



Annual Report 2020

Fiscal Year Ended March 2020

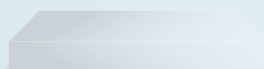


Table of Contents

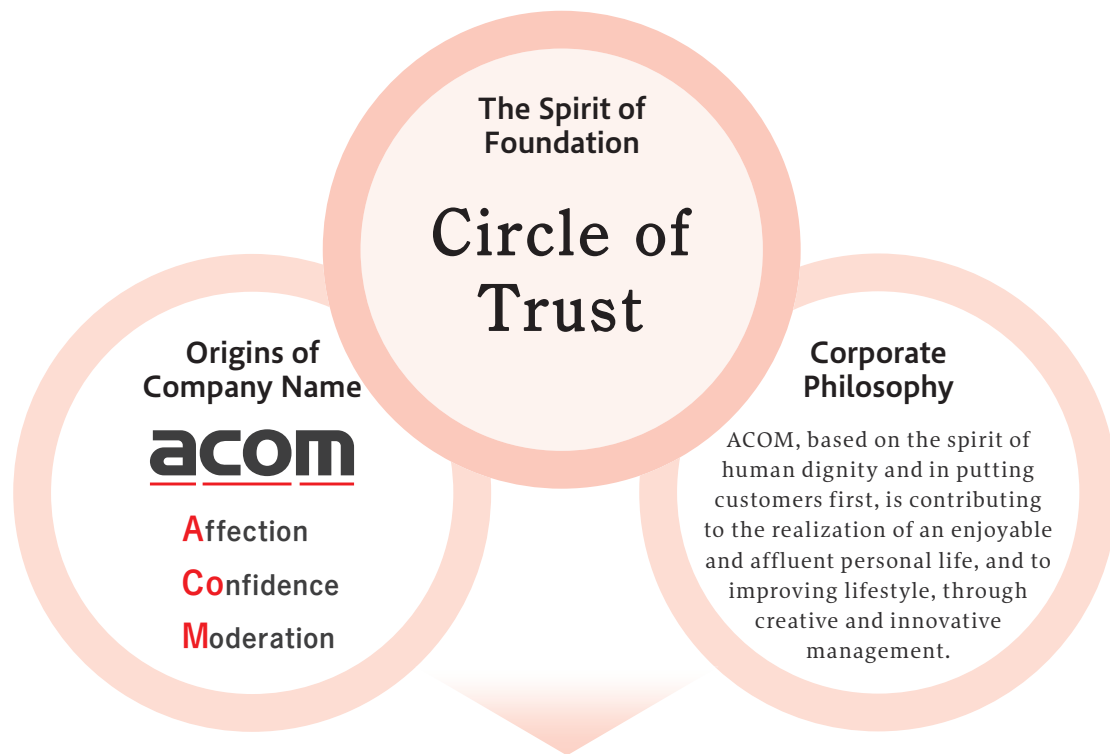
02	ACOM Group Vision Structure
03	ACOM History
05	Message from Management
07	Financial Highlight
08	Non-financial Highlight
09	Market/Competition
10	Summary by Business Segment
13	Corporate Governance
22	Compliance
23	Risk Information
26	Status of Audit
27	CSR
30	Financial Information
33	Corporate Information

Notes to Outlook for the Next Fiscal Year

Outlook for next fiscal year is forecast based on information available at the date of announcement of this annual report. However, there are some potential risk factors in the Group's business management. The trend of requests for interest repayment in particular is highly uncertain, due to its sensitivity to external environmental changes. The Group may have to make additional provision for loss on interest repayment.

Actual results may differ from forecast values due to various risk factors, not limited to those mentioned above.

The impacts from spread of COVID-19 are not included in this document since it is difficult to make a reasonable projection of impact on business performance as of the publication date of this document.



Management Vision

Strive to become the “leading company” in personal loan market which provides prime satisfaction to the utmost number of customers and win their trust in return

3 Components Emphasized in the Management Vision

- 1 Customers first, which is the basis of our business and a constituent of our corporate philosophy. This also reflects each and every member of ACOM's intention to provide prime satisfactions to as many customers as possible.
- 2 Concentrate our management resources to “personal loan market” regardless of the nature of business segment.
- 3 Establish a solid brand image of “leading company which win trust from the market” by further strengthening the brand of “safety and trust.”

Medium-term Management Plan

With expeditious reactions to environmental changes, ACOM will strive for sustainable growth and increasing corporate value, while creating services which exceed customers' expectations.

Medium-term Targets

	Receivables
Loan and Credit Card Business	¥ 1 trillion
Guarantee Business	¥ 1.3 trillion
Overseas Financial Business	¥ 190.0 billion

Aim for total receivables of ¥ 2.5 trillion, operating revenue of 284.2 billion and operating profit of ¥ 91.0 billion by three core businesses.

Medium-term Key Themes

Foster compliance culture

Establish human resources basis through recruitment, education and retention

Enhance customer acquisition through sophistication of screening and promotion

Provide supreme customer experience by enhancing customer-reception quality and promoting digitalization

Continuous scale expansion in loan and credit card business

Further enhancing alliances in guarantee business

Expanding basis of overseas financial business

Achieve optimum credit preservation

Establish IT structure capable of responding to environmental changes

Establish organization with high quality and productivity through operational reforms

The Spirit of Foundation: Circle of Trust

ACOM was founded as a draper with credo of “Putting trust on people and winning their trust back.”

ACOM was founded as "Maruito Gofuku Ten" in Kobe in 1936.

The trade name, "Maruito", was decided since the harmonization of warp and weft, which is linked to an element of the kimono, represents mutual trust.

"When one trusts another from bottom of one's heart, the trust is reciprocated without fail." We wish to broaden such trust. These are our wishes expressed in our spirit of foundation, "Circle of Trust". ACOM inherited this spirit of foundation into financial industry. ACOM marked its 80th anniversary on April 2, 2016. We have inherited the spirit of foundation, "Circle of Trust", unbroken as our basis of "corporate philosophy" even in our history of continuous changes.

Enforcement of "Money-Lending Business Control and Regulations Law"



Founded as wholesale and retail textile business under the name "Maruito Gofuku Ten"



Developed the first automatic cash dispenser in Japan



Installed "MUJINKUN", the first automatic contract machine in the industry.



Established "EASY BUY" in Kingdom of Thailand

1936

1960

1970

1978

1979

1983

1993

1994

1996

1999

Started "Salary-Man Loan", a type of consumer finance business



Installed an automatic teller machine (ATM), which provides a 24-hour/365-day service



Foundation of ACOM



Listed ACOM stock on the over-the-counter market at Japan Securities Dealers Association

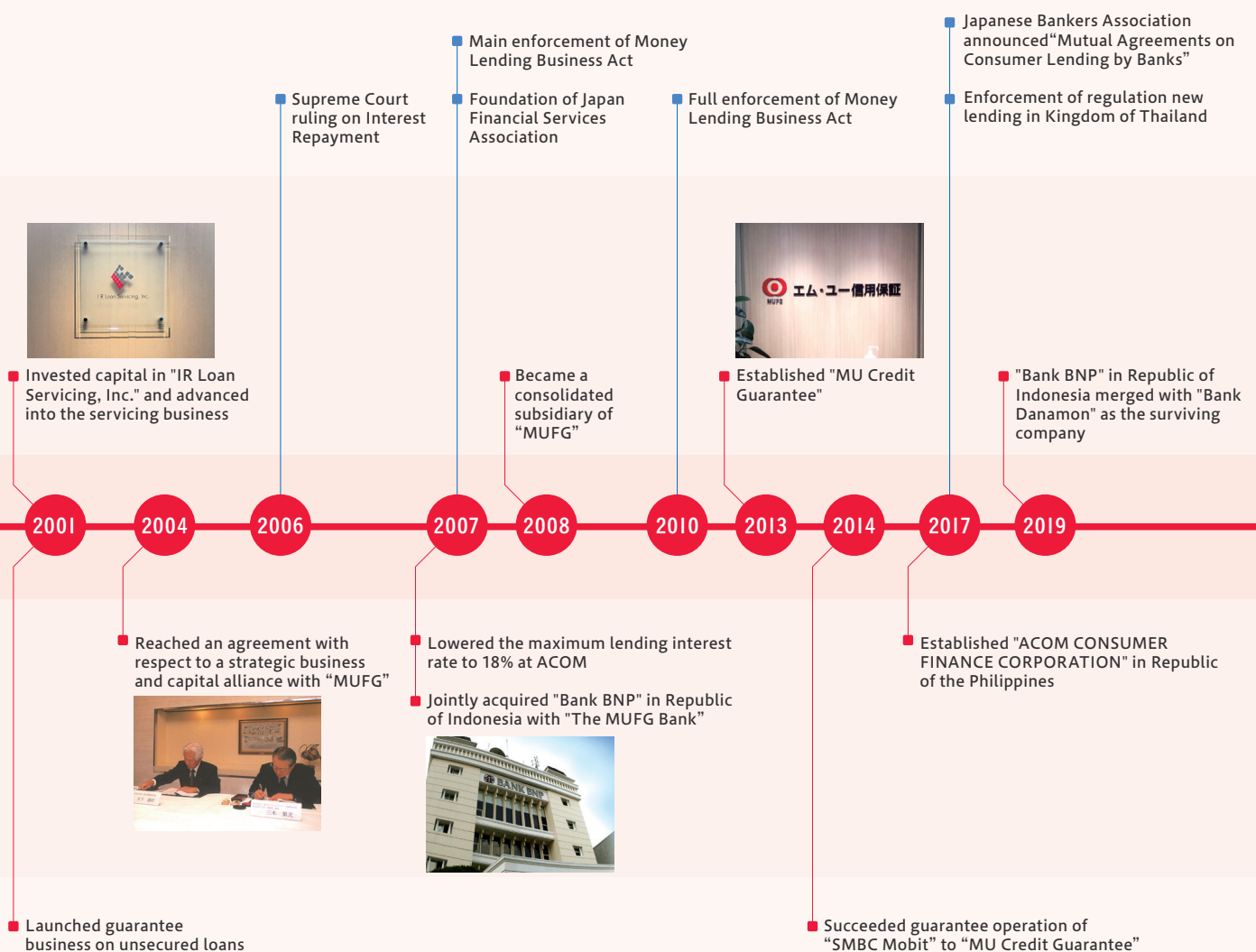


Listed ACOM stock on the second section of the Tokyo Stock Exchange

Made first advance into credit card business in the industry



Listed ACOM stock on the first section of the Tokyo Stock Exchange



As a Member of the MUFG Group

History of Formation of Strategic Business and Capital Alliance with the Mitsubishi UFJ Financial Group, Inc.

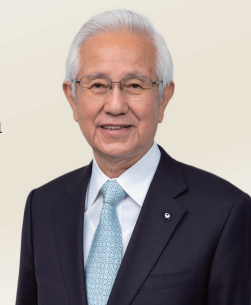
ACOM became a consolidated subsidiary of Mitsubishi UFJ Financial Group, Inc. (MUFG). ACOM is now regarded as the core company in charge of consumer finance business and guarantee business of card loans in MUFG Group. ACOM will concentrate management resources into loan business, credit card business, guarantee business, overseas financial business and loan servicing business to firmly establish a revenue base for long-term sustainable and stable growth under close cooperation with the MUFG Group.

* All company names are presented in current status.

Strive to become the “leading company” in personal loan market which provides prime satisfaction to the utmost number of customers and win their trust in return

Shigeyoshi Kinoshita

Chairman, President & CEO



I would like to express my sincere gratitude for your continuous patronage to the Group.

I would like to express our sincere condolences to all those who passed away from the new coronavirus infection. I also would like to offer my heartfelt sympathy to all those who were struck by the new coronavirus infections. I pray for the earliest recovery. I will give you a presentation mainly about Progress of Medium-term Management Plan and Capital Policy.

Progress of Medium-term Management Plan

Fiscal year ended March 2020 marked the beginning for the new medium-term management plan. ACOM determined its new medium-term management policy as “react expeditiously to environmental changes as we strive for sustainable growth and increasing corporate value, while creating services which exceed customers’ expectations”. Meanwhile, ACOM determined ten “medium-term key themes” such as “Fostering compliance culture,” “Enhancing customer acquisition through sophistication of screening and promotion,” “Providing supreme customer experience by enhancing customer-reception quality and promoting digitalization”.

ACOM will further sharpen its competitive edge through steady promotion of key themes above. The Group has set targets for the fiscal year ending March 2022, the final year of medium-term management plan, as follows: 2.5 trillion yen of receivables outstanding; 284.2 billion yen of operating revenue; and 91.0 billion yen of operating income.

We endeavored for pursuing medium-term key themes in the three core businesses. Accordingly, fiscal year ended March 2020 saw smooth progresses in general.

In terms of business scale, receivables outstanding from loan and credit card business and guarantee business fell slightly below their target values. However, smooth scale expansion made by EASY BUY in overseas financial business offset these, resulting in combined receivables outstanding to outperform planned value at 2,359.8 billion yen.

Operating revenue also outperformed planned value at 279.5 billion yen. This is attributable primarily to increases in loans receivables at ACOM and EASY BUY.

Continuous improvements made in management efficacy led to decreases in bad debt expenses and other operating expenses. Nevertheless, there was unplanned 19.7 billion yen addition made to provision for loss on interest repayment. Consequently, operating profit amounted to 75.6 billion yen which was below planned value.

(Millions of yen, %)

	Consolidated					Non-consolidated				
	2019/3		2020/3		Compared to forecast	2019/3		2020/3		Compared to forecast
	results	yoy	results	yoy		results	yoy	results	yoy	
Receivables Outstanding	2,334,192	2.1	2,359,855	1.1	100.6	1,943,841	1.6	1,987,523	2.2	99.9
Loan and Credit Card Business	885,081	3.4	915,883	3.5	99.8	885,081	3.4	915,883	3.5	99.8
Guarantee Business	1,212,255	1.1	1,233,228	1.7	99.9	1,058,760	0.2	1,071,640	1.2	100.0
Overseas financial business	227,387	2.8	201,524	-11.4	109.3	—	—	—	—	—
Operating Revenue	277,069	5.2	279,510	0.9	101.5	203,636	4.3	206,968	1.6	100.9
Loan and Credit Card Business	144,826	3.6	149,266	3.1	101.3	144,829	3.6	149,266	3.1	101.3
Guarantee Business	69,341	6.4	68,569	-1.1	100.1	58,729	6.0	57,630	-1.9	99.9
Overseas financial business	56,984	9.8	56,314	-1.2	103.9	—	—	—	—	—
Operating expenses	219,461	20.2	203,873	-7.1	108.5	170,000	27.3	157,694	-7.2	111.4
Financial expenses	11,310	-9.2	8,228	-27.3	96.8	5,619	-12.8	4,648	-17.3	96.8
Provision for Bad Debts	75,989	-2.0	81,916	7.8	98.9	56,907	-4.0	61,950	8.9	97.3
Provision for Loss on Interest Repayment	39,479	—	19,700	-50.1	—	39,479	—	19,700	-50.1	—
Other operating expenses	92,681	0.2	94,028	1.5	97.3	67,994	0.2	71,394	5.0	97.8
Operating Profit	57,607	-28.8	75,636	31.3	86.3	33,635	-45.5	49,273	46.5	77.4
Ordinary Profit	58,205	-28.8	75,104	29.0	85.4	37,472	-42.8	56,352	50.4	81.7
Profit before income taxes	55,334	-31.8	80,011	44.6	84.1	34,568	-46.8	64,136	85.5	81.5
Profit	42,523	-42.7	64,020	50.6	79.7	29,927	-52.6	53,673	79.3	76.3
Profit attributable to owners of parent	37,781	-46.5	59,600	57.8	78.9	—	—	—	—	—

Capital Policy

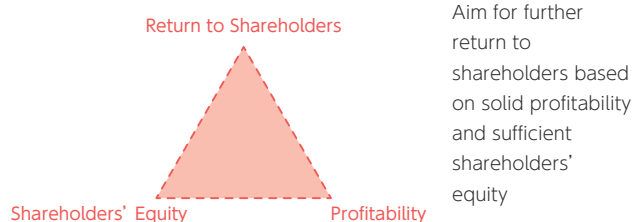
ACOM aims to further enhance return to shareholders based on solid profit and optimum shareholders' equity in order to increase corporate value under its medium-term target.

