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# Earnings Release Conference

*Fiscal Year Ended March 31, 2003*

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**ACOM CO., LTD.**

**<http://ir.acom.co.jp/>**



May 1, 2003

## *Conference Schedule*

1. Opening
2. Results of FY March 2003 & Outlook for FY March 2004
3. Business Environment
4. Midterm Business Plans
5. Top Priority for FY March 2004
6. Report on Financial Results
7. Questions & Answer Session
8. Closing

**This presentation contains statements that constitute forward-looking statements under the U.S. Securities Act of 1933 and the U.S. Securities Exchange Act of 1934. These statements appear in a number of places in this presentation and include statements regarding our intent, belief or current and future expectations or those of our management with respect to our non-consolidated and consolidated results of operations and financial condition.**

**Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors. The information contained in this presentation identifies important factors that could cause actual results to differ from those anticipated in such forward-looking statements.**

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## 2. Results of FY March 03 & Outlook for FY March 04

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Shigeyoshi Kinoshita  
President

## *Consolidated Financial Results*

	<b>Actual</b>	<b>YOY</b>	
	(Billions of yen)	(Billions of yen)	
◆ <b>Operating Income</b>	<b>437.5</b>	<b>22.6</b>	<b>5.5%</b>
◆ <b>Operating Profit</b>	<b>146.6</b>	<b>-24.5</b>	<b>-14.3%</b>
◆ <b>Income Before Extraordinary Items</b>	<b>144.2</b>	<b>-27.5</b>	<b>-16.1%</b>
◆ <b>Net Income</b>	<b>75</b>	<b>-20.5</b>	<b>-21.5%</b>

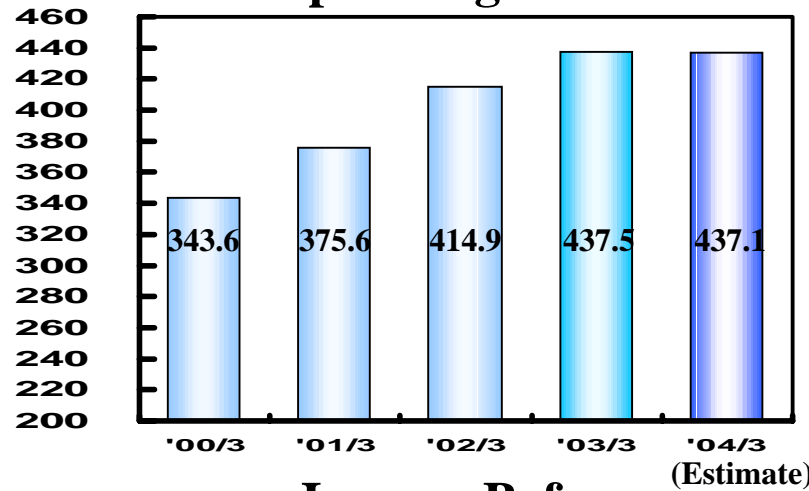
## *Consolidated Financial Outlook*

	<b>Estimate</b>	<b>YOY</b>	
	(Billions of yen)	(Billions of yen)	
◆ <b>Operating Income</b>	<b>437.1</b>	<b>-0.4</b>	<b>-0.1%</b>
◆ <b>Operating Profit</b>	<b>127.9</b>	<b>-18.7</b>	<b>-12.8%</b>
◆ <b>Income Before Extraordinary Items</b>	<b>126.3</b>	<b>-17.9</b>	<b>-12.4%</b>
◆ <b>Net Income</b>	<b>70.2</b>	<b>-4.8</b>	<b>-6.4%</b>

# Consolidated Financial Summary (Actual Results & Outlook)

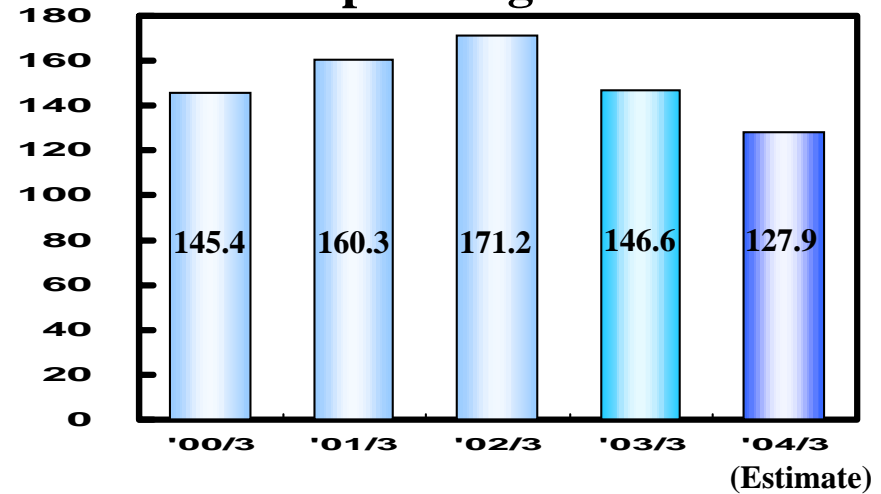
(Billion yen)

## Operating Income



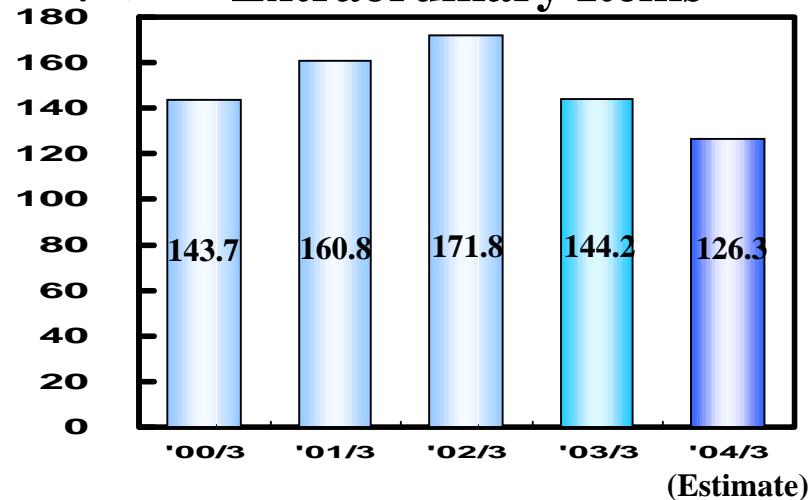
(Billion yen)

## Operating Profit



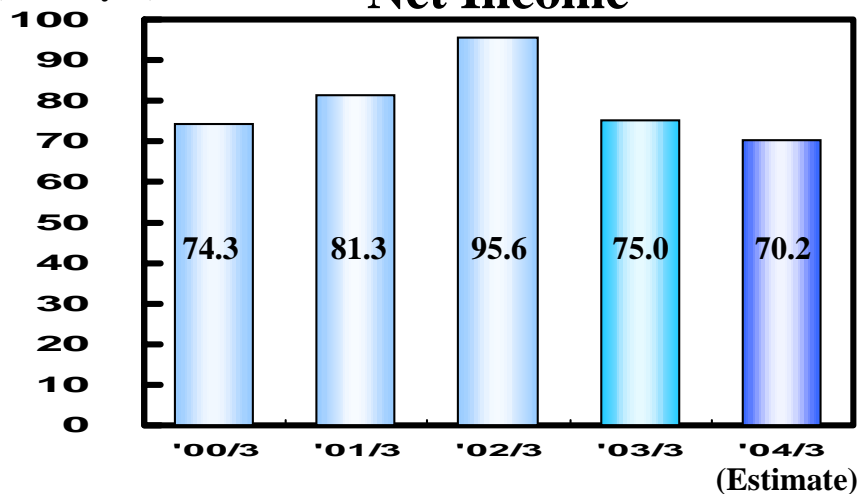
(Billion yen)

## Income Before Extraordinary Items



(Billion yen)

## Net Income



## *Results of Consolidated Subsidiaries (FY March 2003)*

### ◆ JCK CREDIT CO., LTD.

- Installment Receivables : 77.3 billion yen
- Operating Income : 7.8 billion yen

### ◆ SIAM A&C CO., LTD.

- Installment Receivables : 7.4 billion yen
- Loans Receivables Outstanding : 7.2 billion yen
- Operating Income : 3.8 billion yen

### ◆ IR Loan Servicing, Inc.

- Consignment Loans : 901.5 billion yen
- Purchased Loans : 183.4 billion yen
- Operating Income: 900 million yen

### ◆ CHALEASE ACOM FINANCE CO., LTD.

- Installment Receivables : 2.6 billion yen
- Operating Income: 500 million yen

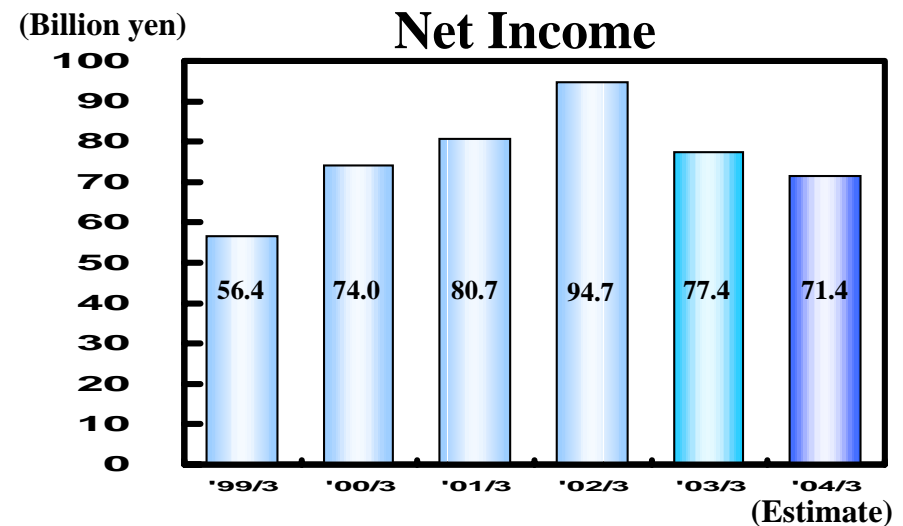
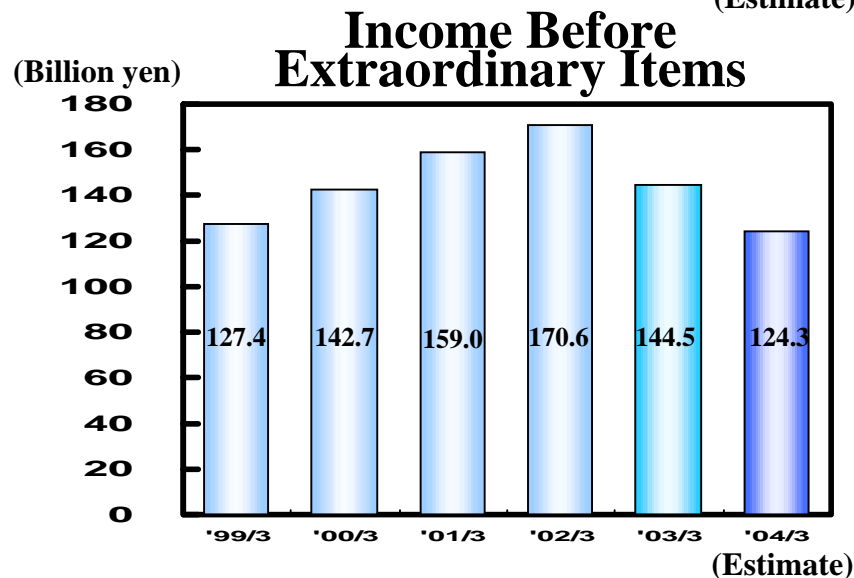
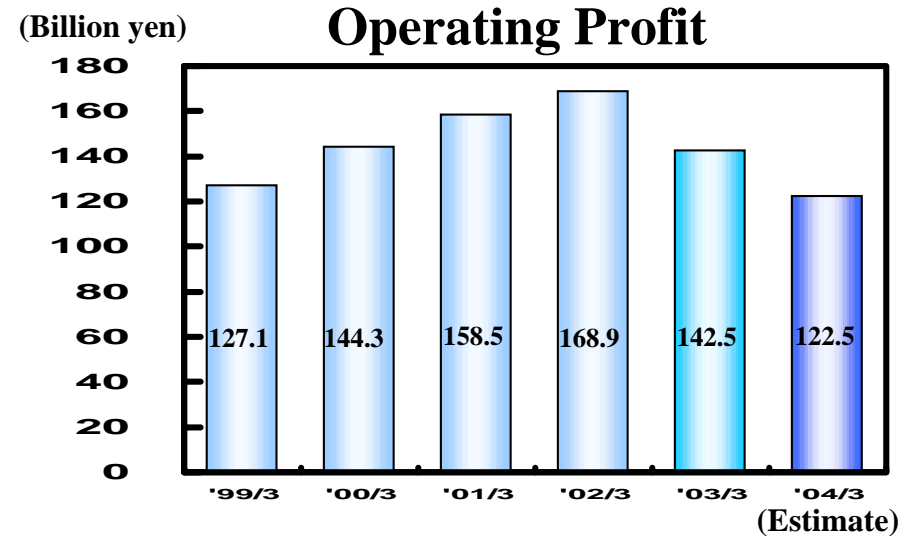
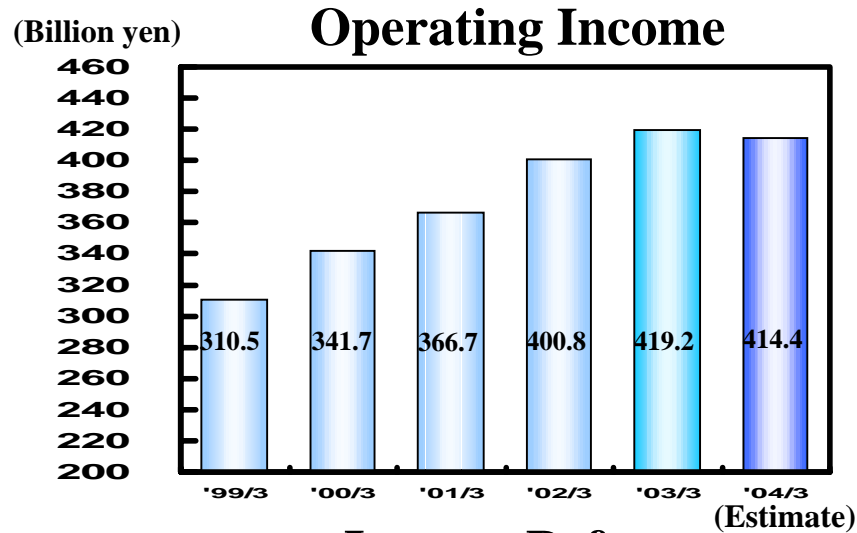
## *Non-consolidated Financial Results*

