,630,870 in fiscal 2000 and 146,630,877 in fiscal 1999.

(3) Consolidated Cash Flow Status (Millions of yen)

	From Operating Activities	From Investing Activities	From Financing Activities	Cash and Cash Equivalents at the End of Year
3/01	(90,386)	7,580	87,818	104,627
3/00	(69,531)	7,503	(5,952)	99,932

(4) Scope of Consolidation and Equity Method

Number of consolidated subsidiaries:	16
Number of unconsolidated subsidiaries accounted for under equity method:	0
Number of unconsolidated affiliates accounted for under equity method:	2

(5) Change in Scope of Consolidation and Equity Method	
Consolidated subsidiaries (addition):	4
Consolidated subsidiaries (exclusion):	1
Affiliates accounted for under equity method (addition):	2
Affiliates accounted for under equity method (exclusion):	0

【Annexed Materials】

1. State of Business Group

The ACOM Group consists of ACOM CO., LTD, 16 subsidiaries, and 2 affiliates as well as 1 other related company and 1 subsidiary of the other related company. The Group's main line of business is financial services such as loan business, credit card business, and installment sales finance. Other business lines include 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 segment classification.

	Segment	Company	Business	Classification
Financial service businesses	Loan business	ACOM CO., LTD.	Loan business including unsecured loan and secured loan	—
		JUKI CREDIT CO., LTD.		Consolidated subsidiary
	Credit card business	ACOM CO., LTD.	Credit card business mainly of ACOM MasterCard as the main commodity	—
	Installment sales finance	ACOM	Installment sales finance service	—
		JUKI CREDIT CO., LTD.		Consolidated subsidiary
		SIAM A&C CO., LTD.	Hire purchase business in Thailand	Equity method affiliate
	CHAILEASE ACOM FINANCE CO., LTD.	Hire purchase business in Taiwan		
	Others	IR Loan Servicing, Inc.	Loan recovery business	Consolidated subsidiary
		E*NetCard CO., LTD.	Fiduciary business to open up, on the internet, new customers with respect to consumer loans and credit card	Equity method affiliate
		ACOM CAPITAL CO., LTD.	Financial services for ACOM (Special Purpose Company)	Consolidated subsidiary
Other Businesses	Rental business	ACOM CO., LTD.	Audio-Visual software rental	Consolidated subsidiary
		AVRS CO., LTD.	Audio-Visual software rental consignment business	
		ACOM RENTAL CO., LTD.	Comprehensive rental business	
	Others	JLA INCORPORATED	Advertising agency, interior design and construction of service outlets	
		ACOM RESERCH INSTITUTE, INC.	Survey and research on trends in household expenditures	
		AJAST Ltd.	Insurance agency business	
		ACOM ESTATE CO., LTD.	Real estate management in Japan	
		ABS CO., LTD.	Maintenance of buildings and other property	
		A B PARTNER CO., LTD.	Temporary employment agencies and back-office services	
		ACOM (U.S.A.) INC.	Real estate leasing in the United States	
		ACOM INTERNATIONAL, INC.	Real estate leasing in the United States	
		1990 K PARTNERSHIP	Real estate leasing in the United States	
		ACOM PACIFIC, INC.	Lease of health resorts in Guam (U.S.A.)	
		Maruito Shokusan Co., Ltd.	Real estate leasing	
Maruito Shoten Co., Ltd.	Subsidiary of other related company			

(Notes): 1. JUKI CREDIT CO., LTD. has not taken on any new loan business since August 2000.

2. AB PARTNER CO., LTD. was established on November 15, 2000, and began operations on April 1, 2001.

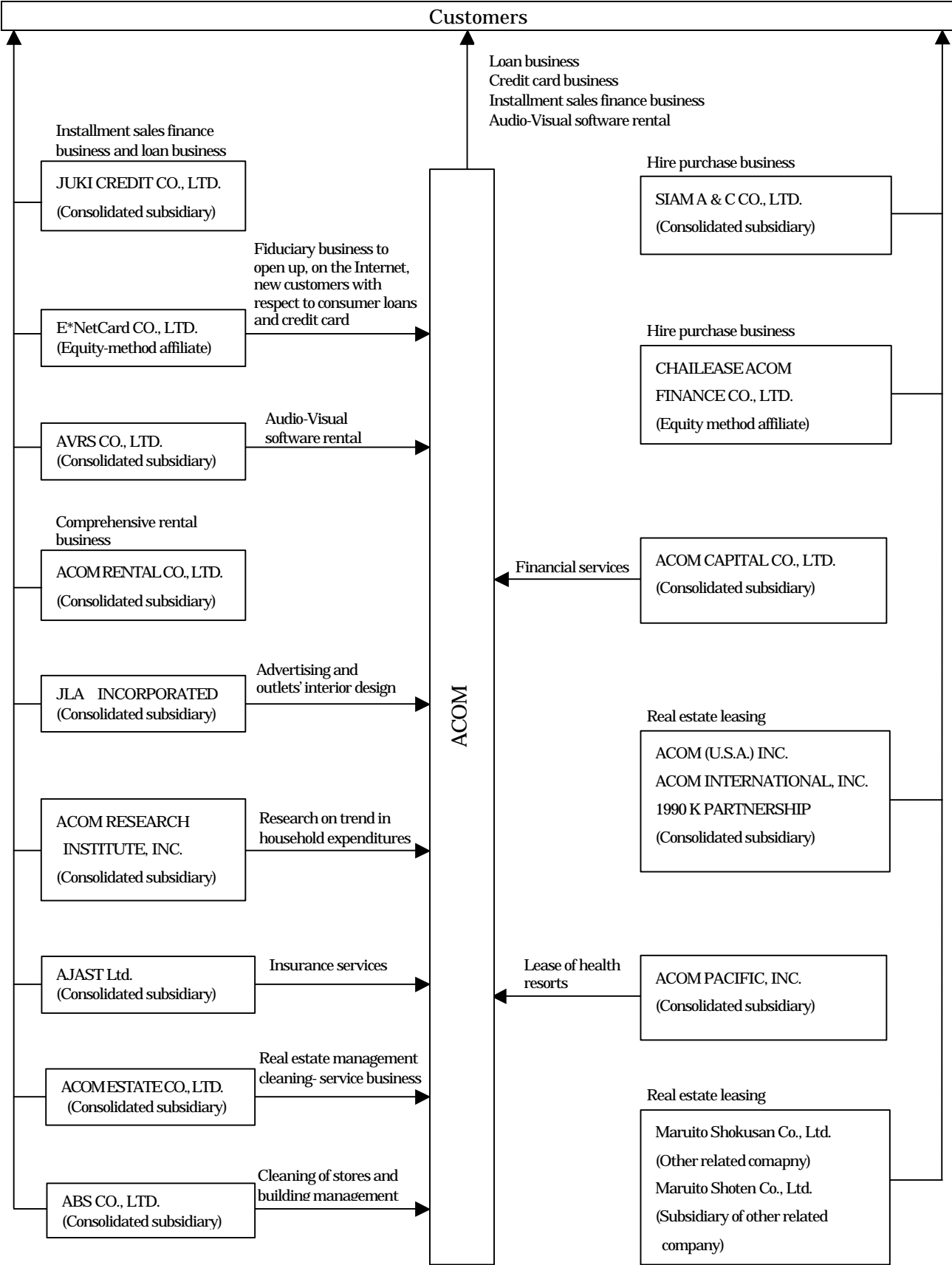
3. IR Loan Servicing, Inc. became a subsidiary of the Company by acquiring 60% of shares on March 23, 2001, which will start operations in mid-June 2001.

4. The Company sold its 25 audio and video software rental stores to Culture Convenience Club Co., Ltd. between December 2000 and February 2001. In addition, it closed 15 other rental stores and finally withdrew the audio and video rental business.

5. AVRS CO., LTD. suspended its audio and video software consignment rental business as of April 30, 2001.

6. Partners of 1990 K PARTNERSHIP are ACOM (U.S.A.) INC. and ACOM INTERNATIONAL, INC. and their main business is holding and management of commercial buildings.

Diagram of Business of ACOM Group:



2. Operating Policies

(1) Principal Operating Policies

The ACOM Group's business activities, which center on the core business of providing advanced and integrated 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. It is the company's aim to be their "Best Life Partner."

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 rapidly to changes in the business environment. This is a business environment that is characterized by the IT revolution, accompanying rapid advancement toward a Networked Society, intensifying competition between companies on a global scale, and a low-birthrate, aging society.

(A) Delivering high-quality products and services

The ACOM Group's actions are based on the recognition that being able to rapidly meet the 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 capacity to develop products and deliver services. The ultimate aim is to become a financial partner to customers unrivaled in approachability and in offering highly useful services.

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 enhancement 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, and it is enhancing its ability to provide services 24 hours a day, every day of the year. In addition, the Company is seeking to sign up new affiliated vendors for installment sales finance business. 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 to offer co-branded cards with J COMMUNICATION CO., LTD., a mobile phone sales company, and with SKY Perfect Communications Inc., the operator of digital satellite broadcaster SKY PerfecTV. In another move to strengthen competitiveness, ACOM acquired JUKI CREDIT CO., LTD., through the purchase of all of its shares. In addition, the Company is seeking to secure profit by developing new markets in the personal loan guarantee business, the servicer business, and the consumer credit services business, the last by means of a nonbank finance company that will be established together with the Bank of Tokyo-Mitsubishi, Ltd., Mitsubishi Trust and Banking Corp., and DC Card Co., Ltd. Moving forward, the Company aims to create new and innovative business models and to

grow in the 21st century as a customer-centric, integrated financial services company.

(C) Developing activities on the global stage

The company 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 2000, the company 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 endeavoring 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) Promoting management efficiencies

In April 2000, ACOM restructured its organization to bolster the competitiveness of sales operations and to strengthen the administration of customer service functions. Actions taken include the establishment of a service-center sales administration department and a contact-center sales administration department that will oversee all branches. To respond accurately to diversifying customer needs, the Company is intent on creating a dynamic organizational structure that is 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 Company intends to continue to promote greater management efficiencies through the use of networking and information systems.

(E) Increasing the efficiency of group management

Achieving greater Group-level efficiencies is another important objective of the Company. To achieve this aim, hardware rental operations and the clerical operations center, representing recurring back-office operations, were spun off during the year. In addition, audio and video software rental stores were sold to Culture Convenience Club, Ltd., in response to market changes. Through such efforts, the Company is determined to increase the efficiency of the ACOM Group and aims to make further efforts to strengthen Group competitiveness.

(2) Basic Dividend Policy

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

Based on the above policy, the Company has declared an interim dividend of ¥30 per share. Assuming a year-end dividend of ¥35 per share, the annual dividend is expected to amount to

¥65 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 bolster the sales network for the purpose of enhancing services, to invest in information technology to upgrade information systems and yield efficiencies, and to develop new businesses.

(3) Organizational Structure for Corporate Supervision

ACOM has put in place a system that makes possible efficient management and the 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 "ACOM's Ethical Codes for Business," which takes into consideration management philosophy and rules and regulations from a global perspective. These guidelines were distributed to all employees. The importance of adhering to ethical standards is also being instilled in employees through educational programs.

(4) Pending Issues

The ACOM Group's operating environment continues to pose challenges as evidenced by a rising unemployment rate and sluggish personal consumption. Other factors are transforming the Company's market, such as the entry by financial institutions into the consumer finance industry in new forms, intensifying competition on a global level, the progress of an IT revolution, and the transition to a Networked Society.

ACOM has responded to these challenges by launching multiple initiatives for expanding the scope of financial services grounded on three key themes: providing goods and services that are the first choice of our customers, creating value by sharing knowledge among employees and management, and developing prompt solutions to emerging 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, redoubling compliance efforts, 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 (ROE). At the same time, overall management performance is being evaluated with reference to a number of 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 current consolidated fiscal year, higher demand related to government stimulus measures and to investment in information technology gave way to signs of a revival in capital spending. These developments allowed the Japanese economy to recover at a gradual pace in the first half of the year. However, continuing weak employment conditions, the failure of a large retailer due to slack personal consumption, and a sluggish stock market was joined in the second half by the slowing of exports ensuing from a correction in the U.S. economy. As a result, difficult conditions remained in place for the Japanese economy.

In the field of consumer finance, too, competition intensified even more due among other things to the lowering of the interest ceiling from June last year by partial amendment of the Capital Subscription Law and the entry by financial institutions and other industries into the consumer unsecured loan market.

In this challenging climate, 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 light of our competitive advantages by responding quickly to opportunities."

Overarching strategies were designed to react speedily to market shifts and to strengthen sales capabilities. Strategies executed were the implementation of organizational reforms, including the introduction of a group support system for business headquarters, commencement of hire purchase operations in Taiwan, and the spinning off of a clerical operations center handling recurring back-office tasks. The Company also made preparations for entering the personal loan guarantee business and the servicer business, and it began efforts to establish a nonbank financial services company with the Bank of Tokyo-Mitsubishi, Ltd., the Mitsubishi Trust and Banking Corp., and DC Card Co., Ltd.

In August 2000, 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 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, the

network of CDs and ATMs was expanded, and a call center was established.

In Internet loan operations, the Company continued to strengthen online-A.com and began offering a new information service, Mobile-A.com, to mobile phone users.

During the year, ACOM took steps to fortify credit management by lending responsibly and by counseling its customers. This was in response to rising personal bankruptcies in Japan and to a spate of problems concerning multiple large debts. As a result of these efforts, loans receivable outstanding in the loan business division at the end of the year increased ¥149,288 million to ¥1,497,045 million (up 11.1% from prior fiscal year-end). Interest on loans receivable amounted to ¥341,539 million (up 7.9% year on year).