With this goal in mind, ACOM will strive to enhance profitability and return to shareholders while placing maximum priority on optimizing shareholders' equity during the medium-term management plan.

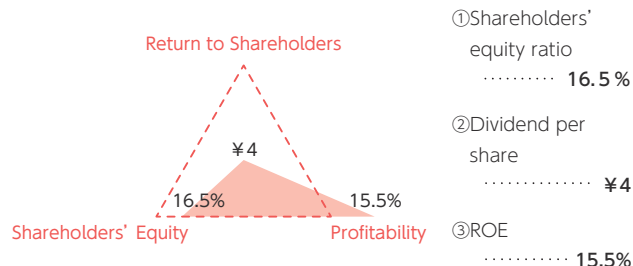
Specifically, ACOM considers following factors with regard to optimization of shareholders' equity: fund procurement; creditability in business alliances; amount required for capital conservation buffer; and characteristics unique to the industry. Taking these factors into consideration, ACOM believes that it requires 20% of shareholders' equity ratio where guaranteed receivables is added to consolidated net assets. As for enhancing profitability through efficient use of capital, the Group aims to achieve ROE no less than 12% through expanding scales of three core businesses. Meanwhile, the Group strives for increasing dividend and continuous profit distribution, taking the business environment surrounding the company, shareholders' equity and our own business performance into consideration.

The shareholders' equity ratio including guaranteed receivables in consolidated net assets amounted to 16.5% for the fiscal year ended March 2020 while ROE was 15.5%, and annual dividend per share increased by ¥2 to ¥4.

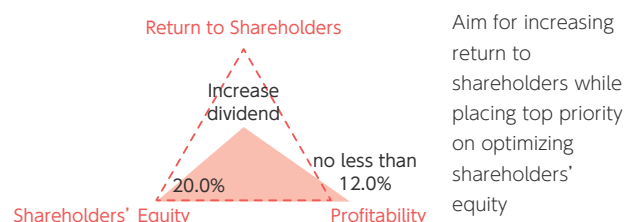
Long-term Target



FY 2020/3



Medium-term Management Plan (FY 2022/3)



Earnings and Dividend Forecasts for the Fiscal Year Ending March 2021

The outlook of the Group's consolidated financial performance including dividend for the fiscal year ending March 2021 remains undetermined at this point. This is attributable to difficulty in making a reasonable projection of financial performance due to spread of COVID-19.

ACOM will promptly announce the earnings forecast once determination of forecast becomes possible.

Closing Remark

We will endeavor to meet stakeholders' expectations, maximize corporate value through sustainable growth, and become a corporate group that contributes to society as we keep close cooperation with MUFG Group.

I humbly ask for your ongoing support as we embrace the challenges for the future.

Interaction with Stakeholders

Results for the Fiscal Year Ended March 2020

2019

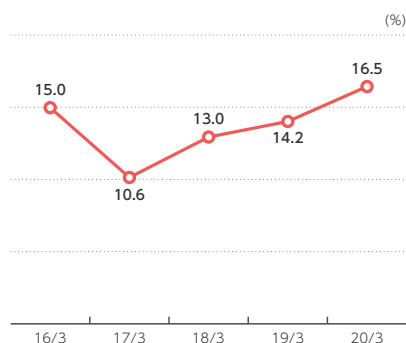
May 14	Announcement of Financial Results
May 15	Earnings Release Conference
June 21	The 42nd Ordinary General Meeting of Shareholders
June 21	Submission of Annual Securities Report
June 28	Publication of Annual Report
July 29	Announcement of the First Quarter Financial Results
August 14	Submission of the First Quarter Securities Report
November 5	Announcement of the Second Quarter Financial Results
November 6	Earnings Release Conference of the Second Quarter Financial Results
November 14	Submission of the Second Quarter Securities Report

2020

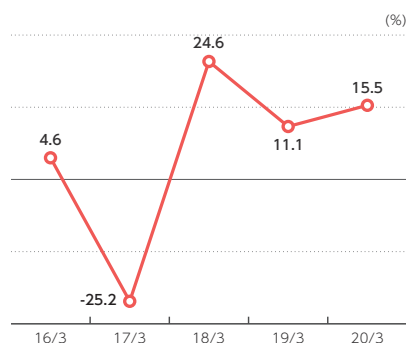
January 30	Announcement of the Third Quarter Financial Results
February 14	Submission of the Third Quarter Securities Report

Key Financial Indices

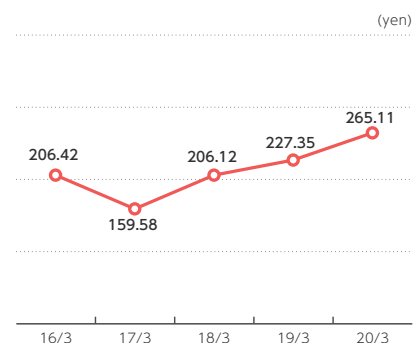
Shareholders' Equity Ratio
(includes guaranteed receivables in total assets)



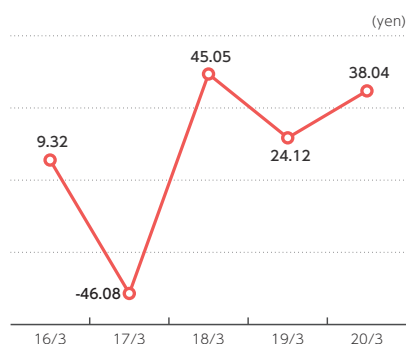
Return on Equity (ROE)



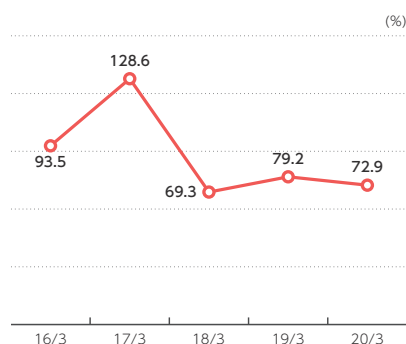
Book-value per Share (BPS)



Basic Earnings per Share (EPS)



Expense Ratios



Medium-term Financial Targets

Financial Indices

	FY 2018/3 (result)	FY 2019/3 (result)	FY 2020/3 (result)	FY 2022/3 (target)
Shareholders' Equity Ratio (includes guaranteed receivables in total assets)	13.0%	14.2%	16.5%	20.0%
ROE	24.6%	11.1%	15.5%	12.0% or higher
ROA by Business Segment				
Loan and Credit Card Business	5.6% (5.6%)	1.4% (5.9%)	3.1% (5.3%)	5.0% (5.0%)
Guarantee Business	1.5%	2.0%	1.9%	1.5%
Overseas Financial Business	7.5%	8.8%	10.4%	11.1%

*The figures in the brackets are the figure excluding loss on interest repayment

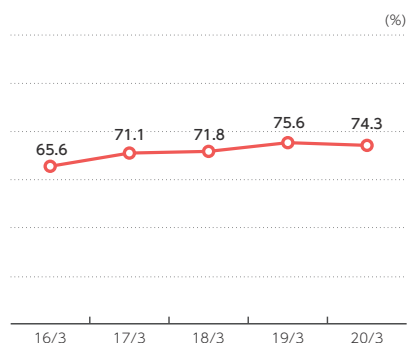
Dividend per Share

	FY 2018/3 (result)	FY 2019/3 (result)	FY 2020/3 (result)	FY 2022/3 (target)
Annual	1	2	4	Aim for increasing dividend
Interim	—	1	2	
Year-end	1	1	2	

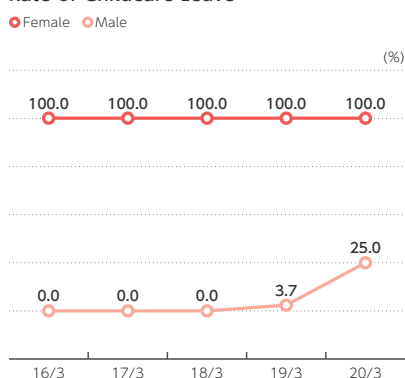
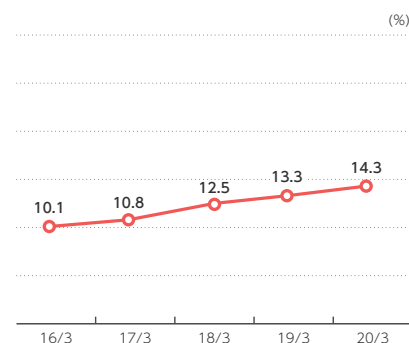
<Note> Dividend forecast for the fiscal year ending March 2021 is undetermined since it is difficult to make a reasonable projection of its business performance.

Social

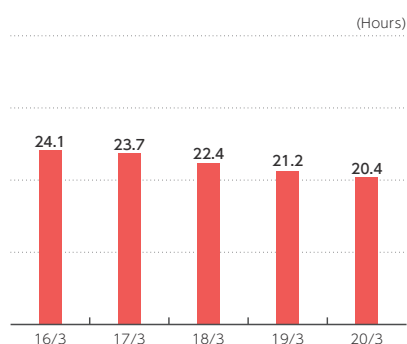
Rate of annual paid leaves taken



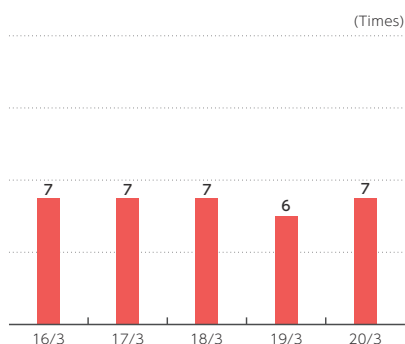
Rate of Childcare Leave

Ratio of Female Managers
(Assistant Managers or higher)

Average Overtime Working Hours

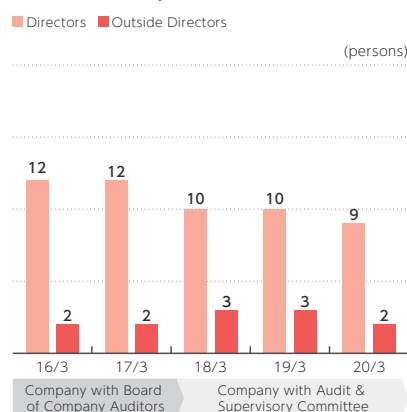


Number of Financial Education Activities



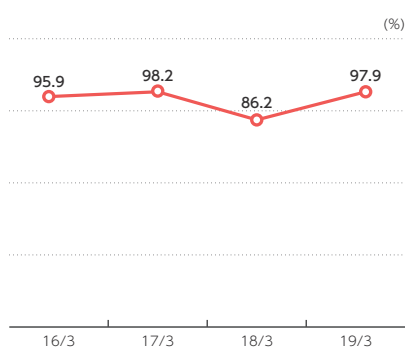
Governance

Number of Independent Outside Directors



Environment

Year-on-Year Comparison of Energy Consumption



Evaluation by External Authorities



ACOM was accredited "Kurumin" as a child raising supporting company under Act on Advancement of Measures to Support Raising Next-Generation Children



The ACOM Miru Concert Monogatari activity received award of excellence in "Japan Mecenat Award 2018" for its contribution to an affluent society by promoting arts and culture.

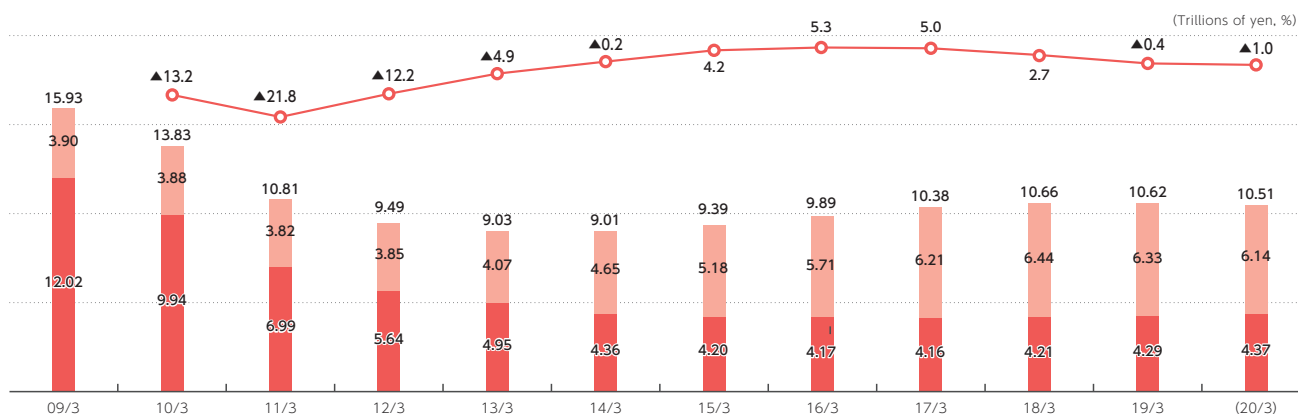


ACOM ranked second in "Best Motivation Company Award 2020, Major Firm Section"

Trend of Market Volume of Domestic Personal Card Loans

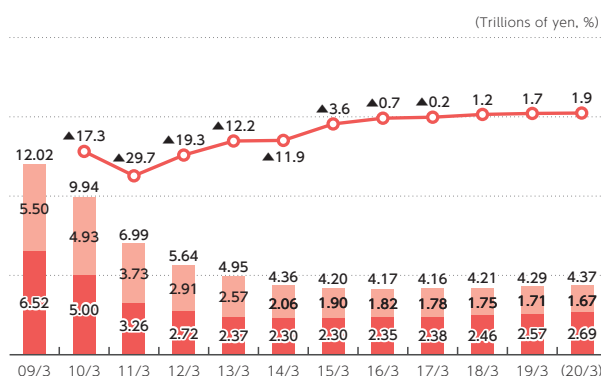
Domestic Personal Card Loan Market

■ Nonbank Category ■ Bank Category ● yoy



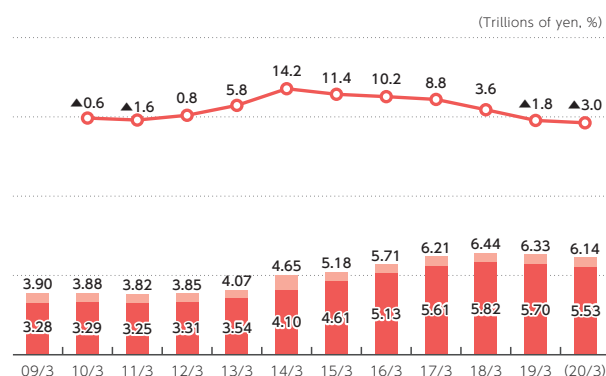
Nonbank Category⁽¹⁾

■ Consumer Finance Companies ■ Credit Card Companies, etc. ● yoy



Bank Category⁽²⁾

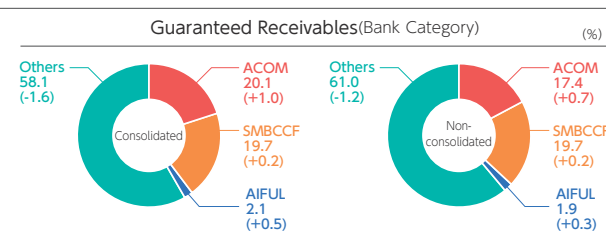
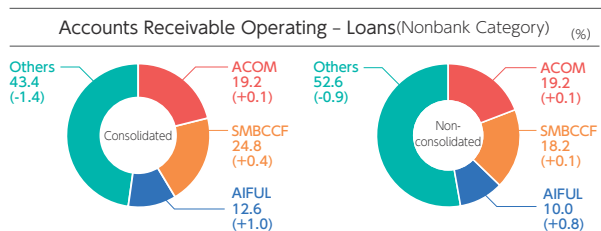
■ Domestic Banks ■ Credit Unions ● yoy



*1. Nonbank category is receivables outstanding (include loan on deeds) in statistics by Japan Financial Services Association (JFSA). JFSA's figure for 2020/3 is preliminary
*2. Bank category refers to the volume of personal card loans provided by domestic banks and credit unions in statistics by The Bank of Japan.