	<b>Actual</b>	<b>YOY</b>	
	(Billions of yen)	(Billions of yen)	
◆ <b>Operating Income</b>	<b>419.2</b>	<b>18.4</b>	<b>4.6%</b>
◆ <b>Operating Profit</b>	<b>142.5</b>	<b>-26.3</b>	<b>-15.6%</b>
◆ <b>Income Before Extraordinary Items</b>	<b>144.5</b>	<b>-26.1</b>	<b>-15.3%</b>
◆ <b>Net Income</b>	<b>77.4</b>	<b>-17.2</b>	<b>-18.2%</b>

## *Non-consolidated Financial Outlook*

	<b>Estimate</b>	<b>YOY</b>	
	(Billions of yen)	(Billions of yen)	
◆ <b>Operating Income</b>	<b>414.4</b>	<b>-4.8</b>	<b>-1.2%</b>
◆ <b>Operating Profit</b>	<b>122.5</b>	<b>-20.0</b>	<b>-14.1%</b>
◆ <b>Income Before Extraordinary Items</b>	<b>124.3</b>	<b>-20.2</b>	<b>-14.0%</b>
◆ <b>Net Income</b>	<b>71.4</b>	<b>-6.0</b>	<b>-7.9%</b>
◆ <b>Dividend</b>	<b>80 yen</b>		

# Non-consolidated Financial Summary *(Actual Results & Outlook)*

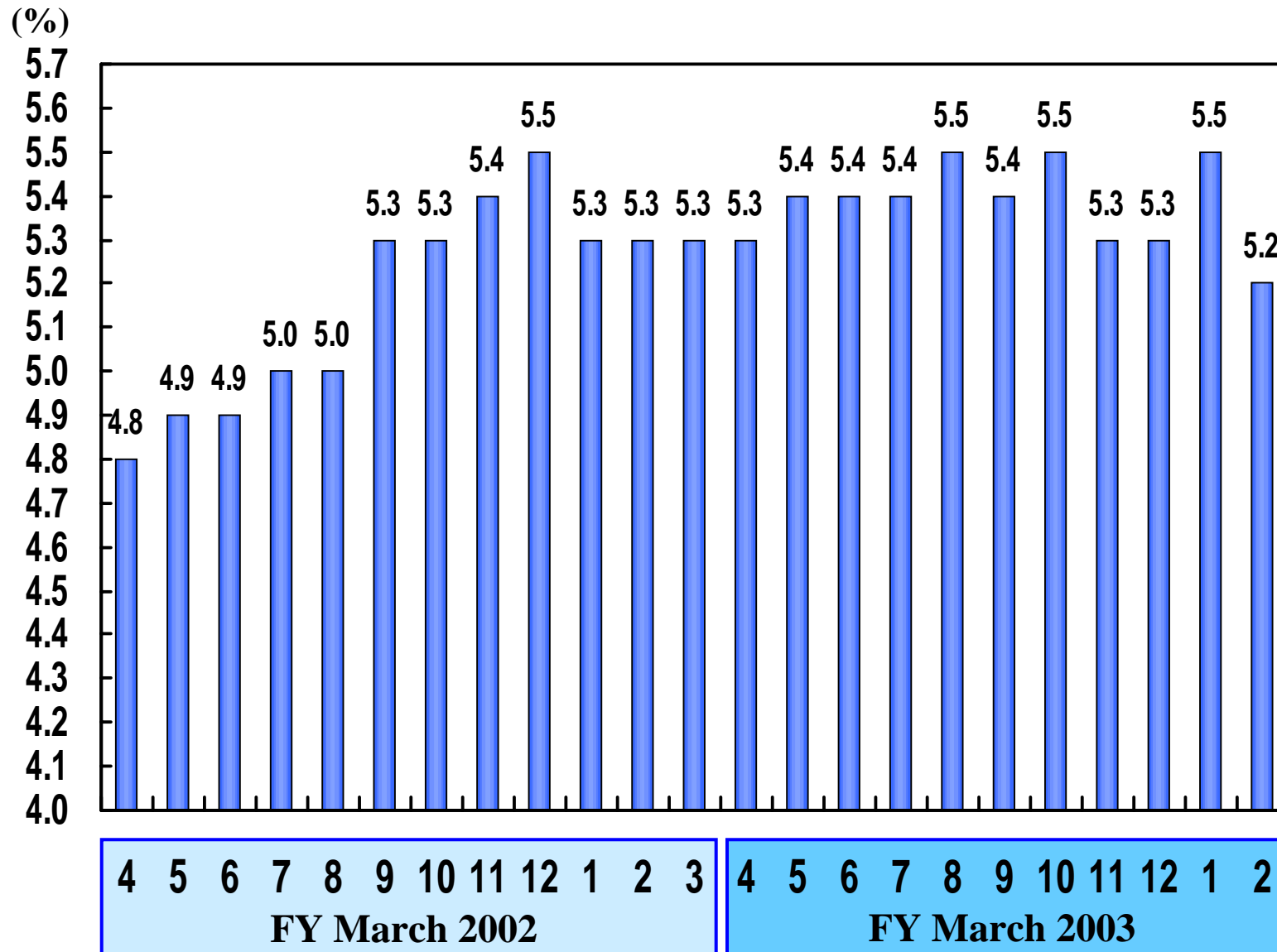


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## 3. Business Environment

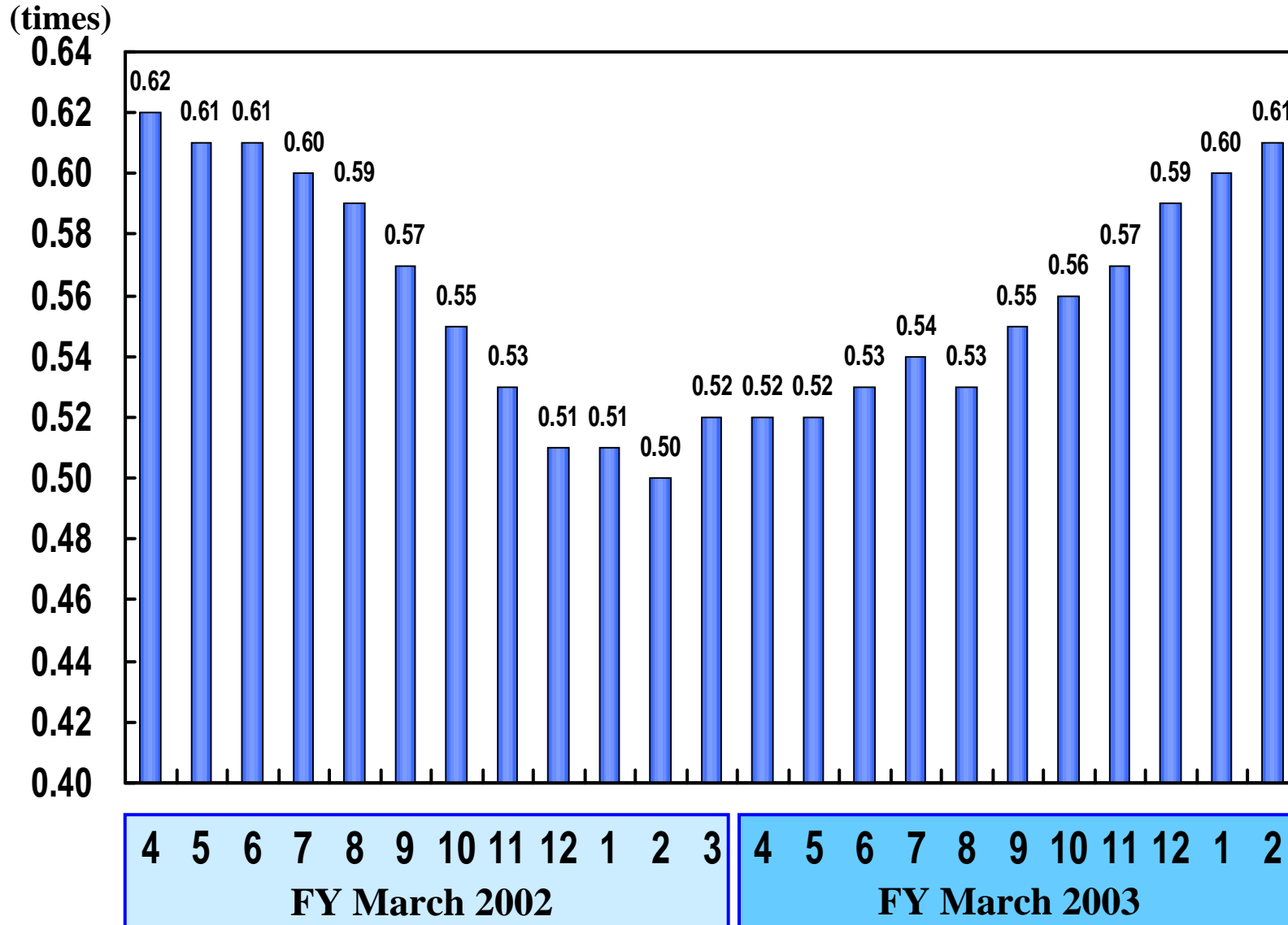
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# Monthly Ratio of Unemployment in Labor Force