In the credit card and installment sales finance divisions, a main theme during the year was promoting sales of ACOM MasterCard by increasing the number of card issuance machines linked to MUJINKUN terminals. This is the first such service of its kind in the world. Another theme was signing up more affiliated stores. To bolster the Group's competitiveness, ACOM purchased all the shares of JUKI CREDIT CO., LTD., a wholly owned subsidiary of JUKI CORPORATION, on October 2000. Moreover, to expand the scope of business activities, ACOM promoted the sale of co-branded cards, such as with J COMMUNICATION CO., LTD., and with SKY Perfect Communications Inc. These efforts enabled receivables outstanding for credit card business and installment sales finance business to increase ¥92,624 million to ¥223,570 million (up 70.7% from prior fiscal year-end). Operating income, which includes income from credit card business and installment sales finance business, was ¥19,532 million (up 62.0% year on year).

In other businesses, hardware rental operations were transferred to ACOM RENTAL CO., LTD., which started business the previous fiscal year, in a drive to improve efficiency through spin-offs. Furthermore, in the area of software rental operations, 25 audio and video software rental stores were sold to Culture Convenience Club, Ltd., and 15 other stores were closed in response to market changes. As a result, rental income totaled ¥5,308 million (down 17.0% year on year).

The overall result was consolidated operating income of ¥375,674 million (up 9.3% year on year). Operating expenses were ¥215,363 million (up 8.7% year on year), income before extraordinary items was ¥160,811 million (up 11.9% year on year), and net income came in at ¥81,369 million (up 9.4% year on year).

(2) Cash Flow

Consolidated cash and cash equivalents ("cash" hereafter) rose ¥4,694 million from the end of the previous fiscal year to total ¥104,627 million. This was the outcome of the increase in cash flow from investing and financing activities surpassing the steady growth of loans receivable outstanding and installment receivables outstanding for credit card and installment sales finance business.

Cash flow from operating activities

Cash from operating activities declined ¥90,386 million. While net profit before taxes totaled ¥154,847 million, loans receivable outstanding of financial service businesses increased ¥148,241 million and installment receivables outstanding for credit card and installment sales finance business increased ¥48,402 million.

Cash flow from investing activities

Cash from investing activities grew ¥7,580 million. While expenditures of ¥5,941 million were made for the acquisition of tangible fixed assets associated with the establishment of new unstaffed service outlets, this was surpassed by the increase of ¥7,516 million in income on maturing time deposits and the increase of ¥6,134 million in income related to the purchase of subsidiary stock accompanying a change in the scope of consolidation.

Cash flow from financing activities

Cash from financing activities grew ¥87,818 million, the result of raising ¥92,444 million through the issue of unsecured straight bonds to meet the demand for funds from the expansion of financial service operations and the result of raising ¥30.0 billion through the issue of commercial paper.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

Subject	Term	This consolidated fiscal year (as of March 31, 2001)		Prior consolidated fiscal year (as of March 31, 2000)		Change	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Percentage
			%		%		%
(Assets)							
I. Current assets		1,811,801	93.2	1,585,600	92.8	226,200	14.3
Cash and time deposits		42,761		43,713		(951)	(2.2)
Trade notes and accounts receivable		452		378		73	19.3
Loans receivable		1,497,045		1,347,757		149,288	11.1
Installment receivables		223,570		130,945		92,624	70.7
Marketable securities		865		14,172		(13,306)	(93.9)
Inventories		7,228		7,105		123	1.7
Deferred tax assets		21,300		18,199		3,100	17.0
Short-term loans		61,416		59,171		2,244	3.8
Other current assets		20,231		17,462		2,769	15.9
Allowances for bad debts		(63,071)		(53,305)		(9,765)	18.3
II. Fixed assets		132,034	6.8	120,335	7.1	11,699	9.7
Tangible fixed assets		75,500	3.9	80,441	4.7	(4,940)	(6.1)
Buildings and structures		27,510		29,097		(1,586)	(5.5)
Vehicles and delivery equipment		23		11		12	109.0
Equipment and furniture		16,260		16,091		169	1.1
Land		31,641		35,193		(3,552)	(10.1)
Construction in progress		64		47		16	35.6
Intangible fixed assets		1,839	0.1	1,839	0.1	(0)	(0.0)
Leasehold		651		651		-	-
Telephone rights		1,102		1,094		8	0.8
Other intangible fixed assets		85		94		(8)	(9.3)
Investments and other assets		54,694	2.8	38,054	2.3	16,640	43.7
Investments in securities		25,896		11,966		13,929	116.4
Long-term loans		1,161		1,000		161	16.2
Deferred tax assets		1,555		2,212		(657)	(29.7)
Guaranty money deposited		11,581		12,194		(612)	(5.0)
Prepaid pension expenses		4,164		-		4,164	-
Other investments		11,624		11,719		(94)	(0.8)
Allowance for bad debts		(1,289)		(1,040)		(249)	23.9
III. Foreign currency translation adjustments		-	-	2,095	0.1	(2,095)	-
Total Assets		1,943,836	100.0	1,708,030	100.0	235,805	13.8

(Millions of yen)

Subject	Term	This consolidated fiscal year (as of March 31, 2001)		Prior consolidated fiscal year (as of March 31, 2000)		Change	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Percentage
			%		%		%
(Liabilities)							
I. Current liabilities		481,613	24.8	432,608	25.3	49,005	11.3
Notes and accounts payable		9,714		5,027		4,686	93.2
Short-term loans		14,393		20,808		(6,415)	(30.8)
Current portion of long-term loans		322,091		322,216		(125)	(0.0)
Commercial paper		12,000		1,000		11,000	-
Current portion of bonds and notes		30,000		5,000		25,000	500.0
Current portion of accounts payable on transferred specified claims		4,800		5,000		(200)	(4.0)
Accrued income taxes		40,613		38,253		2,359	6.2
Deferred tax liabilities		17		0		17	-
Deferred income on installment sales		33,579		22,172		11,406	51.4
Other current liabilities		14,404		13,128		1,275	9.7
II. Fixed liabilities		958,564	49.3	846,043	49.6	112,521	13.3
Straight bonds		218,000		155,000		63,000	40.6
Convertible bonds		50,000		50,000		-	-
Long-term loans		682,283		637,858		44,425	7.0
Deferred tax liabilities		1,430		-		1,430	-
Allowance for retirement benefits		-		2		(2)	-
Allowance for employees' retirement benefits		3,092		-		3,092	-
Allowance for directors' and corporate auditors' retirement benefits		886		1,006		(119)	(11.9)
Other fixed liabilities		2,871		2,176		694	31.9
Total liabilities		1,440,178	74.1	1,278,652	74.9	161,526	12.6
(Minority interests in consolidated subsidiaries)							
Minority interests in consolidated subsidiaries		322	0.0	183	0.0	138	75.5
(Shareholders' equity)							
I. Common stock		17,282	0.9	17,282	1.0	-	-
II. Additional paid-in capital		25,772	1.3	25,772	1.5	-	-
III. Consolidated retained earnings		458,669	23.6	386,139	22.6	72,529	18.8
IV. Securities valuation adjustment		3,183	0.2	-	-	3,183	-
V. Foreign currency translation adjustments		(1,572)	(0.1)	-	-	(1,572)	-
		503,335	25.9	429,195	25.1	74,140	17.3
VI. Treasury stock		(0)	(0.0)	(0)	(0.0)	(0)	-
Total shareholders' equity		503,335	25.9	429,195	25.1	74,140	17.3
Total liabilities, minority interests, and shareholders' equity		1,943,836	100.0	1,708,030	100.0	235,805	13.8

(2) Consolidated Income Statements

(Millions of yen)

Subject	Term	This consolidated fiscal year (from April 1, 2000 to March 31, 2001)		Prior consolidated fiscal year (from April 1, 1999 to March 31, 2000)		Change	
		Amount	Percentage	Amount	Percentage	Amount	Percentage
			%		%		%
I. Operating income		375,674	100.0	343,644	100.0	32,029	9.3
Interest on loans receivable		341,539		316,490		25,048	7.9
Fees from credit card business		2,344		451		1,893	419.4
Fees from Installment sales finance business		17,188		11,602		5,585	48.1
Other financial income		77		367		(289)	(78.9)
Sales		7,541		8,013		(472)	(5.9)
Other operating income		6,983		6,719		264	3.9
II. Operating expenses		215,363	57.3	198,155	57.7	17,208	8.7
Financial expenses		29,573	7.9	29,263	8.5	309	1.1
Cost of sales		4,188	1.1	2,592	0.8	1,595	61.6
Other operating expenses		181,602	48.3	166,299	48.4	15,302	9.2
Operating profit		160,310	42.7	145,488	42.3	14,821	10.2
III. Non-operating income		1,746	0.4	1,355	0.4	390	28.8
Interest income		393		163		230	141.4
Dividends received		249		72		177	244.3
Gains on sale of securities		0		33		(32)	(98.1)
Amortization of consolidation adjustment account		-		46		(46)	-
Rent from Company's residence		389		383		6	1.6
Other non-operating income		712		655		56	8.7
IV. Non-operating expenses		1,245	0.3	3,140	0.9	(1,895)	(60.3)
Interest expenses		92		60		31	52.1
Bond issue expenses		568		1,781		(1,212)	(68.1)
Loss on investments in equity-method		5		-		5	-
Loss on revaluation of marketable securities		-		622		(622)	-
Other non-operating expenses		579		675		(96)	(14.3)
Income before extraordinary items		160,811	42.8	143,703	41.8	17,107	11.9
V. Extraordinary income		1,705	0.4	660	0.2	1,044	158.1
Gains on amendment to income and expenses from previous fiscal year		-		4		(4)	-
Gains on sale of fixed assets		0		0		0	325.2
Gains due to adoption of new accounting standards for retirement benefits		1,247		-		1,247	-
Distribution profit on termination of anonymous association agreement		299		634		(335)	(52.8)
Other extraordinary income		157		21		136	633.6
VI. Extraordinary losses		7,669	2.0	3,134	0.9	4,534	144.6
Losses on amendment to income and expenses from previous fiscal year		4		1		2	143.0
Loss on sale of fixed assets		3,855		2,085		1,770	84.9
Loss on disposal of fixed assets		443		712		(268)	(37.7)
Loss on sale of investments in marketable securities		155		-		155	-
Loss on revaluation of investments in marketable securities		1,340		123		1,216	982.3
Loss on liquidation of subsidiaries		-		171		(171)	-
Write-off of investment loss		1,000		-		1,000	-
Other extraordinary losses		869		39		829	-
Income before income taxes		154,847	41.2	141,229	41.1	13,617	9.6
Income taxes (corporation tax, inhabitants' tax and enterprise tax)		75,831	19.5	69,537	19.5	6,294	9.7
Deferred income taxes		(2,371)		(2,558)		186	
Gain (loss) on minority interests in consolidated subsidiaries		17	0.0	(101)	(0.0)	119	-
Net income		81,369	21.7	74,352	21.6	7,017	9.4

(3) Consolidated Statements of Retained Earnings

(Millions of yen)

Subject	Term	This consolidated fiscal year (from April 1, 2000 to March 31, 2001)		Prior consolidated fiscal year (from April 1, 1999 to March 31, 2000)		Change	
		Amount		Amount		Amount	
I. Consolidated retained earnings at the beginning of the fiscal year		386,139		301,350		84,789	
Consolidated retained earnings at the beginning of the fiscal year		386,139		301,350		84,789	
Cumulative effect of tax-effect accounting on previous years		-	386,139	17,810	319,160	(17,810)	66,978
II. Decrease in consolidated retained earnings							
Dividends		8,797		7,331		1,466	
Directors' bonus		41	8,839	41	7,373	-	1,466
III. Net income		81,369		74,352		7,017	
IV. Consolidated retained earnings at the end of the fiscal year		458,669		386,139		72,529	

(4) Consolidated Statements of Cash Flows

(Millions of yen)

Subject	Term	This consolidated fiscal year (from April 1, 2000 to March 31, 2001)	Prior consolidated fiscal year (from April 1, 1999 to March 31, 2000)	Change
		Amount	Amount	Amount
I. Cash flows from operating activities				
Income before income taxes		154,847	141,229	13,617
Depreciation and amortization		6,404	6,664	(260)
Amortization of consolidation adjustment account		2	(46)	49
Increase in allowance for bad debts		7,351	10,015	(2,663)
Increase (decrease) in allowance for retirement benefits		(2)	2	(4)
Increase in allowance for employees' retirement benefits		2,856	-	2,856
Increase (decrease) in allowance for directors' and statutory auditors' retirement benefits		(143)	94	(238)
Non-operating interest and dividends income		(643)	(235)	(407)
Loss on sales of marketable securities		(0)	(33)	32
Non-operating interest expense		92	60	31
Bond-issue expenses		568	1,781	(1,212)
Loss on revaluation of marketable securities		-	622	(622)
Gain (loss) on foreign currency exchanges		(0)	176	(176)
Loss on investments in equity-method		5	-	5
Distribution profit on termination of anonymous association agreement		(299)	(634)	335
Income from maturity of investment securities		-	(21)	21
Loss on sales of tangible fixed assets		3,850	2,085	1,765
Loss on disposal of tangible fixed assets		443	712	(269)
Loss on sales of investments in securities		155	-	155
Loss on revaluation of investments in securities		1,340	123	1,216
Loss on liquidation of subsidiaries		-	171	(171)
Write-off of investment loss		1,000	-	1,000
Increase in notes and accounts receivable		(10)	(119)	108
Increase in loans outstanding		(148,241)	(141,355)	(6,885)
Increase in installment sales receivables		(48,402)	(38,574)	(9,827)
Increase (decrease) in inventories		(120)	195	(315)
Increase (decrease) in other current assets		(1,871)	5,030	(6,902)
Increase in prepaid pension expenses		(4,164)	-	(4,164)
Increase (decrease) in notes and accounts payable		(288)	1,685	(1,974)
Increase in deferred income on installment sales		6,557	6,040	516
Increase in other current liabilities		1,273	2,361	(1,088)
Bonus paid to directors		(41)	(41)	-
Increase in other operating income		144	400	(255)
Subtotal		(17,336)	(1,608)	(15,727)
Non-operating interest and dividends received		643	233	409
Non-operating interest paid		(86)	(50)	(36)
Income taxes paid		(73,606)	(68,106)	(5,500)
Cash used in operating activities		(90,386)	(69,531)	(20,854)