Comparisons to Domestic Competitors

Market Shares in FY 2020/3. The figures in the brackets are yoy.



Comparisons of Aggregate Market Value

ACOM	AIFUL	Credit Saison	Orient Corporation
700,768 million yen	117,278 million yen	232,918 million yen	207,937 million yen

Ratings (As of June 30, 2020)

	ACOM	SMBCCF	AIFUL
Japan Credit Rating Agency	A+	—	BB+
Rating and Investment Information, INC.	BBB+	A+	BB
Fitch Ratings	BBB+	—	—

Sources: ACOM, Bloomberg, Bank of Japan, Japan Financial Services Association

Loan and Credit Card Business

ACOM continues to lead Japan's consumer financial services, placing ultimate priority on meeting diverse customers' needs.

Overview of Loan and Credit Card Business

In loan business, we mainly provide unsecured loans in small amounts to individuals based on security of customers' "credits."

ACOM places top priority in responding to customers' diverse needs. We strive to further enhance customer services through detailed responses at branch counters and operation centers such as call center.

Our recent initiative was enhancing services provided over smartphones. We now provide services equal to those provided at real branches under our concept of reacting to customers' diverse needs in courteous, swift and flexible manner.

Characteristics of loan and credit card business can be represented by following 5S's: 1.Speediness, 2.Simplicity, 3.Secretcy, 4.Safety, and 5.Self-service.

ACOM has firmly established a business model securing these "5S's" as the leading company in consumer finance industry. In addition, ACOM has always been the front-runner as new service developer and garnered customers' support.

Strengths in Loan and Credit Card Business

Our competitive advantage in loan and credit card business is expertise. ACOM has served more than 10 million customers in its course of loan business. The transaction data has been analyzed and elaborated into highly sophisticated credit screening expertise.

We also have about 650 "Decentralized Instant Credit Card Issuers" at branches in place to meet customers' diverse financial needs. At the earliest, we are capable of issuing credit cards 30 minutes after applications. This speediness constitutes part of our unique services.

Results for the Fiscal Year Ended March 2020

In the domestic loan business, we made efforts to increase the number of new customers, improve product/service functions, and maintain the soundness of loan portfolio.

As for measures for increasing the number of new customers, we publicized a sound logo of "Hajimete-no (First time at) ACOM" and products/services, while placing advertisements on YouTube, Abema TV and LINE. Through these efforts, we strove to expand recognition and earn favorable public image for targets.

As for the improvement of product/service functions, we made continuous efforts to enhance the quality of UI/UX such as our website, for the purpose of further enhancing convenience for customers.

In addition to these marketing activities, we have endeavored to maintain the soundness of our loan portfolio and improve the customer-reception quality of our employees by reinforcing the development of human resources through training for credit control, and customer reception including the improvement of the accuracy of credit screenings. As a result, accounts receivable - operating loans at the end of the current fiscal year increased to 840,847 million yen (up 2.3% year-on-year).

In the domestic credit card business, we have promoted sales and increased the utilization rate mainly by participating in the Point Reward Project for Consumers using Cashless Payment and continuously issuing IC-chip-embedded credit cards from instant-issue credit card machines installed at automatic contract machine corners nationwide. Consequently, accounts receivable - installment at the end of the current fiscal year increased to 75,035 million yen (up 18.8% year-on-year).

As a result, the business segment's operating revenue was 149,266 million yen (up 3.1% year-on-year) mainly due to increases in interest on operating loans and revenue from credit card business.

Operating profit was 28,056 million yen (up 137.7% year-on-year) mainly due to a decrease in provision for loss on interest repayment under operating expenses.

Strategy in Medium-term Management Plan (2020/3-2022/3)

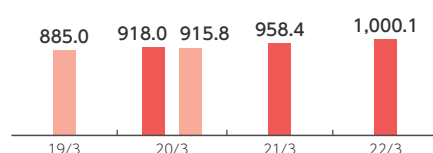
Business Strategy

- Provide product/services accommodating to changes in customer needs
- Credit and promotion strategies for stable customer acquisition

In the loan and credit card business, the Company will appropriately grasp new customer needs arising from the progress of ICT and strive to provide customers with favorable experiences by strengthening the customer-reception quality of our employees and promoting digitization while enhancing its promotion activities and improving credit screening accuracy as a means to increase the number of new customers, grow the number of members, and maintain the soundness of its loan portfolio.

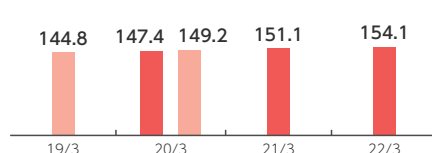
Receivables Outstanding

■ Results ■ Medium-term Management Plan (Billion yen)



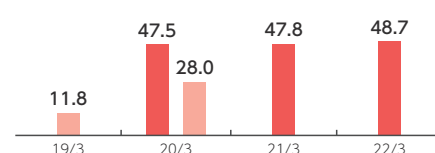
Operating Revenue

■ Results ■ Medium-term Management Plan (Billion yen)



Operating Profit

■ Results ■ Medium-term Management Plan (Billion yen)



Guarantee Business

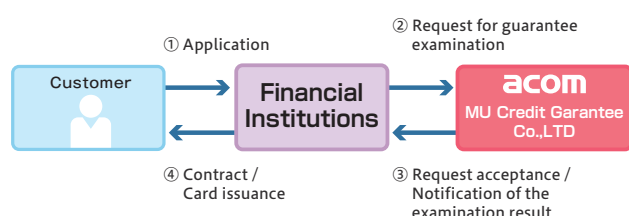
Expanding Alliance Network.
Guarantee Business Growing with Financial Institutions

Overview of Guarantee Business

In guarantee business, ACOM provide credit guarantees to customers using loan products provided by financial institutions in alliance. Two companies within the ACOM Group, ACOM and its consolidated subsidiary MU Credit Guarantee Co., LTD., conduct guarantee business.

ACOM commenced the first guarantee alliance with The Hokkaido Bank, Ltd. based on its sophisticated expertise on credit screening and debt collection it has garnered in loan business ACOM has broadened its alliance network mainly with The MUFG Bank, Ltd. and top-tier regional banks.

<Scheme of Guarantee Business>



Strengths in Guarantee Business

The basic strategy in guarantee business is to limit guarantee partner to one top-tier regional bank in each prefecture in principle.

While this prevents cannibalization among regional banks, it also enables us to maintain close partnerships with partner banks. We offer detailed products and services that meet each existing partner's differing needs, contributing to competitive advantage in the business.

Moreover, the Group makes the full out of credit screening and collection expertise in loan business. Our strength also includes personnel assistance such as dispatch of expert staffs from ACOM Group.

Results for the Fiscal Year Ended March 2020

In the guarantee business, we worked to deepen communication with existing partners to further strengthen our partnerships.

To enhance partnerships with existing partners, the Company continued appropriate screening, provided the results of analysis about loan portfolio and the effect of advertisement as well as various support for existing partners with a view to improving their business results and stabilizing their growth.

As a result, the total balance of guaranteed receivables in the guarantee operation of the Company and MU Credit Guarantee Co., LTD. at the end of the current fiscal year was 1,233,228 million yen (up 1.7% year-on-year). However, the business segment's operating revenue was 68,569 million yen (down 1.1% year-on-year) primarily due to a decrease in revenue from credit guarantee, and operating profit was 25,000 million yen (down 1.0% year-on-year).

Strategy in Medium-term Management Plan (2020/3-2022/3)

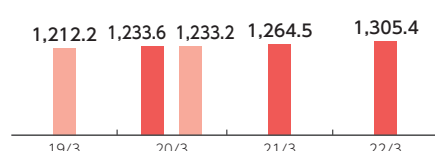
Business Strategy

- Enhance alliances with existing partners
- Enhance profitability
- Increase new guarantee alliance partners

The Group will promote guarantee business with a firm grasp on the environmental changes in the market for personal card loans provided by financial institutions. In order to meet the increasingly complex needs of each and every financial institution in alliance, the Group will make the best use of its expertise gained from loan business to enhance and improve service functions while working for appropriate screening and responding to the customer needs for sound financing, as well.

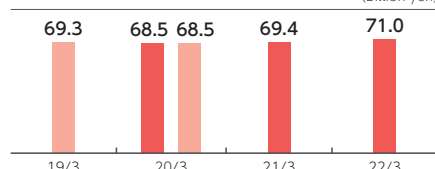
Guaranteed Receivables

Results Medium-term Management Plan (Billion yen)



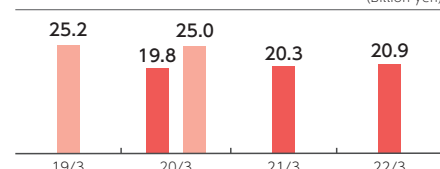
Operating Revenue

Results Medium-term Management Plan (Billion yen)



Operating Profit

Results Medium-term Management Plan (Billion yen)



Overseas Business

Has launched financial businesses in Thailand and the Philippines.
Aiming for further expansion in ASEAN.

Overview of Overseas Business

The ACOM Group has focused on ASEAN market making salient growths in retail finance sector: it has launched financial businesses in the Kingdom of Thailand and the Republic of the Philippines.

ACOM's overseas financial business is enjoying steady growth and expansion, and contributes about 20% of the operating revenue of the ACOM Group.

Utilizing expertise and experience garnered in Japan, the company operates unsecured personal loan business under Umay+ (Umay Plus) brand and installment loan business (installment sales finance business) under sales brand EASY BUY. Its high quality services based on ACOM's expertise has won wide range of customer support.

Umay+ brand in particular is executing proactive marketing measures and has acquired the top brand position in nonbank market of Thailand.

In July 2017, ACOM and ITOCHU Corporation established a joint venture, ACOM CONSUMER FINANCE CORPORATION in Republic of the Philippines, which is achieving a rapid development. In July 2018, it commenced a personal loan business operation.



▲Branch of EASY BUY



▲Branch of ACOM CONSUMER FINANCE CORPORATION

Strengths in Overseas Financial Business

The ACOM Groups' strengths in overseas financial business include its wealth of experience in loan and credit card business in Japan. Another notable factor is business development at overseas market. The Group has successfully established top brand position in the nonbank market of the Kingdom of Thailand in its roughly 20 years course of consumer loan business.

The Group has acquired a wealth of expertise from past successes. We are now capable to secure business basis relatively quickly in business expansion in ASEAN region and business entry in new different nation.

It is also possible for the Group to use wide range of foreign network at the parent company, MUFG, and challenge new business entry through collaboration with the company.

Results for the Fiscal Year Ended March 2020

The ACOM Group's overseas finance business had been operating in three countries: EASY BUY, which operates a loan business in the Kingdom of Thailand, Bank BNP, which operates a banking business in the Republic of Indonesia, and ACOM CONSUMER FINANCE CORPORATION, which operates a loan business in the Philippines. However, by selling all the shares of Bank BNP in May 2019 and excluding it from the scope of consolidation, we are currently operating in two countries.

As a result, the business segment's operating revenue and operating expenses for the current fiscal year reflect downward effect of the exclusion of Bank BNP from the scope of consolidation. Operating revenue amounted to 56,314 million yen (down 1.2% year-on-year) in spite of an increase in interest on operating loans at EASY BUY, whereas operating profit was 22,394 million yen (up 13.1% year-on-year).

Strategy in Medium-term Management Plan (2020/3-2022/3)

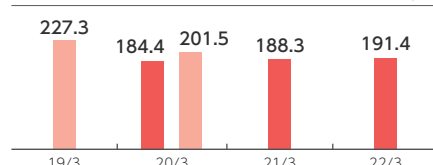
Business Strategy	•Research activities in ASEAN and surrounding region
	•Enhance management structure of existing subsidiaries

In the overseas financial business, we will strive to expand business and maintain the soundness of loan portfolio at EASY BUY Public Company Limited, while pursuing single-year profitability during the term of this medium-term management plan in order to make ACOM CONSUMER FINANCE CORPORATION the second pillar of profit in the overseas financial business.

We will also steadily pursue research and analysis activities aimed at realization of starting operations in other Asian countries and endeavor to expand our overseas finance business.

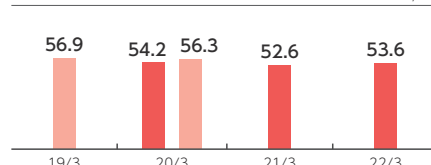
Receivables Outstanding

Results Medium-term Management Plan (Billion yen)



Operating Revenue

Results Medium-term Management Plan (Billion yen)



Operating Profit

Results Medium-term Management Plan (Billion yen)



Basic Policy

The ACOM Group, guided by its lifelong “circle of trust” spirit, maintains an ongoing corporate commitment to respecting other people, putting the customer first, and conducting creative and innovative management. Based on this commitment, we are seeking to deepen mutual trust between our stakeholders and ourselves and thus progress in partnership with society.

In order to meet the expectations of stakeholders and build stronger trust, we will strengthen corporate governance as a key management priority. To this end, we will take steps to enhance the soundness, transparency, and efficiency of our operations and achieve sustained increases in our shareholder value.

We recognize that effective internal control systems are essential to creating an appropriate corporate governance framework. Based on this recognition, we are encouraging all members of our organization to join forces in building internal control systems and assuring their effectiveness,

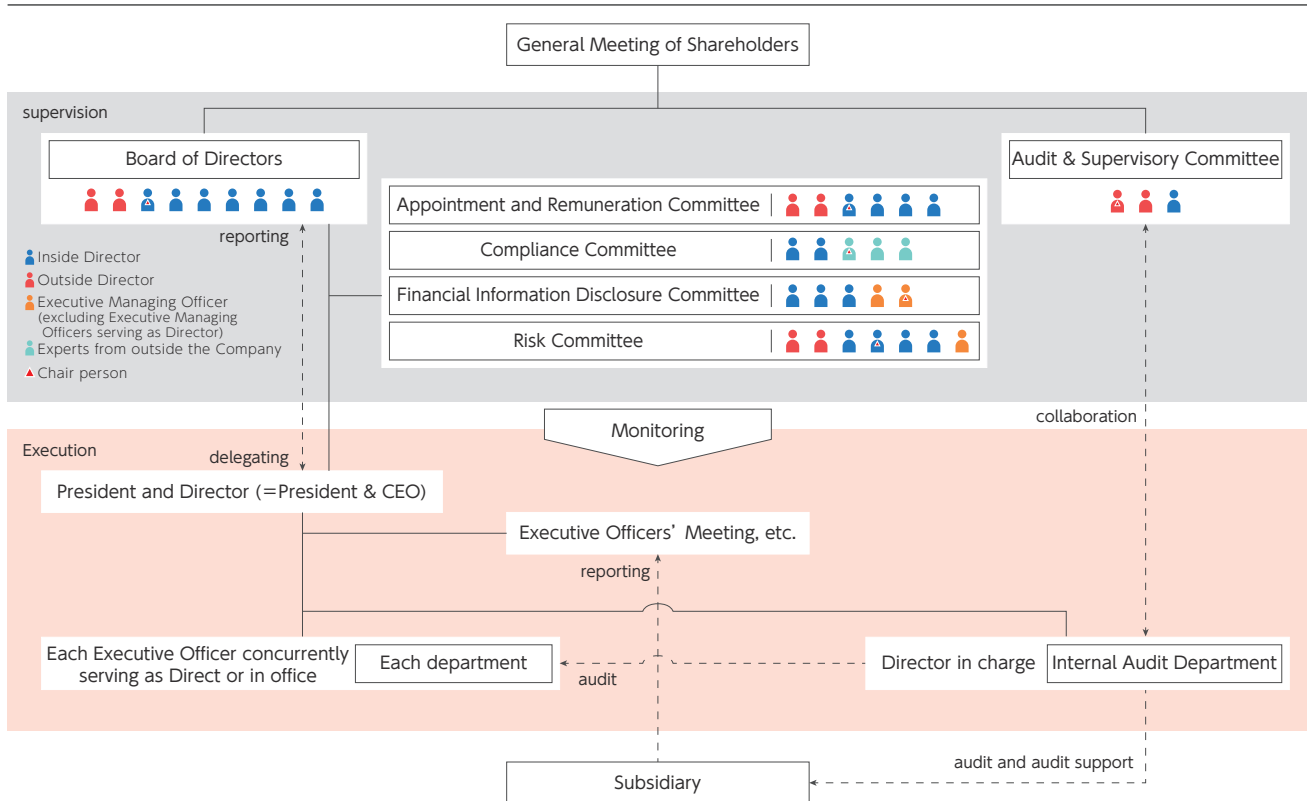
under the leadership of the Chairman, President & CEO. At the same time, we are constantly evaluating, verifying, and improving the effectiveness of internal control mechanisms already in place.