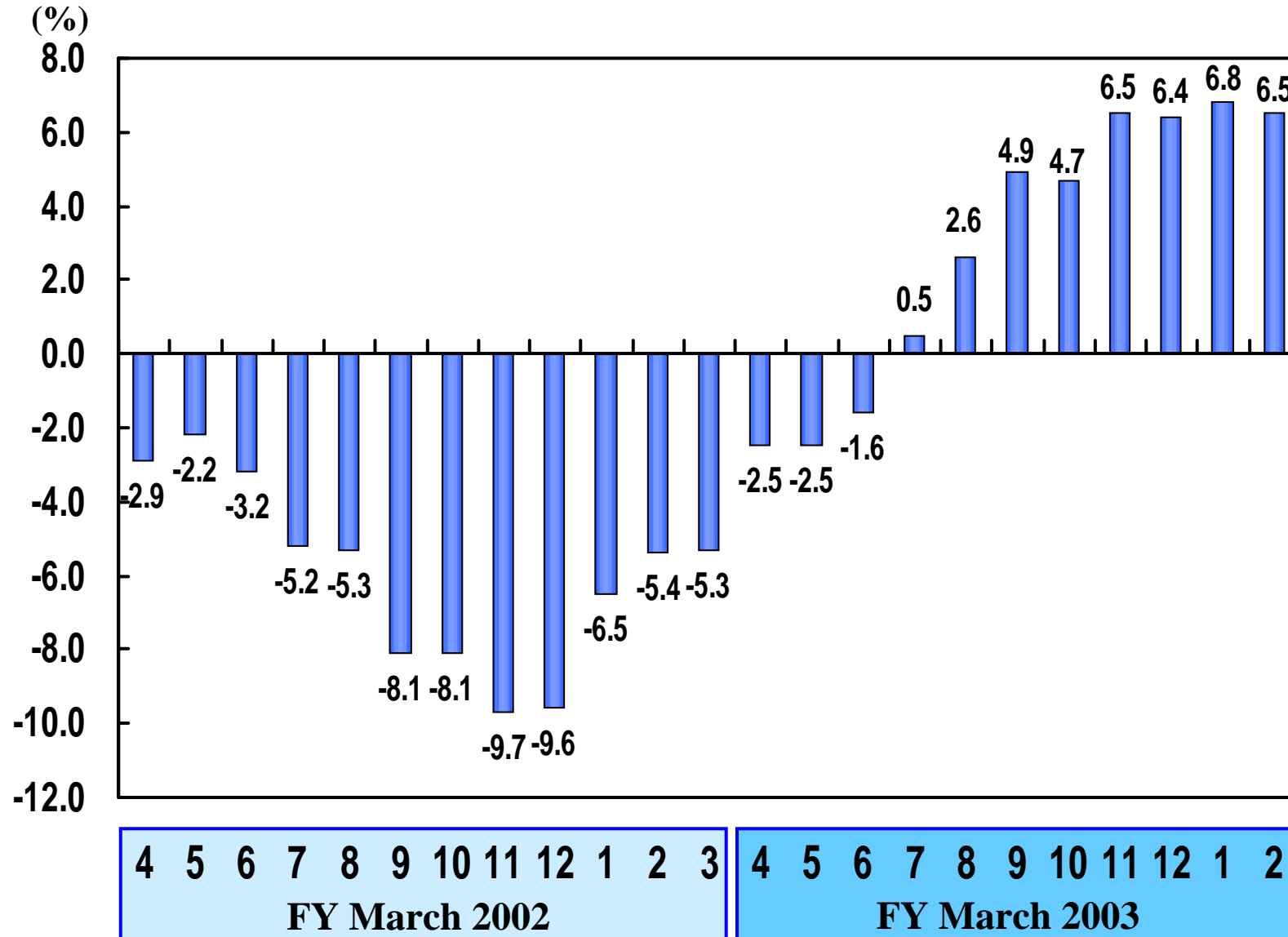
Source: Statistics Bureau

# Monthly Ratio of Active Job Openings to Applications



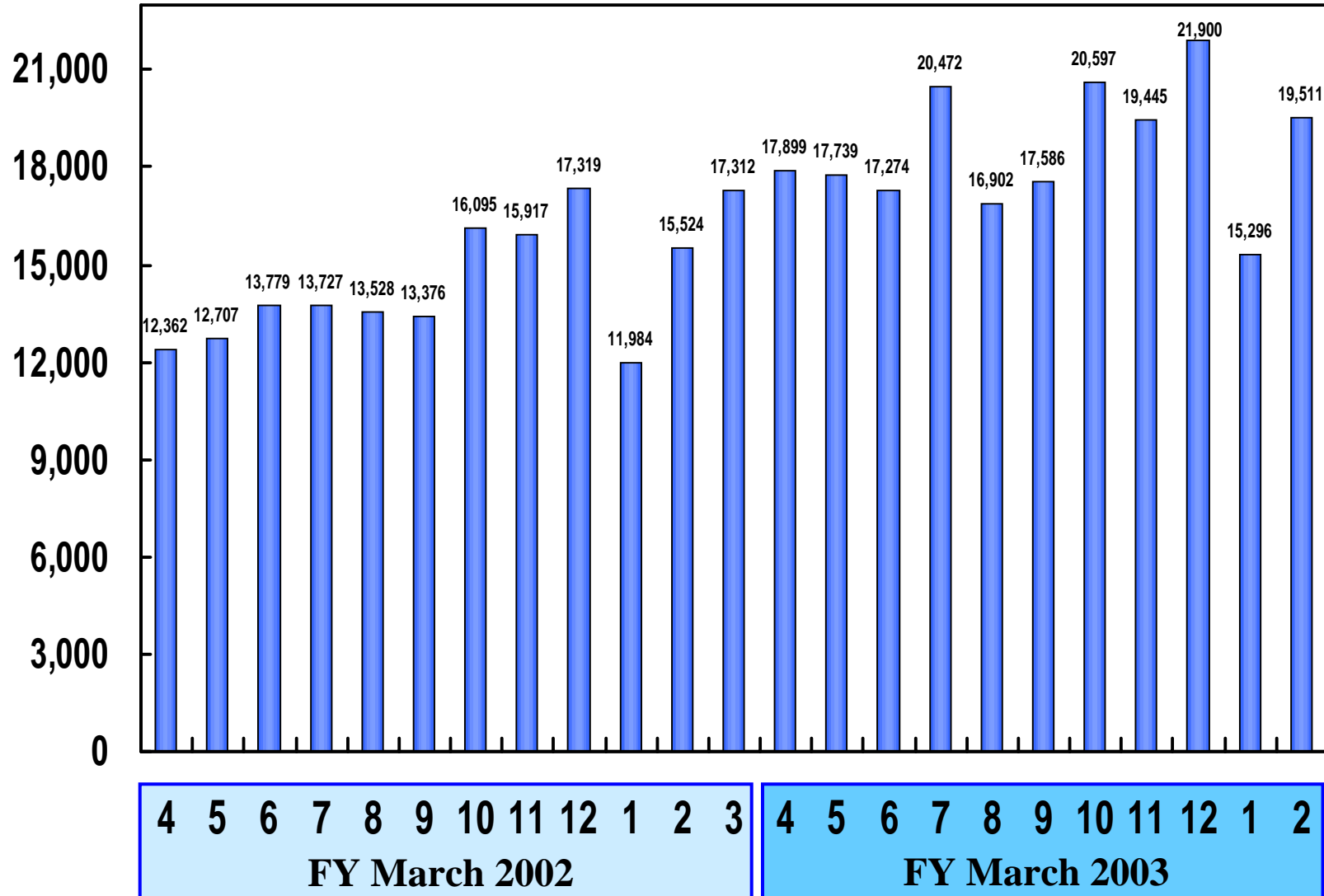
Source: Ministry of Health, Labor and Welfare

# Non-scheduled Working Hours (monthly YOY%)



Source: Ministry of Health, Labor and Welfare

# Monthly Number of Application for Personal Bankruptcy



Source: Supreme Court

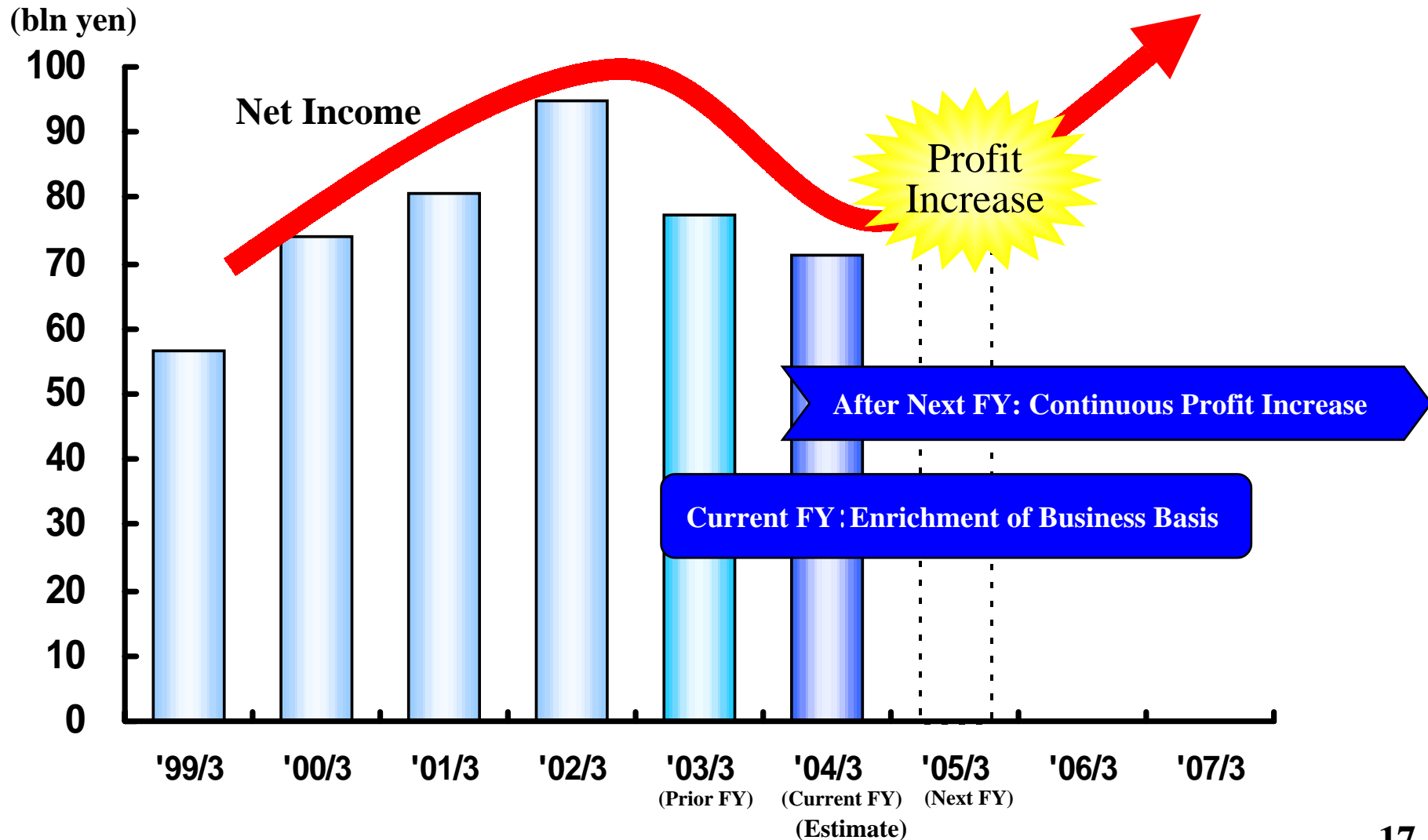
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## 4. Midterm Business Plans

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# Midterm Business Plans

## ◆ Increase in Corporate Value by Reforming a Corporate Constitution



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## 5. Top Priority for FY March 2004

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## *Top Priority for Fiscal Year March 2004*

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**Thorough Observance of Business Ethics (Compliance)**

**Establishment of New Sales System**

**Upgrade of Credit Quality**

**Speed-up of Decision-making**

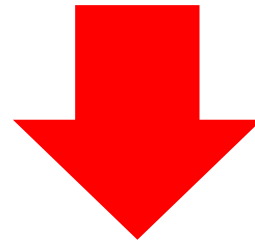
**Achievement of Low-cost Operation**

## *Thorough Observance of Business Ethics*

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### ◆ *Strengthening Business Ethics & Compliance*

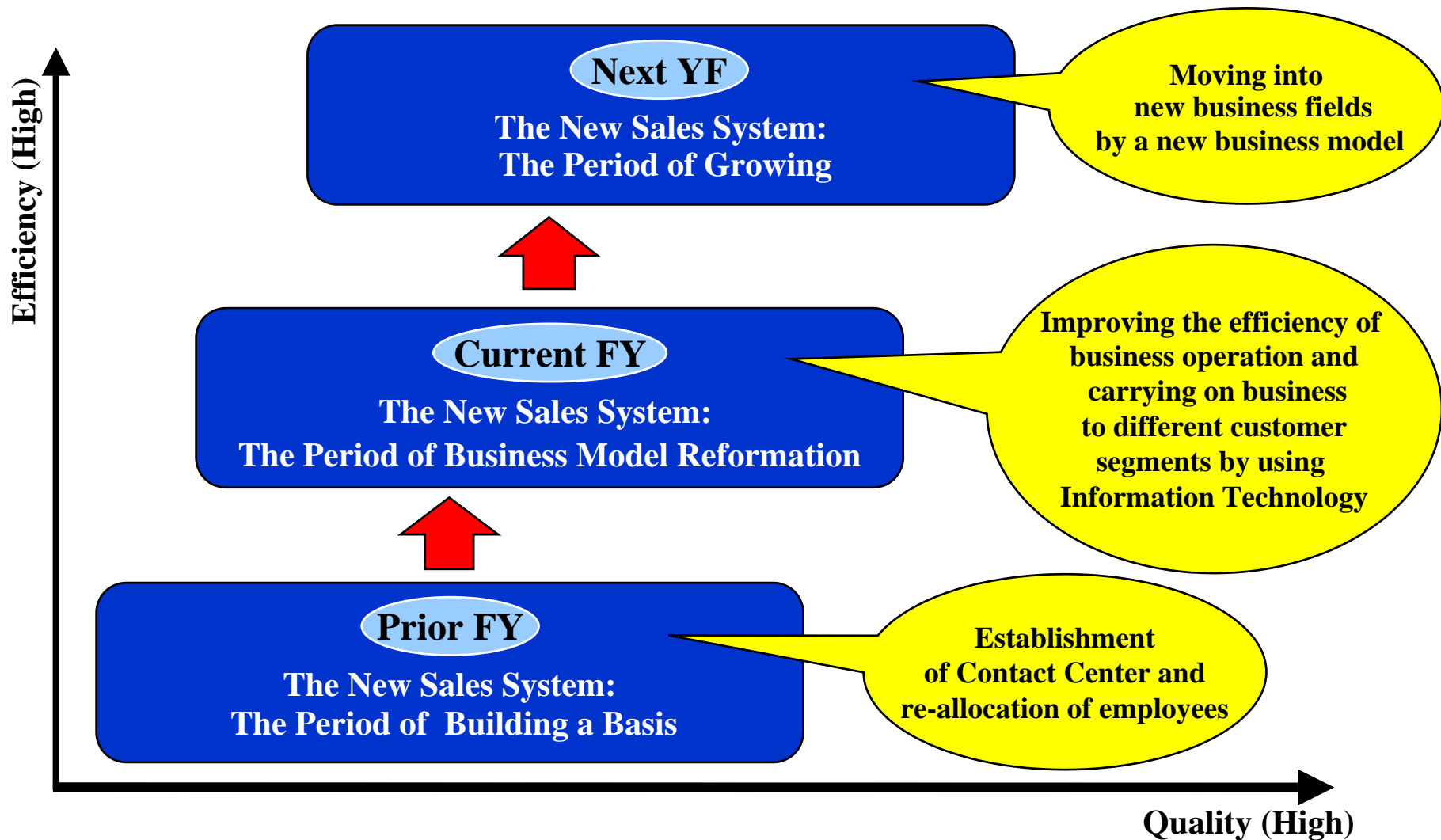
**Three-year Plan for the Practice of New Business Ethics**