(Millions of yen)

Subject	Term	This consolidated fiscal year (from April 1, 2000 to March 31, 2001)	Prior consolidated fiscal year (from April 1, 1999 to March 31, 2000)	Change
		Amount	Amount	Amount
II. Cash flow from investing activities				
Additions to time deposit		(41)	(3,210)	3,168
Maturity of time deposit		7,516	13,355	(5,838)
Purchase of marketable securities		-	(66)	66
Proceeds from sale of marketable in securities		20	2,272	(2,251)
Purchase of tangible fixed assets		(5,941)	(4,061)	(1,879)
Proceeds from sale of tangible fixed assets		36	20	16
Purchase of investment securities		(2,210)	(609)	(1,600)
Proceeds from sale of investment securities		1,770	135	1,635
Proceeds from maturities of investment securities		-	123	(123)
Expenditure resulting from purchase of subsidiary stocks accompanying a change in scope of consolidation		6,134	-	6,134
Proceeds from liquidation of subsidiaries		-	47	(47)
Expenditure resulting from loans		(170)	-	(170)
Income from transfer of business		595	-	595
Distribution profit on termination of anonymous association agreement		170	340	(169)
Increase in other investments		(737)	(1,129)	391
Decrease in other investments		528	296	232
Decrease in income from other investment activities		(92)	(9)	(82)
Net cash provided by (used in) investing activities		7,580	7,503	77
III. Cash flow from financing activities				
Proceeds from short-term loans		46,113	136,769	(90,655)
Repayments of short-term loans		(57,382)	(231,857)	174,475
Proceeds from issue of commercial paper		30,000	27,500	2,500
Payments for redemption of commercial paper		(19,000)	(54,000)	35,000
Proceeds from issue of straight bonds		92,444	74,066	18,378
Payments for redemption of straight bonds		(5,000)	(14,900)	9,900
Proceeds from issue of convertible bonds		-	49,951	(49,951)
Proceeds from long-term debt		387,708	292,285	95,422
Repayments of long-term debt		(378,363)	(278,435)	(99,927)
Net proceeds from issuance of a subsidiary stock to minority shareholder		298	-	298
Proceeds from sale of treasury stock		-	0	(0)
Payments for purchase of treasury stock		(0)	-	(0)
Cash dividends paid		(8,800)	(7,332)	(1,467)
Decrease in other financing activities		(200)	-	(200)
Net cash provided by (used in) financing activities		87,818	(5,952)	93,770
IV. Effect of exchange rate change on cash and cash equivalents		13	(50)	63
V. Decrease (increase) in cash and cash equivalents		5,026	(68,030)	73,057
VI. Cash and cash equivalents at the beginning of the year		99,932	167,963	(68,030)
VII. Decrease in cash and cash equivalents due to exclusion from consolidation		(332)	-	(332)
VIII. Cash and cash equivalents at the end of the year		104,627	99,932	4,694

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

(A) Extent of consolidation

Number of consolidated subsidiaries: 16

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

(B) Application of the equity method

Number of equity method affiliates: 2

Names of equity method affiliates:

CHAILEASE ACOM FINANCE CO., LTD.

E*NetCard CO., LTD.

CHAILEASE ACOM FINANCE CO., LTD. closes its accounts on December 31, and uses the financial statements as of this date.

E*NetCard CO., LTD., which had been a consolidated subsidiary until the prior consolidated fiscal year, became an equity method affiliate at the end of the current fiscal year, as a result of a private placement of shares issued on March 7, 2001, decreasing the percentage of equity ownership to 38.25%.

(C) Matters relating to fiscal year, etc. of subsidiaries

Settlement date of the following consolidated subsidiaries end on December 31:

ACOM (U.S.A.) INC.

ACOM INTERNATIONAL, INC.

1990 K PARTNERSHIP

ACOM PACIFIC, INC.

SIAM A&C CO., LTD.

ACOM CAPITAL CO., LTD.

Consolidated financial statements hereof are prepared by using financial statements as of the above mentioned settlement date and important matters that occurred between the settlement date and the consolidated settlement date are subject to the adjustment necessary for consolidation.

(D) Significant accounting policies

(a) Valuation and computation of assets

① Marketable securities

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

Other securities

Where there is a market quotation:

Market value as determined by the quoted price at the end of the fiscal year.

(The difference between the carrying value and the market value is included in equity.)

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

Where there is no market quotation:

Cost determined by the moving average method.

- ② Inventories
 - Merchandise
 - Paintings: Cost on an individual specified cost basis
 - Others 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
 - Depreciable life
 - Buildings and structures: 3 to 50 years
 - Vehicles and delivery equipment: 4 to 6 years
 - Equipment and furniture: 2 to 20 years
 - 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
 - Stock issue expense: Entire amount expensed as incurred

- (c) Basis for 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 asset at the balance sheet date. Adjustments are made to determine the amounts applicable to the end of the fiscal year.
 - ¥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 fiscal year in accordance with the Company's internal rules.

- (d) Currency translation standards for significant foreign-currency-denominated assets or liabilities used in preparing the financial statements of consolidated companies on which consolidated financial statements are based
 - Foreign-currency-denominated monetary claims and liabilities are converted into

yen using the spot market rate for the consolidated accounting date, and differences in currency translation are added up as profit or loss.

The assets and liabilities, and profit and expenses of overseas subsidiaries and others are converted into yen using the spot market rate for the consolidated accounting date, and differences in currency translation are added up as minority shareholders' interest and as currency translation adjustment accounts under shareholders' equity.

(e) 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.

(f) 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 swaps agreements and interest-rate caps)

Items hedged: Loans with variable interest rates

③ Hedging policy

The Company and consolidated subsidiaries enter into derivative contracts such as interest-rate swaps 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.

(g) Other significant accounting policies for the preparation of consolidated financial statements:

① 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.

Income from credit card business:

Fees from customers: Recognized mainly by credit-balance method

Fees from member outlets: Recognized as fees when treated.

Income from installment sales finance business:

Fees from customers and member outlets:

Recognized by sum-of-the months' 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 of 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) Matters Relating to Evaluation of Consolidated Subsidiaries' Assets and Liabilities
The market value method applies to the evaluation of consolidated subsidiaries' assets and liabilities, over-all.
- (F) Matters Relating to Amortization of Consolidated Adjustment Account
Consolidated adjustment account is amortized in full when occurred because the amount thereof is small.
- (G) Matters Relating to Treatment of Profit Appropriation, etc.
Consolidated companies' profit appropriation or loss deposition are subject to those that are settled during the relevant consolidated fiscal year.
- (H) 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 current consolidated fiscal year, 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 ¥4,164 million in prepaid pension expenses under investments and other assets in fixed assets, and ¥3,092 million under allowance for retirement benefits in fixed liabilities. The changes also had the effect of reducing retirement benefit expenses by ¥104 million, increasing income before extraordinary items by the same amount, and income before income taxes by ¥1,351 million.

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

Accounting for financial instruments

Effective from the current consolidated fiscal year, 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 ¥337 million and income before income taxes by ¥69 million.

Furthermore, the Company undertook an examination of the respective objectives of marketable securities held at the start of the current consolidated fiscal year. 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 ¥16,017 million and increasing investments in securities in fixed assets by the same amount.

Accounting for foreign currency denominated transactions

Effective from the current consolidated fiscal year, 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 current consolidated fiscal year, foreign currency translation adjustments, which were previously recorded under assets, are now recorded under shareholders' equity and minority interests.

(6) Notes to Consolidated Balance Sheets

This consolidated fiscal year (as of March 31, 2001)	Prior consolidated fiscal year (as of March 31, 2000)
1. Cumulative depreciation of tangible fixed assets (Millions of yen) 40,501	1. Cumulative depreciation of tangible fixed assets (Millions of yen) 36,055
2. Value of affiliated company stock in investment securities (Millions of yen) 318	2.
3. Assets pledged as security (Millions of yen)	3. Assets pledged as security (Millions of yen)
(1) Pledged assets	(1) Pledged assets
Loan receivable 681,878 <165,801>	Loan receivable 688,888 <189,318>
Installment receivables 2,194	Marketable securities 1,255
Buildings and structures 2,334	Buildings and structures 2,479
Land 6,370	Land 6,370
Investment in securities 2,798	Investment in securities 326
Total 695,577 <165,801>	Total 699,319 <189,318>
(2) Secured liabilities	(2) Secured liabilities
Short-term loans 2,187 <2,000>	Short-term loans 10,668 <6,000>
Current portion of long-term loans 207,864 <51,137>	Current portion of long-term loans 205,444 <48,084>
Long-term loans 478,795 <112,404>	Long-term loans 482,272 <133,660>
Total 688,847 <165,541>	Total 698,385 <187,744>
Figures in brackets represent amounts engaged in transfer of liabilities	Figures in brackets represent amounts engaged in transfer of liabilities
4. Notes maturing at the end of the consolidated fiscal year Notes maturing on the 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, ¥3 million in notes maturing on this date have been included in the balance shown in the consolidated financial statements.	4.

This consolidated fiscal year (as of March 31, 2001)	Prior consolidated fiscal year (as of March 31, 2000)																																				
<p>5. Delinquent loans receivable</p> <p>Losses on unsecured consumer loans to bankrupt parties are written off at the time bankruptcy is declared. For this reason, loans to borrowers in bankruptcy include ¥2,549 million for debtors who have petitioned for bankruptcy as of the end of the fiscal year, but not yet declared bankrupt. This entire amount is charged to the allowance for bad debts.</p> <p>In addition, from the point of view of maintaining the soundness of the Company's assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company's policy differs from that set forth in Japan's tax laws, under which accrued interest is charged on loans less than one year in arrears. As a result of the Company's policy, loans in arrears included additional ¥13,850 million. Under the policies stipulated in Japan's tax laws, ¥8,520 million of this amount would be classified as loans overdue by three months or more, ¥1,704 million as restructured loans and ¥3,625 million as loans no longer in arrears.</p> <p>Accrued interest on the loans of consolidated subsidiaries is added up according to the policies stipulated in Japan's corporation tax law.</p> <p style="text-align: right;">(Millions of yen)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Category</th> <th style="text-align: center;">Amount</th> <th style="text-align: center;">Classification criteria</th> </tr> </thead> <tbody> <tr> <td>Loans to bankrupt parties</td> <td style="text-align: center;">(3,650) 3,650</td> <td>Loans exclusive of accrued interest to bankrupt parties, parties in rehabilitation and others.</td> </tr> <tr> <td>Loans in arrears</td> <td style="text-align: center;">(3,047) 16,897</td> <td>Other loans stated exclusive of accrued interest, excluding loans that have been restructured or on which interest is reduced in the interest of rehabilitating the debtor.</td> </tr> <tr> <td>Loans overdue by three months or more</td> <td style="text-align: center;">(9,204) 684</td> <td>Loans other than the above that are overdue by three months or more.</td> </tr> <tr> <td>Restructured loans</td> <td style="text-align: center;">(15,292) 13,587</td> <td>Loans on which favorable terms have been granted, such as the waiving of interest.</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: center;">(31,194) 34,819</td> <td style="text-align: center;">/</td> </tr> </tbody> </table> <p>Figures in brackets refer to the balance of delinquent loans computed according to the policies set forth in Japanese tax laws.</p>	Category	Amount	Classification criteria	Loans to bankrupt parties	(3,650) 3,650	Loans exclusive of accrued interest to bankrupt parties, parties in rehabilitation and others.	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This entire amount is charged to the allowance for bad debts.</p> <p>In addition, from the point of view of maintaining the soundness of the Company's assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company's policy differs from that set forth in Japan's tax laws, under which accrued interest is charged on loans less than one year in arrears. As a result of the Company's policy, loans in arrears included 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 million as loans no longer in arrears.</p> <p style="text-align: right;">(Millions of yen)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Category</th> <th style="text-align: center;">Amount</th> <th style="text-align: center;">Classification criteria</th> </tr> </thead> <tbody> <tr> <td>Loans to bankrupt parties</td> <td style="text-align: center;">(3,776) 3,776</td> <td>Loans exclusive of accrued interest to bankrupt parties, parties in rehabilitation and others.</td> </tr> <tr> <td>Loans in arrears</td> <td style="text-align: center;">(2,047) 13,408</td> <td>Other loans stated exclusive of accrued interest, excluding loans that have been restructured or on which interest is reduced in the interest of rehabilitating the debtor.</td> </tr> <tr> <td>Loans overdue by three months or more</td> <td style="text-align: center;">(7,053) 498</td> <td>Loans other than the above that are overdue by three months or more.</td> </tr> <tr> <td>Restructured loans</td> <td style="text-align: center;">(18,332) 16,394</td> <td>Loans on which favorable terms have been granted, such as the waiving of interest.</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: center;">(31,210) 34,077</td> <td style="text-align: center;">/</td> </tr> </tbody> </table> <p>Figures in brackets refer to the balance of delinquent loans computed according to the policies set forth in Japanese tax laws.</p>	Category	Amount	Classification criteria	Loans to bankrupt parties	(3,776) 3,776	Loans exclusive of accrued interest to bankrupt parties, parties in rehabilitation and others.	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(7) Notes to Consolidated Financial Statements of Income