Overview of Corporate Governance Structure

The Company is a company with an Audit & Supervisory Committee and aims to enable swift decision-making and enhance the Board of Directors’ supervisory functions by significantly delegating decision-making on material business executions to directors from the Board of Directors. The Board of Directors, in turn, performs thorough monitoring and other measures on delegated matters.

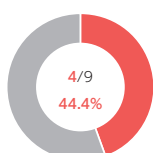
The Company aims to improve the transparency and objectivity of its management by having an Audit & Supervisory Committee composed mainly of outside directors conduct audit and supervisory functions.

Corporate Governance Structure (As of June 23, 2020)

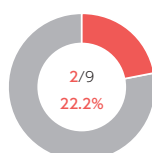


Composition of Directors

Non-executive Directors



Independent Outside Directors



There are no female directors or foreigner directors at the Company at this point. However, the Company is willing to nominate any individual who meet criterion in appointment policy as candidate, regardless of one's gender and nationality.

Board of Directors

The Board of Directors of the Company consists of nine members: Chairman, President & CEO Shigeyoshi Kinoshita who chairs the Board, Directors Kaoru Wachi, Masataka Kinoshita, Tomomi Uchida, Takashi Kiribuchi and Naoki Hori, and Members of Audit & Supervisory Committee Tatsuya Ito (Outside Director), Kazuo Fukumoto and Masahide Ishikawa (Outside Director).

The Company has concluded a limited liability agreement with each of the four non-executive Directors (two of whom are Outside Directors), which limits the liability for damage under Article 423, Paragraph 1, of the Companies Act to the extent of the amount stipulated in the law, in accordance with the provision of Article 427, Paragraph 1, of the Act.

The Board deliberates and decides important business management matters, such as management strategies and business planning, and basic policies for building corporate governance and internal control systems, while ensuring objective and rational judgment. Furthermore, the Board delegates decision-making on matters related to the execution of business operations other than matters to be resolved at the Board of Directors to President and Director, and monitors and supervises the execution of duties by thorough monitoring and other measures on delegated matters.

It meets once every quarter in principle, and more as deemed necessary.

Audit & Supervisory Committee

The Audit & Supervisory Committee consists of three members: Tatsuya Ito (Outside Director) who chairs the committee, Kazuo Fukumoto and Masahide Ishikawa (Outside Director).

It meets regularly to receive reports concerning important audit-related matters, hold discussions, and pass resolutions.

Committees

Appointment and Remuneration Committee

The Appointment and Remuneration Committee consists of six members: Chairman, President & CEO Shigeyoshi Kinoshita who chairs the committee, Representative Directors Kaoru Wachi and Masataka Kinoshita, and Members of Audit & Supervisory Committee Tatsuya Ito (Outside Director), Kazuo Fukumoto and Masahide Ishikawa (Outside Director).

The Appointment and Remuneration Committee reviews and proposes the appointment of candidates and remuneration for Directors (excluding Directors serving as Members of Audit & Supervisory Committee) for resolution at the Board of Directors Meeting. The Committee also checks management and the status of training for candidates for management and provides an overview of the same to the Board of Directors.

The Appointment and Remuneration Committee meets three times a year, in principle, and more as deemed necessary.

Compliance Committee

The Compliance Committee consists of five members: an expert from outside the Company Tatsuzo Honma who chairs the committee, experts from outside the Company Tan Mitchell and Yasunari Takaura, and Representative Directors Shigeyoshi Kinoshita and Kaoru Wachi.

In the presence of Members of Audit & Supervisory Committee, it discusses and, as necessary, makes recommendations to the Board of Directors about the following compliance-related matters.

The Compliance Committee meets six times a year, in principle, and more as deemed necessary.

- Items relating to formulation, revision or abolishment of the ACOM Group Code of Ethics and Code of Conduct;
- Important items related to establishment and operation of compliance systems;
- Items relating to formulation of basic plans;
- Items relating to the correction of major violations, actions for improvement and recurrence prevention measures; and
- Important items related to other compliance issues.

Financial Information Disclosure Committee

The Financial Information Disclosure Committee consists of thirteen members: an executive officer who concurrently serve as director in charge of Treasury Department Tomoo Shikanoya who chairs the committee, executive officers who concurrently serve as directors in charge of the relevant departments, Masataka Kinoshita, Tomomi Uchida, Takashi Kiribuchi, and Makoto Kondo, and chief general managers in charge of the relevant departments, Masahiko Machida, Masatoshi Nabeoka, Kazuki Morishita, Akifumi Kinoshita, Hiroko Shioiri, Masamitsu Iwamura, Takashi Okamoto and Daishi Haraguchi.

In the presence of Members of Audit & Supervisory Committee, the Committee deliberates in advance the items related to the improvement of the financial disclosure system and the financial information to be disclosed for resolution at the Board of Directors Meeting, in order for the disclosure of the financial information and internal control of financial reports to be made in accordance with the relevant laws in a timely and in an appropriate manner.

The Financial Information Disclosure Committee meets at least once every quarter, in principle, and more as deemed necessary.

Corporate Risk Committee

The Corporate Risk Committee consists of seven members: Deputy Chairman Kaoru Wachi who chairs the committee, Representative Directors Shigeyoshi Kinoshita and Masataka Kinoshita, and Members of Audit & Supervisory Committee Tatsuya Ito (Outside Director), Kazuo Fukumoto and Masahide Ishikawa (Outside Director), and an executive officer who concurrently serve as director in charge of Corporate Risk Management Department Makoto Kondo.

The Corporate Risk Committee discusses important items

related to risk management and makes proposals and reports to the Board of Directors as deemed necessary. The Committee also monitors the status of risk management and other matters and reports the results to the Board of Directors.

The Corporate Risk Committee meets at least once every quarter, in principle, and more as deemed necessary.

Executive Officers' Meeting

The Executive Officers' Meeting consists of ten members: Chairman, President & CEO Shigeyoshi Kinoshita who chairs the committee, Representative Directors Kaoru Wachi and Masataka Kinoshita, executive officers who serve concurrently

as directors Tomomi Uchida, Takashi Kiribuchi, Makoto Kondo, Yasuhiro Kamura, Masaru Kuroda, Michihito Onodera and Tomoo Shikanoya.

In the presence of Members of Audit & Supervisory Committee, the Executive Officers' Meeting discusses and makes decisions related to the execution of important business operations delegated by the Board of Directors to the President and Director, and deliberates management policies and management plans in advance for resolution at the Board of Directors Meeting in accordance with basic policies determined by the Board of Directors.

The Executive Officers' Meeting assembles three times a month, in principle, and more as deemed necessary.

Status of Attendance at Board of Directors and Committees in the fiscal year ended March 2020

	Board of Directors	Appointment and Remuneration Committee	Compliance Committee	Financial Information Disclosure Committee	Corporate Risk Committee	Audit & Supervisory Committee
Number of meetings held	12	3	6	8	5	14
Attendance rate of Board to all directors	97%	100%	100%	83%	100%	100%
Attendance rate of outside directors	100%	100%	—	—	100%	100%

Composition of Committees (As of June 23, 2020)

(◎ shows chairperson, ○ member)

Name	Position	Appointment and Remuneration Committee	Compliance Committee	Financial Information Disclosure Committee	Corporate Risk Committee
Shigeyoshi Kinoshita	Chairman, President and Chief Executive Officer	◎	○		○
Kaoru Wachi	Deputy Chairman	○	○		◎
Masataka Kinoshita	Deputy President and Deputy Chief Executive Officer	○		○	○
Tomomi Uchida	Managing Director and Executive Managing Officer			○	
Takashi Kiribuchi	Managing Director and Executive Managing Officer			○	
Naoki Hori	Director				
Tatsuya Ito	Outside Director, Full-time Member of the Audit & Supervisory Committee	○			○
Kazuo Fukumoto	Director, Full-time Member of the Audit & Supervisory Committee	○			○
Masahide Ishikawa	Outside Director, Full-time Member of the Audit & Supervisory Committee	○			○
Makoto Kondo	Executive Managing Officer			○	○
Yasuhiro Kamura	Executive Managing Officer				
Masaru Kuroda	Executive Managing Officer				
Michihito Onodera	Executive Managing Officer				
Tomoo Shikanoya	Executive Managing Officer			◎	
Tatsuzo Honma	expert from outside the Company		◎		
Tan Mitchell	expert from outside the Company		○		
Yasunari Takaura	expert from outside the Company		○		

Policies and procedures for appointing and dismissing senior management, and nominating candidates for directors

Policies

Appointing Senior Management

- The candidate owns rich experience, in-depth insight and high expertise of Company's business which are necessary for conducting swift and pertinent business execution.
- The candidate possesses great humanity such as wide trust from others, dignity and high moral.
- The candidate is sound both in mind and body, and does not possess possible concern for business performance.
- The candidate does not have any past record of violations of law and compliance (including harassment) which inflicted significant loss to the Company and any other entities the candidate has served.
- The candidate is not affiliated with any anti-social forces.

Dismissing Senior Management

- A senior management is dismissed when one no longer meets criteria under appointment policy.

Nominating Candidates for Directors (Excluding Those Serving as Members of Audit & Supervisory Committee)

- The candidate owns rich experience, in-depth insight and high expertise which are necessary for efficient supervision on management.
- The candidate possesses great humanity such as wide trust from others, dignity and high moral.
- The candidate is sound both in mind and body, and does not possess possible concern for business performance.
- The candidate does not have any past record of violations of law and compliance (including harassment) which inflicted significant loss to the Company and any other entities the candidate has served.
- The candidate is not affiliated with any anti-social forces.

Nominating Candidates for Directors Serving as Members of Audit & Supervisory Committee

- The candidate owns rich experience in management, laws, finance and accounting, combined with deep insight and high degree of expertise needed for achieving management transparency and improving objectivity.
- The candidate possesses great humanity such as wide trust from others, dignity and high moral.
- The candidate is sound both in mind and body, and does not possess possible concern for business performance.
- The candidate does not have any past record of violations of law and compliance (including harassment) which inflicted significant loss to the Company and any other entities the candidate has served.
- The candidate is not affiliated with any anti-social forces.

Nominating Candidates for Directors Appointed as Independent Directors

- The candidate within (C) and (D) who is appointed as Independent Directors meets all requirements below and items set forth in "Independence Standards for Outside Directors."
- * Please refer to "I. 1. Basic Policy [Disclosure Based on the Principles of the Corporate Governance Code] [Principle 4.9]" for "Independence Standards for Outside Directors."
 - The candidate is capable of offering advices on management policies and management improvements, by utilizing knowledge, from the viewpoint of increasing medium- to long-term corporate value by promoting sustainable growth of the Company.
 - The candidate is capable of supervising management through appointment/dismissal of senior management and other significant decision makings at the Board of Directors.
 - The candidate is capable of supervising conflict of interests between the Company, management, controlling shareholders, etc.
 - The candidate is capable of reflecting opinions of stakeholders including minority shareholders at the Board of Directors, independent from the management and controlling shareholders, in a proper manner.

Procedures

Appointing and Dismissing Senior Management

The board of directors resolves appointments based on policies above after examinations are conducted and proposals are made by appointment and remuneration committee.

Nominating Candidates for Directors (Excluding Those Serving as Members of Audit & Supervisory Committee)

The board of directors resolves appointments based on policies above after examinations are conducted and proposals are made by appointment and remuneration committee.

Nominating Candidates for Directors Serving as Members of Audit & Supervisory Committee

The board of directors resolves appointments based on policies above upon agreement by the Audit & Supervisory Committee after examinations are conducted and proposals are made by president.

“Independence Standards for Outside Directors”

The Company has set following “Independence Standards for Outside Directors” in order to focus on ensuring independence of Outside Independent Directors.

The Company appoints Independent Outside Directors who meet all requirement items 1 through 7 below.

1. Meet all requirements stipulated under Article 2, Paragraph 15 of the Companies Act;
2. Do not fall under any of items (1) through (3) below.
 - (1) Major creditors of the Company¹ or their executors of operations, and were executors of operations in the last three years;
 - (2) Those for whom the Company is a major business partner² or their executors of operations, and were executors of operations in the last three years;
 - (3) Major business partners of the Company³ or their executors of operations, and were executors of operations in the three years;
3. Are not consultants, accountants or legal experts who receive, in terms of the average for the past three years, ¥10 million or more of monetary or other property benefits other than executive remunerations from the Company, nor belong to accounting or law firms where the Company is a major business partner⁴;
4. Are not Directors, officers or executive officers of the Company or its subsidiaries, nor spouses or relatives within the second degree of kinship of those whom the Company judges their independences are not ensured as provided in items 2 and 3;
5. Are not current major shareholders⁵ of the Company or their executors of operations;
6. Those who do not belong to auditing firms of the Company or its subsidiaries, nor were in charge of auditing operations of the Company or its subsidiaries as employees of said auditing firms.
7. Were not executors of operations at the parent company and/or fellow subsidiary of the Company in the last ten years.

(Notes)

1. “Major creditors of the Company” refer to those the Company procures 3% or more of its consolidated amount of borrowings.
2. “Those for whom the Company is a major business partner” refer to those the Company accounted for 2% or more of their consolidated sales.
3. “Major business partners of the Company” refer to those who accounted for 2% or more of the Company’s consolidated operating revenue.
4. “Accounting or law firms where the Company is a major business partner” refers to those the Company for 2% or more of their consolidated sales.
5. “Major shareholders” refer to those who hold 10% or more of the Company’s total voting rights.

Utilizing the Knowledge of Outside Directors

The knowledge of outside directors is essential for enhancing the deliberations of the Board of Directors. The company distributes and explains materials to be used at the Board prior to the meeting in principle.

To support the Audit & Supervisory Committee’s duties, the Company established “the Administration for Audit & Supervisory Committee” and assigned persons to assist its duties. Employees to assist the Audit & Supervisory Committee will be exclusively in charge of work that assists the Audit & Supervisory Committee, and will not be subject to instructions and orders from the Directors (excluding those serving as Audit & Supervisory Committee Members) and other operational organizations.

Evaluation on effectiveness of the Board

The Company distributes surveys regarding the effectiveness of the Board to all directors every year. The Company conducts analysis and evaluation on effectiveness the Board based on the results of surveys.

Through abovementioned analysis and evaluation, the Company confirmed that the Board fulfills each and all of its function in formulation of management strategies and targets, settling management challenges, supervision on risk managements and business executors. Thus, the Company concluded that its current Board functions properly and its effectiveness is ensured.

Moreover, the Company assessed that it has made certain level of advancements on issues recognized, further sophistication of reference material used at the Board and deepening awareness on external opinions.

Meanwhile, the Company recognized that current issues to be addressed include: further deepening of awareness on external opinions; activation of discussions held at the Board; and sophisticating matters reported to the Board. Therefore, the Company strives for improvement on these issues.

While the company will operate the Board of Directors in manners as described below, the Company will sustain periodic analysis and evaluation on effectiveness of the Board and continue its efforts to ensure enhanced effectiveness of the Board.