**Further Fixation of  
Business Ethics**

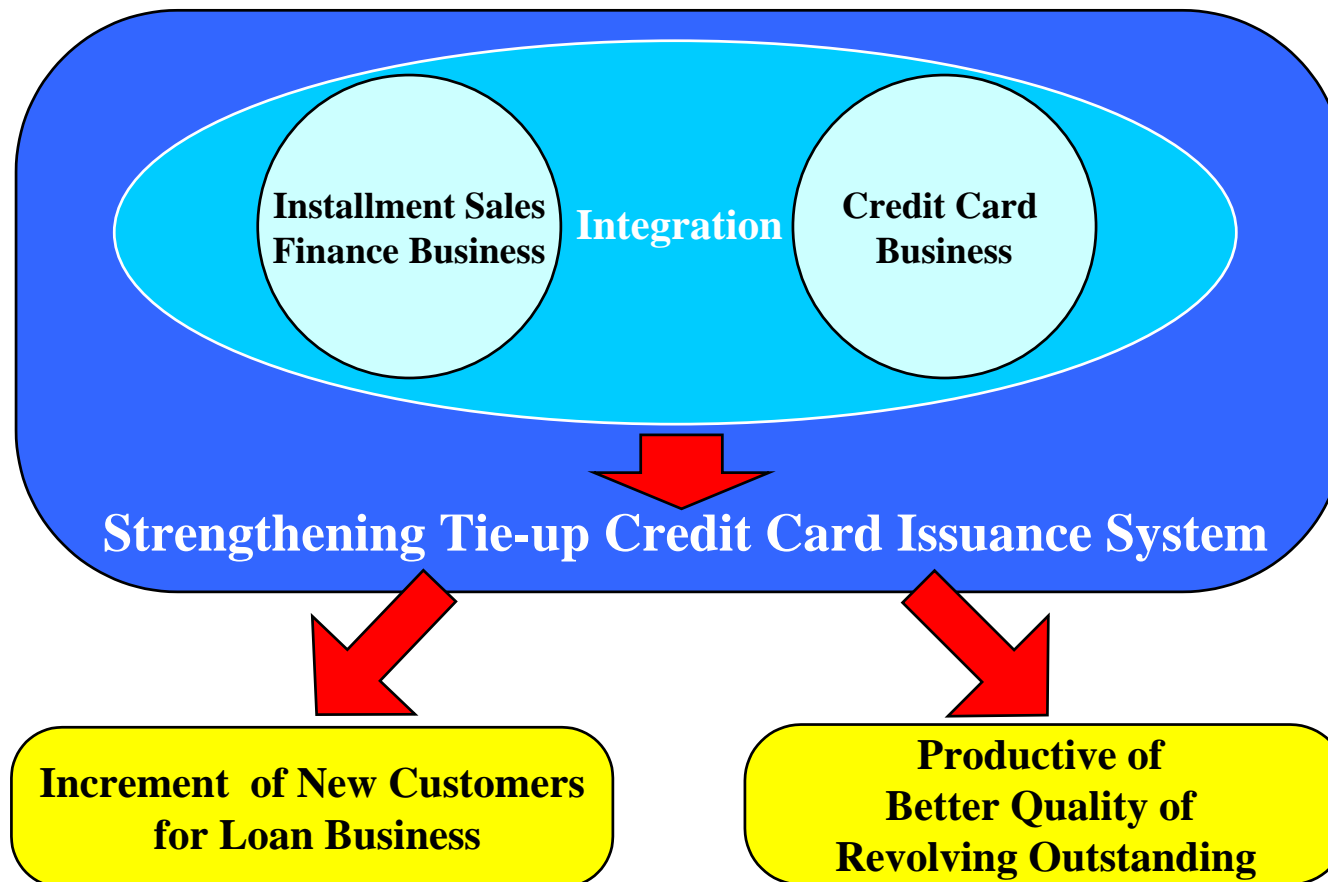
# *Establishment of New Sales System*

## ◆ *Business Model Reformation for Loan Business*

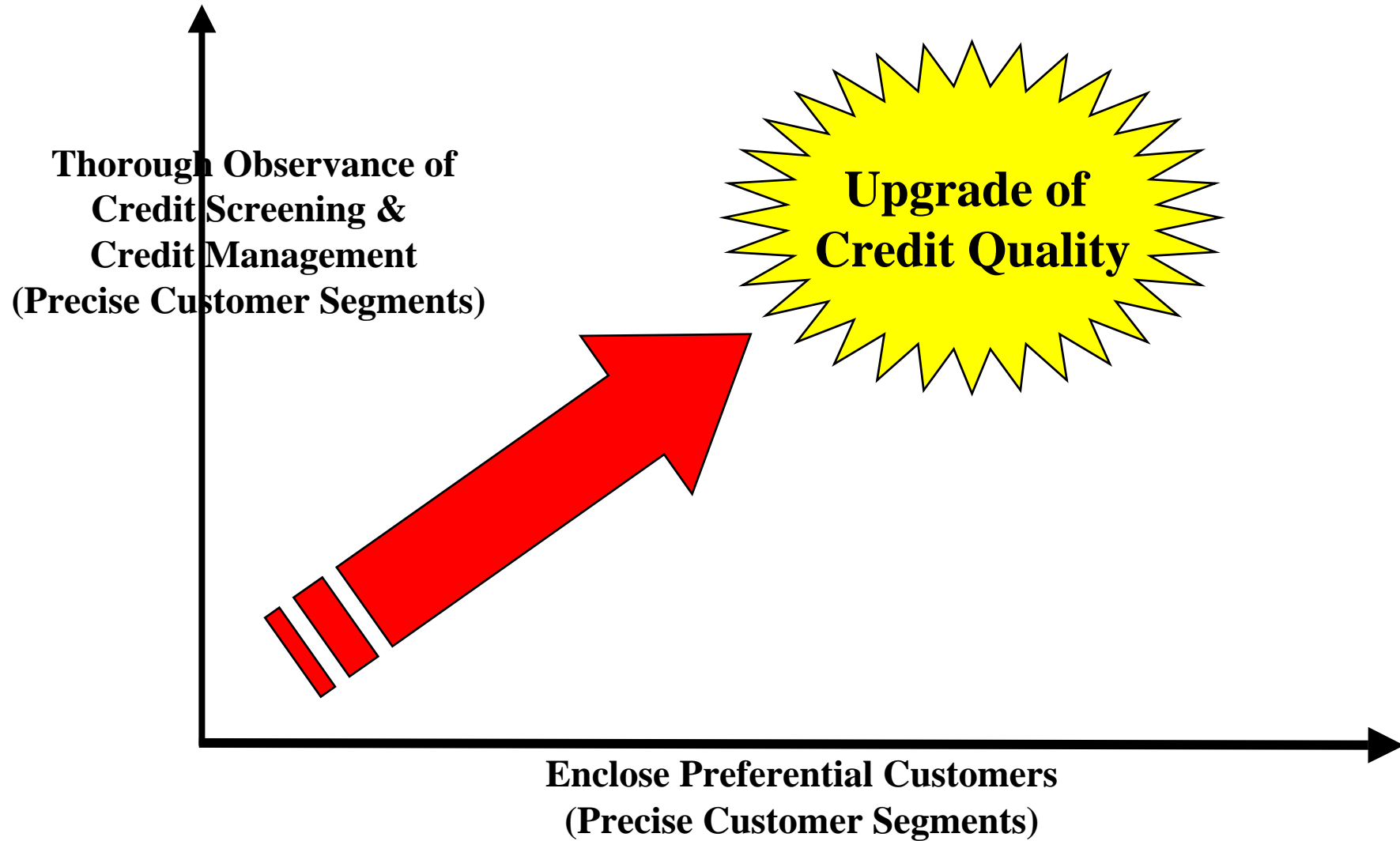


## *Establishment of New Sales System*

- ◆ *Rebuilding of Outlets Network*
- ◆ *Expanding Tie-up Credit Card Strategy Aggressively*



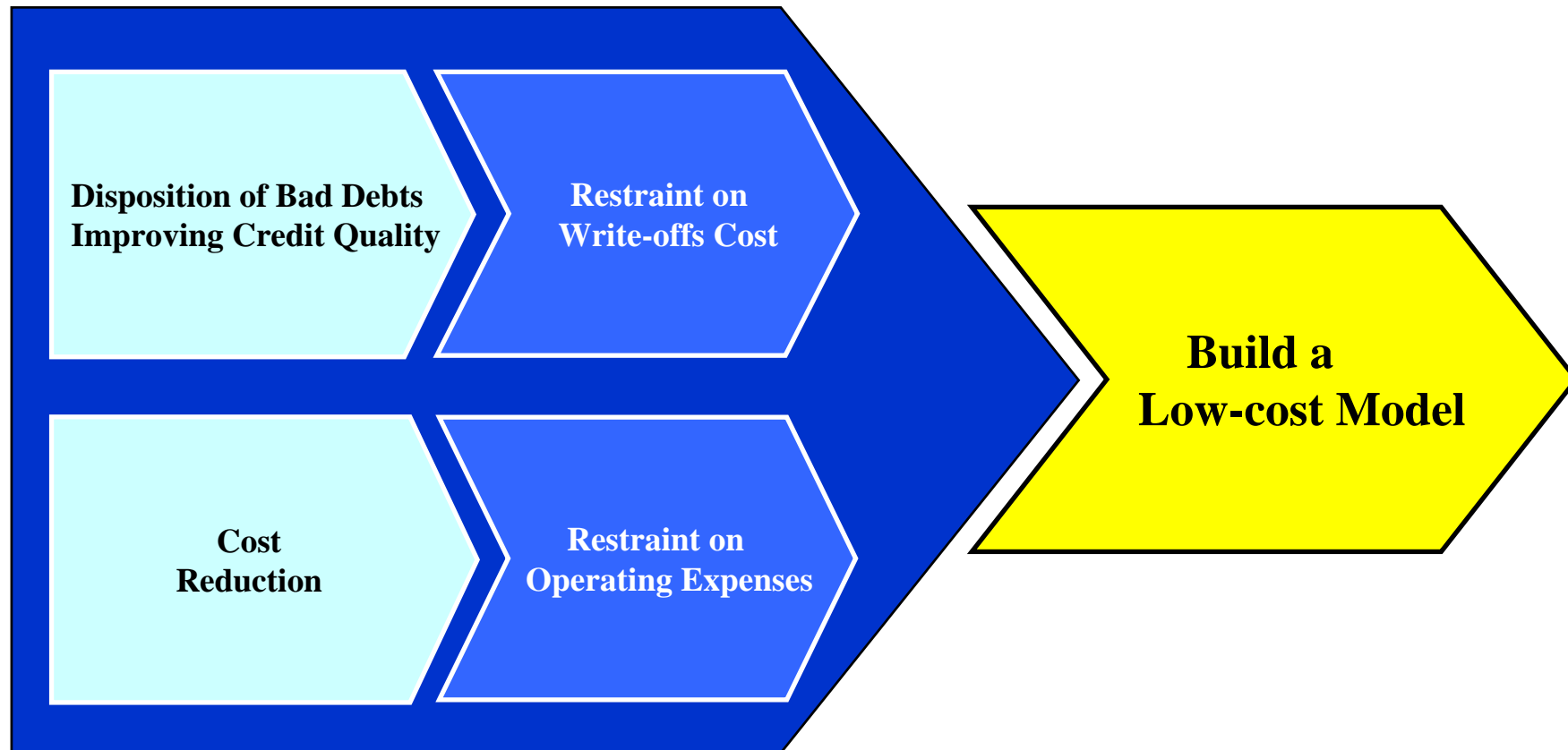
# *Upgrade of Credit Quality*



## *Speed-up of Decision-making*

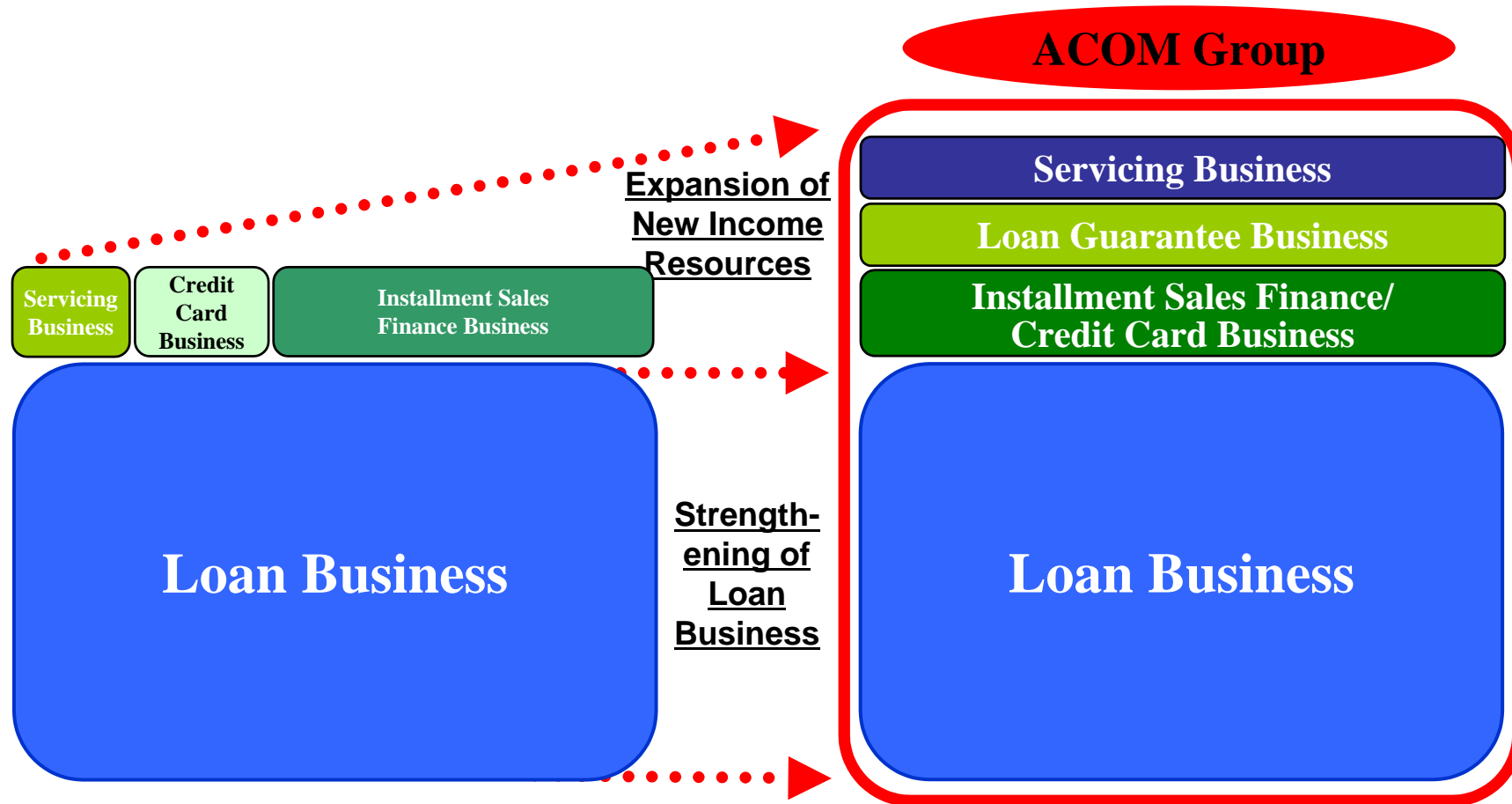


# *Achievement of Low-cost Operation*



# Expansion of Financial Services

## ◆ Midterm Business Portfolio





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## 6. Report on Financial Results