This consolidated fiscal year (from April 1, 2000 to March 31, 2001)	Prior consolidated fiscal year (from April 1, 1999 to March 31, 2000)
1. Other principal financial income (Millions of yen)	1. Other principal financial income (Millions of yen)
Interest on deposits 44	Interest on deposits 130
Interest on marketable securities 3	Interest on marketable securities 69
Interest on loans 29	Interest on loans 38
	Dividends received 128
2. Principal financial expenses (Millions of yen)	2. Principal financial expenses (Millions of yen)
Interest paid 24,645	Interest paid 25,974
Interest on corporate bonds 3,907	Interest on corporate bonds 2,579
3. Principal items of operational expenses (Millions of yen)	3. Principal items of operational expenses (Millions of yen)
Advertising expenses 19,195	Advertising expenses 14,734
Transfer to allowance for bad debts 52,420	Transfer to allowance for bad debts 47,532
Salaries 30,247	Salaries 29,604
Retirement benefit expenses 2,187	Transfer to allowance for retirement benefits 1
Transfer to allowance for directors' and corporate auditors' retirement benefits 92	Transfer to allowance for directors' and corporate auditors' retirement benefits 95
Welfare expenses 3,643	Welfare expenses 3,897
Leases 16,514	Leases 17,537
Depreciation expenses 5,848	Depreciation expenses 5,889
Fees 14,858	Fees 12,664
4.	4. Breakdown of gains on prior-year adjustments (Millions of yen)
	Prior-year adjustments to depreciation and amortization 3
	Refund of lease deposit amortized in previous years 1
	Gains on reversal of business office tax accrued in the previous year 0
	<u>Total 4</u>
5. Incomes from sales of fixed assets are from the sale of equipment and furniture.	5. Incomes from sales of fixed assets are from the sale of equipment and furniture.
6. Breakdown of other extraordinary income (Millions of yen)	6. Other extraordinary income consists of dividend in liquidation of investment securities.
Gain on changes in equity method affiliates 114	
Dividend in liquidation of equity investment 3	
Gain on transfer of business 39	
<u>Total 157</u>	
7. Losses on prior-year adjustments resulted from the transfer to allowance for directors' and corporate auditors' retirement benefits in the previous fiscal year.	7. Losses on prior-year adjustments resulted from the transfer to allowance for directors' and corporate auditors' retirement benefits in the previous fiscal year.

This consolidated fiscal year (from April 1, 2000 to March 31, 2001)	Prior consolidated fiscal year (from April 1, 1999 to March 31, 2000)																																	
<p>8. Breakdown of loss on sales of fixed assets</p> <p style="text-align: right;">(Millions of yen)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Buildings and structures</td> <td style="text-align: right;">61</td> <td style="text-align: right;"><41></td> </tr> <tr> <td>Vehicles and transportation equipment</td> <td style="text-align: right;">0</td> <td style="text-align: right;"><— ></td> </tr> <tr> <td>Equipment and furniture</td> <td style="text-align: right;">1</td> <td style="text-align: right;"><0></td> </tr> <tr> <td>Lands</td> <td style="text-align: right;">3,787</td> <td style="text-align: right;"><3,782></td> </tr> <tr> <td>Telephone rights</td> <td style="text-align: right;">4</td> <td style="text-align: right;"><— ></td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>3,855</u></td> <td style="text-align: right;"><u><3,824></u></td> </tr> </table> <p>Amount in brackets represent the amount sold to a consolidated subsidiary, ACOM ESTATE CO., LTD.</p>	Buildings and structures	61	<41>	Vehicles and transportation equipment	0	<— >	Equipment and furniture	1	<0>	Lands	3,787	<3,782>	Telephone rights	4	<— >	<u>Total</u>	<u>3,855</u>	<u><3,824></u>	<p>8. Breakdown of loss on sales of fixed assets</p> <p style="text-align: right;">(Millions of yen)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Buildings and structures</td> <td style="text-align: right;">24</td> <td style="text-align: right;"><8></td> </tr> <tr> <td>Equipment and furniture</td> <td style="text-align: right;">2</td> <td style="text-align: right;"><0></td> </tr> <tr> <td>Lands</td> <td style="text-align: right;">2,058</td> <td style="text-align: right;"><2,052></td> </tr> <tr> <td>Telephone rights</td> <td style="text-align: right;">0</td> <td style="text-align: right;"><— ></td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>2,085</u></td> <td style="text-align: right;"><u><2,060></u></td> </tr> </table> <p>Amount in brackets represent the amount sold to a consolidated subsidiary, ACOM ESTATE CO., LTD.</p>	Buildings and structures	24	<8>	Equipment and furniture	2	<0>	Lands	2,058	<2,052>	Telephone rights	0	<— >	<u>Total</u>	<u>2,085</u>	<u><2,060></u>
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<p>10.</p>	<p>10. Loss on liquidation of subsidiary is the loss on affiliated company stock resulting from the liquidation of A&Y HOLDINGS PTE., LTD.</p>																																	
<p>11. Loss on disposal of fund contributions is the loss resulting from the bankruptcy of Dai-ichi Fire & Marine Insurance.</p>	<p>11.</p>																																	
<p>12. Breakdown of other extraordinary losses</p> <p style="text-align: right;">(Millions of yen)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Valuation loss of golf club memberships</td> <td style="text-align: right;">366</td> </tr> <tr> <td>Provision for default of golf club memberships</td> <td style="text-align: right;">338</td> </tr> <tr> <td>Loss on sale of golf club memberships</td> <td style="text-align: right;">138</td> </tr> <tr> <td>Temporary amortization of long-term prepaid expenses</td> <td style="text-align: right;">25</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>869</u></td> </tr> </table>	Valuation loss of golf club memberships	366	Provision for default of golf club memberships	338	Loss on sale of golf club memberships	138	Temporary amortization of long-term prepaid expenses	25	<u>Total</u>	<u>869</u>	<p>12. Other extraordinary loss consists of the temporary amortization of long-term prepaid expenses.</p>																							
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<p>13. Basis for classification of financial income and expenditure on the statements of income</p> <p>(1) Financial income stated as operating income</p> <p>Include all financial income other than dividends and interest on investments in securities made by the Company and subsidiaries engaged in the financial service business.</p> <p>(2) Financial expenditure stated as operating expenses</p> <p>Include all financial expenditure by the Company and subsidiaries engaged in financial services, other than interest payable which has no relationship to operating income.</p>	<p>13. Basis for classification of financial income and expenditure on the statements of income</p> <p>(1) Financial income stated as operating income</p> <p>Include all financial income other than dividends and interest on investments in securities made by the Company and subsidiaries engaged in the financial service business.</p> <p>(2) Financial expenditure stated as operating expenses</p> <p>Include all financial expenditure by the Company and subsidiaries engaged in financial services, other than interest payable which has no relationship to operating income.</p>																																	

(8) Notes to Consolidated Statements of Cash Flows

This consolidated fiscal year (from April 1, 2000 to March 31, 2001)	Prior consolidated fiscal year (from April 1, 1999 to March 31, 2000)																																		
<p>1. Relationship between cash and cash equivalents at the end of the year and consolidated balance sheet items as at March 31, 2001.</p> <p style="text-align: right;">(Millions of yen)</p> <table style="width: 100%;"> <tr> <td>Cash and time deposits</td> <td style="text-align: right;">42,761</td> </tr> <tr> <td>Marketable securities</td> <td style="text-align: right;">865</td> </tr> <tr> <td>Short-term loans</td> <td style="text-align: right;">61,416</td> </tr> <tr> <td>Time deposits and certificates of which term of deposit is more than three months</td> <td style="text-align: right;">(83)</td> </tr> <tr> <td>Shares, bonds and stock investment trusts, maturing more than three months after the date of purchase</td> <td style="text-align: right;">(298)</td> </tr> <tr> <td>Short-term loans excluding marketable securities purchased under resale agreements</td> <td style="text-align: right;">(34)</td> </tr> <tr> <td style="border-top: 1px solid black;">Cash and cash equivalents</td> <td style="text-align: right; border-top: 1px solid black;">104,627</td> </tr> </table>	Cash and time deposits	42,761	Marketable securities	865	Short-term loans	61,416	Time deposits and certificates of which term of deposit is more than three months	(83)	Shares, bonds and stock investment trusts, maturing more than three months after the date of purchase	(298)	Short-term loans excluding marketable securities purchased under resale agreements	(34)	Cash and cash equivalents	104,627	<p>1. Relationship between cash and cash equivalents at the end of the year and consolidated balance sheet items as at March 31, 2000.</p> <p style="text-align: right;">(Millions of yen)</p> <table style="width: 100%;"> <tr> <td>Cash and time deposits</td> <td style="text-align: right;">43,713</td> </tr> <tr> <td>Marketable securities</td> <td style="text-align: right;">14,172</td> </tr> <tr> <td>Short-term loans</td> <td style="text-align: right;">59,171</td> </tr> <tr> <td>Time deposits and certificates of which term of deposit is more than three months</td> <td style="text-align: right;">(7,471)</td> </tr> <tr> <td>Shares, bonds and stock investment trusts, maturing more than three months after the date of purchase</td> <td style="text-align: right;">(9,653)</td> </tr> <tr> <td style="border-top: 1px solid black;">Cash and cash equivalents</td> <td style="text-align: right; border-top: 1px solid black;">99,932</td> </tr> </table>	Cash and time deposits	43,713	Marketable securities	14,172	Short-term loans	59,171	Time deposits and certificates 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	(9,653)	Cash and cash equivalents	99,932								
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<p>2. Principal assets and liabilities of newly consolidated subsidiaries through the purchase of stocks JUKI CREDIT CO., LTD.</p> <p style="text-align: right;">(Millions of yen, as of September 30, 2000)</p> <table style="width: 100%;"> <tr> <td>Current assets</td> <td style="text-align: right;">50,777</td> </tr> <tr> <td>Fixed assets</td> <td style="text-align: right;">563</td> </tr> <tr> <td>Current liabilities</td> <td style="text-align: right;">(33,295)</td> </tr> <tr> <td>Fixed liabilities</td> <td style="text-align: right;">(17,345)</td> </tr> <tr> <td>Consolidation adjustment</td> <td style="text-align: right;">(0)</td> </tr> <tr> <td>Acquired stock value</td> <td style="text-align: right;">700</td> </tr> <tr> <td>Cash and cash equivalents</td> <td style="text-align: right;">(6,640)</td> </tr> <tr> <td>Net: Expenditure resulting from acquisition of stocks</td> <td style="text-align: right;">(5,940)</td> </tr> </table> <p>IR Loan Servicing, Inc.</p> <p style="text-align: right;">(Millions of yen, as of March 31, 2001)</p> <table style="width: 100%;"> <tr> <td>Current assets</td> <td style="text-align: right;">493</td> </tr> <tr> <td>Fixed assets</td> <td style="text-align: right;">2</td> </tr> <tr> <td>Consolidation adjustment</td> <td style="text-align: right;">2</td> </tr> <tr> <td>Current liabilities</td> <td style="text-align: right;">(0)</td> </tr> <tr> <td>Fixed liabilities</td> <td style="text-align: right;">--</td> </tr> <tr> <td>Minority interest</td> <td style="text-align: right;">(198)</td> </tr> <tr> <td>Acquired stock value</td> <td style="text-align: right;">300</td> </tr> <tr> <td>Cash and cash equivalents</td> <td style="text-align: right;">(493)</td> </tr> <tr> <td>Net: Expenditure resulting from acquisition of stocks</td> <td style="text-align: right;">(193)</td> </tr> </table>	Current assets	50,777	Fixed assets	563	Current liabilities	(33,295)	Fixed liabilities	(17,345)	Consolidation adjustment	(0)	Acquired stock value	700	Cash and cash equivalents	(6,640)	Net: Expenditure resulting from acquisition of stocks	(5,940)	Current assets	493	Fixed assets	2	Consolidation adjustment	2	Current liabilities	(0)	Fixed liabilities	--	Minority interest	(198)	Acquired stock value	300	Cash and cash equivalents	(493)	Net: Expenditure resulting from acquisition of stocks	(193)	<p>2.</p>
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<p>3. Principal assets and liabilities which have decreased due to transfer of business Audio and video software rental business</p> <p style="text-align: right;">(Millions of yen)</p> <table style="width: 100%;"> <tr> <td>Current assets</td> <td style="text-align: right;">--</td> </tr> <tr> <td>Fixed assets</td> <td style="text-align: right;">905</td> </tr> <tr> <td style="border-top: 1px solid black;">Asset total</td> <td style="text-align: right; border-top: 1px solid black;">905</td> </tr> <tr> <td>Current liabilities</td> <td style="text-align: right;">--</td> </tr> <tr> <td>Fixed liabilities</td> <td style="text-align: right;">--</td> </tr> <tr> <td style="border-top: 1px solid black;">Liability total</td> <td style="text-align: right; border-top: 1px solid black;">--</td> </tr> </table>	Current assets	--	Fixed assets	905	Asset total	905	Current liabilities	--	Fixed liabilities	--	Liability total	--	<p>3.</p>																						
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(9) Segment Information