- (1) The Board will decide material business management matters, such as management strategies and business plans, and also will determine basic policies for building corporate governance and internal control systems. The Board will monitor and supervise the execution of duties.
- (2) Material subjects will be exhaustively selected as agendas based on regulations for matters to be resolved at the Board, provided in rules of the Board of Directors. The Board will discuss such selected material in timely and appropriate manner.

- (3) The Company will distribute materials to be used at the Board prior to the meeting to make it efficient and vigorous. Prior explanations will be given when deemed necessary.
- (4) The Board will receive periodic reports on business managements, etc. and supervises business execution.

While target figures for the indicator for performance-linked compensation have not been determined for the fiscal year ended March 31, 2020, with profit, which is the criterion, ranging from 30.0 billion yen to not more than 40.0 billion yen, the basic source of distribution amounted to 30 million yen.

System of Compensation to Director

The Company determines the amount of compensations payable to Directors (excluding Directors serving as Members of Audit & Supervisory Committee) in consideration of business results and other factors, within the total amount of compensations resolved at shareholders' meetings. The amount of compensation payable to Members of Audit & Supervisory Committee is determined at consultation with Members of Audit & Supervisory Committee in consideration of their duties and responsibilities, within the total amount of compensations resolved at shareholders' meetings. The Company newly introduced performance-linked compensation based on single-year performance for compensation to full-time Directors (excluding those serving as Audit & Supervisory Committee Members) from the fiscal year ended March 31, 2020.

It was resolved that compensation to Directors (excluding those serving as Audit & Supervisory Committee Members) per year shall be no more than 400 million yen (excluding the portion of employee's salary paid to Directors who concurrently serve as employees) at the 40th Ordinary General Meeting of Shareholders held on June 22, 2017. It was also resolved that compensation to Directors serving as Audit & Supervisory Committee Members per year shall be no more than 100 million yen at the said Ordinary General Meeting of Shareholders.

The specific amount of compensation to Directors (excluding those serving as Audit & Supervisory Committee Members) is resolved at the Board of Directors Meeting based on the result of meetings of the Appointment and Remuneration Committee.

The indicator for performance-linked compensation for full-time Directors (excluding those serving as Audit & Supervisory Committee Members) is profit attributable to owners of parent (hereinafter, "profit"), because an objective and transparent compensation system for full-time Directors (excluding those serving as Audit & Supervisory Committee Members) based on single-year performance was called for under the situation where dividends were not distributed continuously up to the interim dividend for the fiscal year ended March 31, 2018. The amount of performance-linked compensation is determined by having the Appointment and Remuneration Committee specify a profit range as the criteria for basic source of distribution upon taking into consideration special factors impacting profit such as future increases in tax burden, extraordinary income or loss, and the Board of Directors deciding on the amount by reflecting the distribution ratio per position and a multiplier corresponding to individual evaluation of Directors on the basic source of distribution.

Directors and Audit & Supervisory Committee Members(As of June 23, 2020)



Chairman, President
CEO
Shigeyoshi Kinoshita

●Record of attendance at the Board of Directors meetings in the FY March 2020
..... 12 out of 12(100%)

April 1973	Joined Marubeni Corporation
April 1978	Joined Japan Consumer Finance Co., Ltd.
December 1980	Joined the Company
February 1983	Director and Chief General Manager, General Affairs Dept. of the Company
May 1984	Director and Chief General Manager, Accounting Dept. of the Company
August 1986	Managing Director of the Company
June 1988	Managing Director and Head of Business Promotion Division of the Company
October 1991	Representative and Senior Managing Director of the Company
October 1992	Representative and Senior Managing Director, and Head of the Loan Sales Division of the Company
October 1996	Representative Director and Deputy President of the Company
June 2000	Representative Director and President of the Company
June 2003	President and Chief Executive Officer of the Company (to present)
June 2010	Chairman and President of the Company (to present)



Deputy President
Deputy CEO
Masataka Kinoshita

Corporate Planning Dept. and Human Resources Dept.

●Record of attendance at the Board of Directors meetings in the FY March 2020
..... 12 out of 12(100%)

September 2005	Joined the Company
October 2009	General Manager, Credit Supervision Division of the Company
January 2010	General Manager, Corporate Planning Dept. of the Company
April 2010	General Manager, Guarantee Business Dept. of the Company
April 2012	General Manager, Business Promotion Dept. of the Company
April 2013	Chief General Manager, Business Planning Dept. of the Company
April 2014	Executive Officer and Chief General Manager, Business Planning Dept. of the Company
June 2014	Executive Managing Officer, Deputy Head of Credit Business Promotion Division and Chief General Manager, Business Planning Dept. of the Company
April 2015	Executive Managing Officer and Deputy Head of Credit Business Promotion Division of the Company
June 2015	Managing Director of the Company
June 2015	Executive Managing Officer and Head of Credit Business Promotion Division of the Company
June 2016	Executive Managing Officer of the Company
June 2017	Deputy President of the Company (to present)
June 2017	Deputy Chief Executive Officer of the Company (to present)



Deputy Chairman
Kaoru Wachi

Compliance Dept. and Internal Audit Dept.

●Record of attendance at the Board of Directors meetings in the FY March 2020
..... 12 out of 12(100%)

April 1978	Joined The Mitsubishi Trust and Banking Corporation
April 2002	General Manager, Osaka Pension Business Division of The Mitsubishi Trust and Banking Corporation
May 2003	General Manager, Trust Business Division of The Bank of Tokyo-Mitsubishi, Ltd.
March 2004	General Manager, Trust Assets Planning Division of The Mitsubishi Trust and Banking Corporation
April 2004	General Manager, Asset Management and Administration Planning Div. of Mitsubishi Tokyo Financial Group, Inc.
June 2005	Executive Officer and General Manager, Asset Management and Administration Planning Div. of Mitsubishi Tokyo Financial Group, Inc.
June 2005	Executive Officer and General Manager, Trust Assets Planning Division of The Mitsubishi Trust and Banking Corporation
October 2005	Executive Officer and General Manager, Asset Management and Administration Planning Div. of Mitsubishi UFJ Financial Group, Inc.
October 2005	Executive Officer and General Manager, Trust Assets Planning Division of Mitsubishi UFJ Trust and Banking Corporation
June 2008	Director of Mitsubishi UFJ Financial Group, Inc.
June 2008	Managing Director of Mitsubishi UFJ Trust and Banking Corporation
June 2010	Senior Managing Director of Mitsubishi UFJ Trust and Banking Corporation
June 2011	Managing Officer and General Manager, Trust Assets Business Group of Mitsubishi UFJ Financial Group, Inc.
June 2012	Director and Deputy President of Mitsubishi UFJ Trust and Banking Corporation
June 2013	Representative Director and President of M.U. Trust Sougou Kanri Co., Ltd.
June 2014	Representative Director, President of The Master Trust Bank of Japan, Ltd.
June 2017	Deputy Chairman of the Company (to present)



Managing Director
Executive Managing Officer
Tomomi Uchida

Head of Credit Supervision Division., General Affairs Dept.,
Business Process Management Dept., Credit Supervision Dept. I,
Credit Supervision Dept. II and Compliance for Credit Supervision Office

●Record of attendance at the Board of Directors meetings in
the FY March 2020

..... 8 out of 8 (100%)

* This is data after his assumption of position on June 21, 2019.

October 1982	Joined the Company
April 2003	General Manager, Business Promotion Dept. III of the Company
October 2005	General Manager, Business Promotion Dept. II of the Company
April 2007	Chief General Manager, Credit Business Management Dept. of the Company
December 2007	Chief General Manager, Marketing Dept. of the Company
October 2008	Head of East Japan Branch of the Company
April 2011	Chief General Manager, Business Promotion Dept. of the Company
April 2013	Executive Officer and Chief General Manager, Business Promotion Dept. of the Company
June 2015	Executive Managing Officer, Deputy Head of Credit Business Promotion Division, and Chief General Manager, Business Promotion Dept. of the Company
April 2016	Executive Managing Officer and Deputy Head of Credit Business Promotion Division of the Company
June 2016	Executive Managing Officer and Head of Credit Business Promotion Division of the Company
June 2018	Executive Managing Officer, Head of Credit Supervision Division, and Chief General Manager, Credit Supervision Dept. I of the Company
October 2018	Executive Managing Officer, Head of Credit Supervision Division, and Chief General Manager, Credit Supervision Dept. II of the Company
June 2019	Managing Director of the Company (to present)
April 2020	Executive Managing Officer and Head of Credit Supervision Division of the Company (to present)



Director
Naoki Hori

●Record of attendance at the Board of Directors meetings in
the FY March 2020

..... 9 out of 12 (75%)

April 1983	Joined The Sanwa Bank, Ltd.
May 2010	General Manager, Corporate Business Planning Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
May 2010	General Manager, Corporate Business Planning Division, General Manager, Trust Business Planning Division (Special Mission), Mitsubishi UFJ Financial Group, Inc.
June 2010	Executive Officer and General Manager, Corporate Business Planning Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
June 2010	Executive Officer and General Manager, Corporate Business Planning Division, General Manager, Trust Business Planning Division (Special Mission), Mitsubishi UFJ Financial Group, Inc.
May 2012	Executive Officer and General Manager, Corporate Banking Business Promotion Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
May 2012	Executive Officer and General Manager, Corporate Banking Business Division, Mitsubishi UFJ Financial Group, Inc.
May 2013	Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
May 2016	Managing Executive Officer, Mitsubishi UFJ Financial Group, Inc.
June 2016	Managing Director (representative director), The Bank of Tokyo-Mitsubishi UFJ, Ltd.
May 2017	Senior Managing Director (representative director), The Bank of Tokyo-Mitsubishi UFJ, Ltd.
June 2017	Member of the Board of Directors, Senior Managing Executive Officer (representative of the Board of directors), The Bank of Tokyo-Mitsubishi UFJ, Ltd.
April 2018	Member of the Board of Directors, Senior Managing Executive Officer (representative of the Board of directors), MUFG Bank, Ltd.
May 2018	Senior Managing Corporate Executive, Mitsubishi UFJ Financial Group, Inc. (to present)
June 2018	Director of the Company (to present)
April 2019	Member of the Board of Directors, Deputy President (representative of the Board of directors), MUFG Bank, Ltd. (to present)



Managing Director
Executive Managing Officer
Takashi Kiribuchi

System Development & Administration Division,
Vice in charge of Corporate Planning Dept.
Chief General Manager of System Development &
Administration Division

* No data is available as he assumed his position on June 23, 2020.

March 1982	Joined the Company
April 2004	General Manager, System Dept. of the Company
July 2005	General Manager, Public Relations Dept. of the Company
October 2005	Chief General Manager, Public Relations Dept. of the Company
April 2011	Chief General Manager, Treasury Dept. of the Company
April 2015	Executive Officer and Chief General Manager, Treasury Dept. of the Company
June 2017	Executive Officer and Chief General Manager, Corporate Planning Dept. of the Company
June 2020	Managing Director of the Company (to present)
June 2020	Executive Managing Officer and Chief General Manager, System Development & Administration Division of the Company (to present)



Director (Outside),
Full-time Member of the Audit & Supervisory Committee
Tatsuya Ito

●Record of attendance at the Board of Directors meetings in the FY March 2020
..... 12 out of 12 (100%)

April 1981	Joined Japan Development Bank
October 1999	Manager, Commerce & Logistics Department of Development Bank of Japan (DBJ)
March 2001	Manager, Environment & Energy Department of DBJ
March 2002	Deputy Director General, Environment & Energy Department of DBJ
March 2003	Deputy Director General, Kansai Branch of DBJ
March 2005	Deputy Director General, Environment & Energy Department of DBJ
July 2006	Deputy Director General, Manufacturing & Technology Department of DBJ
April 2007	Deputy Director General and Special Adviser, Legal and Compliance Department of DBJ
February 2008	Registered as an attorney-at-law (Dai-Ichi Tokyo Bar Association) (to present)
October 2008	Deputy Director General and Special Adviser, Legal Affairs & Compliance Department of Development Bank of Japan Inc. (DBJI)
July 2010	Temporary transfer to OKUNO & PARTNERS
July 2010	Joined OKUNO & PARTNERS
July 2012	Deputy Director General and Special Adviser, Legal Affairs & Compliance Department of DBJI
March 2013	Special Senior Adviser, Legal Affairs & Compliance Department of DBJI
June 2015	Standing Member of the Audit & Supervisory Board of the Company
June 2017	Director, Full-time Member of the Audit & Supervisory Committee of the Company (to present)



Director (Outside),
Full-time Member of the Audit & Supervisory Committee
Masahide Ishikawa

●Record of attendance at the Board of Directors meetings in the FY March 2020
..... 8 out of 8 (100%)

* This is data after his assumption of position on June 21, 2019.

April 1978	Joined Meiji Mutual Life Insurance Company
April 2002	General Manager, Financial Affairs Department, Investment Division of Meiji Mutual Life Insurance Company
January 2004	General Manager, Investment Planning & Research Department of Meiji Yasuda Life Insurance Company
April 2005	Managing Director and Managing Operating Officer of Meiji Dresdner Asset Management Ltd.
April 2007	General Manager, Credit Analysis & Investment Risk Management Department of Meiji Yasuda Life Insurance Company
July 2007	Operating Officer and General Manager, Credit Analysis & Investment Risk Management Department of Meiji Yasuda Life Insurance Company
April 2009	Operating Officer and Chief General Manager, Nagoya Marketing Headquarters of Meiji Yasuda Life Insurance Company
April 2010	Managing Operating Officer and Chief General Manager, Nagoya Marketing Headquarters of Meiji Yasuda Life Insurance Company
April 2011	Managing Operating Officer of Meiji Yasuda Life Insurance Company
April 2013	Representative Director and President of Meiji Yasuda Asset Management Company Ltd.
July 2014	Vice Chairman of Japan Investment Advisers Association
July 2017	Vice Chairman of Japan Investment Advisers Association
April 2018	Representative Director and Chairman of the Board of Meiji Yasuda Asset Management Company Ltd.
June 2019	Director, Full-time Member of the Audit & Supervisory Committee of the Company (to present)



Director,
Full-time Member of the Audit & Supervisory Committee
Kazuo Fukumoto

●Record of attendance at the Board of Directors meetings in the FY March 2020
..... 12 out of 12 (100%)

March 1980	Joined the Company
April 2002	General Manager, Corporate Management Dept. of the Company
June 2003	Chief General Manager, Corporate Management Dept. of the Company
October 2005	Executive Officer and Chief General Manager, Corporate Management Dept. of the Company
April 2007	Executive Officer and Chief General Manager, Corporate Planning Dept. of the Company
June 2012	Executive Managing Officer and Head of Credit Business Promotion Division of the Company
June 2013	Managing Director of the Company
June 2015	Executive Managing Officer of the Company
June 2017	Director, Full-time Member of the Audit & Supervisory Committee of the Company (to present)

Executive Officers (As of June 23, 2020)

Executive Managing Officer

Makoto Kondo

- Corporate Risk Management Dept.
- Vice in Charge of Compliance Dept.

Yasuhiro Kamura

- Head of Credit Business Promotion Division
- Business Planning Dept., Business Promotion Dept., East Japan Business Promotion Dept., West Japan Business Promotion Dept. and Compliance for Credit Business Promotion Office

Masaru Kuroda

- Overseas Business Dept.

Michihito Onodera

- Guarantee Business Dept.
- Chief General Manager of Guarantee Business Dept.

Tomoo Shikanoya

- Finance Dept., Treasury Dept. and PR & CSR Dept.

Executive Officer

Masayuki Sone

- Chief General Manager of West Japan Business Promotion Dept.

Akihiro Kiyooka

- Credit Supervision Division (Special Mission)

Yasuhide Doi

- Chief General Manager of Credit Supervision Dept. II

Masashi Yoshida

- Chief General Manager of Business Process Management Dept.

Hidehiko Shibata

- Chief General Manager of East Japan Business Promotion Dept.