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Satoru Tomimatsu

Board Member, Director  
Chief IR Officer

	2003/3(Actual)		2004/3(Estimate)	
	Consolidated	ACOM	Consolidated	ACOM
	(Millions of yen)		(Millions of yen)	
◆ Operating Income	437,572	419,258	437,100	414,400
◆ Operating Profit	146,695	142,581	127,900	122,500
● Non-operating income	1,380	2,118	1,000	1,900
● Non-operating expenses	3,831	197	2,600	100
◆ Income Before Extraordinary Items	144,244	144,502	126,300	124,300
◆ Net Income	75,096	77,489	70,200	71,400

**Key Financial Data (ACOM)**

	2003/3(Actual)	2004/3(Estimate)
	(Millions of yen)	(Millions of yen)
◆ Non-operating Income	2,118	1,900
◆ Non-operating Expenses	197	100
◆ Extraordinary Income	5	-
◆ Extraordinary Losses	9,925	1,200
● <i>Loss on sales of fixed assets</i>	5,914	450
● <i>Loss on disposal of fixed assets</i>	961	750
● <i>Loss on revaluation of investment in marketable securities</i>	2,706	-

Financial Service Business	2003/3 (Actual)		2004/3 (Estimate)	
	(Millions of Yen)	YOY (%)	(Millions of Yen)	YOY (%)
◆ Loan Business	388,483	4.1	380,800	-2.0
◆ Credit Card Business	4,986	35.0	5,500	10.4
◆ Installment Sales Finance Business	16,166	-0.7	14,500	-10.5
◆ Guarantee Business	1,866	483.8	5,100	173.2
◆ Collection of Bad Debts Deducted	6,430	-7.3	7,300	13.6

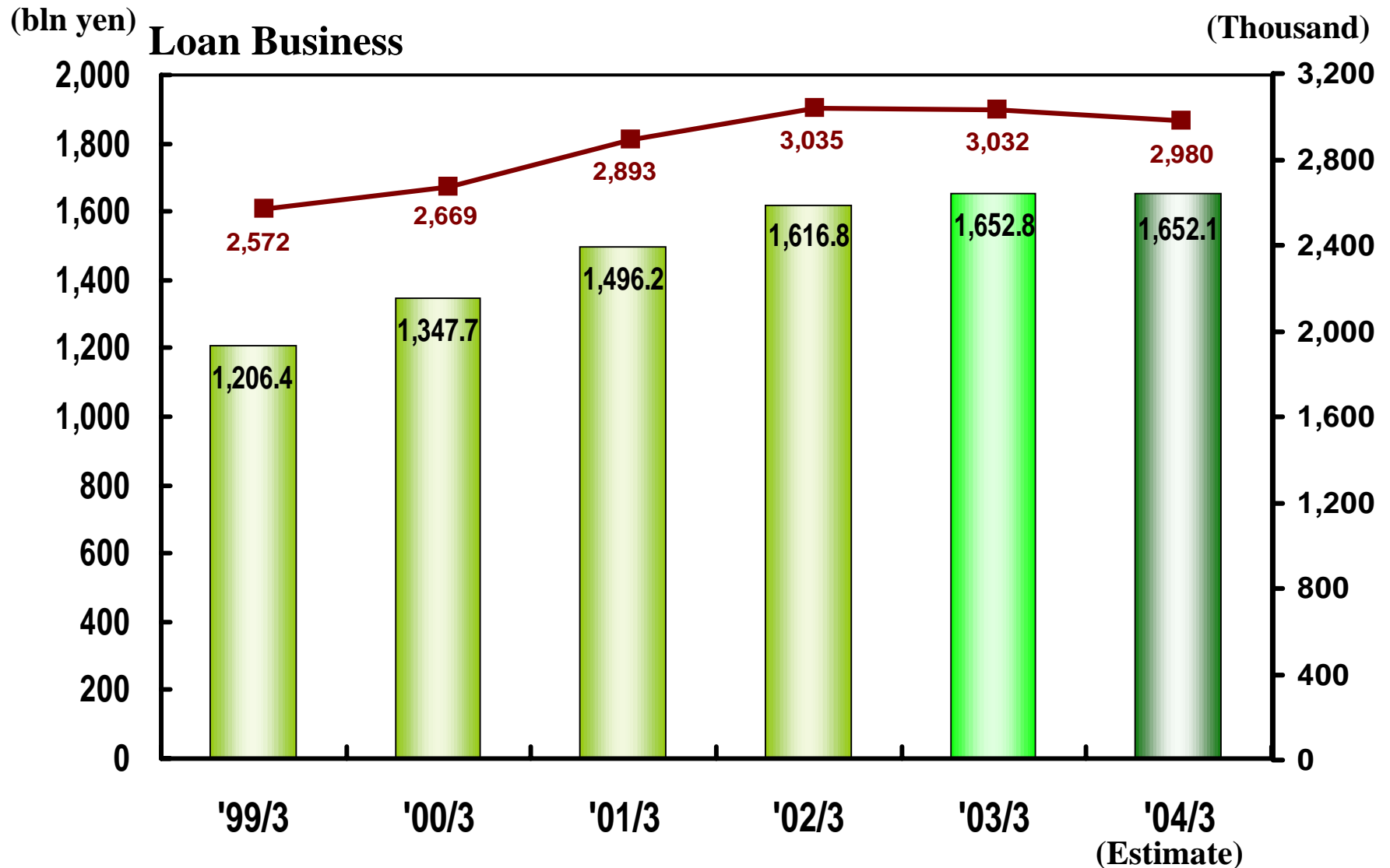
## Operating Expenses (ACOM)

Other Operating Expenses	2003/3 (Actual)		2004/3 (Estimate)	
	YOY (Millions of Yen) (%)		YOY (Millions of Yen) (%)	
◆ Personnel Costs	36,869	3.0	37,300	1.2
◆ Advertising and Promotional Expenses	15,853	-17.9	14,900	-6.0
◆ Administrative Expenses	15,851	2.4	15,300	-3.5
◆ Expenses for Computer Operation and Develop.	23,311	-0.1	22,100	-5.2
◆ Fees	12,119	7.8	13,150	8.5

## Operating Expenses (ACOM)

Other Operating Expenses	2003/3 (Actual)		2004/3 (Estimate)	
	YOY (Millions of Yen) (%)		YOY (Millions of Yen) (%)	
◆ Insurance Expenses	8,782	40.6	9,700	10.1
◆ Depreciation Expenses	3,428	-10.5	3,050	-10.9
◆ Others	12,036	7.9	15,040	25.3
● <i>Market Development Expenses</i>	-	-	1,000	-
● <i>Primary Expenses</i>	-	-	1,000	-

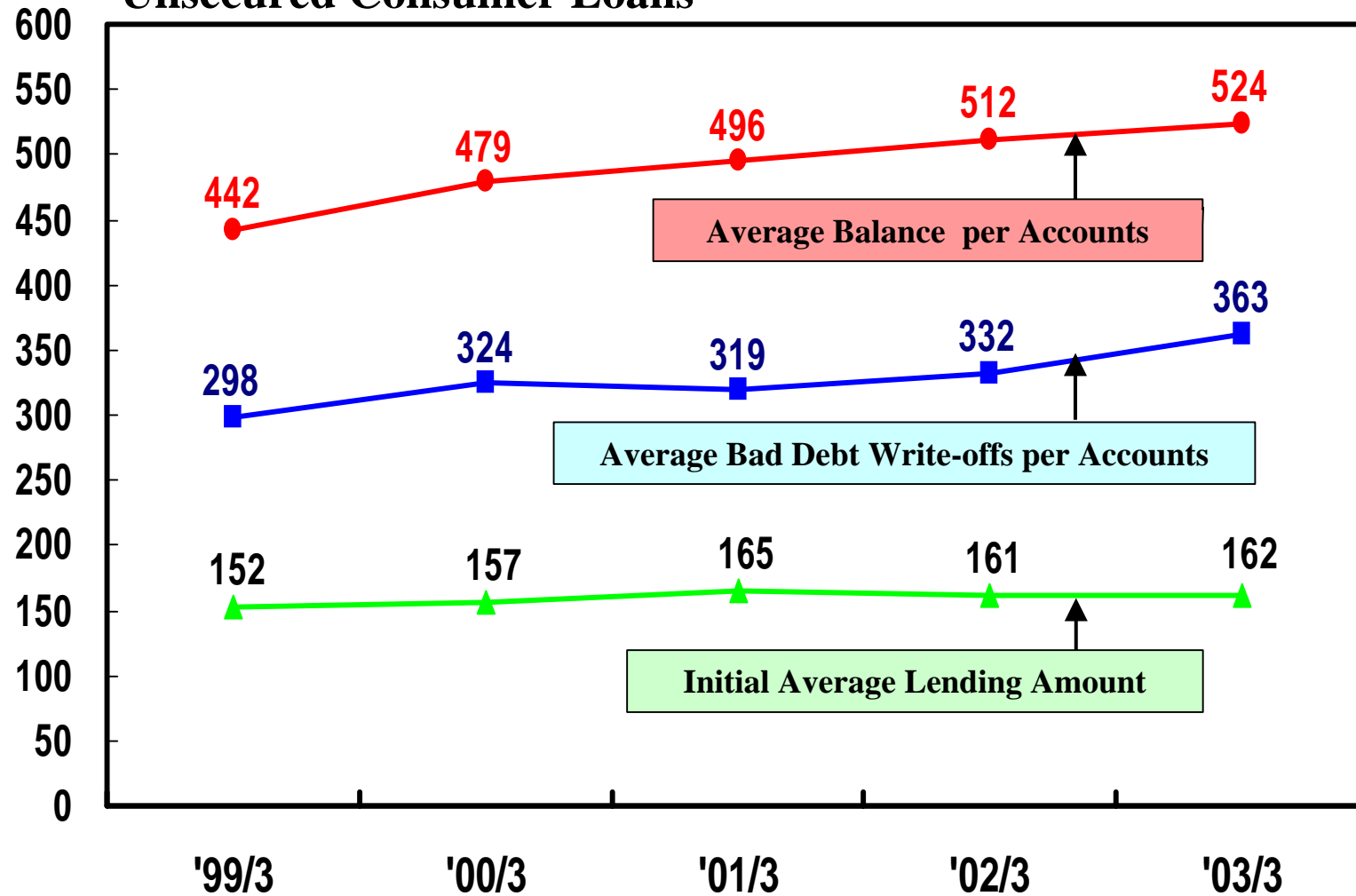
**Receivables Outstanding & Number of Accounts (ACOM) DATA BOOK Page 8**