(A) Business segment information

This fiscal year (from April 1, 2000 to March 31, 2001)

(Millions of yen)

	Financial Service Business	Other Business	Total	Elimination or Corporate Assets	Consolidated
I Sales and operating profit / loss					
Sales					
(1) Sales to external customers	368,113	7,561	375,674	—	375,674
(2) Inter segment sales and transfers	—	17,192	17,192	(17,192)	—
Total	368,113	24,753	392,866	(17,192)	375,674
Operating expenses	200,346	22,587	222,933	(7,569)	215,363
Operating profit	167,766	2,165	169,932	(9,622)	160,310
II Assets, depreciation expenses and capital expenditure					
Assets	1,877,544	38,061	1,915,606	28,229	1,943,836
Depreciation expenses	5,632	673	6,305	98	6,404
Capital expenditure	5,629	1,377	7,007	(1,394)	5,612

Prior consolidated fiscal year (from April 1, 1999 to March 31, 2000)

(Millions of yen)

	Financial Service Business	Other Business	Total	Elimination or Corporate Assets	Consolidated
I Sales and operating profit / loss					
Sales					
(1) Sales to external customers	335,517	8,127	343,644	—	343,644
(2) Inter segment sales 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
II Assets, depreciation expenses and capital expenditure					
Assets	1,636,967	37,437	1,674,405	33,625	1,708,030
Depreciation expenses	5,562	555	6,117	153	6,271
Capital expenditure	4,178	1,759	5,938	(1,491)	4,446

(Notes) 1. Method of classification of businesses

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, credit card business, installment sales finance business, etc.
- (2) Other businesses: Rental business, and management of real estate.
3. Unallocated operating expenses recognized under elimination or corporate assets are as follows:

(Millions of yen)

	This Consolidated Fiscal Year	Prior Consolidated Fiscal Year	Main Items
Unallocated operating expenses recognized under "elimination or corporate assets"	8,103	7,068	Expenses relating to the general affairs and accounting section of the Company

4. Assets recognized under "elimination or corporate assets":

(Millions of yen)

	This Consolidated Fiscal Year	Prior Consolidated Fiscal Year	Main Items
Assets recognized under "elimination or corporate assets"	48,622	53,555	Long-term investment assets and assets related to the general affairs and accounting section of the Company

(B) Geographical segment information

This fiscal year (from April 1, 2000 to March 31, 2001) and prior consolidated fiscal year (from April 1, 1999 to March 31, 2000)

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

(C) Overseas sales

This fiscal year (from April 1, 2000 to March 31, 2001) and prior consolidated fiscal year (from April 1, 1999 to March 31, 2000)

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

(10) Lease Transactions

This consolidated fiscal year (from April 1, 2000 to March 31, 2001)				Prior consolidated fiscal year (from April 1, 1999 to 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			
1. Equivalent of acquisition cost, accumulated depreciation and residual value of the leased assets				1. Equivalent of acquisition cost, accumulated depreciation and residual value of the leased assets			
(Millions of yen)				(Millions of yen)			
	Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value		Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value
Vehicles and delivery equipment	172	79	92	Vehicles and delivery equipment	212	113	98
Equipment and furniture	16,233	9,770	6,462	Equipment and furniture	18,616	10,304	8,312
Total	16,405	9,850	6,555	Total	18,829	10,418	8,410
2. Equivalent balance of the unaccrued lease fees				2. Equivalent balance of the unaccrued lease fees			
(Millions of yen)				(Millions of yen)			
Within a year				Within a year			
More than one year				More than one year			
Total				Total			
3. Lease fee payable, equivalent of depreciation and equivalent of interest payable				3. Lease fee payable, equivalent of depreciation and equivalent of interest payable			
(Millions of yen)				(Millions of yen)			
Lease fees payable				Lease fees payable			
Equivalent of depreciation				Equivalent of depreciation			
Equivalent of interest payable				Equivalent of interest payable			
4. Method of calculation of equivalent of depreciation				4. Method of calculation of equivalent of depreciation			
Calculated by using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and a residual value of zero.				Calculated by using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and a residual value of zero.			
5. Method of calculation of equivalent of interest				5. Method of calculation of equivalent of interest			
The equivalent of interest is regarded as the difference between the total lease payments and the amount equivalent to acquisition cost of the asset. The interest method is used to calculate the portion applicable to each accounting period.				The equivalent of interest is regarded as the difference between the total lease payments and the amount equivalent to acquisition cost of the asset. The interest method is used to calculate the portion applicable to each accounting period.			

(11) Transactions between Related Parties
This fiscal year (from April 1, 2000 to March 31, 2001)

(A) Directors and primary individual shareholders, etc. (Millions of yen)

Attribute		Director
Name		Masayoshi Tatsuta
Address		
Capital		
Occupation		Senior Managing Director of the Company and also Representative Director of Information Center, Kochi Co., Ltd.
Ratio of voting rights holding (held)		Direct 0.09%
Relationship	Directors involved in other business	
	Business	
Summary of transactions		Payments for inquiry of individual credit information
Amount transacted		13
Subject		
Outstanding amount at the end of the fiscal year		

- Notes: 1. Amount transacted above does not include consumption tax., etc.
2. Conditions of transaction and method, etc. of determination thereof: The same as general transactions.
3. The above transaction is for the benefit of the third party.

(B) Subsidiaries, etc. (Millions of yen)

Attribute		Subsidiary
Name		ACOM ESTATE CO., LTD.
Address		Chiyoda-ku, Tokyo
Capital		7,540
Summary of business		Purchase and sale, leasing, administration and mediating real estate
Ratio of voting rights holding (held)		Direct 100%
Relationship	Directors involved in other business	4 persons
	Business	Leasing to the Company buildings in which offices are located and undertaking of management thereof
Summary of transactions		Assignment of land and buildings, etc.
Amount transacted		1,009
Subject		
Outstanding amount at the end of the fiscal year		

- Notes: 1. Amount transacted above does not include consumption tax., etc.
2. Conditions of transaction and method, etc. of determination thereof:
Assignment price of land and buildings against ACOM ESTATE CO., LTD. is determined, based on the appraisal value estimated by real estate appraisers, after examining equivalent market value thereof.

(12) Notes to the Method of Tax Effect Accounting

This consolidated fiscal year (as of March 31, 2001)	Prior consolidated fiscal year (as of March 31, 2000)																																																																																				
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(13) Marketable Securities

(A) Bonds held to maturity with market quotations

(Millions of yen)

Type	This consolidated fiscal year: as of March 31, 2001		
	Book value	Market price	Unrealized gain (loss)
Book value greater than market price			
(a) Government/municipal	-	-	-
(b) Corporate	-	-	-
(c) Miscellaneous	5	5	(0)
Total	5	5	(0)

(B) Other marketable securities with market quotation

(Millions of yen)

Type	This consolidated fiscal year: as of March 31, 2001		
	Original cost	Book value	Unrealized gain (loss)
Market price greater than book value			
(a) Stocks	7,563	13,812	6,248
(b) Bonds			
Government/municipal	79	84	4
Corporate	161	269	107
Miscellaneous	10	10	0
(c) Other	1,591	1,616	24
Subtotal	9,406	15,792	6,386
Book value greater than market price			
(a) Stocks	8,089	7,308	(781)
(b) Bonds			
Government/municipal	-	-	-
Corporate	-	-	-
Miscellaneous	258	230	(28)
(c) Other	2,230	2,034	(195)
Subtotal	10,578	9,573	(1,005)
Total	19,984	25,365	5,381

(C) Other marketable securities sold during the consolidated fiscal year

(Millions of yen)

Type	This consolidated fiscal year (from April 1, 2000 to March 31, 2001)
Amount of sales	246
Total gains on sales	0
Total losses on sales	155

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

(Millions of yen)

Type	This consolidated fiscal year: as of March 31, 2001
	Amount recorded on consolidated balance sheet
Other marketable securities	
Money management funds	473
Unlisted securities (excluding OTC securities)	437

(E) Redemption schedule for other marketable securities with maturities and bonds held to maturity

(Millions of yen)

Type	This consolidated fiscal year: as of March 31, 2001			
	Up to 1 year	More than 1 year and up to 5 years	More than 5 years and up to 10 years	More than 10 years
(a) Bonds				
Government/municipal, etc.	-	-	84	-
Corporate	88	180	-	-
Miscellaneous	52	247	-	-
(b) Other	156	1,695	621	-
Total	298	2,123	706	-

(14) Derivative Transaction

As the Company and its subsidiaries enter into derivative contracts only for the purpose of hedging against interest rate fluctuations and not for trading purposes, details are omitted.

(15) Retirement Benefits Accounting

(A) Overview of retirement benefit plans

The Company and domestic consolidated subsidiaries have three types of defined-benefits retirement plans: employees' pension fund, tax-qualified retirement annuity plan, and lump-sum severance payment plan. There are also cases when an employee is given a severance pay premium on leaving the company. Overseas consolidated subsidiaries do not have retirement benefit plans.

Three companies within the consolidated ACOM Group have lump-sum severance payment plans. As to the employees' pension fund, the Group also has a jointly established fund and a multi-employer fund. In addition, as to the tax-qualified retirement annuity plan, the Group has a jointly managed annuity plan and one consolidated subsidiary has a separately managed plan.

(B) Retirement benefit liabilities (Millions of yen, as of March 31, 2001)

(a)	Retirement benefit liabilities	(26,679)
(b)	<u>Pension assets</u>	<u>24,053</u>
(c)	Unfunded retirement benefit liabilities (a + b)	(2,626)
(d)	<u>Unrecognized difference with actuarial liability</u>	<u>3,698</u>
(e)	Difference (c + d)	1,071
(f)	<u>Prepaid pension expenses</u>	<u>4,164</u>
(g)	<u>Allowance for retirement benefits (e - f)</u>	<u>(3,092)</u>

Notes:

1. Substitutional portion of the employees' pension fund are included in the above figures.
2. Some consolidated subsidiaries use the simplified method for calculating retirement benefit liabilities.

(C) Retirement benefit expenses (Millions of yen, from April 1, 2000 to March 31, 2001)

(a)	Service expenses (Note 1)	2,202
(b)	Interest expenses	722
(c)	Expected investment income	(759)
(d)	Difference from change of accounting standards (Note 2)	(1,247)
(e)	<u>Special severance pay premium</u>	<u>23</u>
(f)	<u>Retirement benefit expenses (a + b + c + d + e)</u>	<u>941</u>

Notes:

1. Contributions made by employees to the employees' pension fund are excluded.
2. The difference due to a change of accounting standards, ¥1,247 million is added up in full under extraordinary income.
3. Retirement benefit expenses of consolidated subsidiaries using the simplified method are added up in "(a) service expenses".

(D) Assumptions in calculating retirement benefit liabilities

(a)	Discount rate	3.0%
(b)	Expected rate of return on investments	3.0%
(c)	Allocation of projected benefit liabilities	Straight-line method
(d)	Years for amortizing past service liabilities	5 years
(e)	Years for amortizing difference with actuarial liabilities	5 years (added up as an expense starting the next fiscal year)
(f)	Years for amortizing difference due to a change of accounting standards	1 year (added up fully in the current fiscal year)

(TRANSLATION)

Brief Statement of Financial Results
for the Fiscal Year Ended March 2001 (Non-consolidated)

May 10, 2001

Forward-looking Statement

The statements and figures contained in this Brief Statement of Financial Results for the fiscal year ended 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 to it and involve risks and uncertainties. Actual results may differ from those in the forward-looking statements as a result of various factors. Potential risks and uncertainties include, without limitation, general economic conditions in ACOM's market and changes in the size of the overall market for consumer loans, the rate of default by customers, the level of interest rates paid on ACOM's debt, and legal limits on interest rates charged by ACOM.

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

Stock market: Tokyo Stock Exchange

Code No.: 8572

Location of the head office: Tokyo

Reference:

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

Name: Satoru Tomimatsu

Telephone No.: (03) 3270 - 3423

Date of the board of directors' meeting for the account settlement: May 10, 2001

Date of the ordinary general meeting of the shareholders: June 28, 2001

Interim-dividend system: Adopted

Note: All amounts under minimum units appearing in each of the tables have been disregarded, except for per share amounts throughout this Brief Statement (Non-consolidated) and the Annexed Materials.

1. Non-Consolidated Business Results for the Fiscal Year
(from April 1, 2000 to March 31, 2001)

(1) Operating Results (Millions of yen)

	Operating Income		Operating Profit		Income Before Extraordinary Items	
3/01	366,712	7.3 %	158,507	9.8 %	159,062	11.4 %
3/00	341,767	10.1 %	144,374	13.6 %	142,735	12.0 %

	Net income (Millions of yen)		Net Income per Share (Yen)	Net Income per Share Diluted (Yen)	Return on Equity	Income Before Extraordinary Items to Total Assets	Income Before Extraordinary Items to Operating Income
3/01	80,757	9.1%	550.75	531.93	17.4%	8.9%	43.4%
3/00	74,038	31.0%	504.93	498.22	19.2 %	8.6 %	41.8%

Notes: ① Average number of shares issued for the fiscal year ended in

3/01 146,630,880 shares

3/00 146,630,880 shares

② Change in accounting policies: None

③ Regarding operating income, operating profit, income before extraordinary items, net income of this fiscal year, the figures in percentages show growth from the previous fiscal year.