Yuji Kinoshita

- Chief General Manager of Business Promotion Dept.

Masahiko Machida

- Chief General Manager of Internal Audit Dept.

Masatoshi Nabeoka

- Chief General Manager of Corporate Risk Management Dept.

Hitoshi Yokohama

- Guarantee Business Dept. (Special Mission)

Takeo Noda

- Overseas Business Dept. (Special Mission)

Compliance Activities in Practice

ACOM regards compliance as one of its most significant management challenges. It has been the forerunner in the industry to thoroughly practice compliance as shown by establishment of "ACOM's Ethical Codes For Business" in 1998.

We aim to ensure the effectiveness of compliance practices by following measure. We have established a "Compliance Committee" chaired by an external expert. The committee discusses material items necessary to maintain and enforce compliance structure.

Compliance Department is in place to supervise company-wide practice of compliance. Compliance Department also is in charge of: developing, reviewing and follow-ups of implementation plans with regard to abiding to relevant laws and regulations; establishing, updating and dissemination of compliance handbook which summarizes laws and regulations employees must abide by; awareness raising through implementation of various training courses; in addition to, responding to reports and requests for consultations from employees made to Ethics Hotline.

"Compliance Offices" are placed in Credit Business Promotion Division and Credit Supervision Division. These offices collaborate with Compliance Department to enforce more task-relevant compliance practices on sites.

As outlined above, ACOM is in continuous challenge to strengthen structure to establish a corporate culture that emphasizes compliance while further improving each and every employee's awareness.

Ethics Hotline (Whistleblowing)

ACOM has established Ethics Hotline as a contact point for employees to report and consult when they recognize act of violations or possible violations of compliance. The Ethics Hotline aims to prevent scandals and minimize impact and damages caused by them through early detection of internal problems regarding compliance and appropriate correcting measures.

The Ethics Hotline strictly prohibits unfair treatment and act of retaliation for inquiries and consultations made, as well as disadvantageous behaviors such as searching for and identifying the reporter/consultant. Moreover, it thoroughly manages information.

We are working to improve the usefulness and reliability of the entire whistleblowing system, including Ethics Hotline, so that it is easier for executives and employees to use.

Our Ethics Hotline has been certified as conforming to the "Guidelines for Private Enterprises Regarding the Development and Operation of Internal Reporting Systems Based on the Whistleblower Protection Act".

It was registered under the "Internal Reporting System Certification (Self-Declaration



Whistleblowing
Compliance
Management
System

Registration System)" under the jurisdiction of the Consumer Affairs Agency.

Action to Strengthen Financial Crime Countermeasures

There are demands for financial institutions to further sophisticate their countermeasures against money laundering and terrorist financing amid increasing threat of organized crime, terrorisms, etc. in international community.

Under such circumstances, ACOM newly established Financial Crime Prevention Office in April 2019 and strives to build a preventive system on money laundering and terrorist financing to prevent illicit activities involving our products and services.

Risks Related to Business

The main items related to business risks are listed below. They are considered that it may pose a risk in the business of the Group based on the assumptions and views based on the information we understand as of the submission date of the securities report (June 23, 2020),

However, the risks described below may not cover all potential risks. Moreover, as there may be new risks arising from various uncertain factors such as future changes in economic and environmental conditions affecting the consumer credit market.

Please see the Securities Report ("Yukashoken Hokokusho") for detailed information on how to deal with these "business risks".

Financial results

The business performance of the Group may be influenced by changes, fluctuations and modifications –and the degree of these– in the each of the items 1) to 9) listed below.

- ① Increase or decrease in number of customer accounts and average loan balance per customer account
- ② Changes in judicial rulings and legal regulations applicable to the consumer finance industry
- ③ Changes in average contracted interest rates received from customers
- ④ Changes in number of requests for interest repayment, as well as amounts we will pay, in the loan business
- ⑤ Competition with other companies
- ⑥ Rate of default by customers
- ⑦ The Company's ability to procure funds and costs involved
- ⑧ Cost levels for advertising expenses, personnel expenses, and other expenses
- ⑨ Occurrence of large-scale accidents and disasters

Allowance for doubtful accounts

An increase of payment delays and uncollected loans receivable might occur as a result of potential future changes in economic conditions, the market environment, and the social structure in Japan as well as increases in the number of individuals (including loan customers of the Group) pursuing remedies under legal guardianship pursuant to revisions in legislation, including "Bankruptcy Act," "Act on Special Conciliation," "Civil Rehabilitation Act," and "Judicial Scrivener Act." Such events may require further increases in the allowance for doubtful accounts, which may have a negative effect on the business performance of the Group.

Addressing issues concerning multiple debtors

Business performance of the Group may be negatively influenced in cases where the number of multiple debtors increases due to factors such as economic, employment, and market conditions in Japan or other external factors, which leads to an increase in the allowance for doubtful accounts due to increase in uncollectible loans.

Guarantee business

Business performance of the Company and MU Credit Guarantee Co., LTD. may be negatively influenced in cases where regulations on bank card loans become stringent in the future, etc.

Information systems

In case our service for customers are hindered by factors such as damage to the communications infrastructure, the hardware, or the software used for these systems and networks resulting from human error, natural disasters, power outages, computer viruses, etc. or the suspension of support services provided by telecommunications carriers or computer systems companies, it may potentially impact on the performance of the Group. For example, it may result in a decline in new customers, delays in the repayment of loans, and a loss of trust in the Group.

In addition, the Group has a backup center for general ledger system, in order to avoid the possibility of business interruptions. However, it is possible that the Group's business may be suspended in the event of a large scale natural disaster, such as earthquake or flood.

Management of personal information

If personal information is leaked to a third party for any reason whatsoever, the negative effects may not be limited to a worsening of business performance arising from a decline in the reputation of the Group or compensation for damages. In the case of a violation of regulations concerning the handling of personal information, the Group may be also subjected to administrative recommendations, and orders.

Status of interest repayment

In case our customers request a reduction in the loan amount or reimbursement of excess interest paid, the Company may accept to write off such loan or reimburse payments. Future potential for loss on interest repayment, further booking of the provision for loss on interest repayment, and court rulings from lawsuits demanding refunds of interest paid that put the Company and other money lenders at a clear disadvantage, could have an impact on the Company's business performance.

Fund procurement

While the Group has steadily diversified its funding resources in recent years, there is no assurance that its existing main banks and lenders will not change their current lending policy due to a potential reorganization of the financial industry or other factors. Furthermore, there is no assurance that capital markets will always be available as a reliable financing resource in the future.

There is the possibility that our ability to procure funds may decrease due to changes in credit rating. In that case, the financial expenses might increase and the amount of funding may be restricted. As a result, it may have a negative impact on our business performance in the future.

Investments

To date, the Group has stepped up its entry into new markets and broadened the scale of its involvement in the consumer credit market, including through the formation of joint ventures. The prospect of potential profits obtained from such investments is uncertain and not all of the Groups' new joint businesses or expansion is necessarily successful. Possibilities still remain that such reviews may prompt us to withdraw from new joint businesses or reduce allocation of human and other resources to such businesses in the future. In the case where a joint business falls short of its profit target, there is a risk that the Group may not be able to recoup its existing investments.

Business and capital alliance with MUFG

If laws and regulations governing banks, such as the Banking Act, are changed, Group companies may become subject to restrictions concerning the business fields in which they operate.

Disposal of our shares by major shareholders, etc.

MUFG and the MUFG Group hold around 40% of our issued/outstanding shares. In addition, Shigeyoshi Kinoshita, our Chairman, President & CEO, along with members of his families and affiliated companies together, holds around 40% of our issued/outstanding shares. If these shareholders dispose of some of their shares in the future, the market supply of our shares will increase, and this may have an impact on our share price.

Accidents and disasters, etc.

Although we endeavor to verify and improve various measures to cope with the occurrence of accidents and disasters due to external factors including natural disasters such as large-scale earthquakes, wind and flood damage and pandemic, the occurrence of these phenomena could have a negative effect on the business performance of the Group attributable to damage to our store and facilities and/or physical damage to employees or customers.

COVID-19

COVID-19 countermeasures

In Japan, the Company Group started alerting officers and employees to take measures such as wearing face masks from late January 2020, established an emergency headquarters, and had its officers and employees commute at off-peak times to avoid rush hours, beginning from late February. In early March, Group officers and employees who were required to stay at home due to the temporary closure of schools were placed on stand-by at home. Following the declaration of a state of emergency by the government in April, the Group made efforts to prevent the spread of infections and ensure safety for customers, officers and employees by reducing the number of officers and employees physically present in Group offices and branches to the minimum necessary. The reduction in the number of officers and employees physically present in Group

offices and branches resulted in a suspension of operations at manned branches, reductions in the operating hours of automatic contract machines, a review of the operating days and operating hours at call centers, etc., and reductions in parts of the Group business.

Presently, the Company implemented preventive measures such as installing partitions at branch counters and between employee seats, following nationwide lift of the state of emergency by the government on May 25. Meanwhile, all manned branches resumed their operation from May 26 while operating days and hours of automatic contract machines and call centers, etc. returned to normal state before declaration of the state of emergency on June 8.

At overseas, EASY BUY Public Company Limited in the Kingdom of Thailand voluntarily limited operations at some of its branches, and ACOM CONSUMER FINANCE CORPORATION in the Republic of the Philippines suspended all operating activities effective from March 17, 2020 onward, at the request of the respective national governments.

Impact of COVID-19 on the business scale and performance results

While it is difficult to reasonably calculate the impact of the spread of COVID-19 on the business scale and performance results at this point in time, we assume that the items listed below may be affected in the fiscal year ending March 31, 2021.

- Temporary closure of manned branches, reductions in the operating hours of automatic contract machines and some operations based on reviews of operating days and operating hours at call centers, etc.; as well as decreases in the balances of the loan and credit card business and the guarantee business and operating revenue, attributable to the decline in the demand for funds mainly associated with voluntary restrictions in customer activities outside of the home.
- Increased expenses related to bad debts caused by a deteriorated loan portfolio mainly attributable to decreased customer income.
- Decreases in other operating expenses resulting mainly from decreased computer expenses chiefly due to a review of system development plans and decreased advertising expenses stemming from a reduction in advertisements placed.
- Increase in other operating expenses by installing partitions and introduction of telework to prevent the spread of infection.

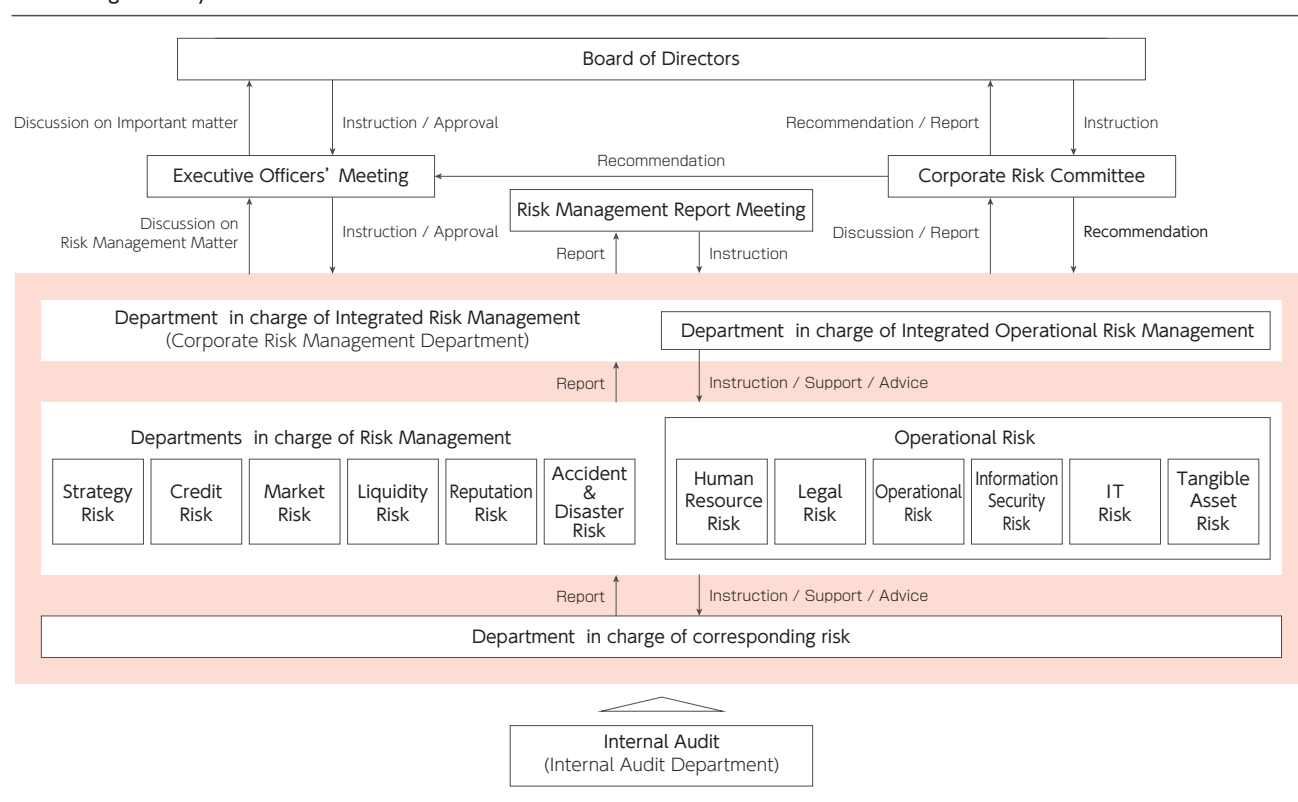
Development of risk management system

As the management environment surrounding the Company changes, risks to be managed are becoming more complex and diverse. Under such circumstance, the Company recognizes that one of the most important tasks of the management is to enhance and strengthen the Company's risk management system in order to fully recognize risks, maintain the soundness of management, and stably secure profitability and growth.

The Company has established the Risk Committee to comprehensively control risks and clarifies basic matters concerning risk management such as risks to be managed and departments and sections in charge of risk management in the Risk Management Regulations, while comprehensively controlling and uniformly managing potential risks arising in execution of operations at the Corporate Risk Management Department, which comprehensively controls risks, in order to further enhance and strengthen the Company's risk management system.

In addition, with respect to management for information assets, such as personal information, the Company, in compliance with its information security management regulations, implements a variety of counter-measures, such as appropriate safety management measures, against potential risks, and strives to secure information security organically and systematically by appointing information security management officers, and deciding the roles of each organization and each manager and employee.

Risk Management System



Audits by the Audit & Supervisory Committee

The Audit & Supervisory Committee consists of three Audit & Supervisory Committee Members, all of whom are selected as a Full-time Audit & Supervisory Committee Member. The Company has selected two Outside Audit & Supervisory Committee Members who have been registered as independent directors with the Tokyo Stock Exchange in accordance with its regulations.

Furthermore, with a view to enhancing the effectiveness of audits, all Audit & Supervisory Committee Members have been selected as Selected Members of Audit & Supervisory Committee who are authorized to investigate pursuant to Article 399-3 of the Companies Act. A Member of Audit & Supervisory Committee Kazuo Fukumoto has abundant knowledge about financial and accounting affairs with his experience of having served as Chief General Manager of the corporate planning and administration and accounting departments and Executive Officer of the Company, as well as Director in charge of accounting department after his assumption of office as Director.

Status of Activities of the Audit & Supervisory Committee and Audit & Supervisory Committee Members

	Name	Number of meetings held	Number of meetings attended
Full-time Member of the Audit & Supervisory Committee of the Company (Outside)	Tatsuya Ito	14	14
Full-time Member of the Audit & Supervisory Committee of the Company	Kazuo Fukumoto	14	14
Full-time Member of the Audit & Supervisory Committee of the Company (Outside)	Masahide Ishikawa	10	10

(Note) The difference in the number of meetings held is due to difference in timing of taking office.