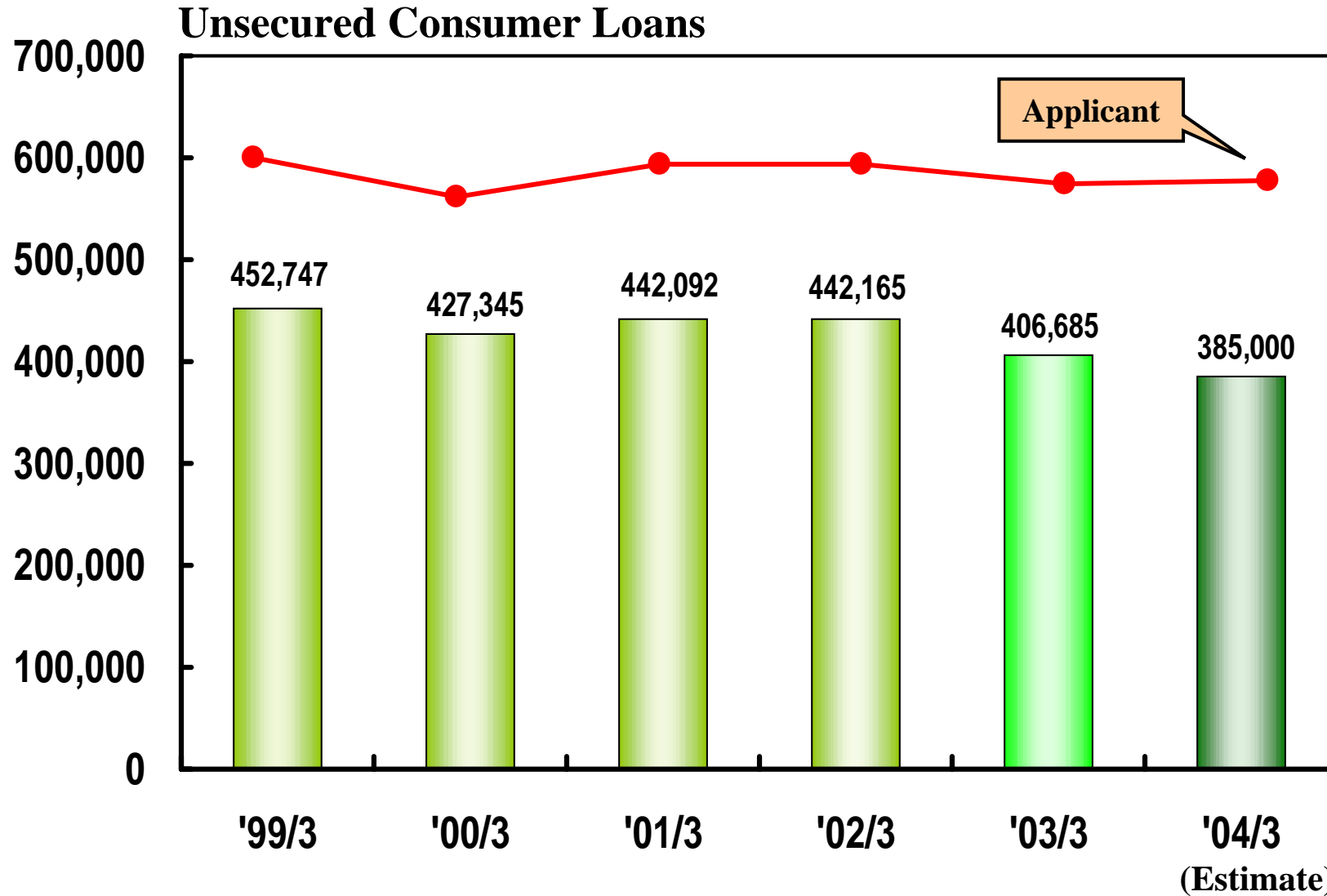


# Average Balance per Accounts (ACOM)

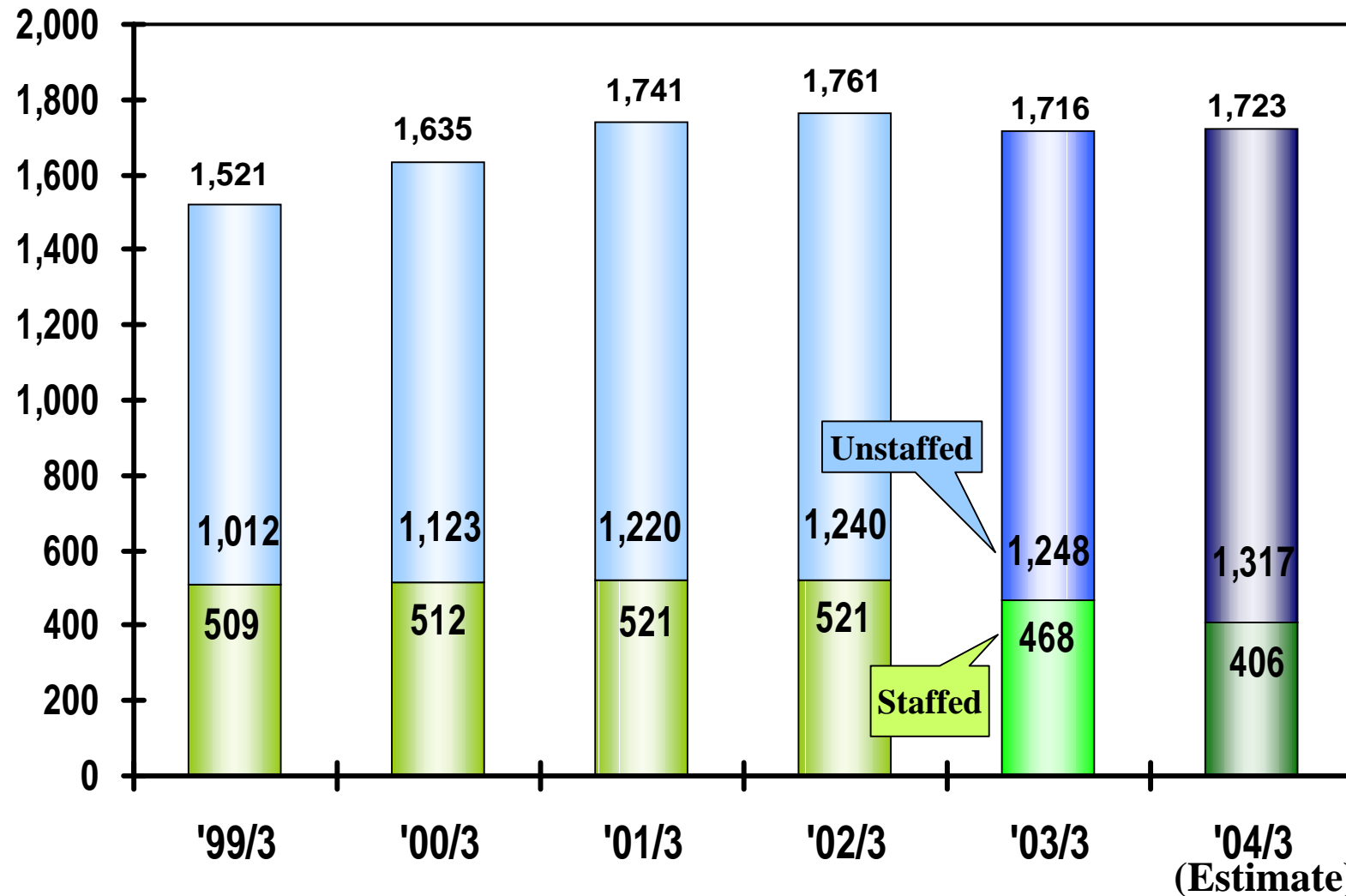
(Thousand yen)

## Unsecured Consumer Loans

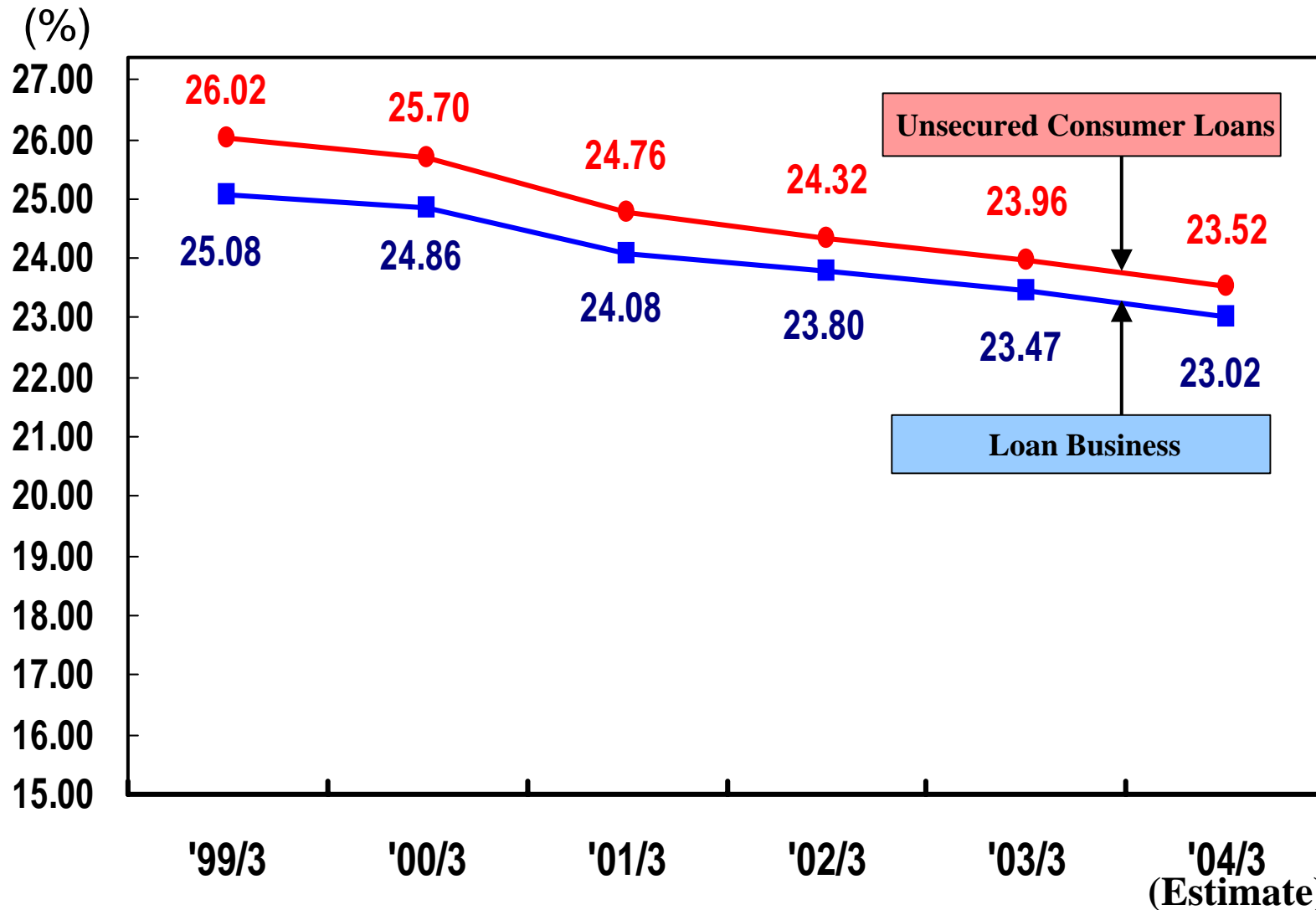




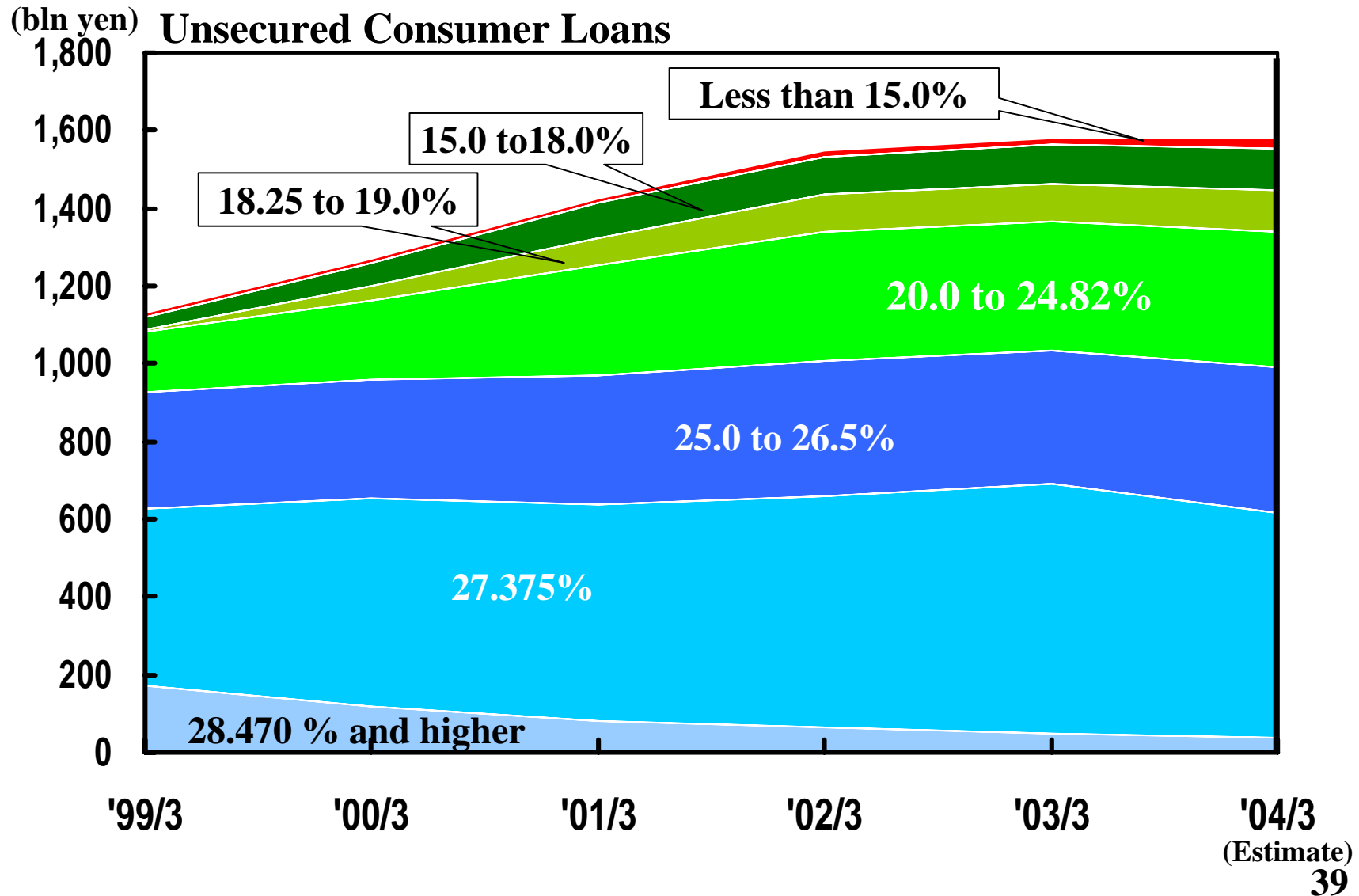
# Number of Loan Business Outlets (ACOM)