(2) Dividends

	Annual Cash Dividends per Share(Yen)			Total Amount of Annual Cash Dividends (Millions of yen)	Dividends Pay-out Ratio	Ratio of Total Amount of Dividends to Shareholders' Equity
		Interim	Year-end			
3/01	65.00	30.00	35.00	9,531	11.8%	1.9%
3/00	55.00	25.00	30.00	8,064	10.9%	1.9%

(3) Non-Consolidated Financial Position (Millions of yen)

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio	Shareholders' Equity per Share (Yen)
3/01	1,876,210	502,833	26.8%	3,429.24
3/00	1,700,322	427,716	25.2%	2,916.96

Notes: Number of shares issued at the end of fiscal year

3/01 146,630,880 shares

3/00 146,630,880 shares

2. Non-Consolidated Forecast for the Next Fiscal Year (from April 1, 2001 to March 31, 2002)

(Millions of yen)

	Total Operating Income	Income Before Extraordinary Items	Net Income	Annual Cash Dividends per Share (Yen)		
				Interim Dividends	Year-end Dividends	
Interim	195,400	85,200	42,600	35.00	--	--
Annual	397,700	173,700	88,000	--	35.00	70.00

Reference: Projected net income per share (annual): ¥600.15

5. Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

(Millions of yen)

Subject	Term	This fiscal year (as of March 31, 2001)		Prior fiscal year (as of March 31, 2000)		Change	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Percentage
	(Assets)		%		%		
I.	Current assets	1,745,036	93.0	1,578,904	92.9	166,132	10.5
	Cash and time deposits	32,591		42,085		(9,493)	(22.6)
	Notes receivable	-		113		(113)	-
	Loans receivable	1,496,237		1,347,757		148,480	11.0
	Accounts receivable	-		18		(18)	-
	Installment receivables	169,911		128,293		41,618	32.4
	Marketable securities	293		13,596		(13,303)	(97.8)
	Treasury stocks	0		0		0	-
	Merchandise	6,715		6,736		(20)	(0.3)
	Prepaid expenses	6,411		6,099		312	5.1
	Deferred tax assets	20,620		18,101		2,519	13.9
	Accrued income	10,783		9,800		982	10.0
	Short-term loans	60,016		57,972		2,044	3.5
	Other current assets	2,063		1,590		473	29.8
	Allowances for bad debts	(60,610)		(53,260)		(7,350)	13.8
II.	Fixed assets	131,174	7.0	121,417	7.1	9,756	8.0
	Tangible fixed assets	61,229	3.3	67,500	4.0	(6,270)	(9.3)
	Buildings	19,956		21,546		(1,589)	(7.4)
	Structures	4,620		4,827		(207)	(4.3)
	Vehicles and delivery equipment	19		4		14	328.0
	Equipment and furniture	16,329		16,269		59	0.4
	Land	20,303		24,852		(4,549)	(18.3)
	Intangible fixed assets	1,653	0.1	1,678	0.1	(24)	(1.5)
	Leasehold	496		496		-	-
	Telephone rights	1,071		1,087		(15)	(1.4)
	Other intangible fixed assets	84		93		(9)	(9.8)

Investments and other assets	68,291	3.6	52,239	3.0	16,052	30.7
Investments in securities	25,124		11,776		13,348	113.4
Investments in affiliates	15,171		13,807		1,364	9.9
Investments in equity other than capital stock	1,721		1,896		(175)	(9.2)
Investments in affiliates' equity other than capital stock	1		1		-	-
Long-term loans	1,136		1,000		136	13.6
Long-term loans to affiliates	325		—		325	-
Claims on bankruptcy and reorganization, etc.	1,051		1,261		(209)	(16.6)
Long-term prepaid expenses	2,896		1,348		1,547	114.7
Deferred tax assets	517		2,454		(1,937)	(78.9)
Guaranty money deposited	11,906		12,723		(817)	(6.4)
Buildings and structures in trust	71		76		(5)	(7.0)
Land in trust	389		389		-	-
Prepaid pension expenses	4,086		—		4,086	-
Other investments	5,181		6,542		(1,360)	(20.8)
Allowance for bad debts	(1,290)		(1,040)		(250)	24.0
Total Assets	1,876,210	100.0	1,700,322	100.0	175,888	10.3

(Millions of yen)

Subject	Term	This fiscal year (as of March 31, 2001)		Prior fiscal year (as of March 31, 2000)		Change	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Percentage
(Liabilities)			%		%		
I. Current liabilities		441,577	23.5	428,458	25.2	13,119	3.1
Accounts payable		3,071		2,415		655	27.2
Short-term loans		7,187		18,668		(11,481)	(61.5)
Current portion of long-term loans		303,433		322,216		(18,783)	(5.8)
Commercial paper		12,000		1,000		11,000	-
Current portion of bonds and notes		30,000		5,000		25,000	500.0
Current portion of accounts payable on the transferred specified claims		4,800		5,000		(200)	(4.0)
Amount payable		2,330		2,713		(382)	(14.1)
Accrued expenses		11,408		10,661		746	7.0
Accrued income taxes		39,864		38,018		1,846	4.9
Deposit received		215		201		14	7.1
Unearned income		497		730		(232)	(31.9)
Deferred income on installment sales		26,712		21,749		4,962	22.8
Other current liabilities		55		82		(26)	(32.2)
II. Fixed liabilities		931,800	49.7	844,147	49.6	87,653	10.4
Straight bonds		215,000		155,000		60,000	38.7
Convertible bonds		50,000		50,000		-	-
Long-term loans		660,746		636,041		24,705	3.9
Long-term unearned income		-		468		(468)	-
Allowance for employees' retirement benefits		2,745		—		2,745	-
Allowance for directors' and corporate auditors' retirement benefits		813		955		(142)	(14.9)
Customers' deposit in trust		127		127		-	-
Other fixed liabilities		2,367		1,553		813	52.4
Total liabilities		1,373,377	73.2	1,272,605	74.8	100,772	7.9
(Shareholders' equity)							
I. Common stock		17,282	0.9	17,282	1.0	-	-
II. Additional paid-in capital		25,772	1.4	25,772	1.5	-	-
III. Legal reserve		4,320	0.2	3,507	0.2	813	23.2
IV. Other reserve		452,259	24.1	381,154	22.5	71,105	18.7
Voluntary reserves		360,000		280,000		80,000	28.6
Unappropriated retained earnings		92,259		101,154		(8,894)	(8.8)
V. Securities valuation adjustment		3,197	0.2	—		3,197	-
Total shareholders' equity		502,833	26.8	427,716	25.2	75,116	17.6
Total liabilities and shareholders' equity		1,876,210	100.0	1,700,322	100.0	175,888	10.3

(2) Non-Consolidated Income Statements

(Millions of yen)

Subject	Term	This fiscal year (from April 1, 2000 to March 31, 2001)		Prior fiscal year (from April 1, 1999 to March 31, 2000)		Change	
		Amount	Percentage	Amount	Percentage	Amount	Percentage
I. Operating income		366,712	100.0	341,767	100.0	24,945	7.3
Interest on loans receivable		341,456		316,490		24,965	7.9
Fees from credit card business		2,323		451		1,872	414.8
Fees from installment sales finance business		14,287		11,136		3,151	28.3
Other financial income		74		367		(292)	(79.7)
Rental income		1,591		6,395		(4,804)	(75.1)
Sales		103		320		(216)	(67.7)
Other operating income		6,875		6,605		270	4.1
II. Operating expenses		208,205	56.8	197,392	57.8	10,812	5.5
Financial expenses		28,933	7.9	29,250	8.6	(316)	(1.1)
Cost of sales		81	0.0	247	0.1	(166)	(67.1)
Other operating expenses		179,190	48.9	167,894	49.1	11,295	6.7
Operating profit		158,507	43.2	144,374	42.2	14,132	9.8
III. Non-operating income		1,670	0.5	1,319	0.4	351	26.6
Interest income		56		119		(63)	(52.8)
Interest on securities		328		126		201	159.3
Dividends received		261		83		177	212.6
Gains on sale of securities		0		29		(29)	(97.8)
Insurance payment received		56		29		26	91.3
Rent from Company's residence		389		383		6	1.7
Sales of miscellaneous merchandises		57		151		(93)	(61.9)
Profit on investments in anonymous partnership		139		110		28	25.6
Other non-operating income		381		284		96	34.0
IV. Non-operating expenses		1,115	0.3	2,958	0.8	(1,843)	(62.3)
Bond issue expenses		551		1,781		(1,229)	(69.0)
Loss on revaluation of marketable securities		-		622		(622)	-
Other non-operating expenses		563		554		9	1.6
Income before extraordinary items		159,062	43.4	142,735	41.8	16,327	11.4
V. Extraordinary income		1,561	0.4	656	0.2	905	137.8
Gains on sale of fixed assets		0		0		(0)	(42.0)
Gain due to adoption of new accounting standards for retirement benefits		1,256		—		1,256	-
Distribution profit on termination of anonymous association agreement		299		634		(335)	(52.8)
Other extraordinary income		5		21		(15)	(73.6)

VI. Extraordinary Losses	7,708	2.1	3,178	1.0	4,530	142.6
Loss on sale of fixed assets	3,854		2,085		1,768	84.8
Loss on disposal of fixed assets	488		775		(286)	(36.9)
Loss on sale of investments in marketable securities	155		—		155	-
Loss on revaluation of investments in marketable securities	1,340		106		1,233	-
Loss on liquidation of subsidiaries	-		171		(171)	-
Write-off of investment loss	1,000		—		1,000	-
Other extraordinary losses	869		39		829	-
Income before income taxes	152,915	41.7	140,213	41.0	12,701	9.1
Income taxes (corporation tax, inhabitants' tax and enterprise tax)	74,950	19.7	69,030	19.3	5,920	9.0
Deferred income taxes	(2,791)		(2,854)		62	
Net income	80,757	22.0	74,038	21.7	6,718	9.1
Retained earnings carried forward from the previous period	16,270		13,447		2,823	21.0
Prior year's adjustment for deferred tax	-		17,701		(17,701)	-
Interim dividends	4,398		3,665		733	20.0
Amounts funded to legal reserve for interim dividend	369		366		2	0.8
Unappropriated retained earnings	92,259		101,154		(8,894)	(8.8)

(3) Comparative Proposition of Appropriation of Retained Earnings

(Millions of yen)

Subject	Term	This fiscal year (as of March 31, 2001)	Prior fiscal year (as of March 31, 2000)	Change
		Amount	Amount	Amount
I Unappropriated retained earnings		92,259	101,154	(8,894)
II The above shall be appropriated as follows:				
Legal reserve		-	443	(443)
Dividends		5,132	4,398	733
per share		¥35.00 (regular dividends: ¥35.00)	¥30.00 (regular dividends: ¥30.00)	¥5.00 (regular dividends: ¥5.00)
Bonus to directors		39	41	(1)
Voluntary reserve		70,000	80,000	(10,000)
III Unappropriated retained earnings carried forward		17,088	16,270	817

Notes: 1. As of December 5, 2000, the Company paid interim dividends of ¥30.00 per share (regular dividends) amounted to ¥4,398,923,400 in total.

2. The dividends for this fiscal year as shown above will not be paid to 10 shares of treasury stock.

- (4) Important Accounting Policies
- (A) Valuation and computation of marketable securities
- (a) Securities of subsidiaries and affiliates
Cost as determined by the moving average method
- (b) Other marketable securities
Where there is a market quotation:
Market value as determined by the quotation price at the end of the fiscal year
(The difference between the carrying value and the market value is included in equity.)
(Cost of securities sold is computed using the moving average method.)
Where there is no market quotation:
Cost determined by the moving average method.
- (B) Valuation and computation of derivative transactions
Derivative transactions: Market value
- (C) Valuation and computation of the inventories
Merchandise
Paintings: Stated at cost based on specified cost method.
Goods for sale related to rental business: Stated at cost based on last-purchase price method
- (D) Depreciation of the fixed assets
- (a) Tangible fixed assets, and buildings and structures held in trust
Declining balance method
- | | |
|---|---------------|
| Depreciable life | |
| Buildings: | 3 to 50 years |
| Structures: | 3 to 50 years |
| Vehicles and delivery equipment: | 4 to 6 years |
| Equipment and furniture: | 2 to 20 years |
| Buildings and structures held in trust: | 8 to 50 years |
- (b) Intangible fixed assets: Straight-line method
- (c) Long-term prepaid expenses: Amortized in equal installments
- (E) Method of treatment of deferred assets
Bond issue expense: Entire amount expensed as incurred
- (F) Currency translation standards for foreign-currency-denominated assets or liabilities
Foreign-currency-denominated monetary claims and liabilities are converted into yen using the spot market rate for the accounting date, and differences in currency translation are added up as profit or loss.
- (G) Basis of calculating allowances
- (a) Allowance for bad debts
In providing for bad debts, the Company makes an allowance for ordinary bad debts based on the historical rate of default. For specific debts where recovery is doubtful, the Company considers the likelihood of recovery on an individual basis, making an allowance for the amount regarded as irrecoverable.
- (b) Allowance for retirement benefits
The Company makes provisions for retirement benefits based on projected retirement obligations and pension fund asset at the balance sheet date. Adjustments are made to determine the amounts applicable to the end of the fiscal year.