The Audit & Supervisory Committee attend the Board of Directors Meetings and other important meetings, received reports from Directors, employees, etc. on matters regarding their execution of duties, request explanations as necessary, and express opinions, and also review important approval documents and other materials and examine the Company's business and financial situation at the head office and principal offices, in accordance with resolved auditing policies, audit plan, etc., and in cooperation with the Company's Internal Audit Department and other departments.

As for subsidiaries, the Audit & Supervisory Committee endeavor to communicate and share information with the directors and corporate auditors of subsidiaries and receive reports on business from subsidiaries, as necessary. The Audit & Supervisory Committee monitors and verifies whether the Accounting Auditor maintained its independent position and performed appropriate audits. At the same time, the Audit &

Supervisory Committee receives reports from the Accounting Auditor on the status of the execution of its duties and request explanations, as necessary.

Each Audit & Supervisory Committee Member conduct the above auditing activities based on the division of duties prescribed in the audit plan and report results to the Audit & Supervisory Committee each time. The Audit & Supervisory Committee discuss matters set forth in the Companies Act, such as the approval of transactions involving conflict of interest and the reappointment of the Accounting Auditor, and perform audits while paying due attention to the establishment of an internal control system and the status of its operation.

Internal Audits

With an auditing staff of nineteen people, the Internal Audit Department verifies, evaluates, and recommends ways to address problems pertaining to compliance status, including observance of relevant laws, internal control initiatives, and other activities of the Company's business execution departments. In addition to ensuring conformity with various rules, the Department obtains an accurate understanding of the risks facing the Company. Based on this understanding, it conducts risk approach audits to evaluate the risk management stance of each relevant entity within the Company, and reports the results of such audits regularly to the Board of Directors and the Audit & Supervisory Committee.

In addition, the Internal Audit Department conducts direct audits of subsidiaries in the ACOM Group and provides assistance to auditing staff of such subsidiaries, thus ensuring establishment of an effective Group auditing system.

CSR

We will contribute for materialization of a sustainable society while fulfilling our corporate social responsibilities and missions.

We define our CSR as means that each officer and employee fulfills our corporate social responsibilities as well as contributing to materialization of a sustainable society through business activities based on the CS Philosophy and other activities based on the social contribution activity policy while maintaining an appropriate corporate governance system and compliance system based on the corporate philosophy.

We promote CSR activities with emphases on

"Striving for the Maximum Customer Satisfaction",

"Contributing to Society and Environment" and

"For Employees".



Striving for the Maximum Customer Satisfaction

Our CS Philosophy / We provide better services in more comfortable and pleasant manners.

ACOM strives for maximum customer satisfaction. To this end, we utilize all forms of feedback, suggestions and requests from our customers in making improvements through CS programs in line with our corporate and CS philosophies.

Promoting CS Oriented Management

CS Oriented Management Promotion Meetings

ACOM does not regard its customers as a group, but pays specific attention to each and every customer, instead. To discuss measures and structures necessary to promote CS Management that provides supreme and authentic customer satisfaction, ACOM regularly holds CS Management Promotion Meetings, chaired by the president.

CS Award Ceremonies

ACOM holds "CS Award Ceremonies." These ceremonies are held to: foster a corporate culture in which each employee engages in and improves CS oriented communications through "realization;" and to further proliferate "The Spirit of Foundation" and "Corporate Philosophy."

Employees representing each department share their daily CS experiences.



Improvements Made from Customer Feedback

When our employees realize items open to improvement and enhancement in our product and services, they can submit proposals via "Proposal Card on CS Improvements" and/or "CS Experience Cards." These are used for improving our services and sharing good practices. ACOM regularly conducts internet-based customer satisfaction surveys. The findings are used to drive further improvement in our services.

"Improvements made from customer feedback"

- ✓ Reviewed the items in FAQ and established a system that enables changes whenever necessary, based on customer feedback
- ✓ Added a function which allows completing online application to contract in order to further respond to customers' needs for privacy and immediacy
- ✓ Started issuing ACOM cards with improved magnetic stripes in order to reduce card malfunctions due to magnetic strip errors
- ✓ Revised e-mail wording and application screens in easy-to-understand manners to relieve the new customer's concerns at the time of application and contract

Contributing to Society and Environment

Social Contribution Policy

ACOM desires to build strong relationships with the local community through a variety of welfare and local-based programs, to get closer to our customers so that we exist in harmony with society.

Arts and Culture

ACOM Miru Concert Monogatari

The concert is a unique show combining “Shadow Picture” with “Live Performance” and “Narration”.

It is designed as “barrier-free” concerts that can be enjoyed from children to the elderly as well people with disabilities by making efforts such as having sign language interpreters and seats for wheelchairs.

We have been carrying out this activity since 1994 with the idea of our three wishes to: “do something for others”, “see other people’s smiling faces” and “establish a harmonious relationship with society.”



“Performance record”

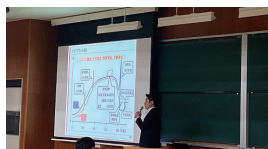
- ✓ Performed 243 times all over Japan combined with audiences of 233,462 people.
- ✓ Performed 10 times in the year ended March 2020.
 Kanagawa (Yokosuka), Saitama (Misato),
 Osaka (Sakai), Hyogo (Akashi),
 Hokkaido (Tomakomai, Muroran),
 Hiroshima (Hiroshima), Okayama (Kurashiki),
 Yamaguchi (Simonoseki), Fukuoka (Iizuka)

Consumer Awareness and Money Management Programs

Financial Education at Universities

Topics on these lectures include financial knowledge and management of household economy regarding “overview of consumer credit market” and “loan and credit in consumer lives.”

We conduct consumer awareness activities as it is our wish to protect those students who bear the future from financial troubles by teaching them the importance of money before they join the working world. We held lectures at six universities to 1,620 students in the year ended March 2020.



Environment Conservation Activities

Participating in Local Cleaning Projects

Employees participate in local cleanings projects of surrounding areas of bases to deepen communication with locals and keep towns clean.

Total of 240 employees participated in cleaning project held at 5 areas - Tokyo (3 areas), Yokohama and Osaka - in the year ended March 2020.

Community Welfare Programs

Blood Donation Drive

ACOM encourages employees to donate blood through Red Cross Japan. Many ACOM employees willingly participate in donation drives every year.

Total of 330 employees participated in 5 donation drives which were held in Tokyo (2 locations), Yokohama and Osaka in the year ended March 2020.

For Employees

We are enhancing employee satisfaction ("ES") as it is our belief that enhancing ES leads to heightened customer satisfaction and consequently to enhanced corporate value in being.

Workplace Environment

Organization of ES Working Group

We organized an ES Working Group to consider measures for improving the work environment. This was conducted as a part of initiatives to promote workplaces employees feel more rewarding and want to continue working for a long time.

This working group consists of employees selected through internal recruitment, and held study meetings once or twice a month. We conducted a direct interview with employees working at each site when discussing measures to improve the work environment and welfare benefits from the bottom up.



"Main measures implemented based on hearing by Working Group"

- ✓ Introduction of hourly paid leave
- ✓ Renovation of office and break room
- ✓ Enhancing tools for obtaining prenatal and postnatal leave

Protecting Employee Health and Welfare

Introduction of Health Point Program

We have introduced a "Health Point Program" that gives incentives to employees' health promotion efforts in conjunction with the ACOM Health Insurance Association, in order to further enhance welfare and promote employee health.

We support employee health promotion by rewarding health points (incentives) to employees' efforts that maintain and enhance their health such as recording results of regular health checkups and walking activity.

Promoting Work-Life Balance

Supporting a Balance between Work, Child-rearing and Nursing

ACOM is enriching its programs to fully support its employees to attain balance between work, child-rearing and nursing.

"Examples of specific initiatives"

- ✓ Expanded the purpose of using accumulated paid holidays (enabled uses for Child-rearing and Nursing)
- ✓ Added option to the childcare leave system that enables changing a part of childcare leave into paid leave in order to support work-life balance.

Promoting Diversity

Promoting Women's Participation

We have various types of training in place to support female employees continue to work and play an active role.

We held "career design training" and "training for employees returning to work" in the year ended March 2020. The purpose of the former is to learn the knowledge that is necessary to continue working for a long time, while experiencing marriage, childbirth, and other life events, and the latter is intended for those returning from childcare leave.

Awarded 2nd Prize of Employee Engagement Survey in Major Firm Section

We ranked 2nd of 1,568 companies in employee engagement survey 2019 - large enterprise section (mutual understanding between company and its employees*) conducted by a major research firm.

There is more focus on "employee engagement" in corporate management amid maturing economy and decreasing labor force. We have been deepening mutual understanding with its employees based on the policy of "committed to remain future-oriented, focus on happiness of employees and their families". We will continue to promote the creation of a work environment where employees can feel more rewarding.

* Degree of loyalty toward company and passion for work

Key Financial Data for ten years

(Millions of yen, %)

	2011/3	2012/3	2013/3	2014/3	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3
Consolidated Business Performance Summary										
Operating revenue	245,831	210,456	193,028	202,240	219,289	237,683	245,148	263,453	277,069	279,510
Operating profit	-184,785	30,885	20,961	14,333	14,073	15,516	-70,166	80,942	57,607	75,636
Profit attributable to owners of parent	-202,648	21,464	20,839	10,632	12,864	14,598	-72,187	70,572	37,781	59,600
Net cash provided by operating activities	97,249	48,421	2,245	-29,135	-38,249	-43,045	-37,451	-32,634	7,329	19,698
Net cash provided by investing activities	-2,746	10,981	53,030	-9,342	-5,155	-2,368	-2,858	-1,711	-1,165	6,214
Net cash provided by financing activities	-65,069	-28,554	-40,414	-21,392	13,503	6,589	58,863	21,259	-12,573	-24,339

Consolidated Balance Sheet Summary										
Total Assets	1,302,758	1,212,461	1,165,576	1,155,203	1,190,368	1,175,063	1,228,930	1,275,957	1,301,908	1,282,389
Net Assets	243,599	264,915	286,710	306,726	328,315	338,132	267,226	344,437	381,501	442,496
Balance of Loan business (Domestic)	903,707	799,888	717,114	726,363	747,236	767,196	784,858	803,405	821,976	840,877
Balance of Credit card business (Domestic)	21,625	18,482	16,580	17,281	21,595	27,855	38,109	52,445	63,137	75,035
Balance of Loan servicing business (Domestic)	11,931	10,159	8,489	8,846	8,473	10,709	11,334	10,603	9,435	9,188
Balance of Loan business (Overseas)	68,621	67,603	83,278	102,259	130,190	134,954	145,434	171,711	178,452	200,833
Balance of Installment loan business (Overseas)	989	708	842	829	699	538	538	588	603	690
Balance of Banking business (Overseas)	33,405	41,518	52,501	60,338	64,582	56,575	45,872	48,808	48,331	—
(Reference)Guaranteed receivables	443,460	483,282	586,521	752,185	861,212	987,508	1,129,773	1,199,644	1,212,255	1,233,228

Financial Indices, etc.										
Shareholders' Equity Ratio	18.2 (13.6)	21.3 (15.2)	24.0 (16.0)	25.5 (15.4)	26.3 (15.2)	27.5 (15.0)	20.3 (10.6)	25.3 (13.0)	27.4 (14.2)	32.4 (16.5)
Dividend per Share(yen)	—	—	—	—	—	—	—	1.00	2.00	4.00
Book-value Per Share (BPS) (yen)	1,516.95	1,645.35	178.59	187.92	199.53	206.42	159.58	206.12	227.35	265.11
Earnings Per Share (EPS) (yen)	-1,293.54	137.01	13.30	6.79	8.21	9.32	-46.08	45.05	24.12	38.04
Return on Equity	-60.3	8.7	7.8	3.7	4.2	4.6	-25.2	24.6	11.1	15.5
Return on Assets	-14.6	1.7	1.8	0.9	1.1	1.2	-6.0	5.6	2.9	4.6
Number of Shares Issued (Thousands)	156,661	156,661	1,566,615	1,566,614	1,566,614	1,566,614	1,566,614	1,566,614	1,566,614	1,566,614
Aggregate Market Value	174,991	289,667	422,829	516,982	653,278	888,270	697,143	742,575	618,812	687,743
Price Book-value Ratio (PBR)	0.74	1.12	1.51	1.76	2.09	2.75	2.79	2.30	1.74	1.66
Price Earnings Ratio (PER)	-0.86	13.50	20.29	48.60	50.79	60.84	-9.66	10.52	16.38	11.54

Notes: 1. As of October 1, 2013, the Company executed a stock split where each share of its common stock was split into 10 shares. In association therewith, "Book-value Per Share" and "Earnings Per Share" were calculated supposing that the stock split was conducted at the beginning of the 36th fiscal year.

2. The figures in the brackets on the second line of shareholders' equity ratio item represent the ratios calculated with total assets including guaranteed receivables.

3. ACOM has applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018), etc. from the beginning of the three months ended June 30, 2018. Accordingly, the figures in the current balance sheet are compared and analyzed with the figures in the prior fiscal year to which the above accounting standard, etc. has been retrospectively applied.

Consolidated Balance Sheet

(Millions of yen, %)

	2016/3		2017/3		2018/3		2019/3		2020/3	
	results	yoy	results	yoy	results	yoy	results	yoy	results	yoy
Current Assets	1,121,629	-0.9	1,177,815	5.0	1,187,721	—	1,222,821	3.0	1,213,402	-0.8
Cash and Deposits	87,506	-27.0	104,939	19.9	91,884	-12.4	85,546	-6.9	82,545	-3.5
Accounts Receivable-operating Loans	902,150	2.8	930,292	3.1	975,116	4.8	1,000,428	2.6	1,041,711	4.1
Loans Receivable of Banking Business	56,575	-12.4	45,872	-18.9	48,808	6.4	48,331	-1.0	—	—
Accounts Receivable-installment	28,393	27.4	38,648	36.1	53,034	37.2	63,740	20.2	75,726	18.8
Purchased Receivables	10,709	26.4	11,334	5.8	10,603	-6.4	9,435	-11.0	9,188	-2.6
Deferred Tax Assets	33,179	31.7	39,106	17.9	—	—	—	—	—	—
Allowance for Doubtful Accounts	-58,094	—	-66,685	—	-75,686	—	-76,532	—	-82,974	—
Noncurrent Assets	53,434	-8.6	51,115	-4.3	88,235	—	79,086	-10.4	68,986	-12.8
Property, Plant and Equipment	23,495	-3.0	22,739	-3.2	22,800	0.3	17,864	-21.6	15,156	-15.2
Intangible Assets	12,476	-14.4	10,600	-15.0	11,210	5.7	8,687	-22.5	7,542	-13.2
Goodwill	6,459	-13.2	5,474	-15.2	4,063	-25.8	3,250	-20.0	2,436	-25.0
Software	5,973	-15.6	5,082	-14.9	7,103	39.8	5,387	-24.2	5,056	-6.1
Investments and Other Assets	17,462	-11.2	17,775	1.8	54,224	—	52,534	-3.1	46,287	-11.9
Deferred Tax Assets	—	—	66	—	36,850	—	36,117	-2.0	33,835	-6.3
Allowance for Doubtful Accounts	-685	—	-762	—	-899	—	-1,032	—	-973	—
Total Assets	1,175,063	-1.3	1,228,930	4.6	1,275,957	—	1,301,908	2.0	1,282,389	-1.5
Current Liabilities	227,529	-19.8	257,134	13.0	331,995	—	326,824	-1.6	216,694	-33.7
Short-term Loans Payable	18,286	-44.3	17,627	-3.6	10,873	-38.3	11,547	6.2	15,330	32.8
Commercial Papers	—	—	14,997	—	29,998	100.0	39,998	33.3	29,998	-25.0
Current Portion of Long-term Loans Payable	103,758	-8.5	117,907	13.6	160,244	35.9	146,714	-8.4	91,048	-37.9
Current Portion of Bonds	16,700	-52.9	25,000	49.7	45,350	81.4	41,519	-8.4	48,026	15.7
Deposits of Banking Business	63,875	-19.4	55,427	-13.2	53,074	-4.2	52,319	-1.4	—	—
Provision for Loss on Guarantees	8,093	15.4	8,722	7.8	10,061	15.3	9,661	-4.0	9,475	-1.9
Noncurrent Liabilities	609,401	5.4	704,570	15.6	599,523	—	593,581	-1.0	623,198	5.0
Bonds Payable	193,058	15.0	216,838	12.3	211,210	-2.6	202,691	-4.0	196,300	-3.2
Long-term Loans Payable	316,766	6.5	313,505	-1.0	276,841	-11.7	282,671	2.1	333,388	17.9
Provision for Loss on Interest Repayment	90,000	-12.3	164,900	83.2	104,068	-36.9	102,300	-1.7	87,600	-14.4
Total Liabilities	836,930	-2.9	961,704	14.9	931,519	—	920,406	-1.2	839,892	-8.7
Shareholders' Equity	321,641	4.7	249,453	-22.4	320,026	28.3	354,646	10.8	409,547	15.5
Retained Earnings	204,025	7.7	131,837	-35.4	202,410	53.5	237,058	17.1	291,959	23.2
Accumulated Other Comprehensive Income	1,735	-68.2	552	-68.2	2,889	422.9	1,528	-47.1	5,775	277.9
Non-controlling Interests	14,755	-6.2	17,219	16.7	21,521	25.0	25,327	17.7	27,173	7.3
Total Net Assets	338,132	3.0	267,226	-21.0	344,437	28.9	381,501	10.8	442,496	16.0
Total Liabilities and Net Assets	1,175,063	-1.3	1,228,930	4.6	1,275,957	—	1,301,908	2.0	1,282,389	-1.5

Note: ACOM has applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018), etc. from the beginning of the three months ended June 30, 2018.