# Average Loan Yield (ACOM)

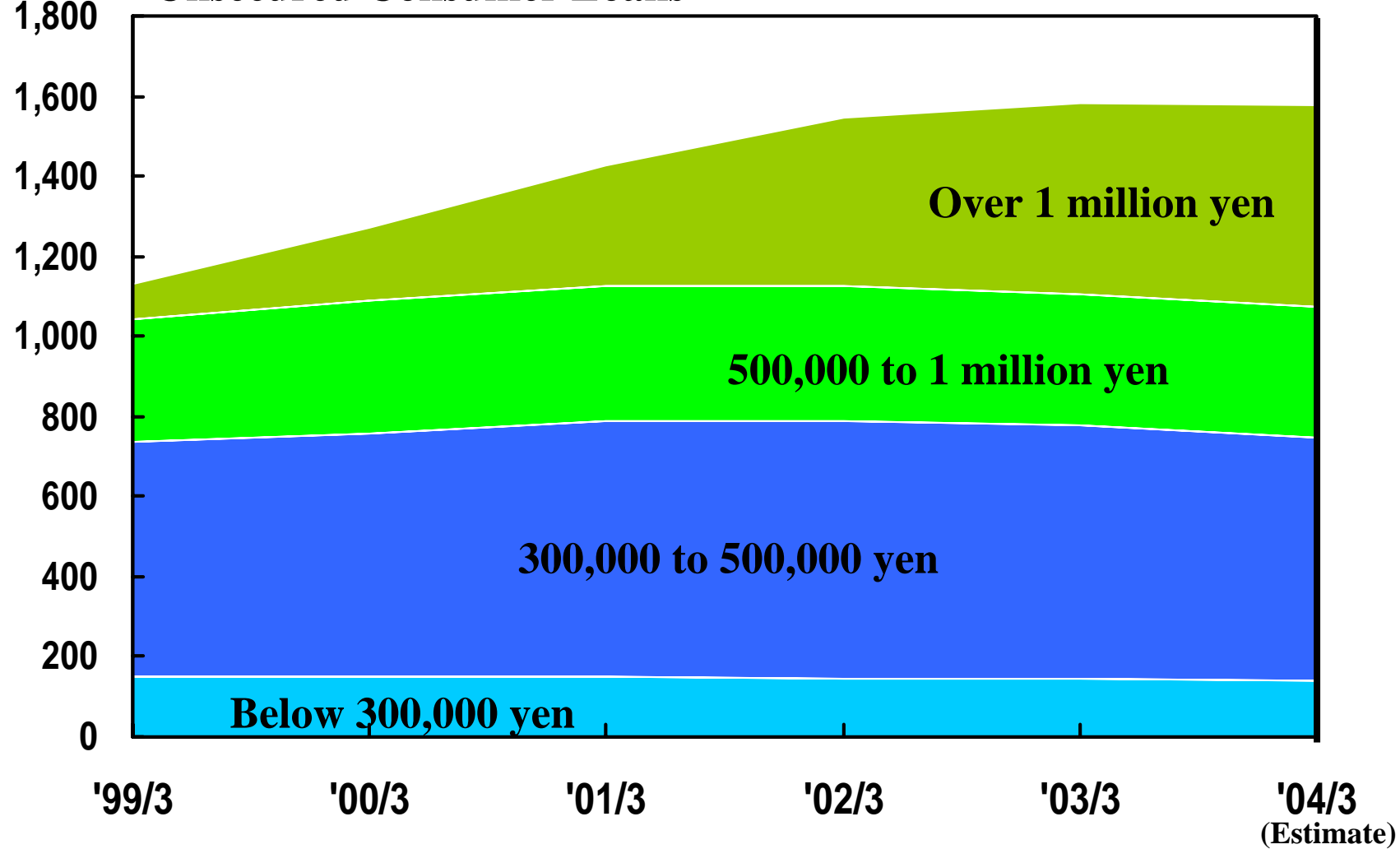


# Receivables Outstanding by Interest Rate (ACOM) DATA BOOK Page 10

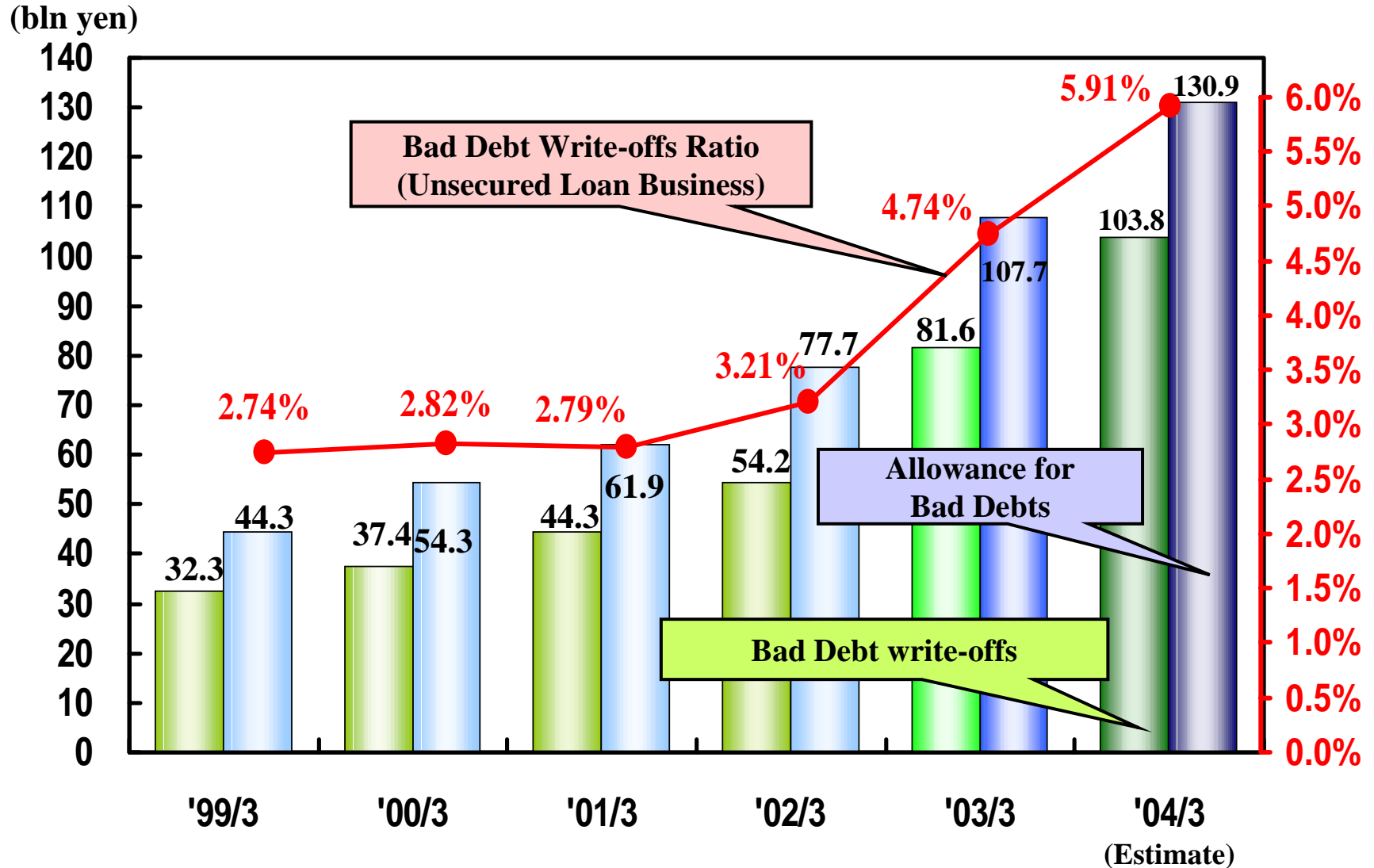


# Classified Receivables Outstanding (ACOM)

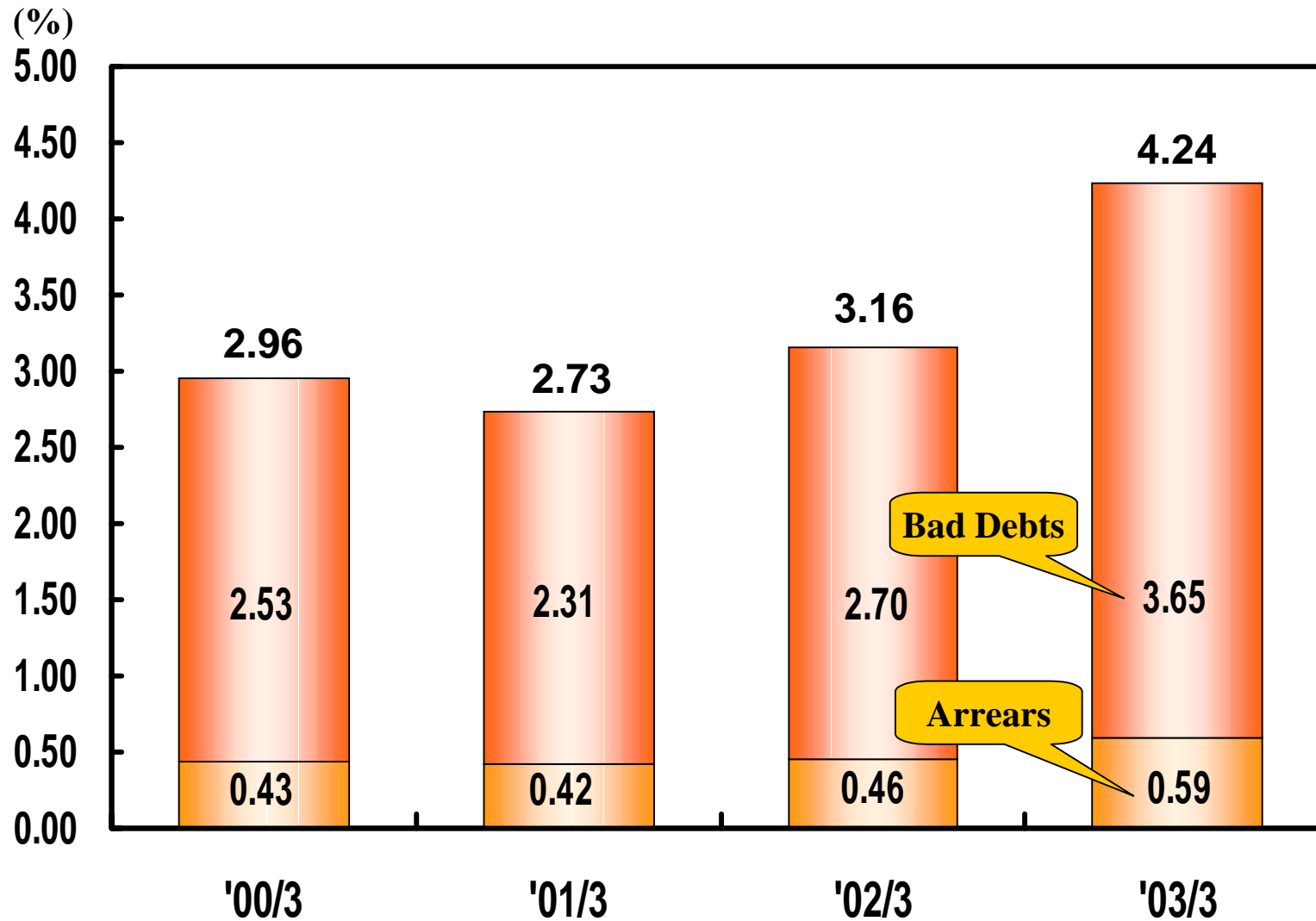
(bln yen) **Unsecured Consumer Loans**



# Bad Debt Write-offs (ACOM)



# Bad Debts & Loans in Arrears (ACOM)



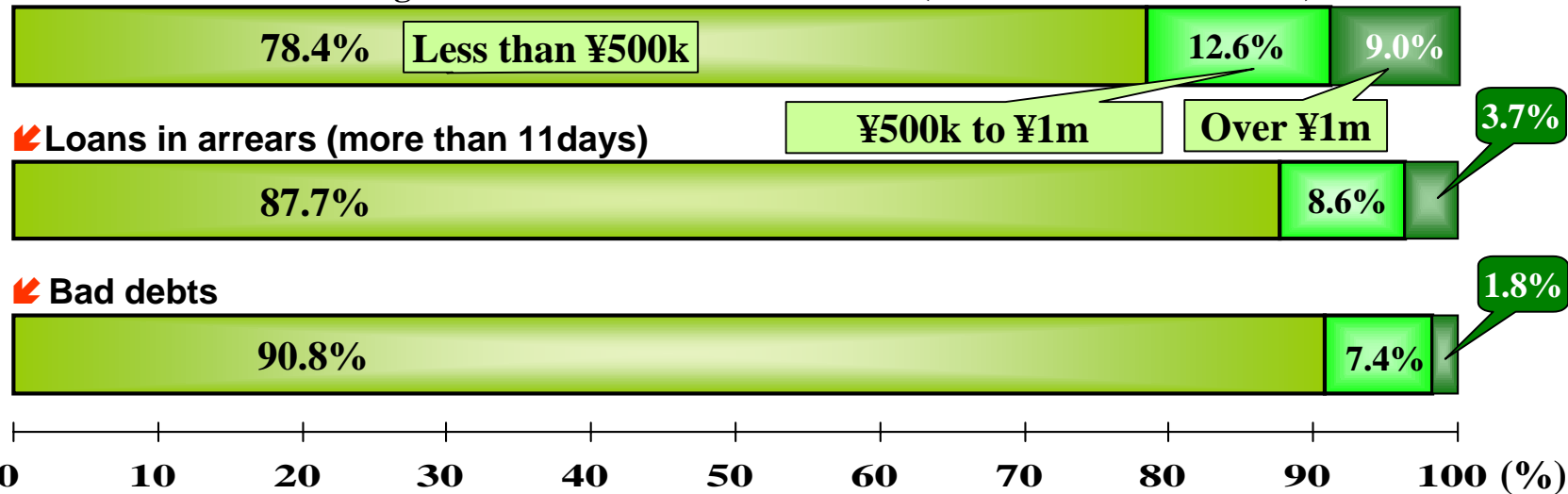
Note: Loans in arrears refers to loans past due for more than 31 days and less than 3 months, excluding balance held by headquarters' collection department.