¥1,256 million gain resulting from the adoption of new accounting standards is recorded under extraordinary income.

- (c) Allowance for directors' and statutory auditors' retirement benefits
The Company makes provisions for directors' and corporate auditors' retirement benefits at the end of the fiscal year in accordance with the Company's internal rules.
- (H) Basis of recognition of income and expenses
 - (a) 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.
 - (b) Income from credit card business
Customer fees: Recognized mainly by credit balance method.
Merchant fees: Recognized as fees when treated.
 - (c) Income from installment sales finance business
Fees from customers and member outlets:
Recognized by sum-of-the months' digits method on a due date basis
- (I) Accounting for lease transactions
The Company accounts for finance leases where ownership of the leased asset is not transferred to the lessee as operating leases.
- (J) Accounting for hedging activities
 - (a) Accounting for hedging activities
Deferred hedge accounting has been adopted.
Interest-rate swaps when meet certain conditions are accounted for separately.
 - (b) Hedging instruments and items hedged
Hedging instruments: Derivative transactions
(interest-rate swaps agreements and interest-rate caps)
Items hedged: Loans with variable interest rates
Hedging instruments: Borrowings with variable interest rate
 - (c) Hedging policy
The Company enters into derivative contracts such as interest-rate swaps 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.
 - (d) Evaluating the efficacy of hedging activities
The performance of the hedging instruments and the items hedged is monitored primarily using the same criteria. As it can be assumed that changes in interest rates are fully offset by changes in cash flows from hedging instruments, further evaluation is not required.
- (K) Other significant accounting policies for the preparation of financial statements
 - (a) 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 of conversion is made, the entire amount in excess of par value is amortized at once.
 - (b) 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.

(Additional information)

Accounting of employee retirement benefits

Effective from the current fiscal year, 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 ¥4,086 million in prepaid pension expenses under investments and other assets in fixed assets, and ¥2,745 million under allowance for retirement benefits in fixed liabilities. The changes also had the effect of reducing retirement benefit expenses by ¥99 million, increasing income before extraordinary items by the same amount, and income before income taxes by ¥1,355 million.

Furthermore, past services costs of the corporate pension plan are included in the allowance for retirement benefits.

Accounting for financial instruments

Effective from the current fiscal year, 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 ¥337 million and income before income taxes by ¥30 million.

Furthermore, the Company undertook an examination of the respective objectives of marketable securities held at the start of the current fiscal year. 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 ¥15,853 million and increasing investments in securities in fixed assets by the same amount.

Accounting for foreign currency denominated transactions

Effective from the current fiscal year, 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.

(5) Notes to Non-Consolidated Balance Sheets

This fiscal year (as of March 31, 2001)	Prior fiscal year (as of March 31, 2000)																																																														
<p>1. Cumulative depreciation of tangible fixed assets (Millions of yen) 38,549</p> <p>Cumulative depreciation of buildings and structures in trust which are classified as "Investments" (Millions of yen) 66</p>	<p>1. Cumulative depreciation of tangible fixed assets (Millions of yen) 34,858</p> <p>Cumulative depreciation of buildings and structures in trust which are classified as "Investments" (Millions of yen) 61</p>																																																														
2.	<p>2. Important assets and liabilities denominated in foreign currencies</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Subject</th> <th style="text-align: center;">Foreign currency (thousands)</th> <th style="text-align: center;">Yen currency (¥ millions)</th> </tr> </thead> <tbody> <tr> <td>Cash and time deposits:</td> <td style="text-align: center;">US\$ 301 2,624 Thai Baht</td> <td style="text-align: center;">31 7</td> </tr> <tr> <td>Investments in securities:</td> <td style="text-align: center;">US\$ 1,146</td> <td style="text-align: center;">123</td> </tr> <tr> <td>Investments in affiliates:</td> <td style="text-align: center;">US\$ 34,910 58,800 Thai Baht</td> <td style="text-align: center;">5,550 78</td> </tr> </tbody> </table> <p>Amounts converted into yen at the exchange rate as of the settlement date of the long-term monetary claims denominated in foreign currencies are as follows: Assets hedged by forex forward contracts are excluded.</p> <p style="text-align: right;">(Millions of yen)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Claims</th> </tr> </thead> <tbody> <tr> <td>Foreign currency:</td> <td style="text-align: center;">US\$ 1,000 thousand</td> </tr> <tr> <td>Amount shown in the Balance Sheet:</td> <td style="text-align: center;">108</td> </tr> <tr> <td>Amount in yen at the exchange rate as of the settlement date:</td> <td style="text-align: center;">106</td> </tr> <tr> <td>Differential (loss):</td> <td style="text-align: center;">(2)</td> </tr> </tbody> </table>	Subject	Foreign currency (thousands)	Yen currency (¥ millions)	Cash and time deposits:	US\$ 301 2,624 Thai Baht	31 7	Investments in securities:	US\$ 1,146	123	Investments in affiliates:	US\$ 34,910 58,800 Thai Baht	5,550 78		Claims	Foreign currency:	US\$ 1,000 thousand	Amount shown in the Balance Sheet:	108	Amount in yen at the exchange rate as of the settlement date:	106	Differential (loss):	(2)																																								
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<p>4. Delinquent loans receivable</p> <p>Losses on unsecured consumer loans to bankrupt parties are written off at the time bankrupt is declared. For this reason, loans to borrowers in bankruptcy include ¥2,549 million for debtors who have petitioned for bankruptcy as of the end of the fiscal year, but not yet declared bankrupt. This entire amount is charged to the allowance for bad debts.</p> <p>In addition, from the point of view of maintaining the soundness of the Company's assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company's policy differs from that set forth in Japan's tax laws, under which accrued interest is charged on loans less than one year in arrears. As a result of the Company's policy, loans in arrears included additional ¥13,850 million. Under the policies stipulated in Japan's tax laws, ¥8,520 million of this amount would be classified as loans overdue by three months or more, ¥1,704 million as restructured loans and ¥3,625 million as loans no longer in arrears.</p>			<p>4. Delinquent loans receivable</p> <p>Losses on unsecured consumer loans to bankrupt parties are written off at the time bankrupt is declared. For this reason, loans to borrowers in bankruptcy include ¥2,440 million for debtors who have petitioned for bankruptcy as of the end of the fiscal year, but not yet declared bankrupt. This entire amount is charged to the allowance for bad debts.</p> <p>In addition, from the point of view of maintaining the soundness of the Company's assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company's policy differs from that set forth in Japan's tax laws, under which accrued interest is charged on loans less than one year in arrears. As a result of the Company's policy, loans in arrears included 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 million as loans no longer in arrears.</p>		
(Millions of yen)			(Millions of yen)		
Category	Amount	Classification criteria	Category	Amount	Classification criteria
Loans to bankrupt parties	(3,650) 3,650	Loans exclusive of accrued interest to bankrupt parties, parties in rehabilitation, and others	Loans to bankrupt parties	(3,776) 3,776	Loans exclusive of accrued interest to bankrupt parties, parties in rehabilitation, and others
Loans in arrears	(3,016) 16,866	Other loans stated exclusive of accrued interest, excluding loans on which interest is reduced for the rehabilitation of debtors or support to them.	Loans in arrears	(2,047) 13,408	Other loans stated exclusive of accrued interest, excluding loans on which interest is reduced for the rehabilitation of debtors or support to them.
Loans overdue by three months or more	(9,039) 518	Loans other than the above that are overdue by three months or more	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	(15,265) 13,561	Loans on which favorable terms have been granted, such as the waiving of interest to facilitate recovery of the loans other than the above.	Restructured loans	(18,332) 16,394	Loans on which favorable terms have been granted, such as the waiving of interest to facilitate recovery of the loans other than the above.
Total	(30,971) 34,596		Total	(31,210) 34,007	
<p>Figures in brackets refer to the balance of delinquent loans computed according to the policies set forth in Japanese tax laws.</p>			<p>Figures in brackets refer to the balance of delinquent loans computed according to the policies set forth in Japanese tax laws.</p>		

This fiscal year (as of March 31, 2001)	Prior fiscal year (as of March 31, 2000)
<p>5. Liability guarantees</p> <p>The Company guarantees the following liabilities for affiliated companies.</p> <p style="text-align: right;">(Millions of yen)</p> <p>ACOM ESTATE CO., LTD. 1,282</p> <p>JUKI CREDIT CO., LTD. 42,862</p> <p>SIAM A&C CO., LTD. 3,827</p> <p style="text-align: right;">(1,270,000 thousand Thai Baht)</p> <p style="text-align: right;">(US\$2,500 thousand)</p> <p>1990 K PARTNERSHIP 929</p> <p style="text-align: right;">(US\$7,500 thousand)</p>	<p>5. Liability guarantees</p> <p>The Company guarantees the following liabilities for affiliated companies.</p> <p style="text-align: right;">(Millions of yen)</p> <p>ACOM ESTATE CO., LTD. 1,100</p> <p>SIAM A&C CO., LTD. 2,450</p> <p style="text-align: right;">(875,000 thousand Thai Baht)</p> <p>1990 K PARTNERSHIP 743</p> <p style="text-align: right;">(US\$7,000 thousand)</p> <p>Liability guarantees denominated in foreign currencies are converted into yen at the exchange rate as of the settlement date.</p>

(6) Notes to Non-Consolidated Statements of Income

This fiscal year (from April 1, 2000 to March 31, 2001)	Prior fiscal year (from April 1, 1999 to March 31, 2000)
<p>1. Other principal financial income</p> <p style="text-align: right;">(Millions of yen)</p> <p>Interest on deposits 42</p> <p>Interest on marketable securities 3</p> <p>Interest on loans 29</p>	<p>1. Other principal financial income</p> <p style="text-align: right;">(Millions of yen)</p> <p>Interest on deposits 130</p> <p>Interest on marketable securities 69</p> <p>Interest on loans 38</p> <p style="text-align: right;">128</p>
<p>2. Principal financial expenses</p> <p style="text-align: right;">(Millions of yen)</p> <p>Interest paid 24,029</p> <p>Interest on corporate bonds 3,896</p>	<p>2. Principal financial expenses</p> <p style="text-align: right;">(Millions of yen)</p> <p>Interest paid 25,961</p> <p>Interest on corporate bonds 2,579</p>
<p>3. Principal items of operating expenses</p> <p style="text-align: right;">(Millions of yen)</p> <p>Advertising expenses 20,216</p> <p>Transfer to allowance for bad debts 51,654</p> <p>Salaries 27,545</p> <p>Retirement benefit expenses 2,099</p> <p>Transfer to allowance for directors' and corporate auditors' retirement benefits 73</p> <p>Welfare expenses 3,384</p> <p>Lease 16,273</p> <p>Depreciation expenses 6,151</p> <p>Fees 15,156</p>	<p>3. Principal items of operating expenses</p> <p style="text-align: right;">(Millions of yen)</p> <p>Advertising expenses 15,693</p> <p>Transfer to allowance for bad debts 47,461</p> <p>Salaries 27,812</p> <p>Transfer to allowance for directors' and corporate auditors' retirement benefits 83</p> <p>Welfare expenses 3,741</p> <p>Lease 17,734</p> <p>Depreciation expenses 6,204</p> <p>Fees 13,581</p>
<p>4. Incomes from sales of fixed assets are from the sale of equipment and furniture.</p>	<p>4. Incomes from sales of fixed assets are from the sale of equipment and furniture.</p>
<p>5. Breakdown of other extraordinary income</p> <p style="text-align: right;">(Millions of yen)</p> <p>Dividend in liquidation of equity investment 3</p> <p>Gain on transfer of business 1</p> <hr/> <p>Total 5</p>	<p>5. Other extraordinary income consists of dividend in liquidation of investment securities.</p>

This fiscal year (from April 1, to March 31, 2001)	Prior fiscal year (from April 1, 1999 to March 31, 2000)																																				
<p>6. Breakdown of loss on sales of fixed assets (Millions of yen)</p> <table> <tr> <td>Buildings</td> <td style="text-align: right;">6</td> <td style="text-align: right;"><41></td> </tr> <tr> <td>Structures</td> <td style="text-align: right;">0</td> <td style="text-align: right;"><0></td> </tr> <tr> <td>Vehicles and delivery equipment</td> <td style="text-align: right;">0</td> <td style="text-align: right;"><— ></td> </tr> <tr> <td>Equipment and fixture</td> <td style="text-align: right;">0</td> <td style="text-align: right;"><0></td> </tr> <tr> <td>Lands</td> <td style="text-align: right;">3,787</td> <td style="text-align: right;"><3,782></td> </tr> <tr> <td>Telephone rights</td> <td style="text-align: right;">4</td> <td style="text-align: right;"><— ></td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>3,854</u></td> <td style="text-align: right;"><u><3,824></u></td> </tr> </table> <p>Amount in brackets represent the amount sold to a consolidated subsidiary, ACOM ESTATE CO., LTD.</p>	Buildings	6	<41>	Structures	0	<0>	Vehicles and delivery equipment	0	<— >	Equipment and fixture	0	<0>	Lands	3,787	<3,782>	Telephone rights	4	<— >	<u>Total</u>	<u>3,854</u>	<u><3,824></u>	<p>6. Breakdown of loss on sales of fixed assets (Millions of yen)</p> <table> <tr> <td>Buildings</td> <td style="text-align: right;">24</td> <td style="text-align: right;"><8></td> </tr> <tr> <td>Equipment and fixture</td> <td style="text-align: right;">2</td> <td style="text-align: right;"><0></td> </tr> <tr> <td>Lands</td> <td style="text-align: right;">2,058</td> <td style="text-align: right;"><2,052></td> </tr> <tr> <td>Telephone rights</td> <td style="text-align: right;">0</td> <td style="text-align: right;"><— ></td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>2,085</u></td> <td style="text-align: right;"><u><2,060></u></td> </tr> </table> <p>Amount in brackets represent the amount sold to a consolidated subsidiary, ACOM ESTATE CO., LTD.</p>	Buildings	24	<8>	Equipment and fixture	2	<0>	Lands	2,058	<2,052>	Telephone rights	0	<— >	<u>Total</u>	<u>2,085</u>	<u><2,060></u>
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<p>8.</p>	<p>8. Loss on liquidation of subsidiary is the loss on affiliated company stock resulting from the liquidation of A&Y HOLDINGS PTE., LTD.</p>																																				
<p>9. Loss on disposal of fund contributions is the loss resulting from the bankruptcy of Dai-ichi Fire & Marine Insurance.</p>	<p>9.</p>																																				
<p>10. Breakdown of other extraordinary losses (Millions of yen)</p> <table> <tr> <td>Valuation loss of golf club memberships</td> <td style="text-align: right;">366</td> </tr> <tr> <td>Provision for default of golf club memberships</td> <td style="text-align: right;">338</td> </tr> <tr> <td>Loss on sale of golf club memberships</td> <td style="text-align: right;">138</td> </tr> <tr> <td>Temporary amortization of long-term prepaid expenses</td> <td style="text-align: right;">25</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>869</u></td> </tr> </table>	Valuation loss of golf club memberships	366	Provision for default of golf club memberships	338	Loss on sale of golf club memberships	138	Temporary amortization of long-term prepaid expenses	25	<u>Total</u>	<u>869</u>	<p>10. Other extraordinary loss consists of the temporary amortization of long-term prepaid expenses.</p>																										
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<p>11. Basis for classification of financial income and expenditure on the statements of income</p> <p>(1) Financial income stated as operating income Include all financial income excluding dividends and interest related to affiliated companies and excluding dividends and interest, etc., received on investment securities.</p> <p>(2) Financial expenditure stated as operating expenses Include all financial expenditure by the Company engaged in financial services, other than interest payable which has no relationship to operating income.</p>	<p>11. Basis for classification of financial income and expenditure on the statements of income</p> <p>(1) Financial income stated as operating income Include all financial income excluding dividends and interest related to affiliated companies and excluding dividends and interest, etc., received on investment securities.</p> <p>(2) Financial expenditure stated as operating expenses Include all financial expenditure by the Company engaged in financial services, other than interest payable which has no relationship to operating income.</p>																																				

(7) Notes to Lease Transactions

This fiscal year (as of March 31, 2001)				Prior fiscal year (as of 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			
1. Equivalent of acquisition cost, accumulated depreciation and residual value of the leased assets (Millions of yen)				1. Equivalent of acquisition cost, accumulated depreciation and residual value of the leased assets (Millions of yen)			
	Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value		Equivalent of acquisition cost	Equivalent of depreciation	Equivalent of residual value
Vehicles and delivery equipment	164	76	87	Vehicles and delivery equipment:	212	113	98
Equipment and furniture	15,766	9,537	6,229	Equipment and furniture	18,525	10,244	8,280
Total	15,930	9,613	6,317	Total	18,737	10,358	8,378
2. Equivalent of balance of the unaccrued lease fee (Millions of yen)				2. Equivalent of balance of the unaccrued lease fee (Millions of yen)			
Within 1 year			3,350	Within 1 year			4,149
More than 1 year			3,136	More than 1 year			4,463
Total			6,487	Total			8,613
3. Lease fee payable, equivalent of depreciation and equivalent of interest payable (Millions of yen)				3. Lease fee payable, equivalent of depreciation and equivalent of interest payable (Millions of yen)			
Lease fee payable			4,581	Lease fee payable			5,481
Equivalent of depreciation			4,285	Equivalent of depreciation			5,119
Equivalent of interest payable			247	Equivalent of interest payable			351
4. Method of calculation of equivalent of depreciation Calculated by using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and a residual value of zero.				4. Method of calculation of equivalent of depreciation Calculated by using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and a residual value of zero.			
5. Method of calculation of equivalent of interest 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.				5. 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.			

(8) Notes to the Method of Tax Effect Accounting

This fiscal year (as of March 31, 2001)	Prior fiscal year (as of March 31, 2000)
<p>1. The tax effects of temporary differences which give rise to a significant portion of the deferred tax assets and liabilities</p> <p style="text-align: right;">(Millions of yen)</p> <p>Deferred tax assets</p> <p>Nondeductible write-offs of bad debts 5,871</p> <p>Amount exceeding the tax limit for the provision for bad debt allowance 8,298</p> <p>Amount exceeding the tax limit for the provision for accrued bonuses 800</p> <p>Allowance for directors' and corporate auditors' retirement benefits 332</p> <p>Unrecognized accrued interest income 1,247</p> <p>Accrued enterprise tax 3,031</p> <p>Nondeductible depreciation exceeding the tax limit for depreciation of small capital expenditures 177</p> <p>Amount exceeding the tax limit for the amortization of deferred charges 3,660</p> <p>Amount exceeding the tax limit for the amortization of deferred consumption tax and other 177</p> <p>Nondeductible devaluation of marketable securities 91</p> <p>Unrecognized valuation loss on golf club memberships 149</p> <p>Surplus on reserve for employee retirement benefits 1,122</p> <p>Others <u>56</u></p> <p>Total deferred tax assets 25,017</p> <p>Deferred tax liabilities</p> <p>Change in valuation of other marketable securities 2,210</p> <p>Charge for prepaid pension expenses <u>1,670</u></p> <p>Total deferred tax liabilities <u>3,880</u></p> <p>Balance of deferred tax assets <u>21,137</u></p>	<p>1. The tax effects of temporary differences which give rise to a significant portion of the deferred tax assets and liabilities</p> <p style="text-align: right;">(Millions of yen)</p> <p>Deferred tax assets</p> <p>Nondeductible write-offs of bad debts 3,582</p> <p>Amount exceeding the tax limit for the provision for bad debt allowance 8,249</p> <p>Amount exceeding the tax limit for the provision for accrued bonuses 694</p> <p>Allowance for directors' and corporate auditors' retirement benefits 390</p> <p>Unrecognized accrued interest income 1,072</p> <p>Accrued enterprise tax 2,693</p> <p>Nondeductible depreciation exceeding the tax limit for depreciation of small capital expenditures 185</p> <p>Amount exceeding the tax limit for the amortization of deferred charges 3,075</p> <p>Amount exceeding the tax limit for the amortization of deferred consumption tax and other 157</p> <p>Nondeductible devaluation of marketable securities 320</p> <p>Others <u>133</u></p> <p>Total deferred tax assets <u>20,556</u></p>
<p>2. Reconciliation between the statutory tax rate and the effective tax rate as a percentage of income before income taxes is as follows:</p> <p>Statutory tax rate 40.9%</p> <p>(adjusted)</p> <p>Tax on retained earnings 5.0%</p> <p>Permanent nondeductible expenses, such as entertainment expenses 0.1%</p> <p>Inhabitants' per capita taxes 0.2%</p> <p>Others <u>1.0%</u></p> <p>Effective tax rate after adopting tax-effect accounting <u>47.2%</u></p>	<p>2. Reconciliation between the statutory tax rate and the effective tax rate as a percentage of income before income taxes is as follows:</p> <p>Statutory tax rate 40.9%</p> <p>(adjusted)</p> <p>Tax on retained earnings 5.2%</p> <p>Permanent nondeductible expenses, such as entertainment expenses 0.1%</p> <p>Inhabitants' per capita taxes 0.2%</p> <p>Others <u>0.8%</u></p> <p>Effective tax rate after adopting tax-effect accounting <u>47.2%</u></p>

6. Actual Results

(1) Operating income by segments

(Millions of yen)

Division	Segment	This fiscal year (from April 1, 2000 to March 31, 2001)		Prior fiscal year (from April 1, 1999 to March 31, 2000)		Change	
		Amount	Compositio n ratio	Amount	Compositio n ratio	Amount	Percentage
Finance business	Interest on loans receivable	341,456	93.1	316,490	92.6	24,965	7.9
	Unsecured loans	333,349	90.9	308,205	90.2	25,144	8.2
	Consumers	332,936	90.8	307,697	90.0	25,239	8.2
	Commercials	413	0.1	508	0.2	(95)	(18.7)
	Secured loans	8,106	2.2	8,284	2.4	(178)	(2.2)
	Installment sales finance income	16,611	4.5	11,588	3.4	5,023	43.3
	Credit card	2,323	0.6	451	0.1	1,872	414.8
	Installment sales finance	14,287	3.9	11,136	3.3	3,151	28.3
Other business	Rental income	1,591	0.5	6,395	1.9	(4,804)	(75.1)
	Audio-visual software	1,591	0.5	3,007	0.9	(1,416)	(47.1)
	Hardware rental	—	—	3,388	1.0	(3,388)	—
	Sales	103	0.0	320	0.1	(216)	(67.7)
Others	Other financial income	74	0.0	367	0.1	(292)	(79.7)
	Other operating income	6,875	1.9	6,605	1.9	270	4.1
	Collection of bad debts previously written-off	6,508	1.8	6,134	1.8	373	6.1
	Others	367	0.1	470	0.1	(103)	(21.9)
Total		366,712	100.0	341,767	100.0	24,945	7.3

Note: 1. Sales amount of "ACOM Master Card" is included in the "credit card."

2. "Sales" in the "Other business" division comprise merchandise sold at rental outlets.

(2) Other Statistics

(Millions of yen)

Item	Term	This fiscal year (as of March 31, 2001)	Prior fiscal year (as of March 31, 2000)	Amount of change	
				Amount of change	Percentage
Loans receivable outstanding		1,496,237	1,347,757	148,480	11.0
	Unsecured loans	1,428,196	1,273,899	154,296	12.1
	Consumers	1,426,696	1,271,865	154,831	12.2
	Commercials	1,499	2,034	(534)	(26.3)
	Secured loans	68,041	73,857	(5,816)	(7.9)
Number of loan customer accounts		2,893,789	2,669,016	224,773	8.4
	Unsecured loans	2,880,304	2,655,803	224,051	8.5
	Consumers	2,879,293	2,654,651	224,642	8.5
	Commercials	1,011	1,152	(141)	(12.2)
	Secured loans	13,485	13,213	272	2.1
Number of outlets		1,750	1,692	58	3.4
	Loan business outlets	1,741	1,635	106	6.5
	Staffed	521	512	9	1.8
	Unstaffed	1,220	1,123	97	8.6
	Rental business	—	48	(48)	—
	Installment sales finance business	8	8	—	—
	Other business	1	1	—	—
Number of MUJINKUN outlets (machines)		1,733 <1,735>	1,623 <1,625>	110	6.8
Number of cash dispensers and ATMs		30,819	18,478	12,341	66.8
	Proprietary	2,053	1,944	109	5.6
	Open 365 days / year	2,046	1,937	109	5.6
	Open 24 hours / day	1,755	1,633	122	7.5
	Tie-up	28,766	16,534	12,232	74.0
	Others	7,611	—	7,611	—
Number of employees		4,321	4,314	7	0.2
Bad debt write-off		44,392	37,461	6,931	18.5
Allowance for bad debts		61,900	54,300	7,600	14.0

Note: From the current fiscal year, the number of loan accounts for unsecured consumer loans includes the number of accounts with non-interest-bearing balance (97,014).

7. Change in Officers

(1) Change in representative directors

No change.

(2) Changes in other officers

(A) Newly appointed directors (as of June 28, 2001)

Director Junya Fukuda
(currently General Manager of the Systems and Development Department)

(B) Directors scheduled for retirement (as of June 28, 2001)

Director Kazuyoshi Matsuura

Director Masamitsu Seto

Notes:

1. Kazuyoshi Matsuura is scheduled to become the Vice-President of a new nonbank finance company (to be founded in June), whose joint founding is under discussion with the Bank of Tokyo-Mitsubishi, Ltd., the Mitsubishi Trust and Banking Corp., and DC Card Co., Ltd.
2. Masamitsu Seto will become a full-time Vice-President and Representative Director of IR Loan Servicing Inc., a subsidiary of the Company.

【Referential Materials】

1. Trend in actual results of per share data
(from the Fiscal Year ended in March 1997 to The Fiscal Year ended in March 2001)

(Yen)

The Fiscal Year ended in	97/3	98/3	99/3	00/3	01/3
Items					
Net income per share	251.50	300.29	385.32	504.93	550.75
Dividends per share	35.00	40.00	45.00	55.00	65.00
Interim	17.50	17.50	20.00	25.00	(30.00)
Year-end	17.50	22.50	25.00	30.00	(35.00)
Shareholders' equity per share	1,734.16	1,999.12	2,341.59	2,916.96	3,492.24

Note: Net income per share has been calculated based on the average number of outstanding shares for each fiscal year, and shareholders' equity per share has been calculated based on the number of outstanding shares at every fiscal-year-end. In order to calculate the average number of outstanding shares for each fiscal year, stock split effectuated during the relevant fiscal year shall be deemed to be effectuated at the beginning thereof. As for any fraction less than one share, five tenths or more of a share has been rounded upward to the nearest one share, and less than five tenths has been disregarded.