# Loans in Arrears & Bad Debt Write-offs Classified Receivables Outstanding (ACOM)



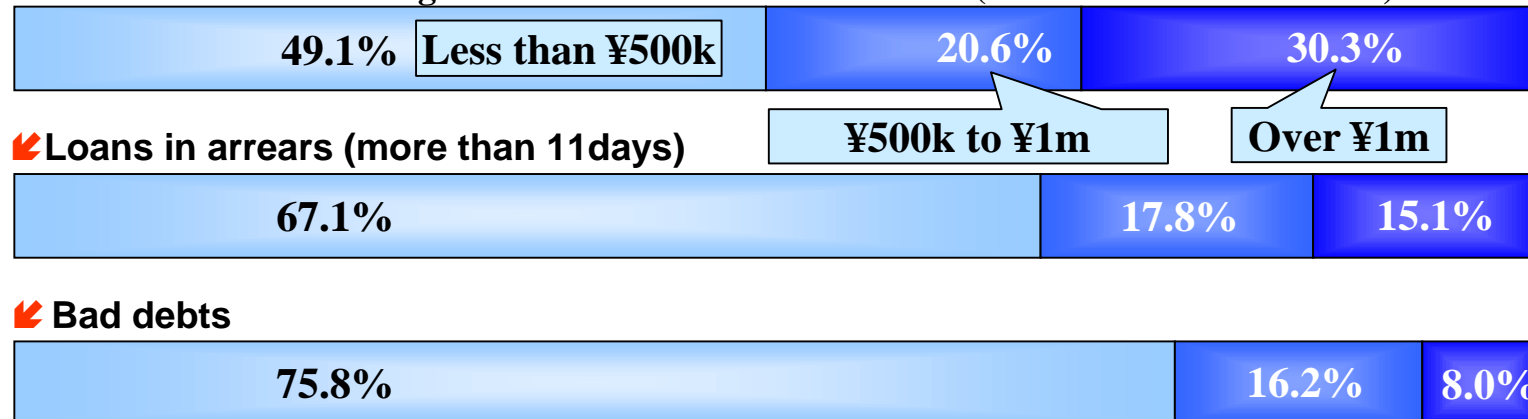
## ◆ Customer Accounts Comparison (2003/3)

☛ Receivables outstanding of unsecured loans for consumer (loans in arrears included)

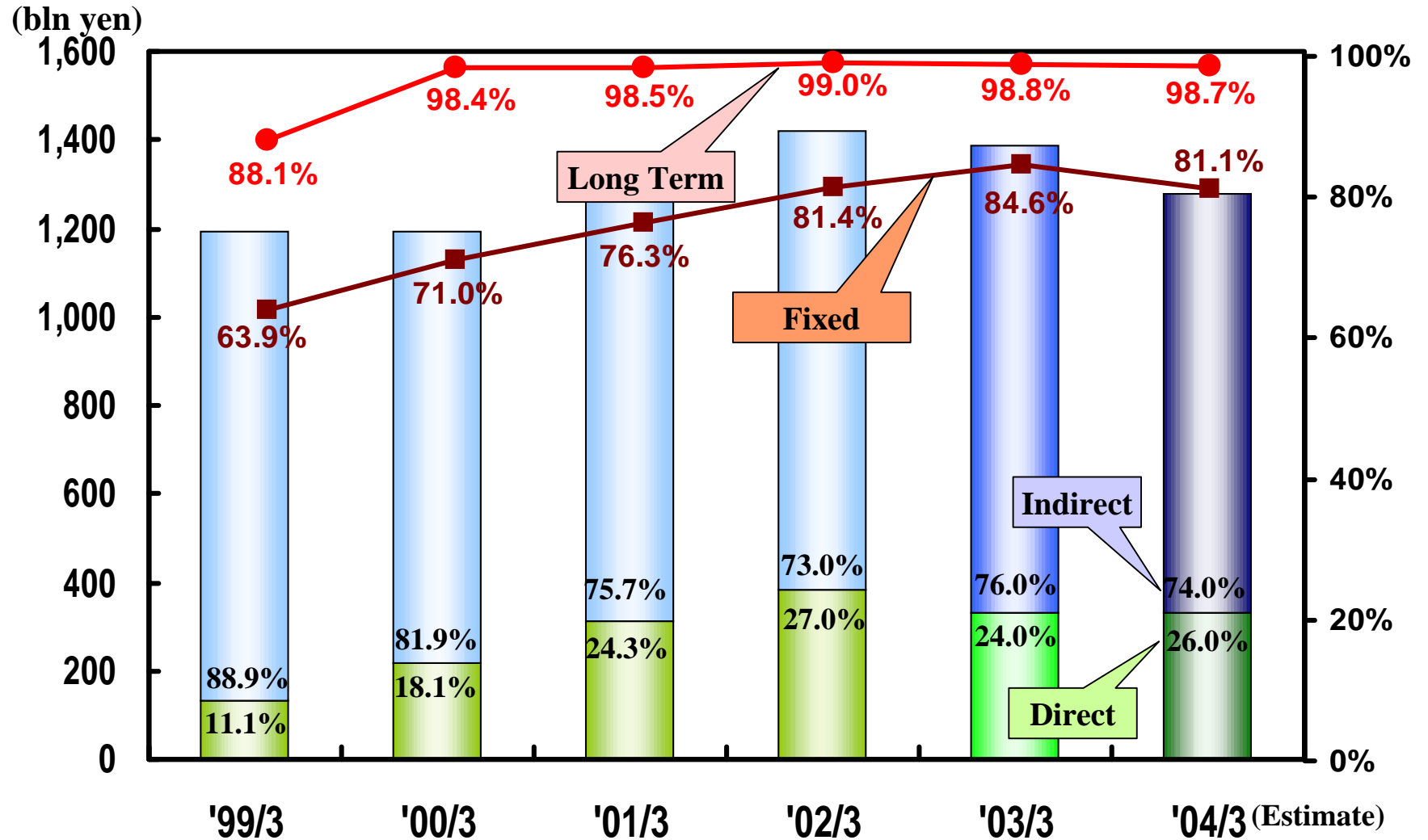


## ◆ Receivables Outstanding Comparison (2003/3)

☛ Receivables outstanding of unsecured loans for consumer (loans in arrears included)



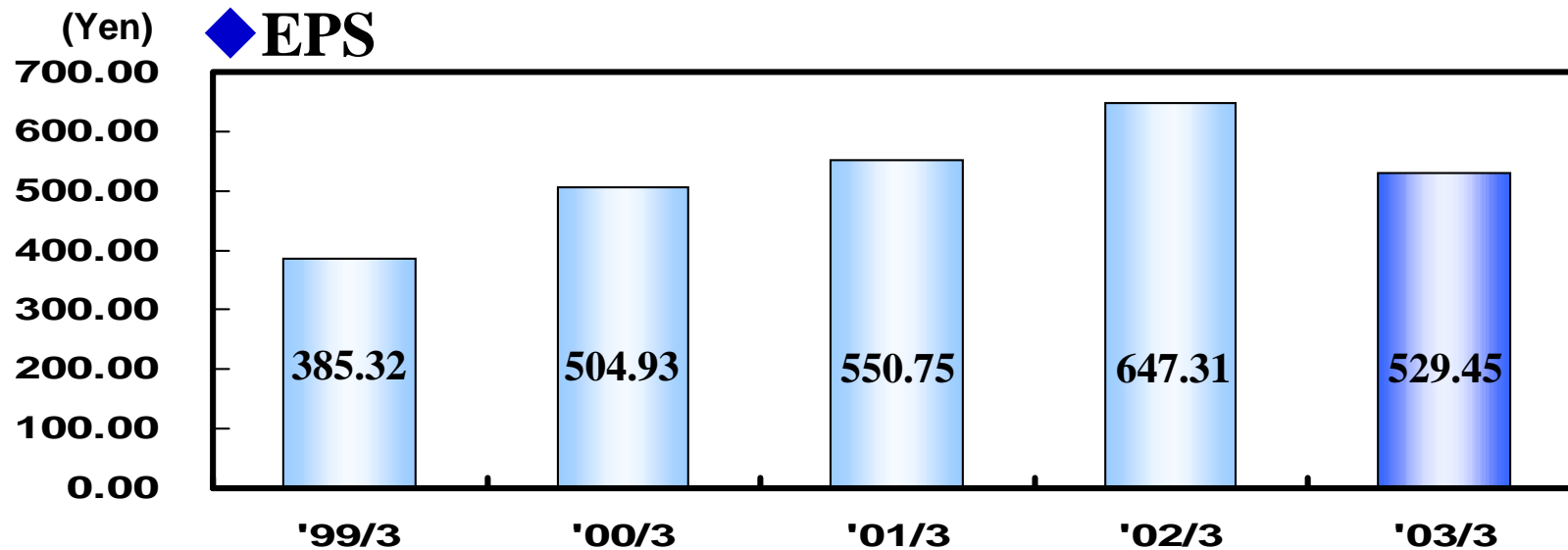
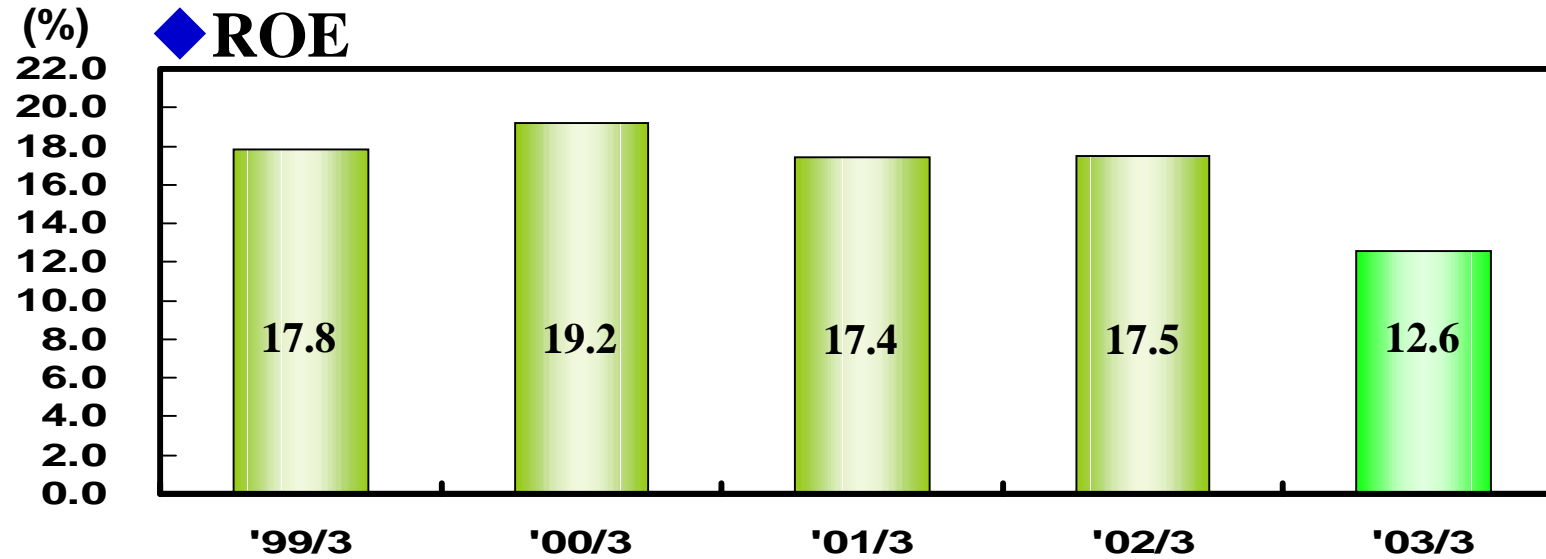
# Fund Procurement (ACOM)



Average nominal interest rate during the FY

2.39%	2.25%	2.17%	1.88%	1.85%	1.79%
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# Financial Ratios (ACOM)



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## 7. Q&A Session

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# Earnings Release Conference

*Fiscal Year Ended March 31, 2003*

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**ACOM CO., LTD.**

**<http://ir.acom.co.jp/>**