Accordingly, the figures in the current balance sheet are compared and analyzed with the figures in the prior fiscal year to which the above accounting standard, etc. has been retrospectively applied.

Consolidated Statement of Income

(Millions of yen, %)

	2016/3		2017/3		2018/3		2019/3		2020/3	
	results	yoy	results	yoy	results	yoy	results	yoy	results	yoy
Operating Revenue	237,683	8.4	245,148	3.1	263,453	7.5	277,069	5.2	279,510	0.9
Interest on Operating Loans	151,600	5.7	153,140	1.0	161,564	5.5	169,273	4.8	176,286	4.1
Interest on Loans of Banking Business	8,104	-4.7	6,550	-19.2	6,049	-7.7	6,135	1.4	1,567	-74.5
Revenue from Credit Card Business	3,401	29.0	4,455	31.0	6,168	38.4	7,773	26.0	9,198	18.3
Revenue from Credit Guarantee	43,472	19.9	50,400	15.9	58,401	15.9	61,428	5.2	60,142	-2.1
Collection from Purchased Receivable	5,549	4.4	6,148	10.8	5,429	-11.7	4,739	-12.7	4,272	-9.8
Operating Expenses	222,166	8.3	315,315	41.9	182,511	-42.1	219,461	20.2	203,873	-7.1
Financial Expenses	17,313	-11.2	13,524	-21.9	12,454	-7.9	11,310	-9.2	8,228	-27.3
Provision for Bad Debts	60,040	11.5	68,538	14.2	77,570	13.2	75,989	-2.0	81,916	7.8
Bad Debt Expenses	52,789	14.3	58,989	11.7	67,732	14.8	75,185	11.0	75,720	0.7
Increase or Decrease in Allowance for Doubtful Accounts	6,171	—	8,919	—	8,498	—	1,203	—	6,383	—
Increase or Decrease in Provision for Loss on Guarantees	1,079	—	628	—	1,338	—	-399	—	-186	—
Provision for Loss on Interest Repayment	56,638	13.6	143,728	153.8	—	—	39,479	—	19,700	-50.1
Interest Repayment	57,600	-2.0	58,852	2.2	53,470	-9.1	36,586	-31.6	30,686	-16.1
Bad Debt Expenses (ACOM's Voluntary Waiver of Repayments)	11,637	-7.3	9,975	-14.3	7,360	-26.2	4,661	-36.7	3,713	-20.3
Increase or Decrease in Provision for Loss on Interest Repayment	-12,600	—	74,900	—	-60,831	—	-1,768	—	-14,700	—
Other Operating Expenses	88,175	7.5	89,524	1.5	92,486	3.3	92,681	0.2	94,028	1.5
Operating Profit	15,516	10.3	-70,166	—	80,942	—	57,607	-28.8	75,636	31.3
Non-operating Income	781	7.5	716	-8.3	965	34.8	724	-25.0	451	-37.7
Non-operating Expenses	97	83.1	92	-5.2	213	129.8	126	-40.7	983	676.3
Ordinary Profit	16,200	9.9	-69,543	—	81,694	—	58,205	-28.8	75,104	29.0
Extraordinary Income	113	-85.5	190	67.4	63	-66.7	388	510.2	9,875	—
Extraordinary Losses	1,329	951.0	144	-89.1	589	307.1	3,259	452.8	4,969	52.5
Profit Before Income Taxes	14,985	-2.7	-69,497	—	81,168	—	55,334	-31.8	80,011	44.6
Income Taxes-current	4,656	43.9	5,251	12.8	8,505	62.0	11,126	30.8	13,720	23.3
Income Taxes-deferred	-7,606	—	-5,630	—	-1,571	—	1,684	—	2,269	34.8
Profit	17,935	13.2	-69,118	—	74,233	—	42,523	-42.7	64,020	50.6
Profit Attributable to Non-controlling Interests	3,337	12.1	3,069	-8.0	3,661	19.3	4,742	29.5	4,419	-6.8
Profit Attributable to Owners of Parent	14,598	13.5	-72,187	—	70,572	—	37,781	-46.5	59,600	57.8

Non-consolidated Balance Sheet

(Millions of yen, %)

	2016/3		2017/3		2018/3		2019/3		2020/3	
	results	yoy	results	yoy	results	yoy	results	yoy	results	yoy
Current Assets	905,226	0.0	958,234	5.9	946,651	—	973,522	2.8	1,006,323	3.4
Cash and Deposits	73,932	-28.4	90,802	22.8	78,196	-13.9	72,826	-6.9	78,870	8.3
Accounts Receivable-operating Loans	767,127	2.7	784,806	2.3	803,365	2.4	821,943	2.3	840,847	2.3
Accounts Receivable-installment	27,855	29.0	38,109	36.8	52,445	37.6	63,137	20.4	75,035	18.8
Deferred Tax Assets	30,638	35.0	36,506	19.2	—	—	—	—	—	—
Allowance for Doubtful Accounts	-44,020	—	-50,750	—	-57,230	—	-58,410	—	-63,470	—
Noncurrent Assets	65,577	-7.4	63,693	-2.9	101,697	—	96,996	-4.6	84,028	-13.4
Property, Plant and Equipment	22,065	-1.3	21,319	-3.4	21,563	1.1	16,869	-21.8	14,453	-14.3
Intangible Assets	10,728	-13.6	9,004	-16.1	10,001	11.1	7,886	-21.2	6,994	-11.3
Goodwill	6,459	-13.2	5,474	-15.2	4,063	-25.8	3,250	-20.0	2,436	-25.0
Software	4,226	-14.2	3,486	-17.5	5,895	69.1	4,593	-22.1	4,515	-1.7
Investments and Other Assets	32,782	-9.0	33,369	1.8	70,132	—	72,240	3.0	62,579	-13.4
Deferred Tax Assets	—	—	—	—	36,068	—	36,919	2.4	33,921	-8.1
Allowance for Doubtful Accounts	-680	—	-750	—	-870	—	-990	—	-930	—
Total Assets	970,803	-0.5	1,021,927	5.3	1,048,349	—	1,070,518	2.1	1,090,351	1.9
Current Liabilities	114,356	-30.8	166,158	45.3	241,385	45.3	230,319	-4.6	167,751	-27.2
Short-term Loans Payable	—	—	6,000	—	—	—	—	—	—	—
Commercial Papers	—	—	14,997	—	29,998	100.0	39,998	33.3	29,998	-25.0
Current Portion of Long-term Loans Payable	93,942	-12.7	99,666	6.1	150,572	51.1	134,718	-10.5	79,006	-41.4
Current Portion of Bonds	—	—	25,000	—	35,000	40.0	28,000	-20.0	33,000	17.9
Provision for Loss on Guarantees	7,590	15.7	8,100	6.7	9,360	15.6	8,850	-5.4	8,640	-2.4
Noncurrent Liabilities	556,337	6.9	634,952	14.1	522,965	—	529,406	1.2	562,834	6.3
Bonds Payable	171,000	17.1	176,000	2.9	166,000	-5.7	163,000	-1.8	160,000	-1.8
Long-term Loans Payable	289,014	9.0	287,890	-0.4	246,150	-14.5	258,876	5.2	310,339	19.9
Provision for Loss on Interest Repayment	90,000	-12.3	164,900	83.2	104,068	-36.9	102,300	-1.7	87,600	-14.4
Total Liabilities	670,693	-2.2	801,110	19.4	764,351	—	759,726	-0.6	730,585	-3.8
Shareholders' Equity	300,101	3.4	220,812	-26.4	283,997	28.6	310,792	9.4	359,765	15.8
Retained Earnings	180,052	5.8	100,763	-44.0	163,948	62.7	190,743	16.3	239,716	25.7
Valuation and translation adjustments	7	-3.8	4	-47.6	0	-88.9	0	—	0	—
Total Net Assets	300,109	3.4	220,816	-26.4	283,997	28.6	310,792	9.4	359,765	15.8
Total Liabilities and Net Assets	970,803	-0.5	1,021,927	5.3	1,048,349	—	1,070,518	2.1	1,090,351	1.9

Note: ACOM has applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018), etc. from the beginning of the three months ended June 30, 2018. Accordingly, the figures in the current balance sheet are compared and analyzed with the figures in the prior fiscal year to which the above accounting standard, etc. has been retrospectively applied.

Non-consolidated Statement of Income

(Millions of yen, %)

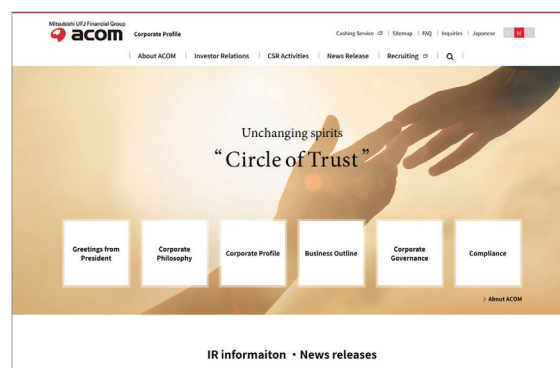
	2016/3		2017/3		2018/3		2019/3		2020/3	
	results	yoy	results	yoy	results	yoy	results	yoy	results	yoy
Operating Revenue	175,380	7.2	183,997	4.9	195,310	6.1	203,636	4.3	206,968	1.6
Interest on Operating Loans	116,112	2.2	117,819	1.5	120,405	2.2	123,474	2.5	126,516	2.5
Revenue from Credit Card Business	3,401	29.0	4,455	31.0	6,168	38.4	7,773	26.0	9,198	18.3
Revenue from Credit Guarantee	36,460	20.8	42,199	15.7	48,892	15.9	51,231	4.8	49,635	-3.1
Operating Expenses	174,352	7.3	269,388	54.5	133,542	-50.4	170,000	27.3	157,694	-7.2
Financial Expenses	8,299	-17.7	7,153	-13.8	6,442	-9.9	5,619	-12.8	4,648	-17.3
Cost of Goods Sold	228	—	—	—	—	—	—	—	—	—
Provision for Bad Debts	43,780	8.3	51,786	18.3	59,253	14.4	56,907	-4.0	61,950	8.9
Bad Debt Expenses	38,543	13.7	44,475	15.4	51,389	15.5	56,116	9.2	57,160	1.9
Increase or Decrease in Allowance for Doubtful Accounts	4,206	—	6,800	—	6,603	—	1,300	—	5,000	—
Increase or Decrease in Provision for Loss on Guarantees	1,030	—	510	—	1,260	—	-510	—	-210	—
Provision for Loss on Interest Repayment	56,638	13.6	143,728	153.8	—	—	39,479	—	19,700	-50.1
Interest Repayment	57,600	-2.0	58,852	2.2	53,470	-9.1	36,586	-31.6	30,686	-16.1
Bad Debt Expenses (ACOM's Voluntary Waiver of Repayments)	11,637	-7.3	9,975	-14.3	7,360	-26.2	4,661	-36.7	3,713	-20.3
Increase or Decrease in Provision for Loss on Interest Repayment	-12,600	—	74,900	—	-60,831	—	-1,768	—	-14,700	—
Other Operating Expenses	65,405	5.3	66,720	2.0	67,846	1.7	67,994	0.2	71,394	5.0
Operating Profit	1,028	-9.1	-85,390	—	61,767	—	33,635	-45.5	49,273	46.5
Non-operating Income	4,282	39.1	1,366	-68.1	3,899	185.3	3,960	1.6	8,048	103.2
Non-operating Expenses	140	183.1	30	-78.3	195	542.9	124	-36.6	969	681.7
Ordinary Profit	5,171	24.3	-84,054	—	65,471	—	37,472	-42.8	56,352	50.4
Extraordinary Income	108	-86.0	189	74.4	29	-84.3	348	—	10,824	—
Extraordinary Losses	1,402	—	121	-91.3	574	373.6	3,252	465.7	3,040	-6.5
Profit Before Income Taxes	3,876	-19.5	-83,986	—	64,926	—	34,568	-46.8	64,136	85.5
Income Taxes-current	1,816	—	1,005	-44.7	2,759	174.5	5,492	99.0	7,464	35.9
Income Taxes-deferred	-7,797	—	-5,702	—	-1,018	—	-851	—	2,998	—
Profit	9,857	5.8	-79,289	—	63,184	—	29,927	-52.6	53,673	79.3

Outline of ACOM

Company name	ACOM CO., LTD.
Head office	Meiji Yasuda Seimei Bldg. 1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan
Established	April 2, 1936
Incorporated	October 23, 1978
Business outline	Loan Business Credit Card Business Guarantee Business
Paid-in Capital	63,832,520,000 yen
Number of employees	2,063
Affiliated Associations	Japan Financial Services Association Japan Consumer Credit Association Japan Business Federation (Keidanren)
Main financing bank	MUFG Bank, Ltd.

Website

More information about our company can be found on our website.



ACOM Corporate Profile <https://www.acom.co.jp/corp/english/>

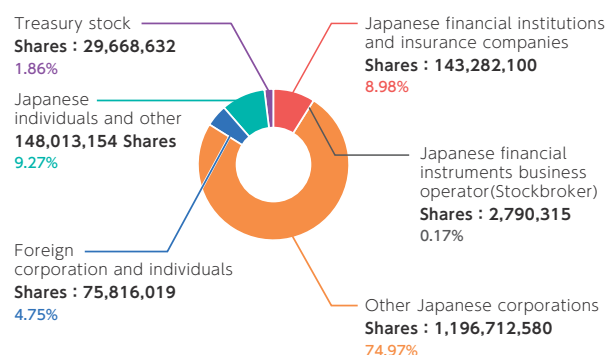
Stock Overview

Major Shareholders (Top 10)

Shareholder name	Number of shares held (Thousands)	Percentage of ownership(%)
Mitsubishi UFJ Financial Group, Inc.	588,723	37.57
Maruito Shokusan Co., Ltd.	273,467	17.45
Maruito Co., Ltd.	125,533	8.01
Foundation of Kinoshita Memorial Enterprise	92,192	5.88
Maruito Shoten Co., Ltd.	38,733	2.47
Trust Account of General Incorporated Association Kyoei-Kai	32,598	2.08
Mitsubishi UFJ Trust and Banking Corporation	31,572	2.01
NOBUKA Co., LTD.	30,000	1.91
Shigeyoshi Kinoshita	28,007	1.78
Japan Trustee Services Bank, Ltd. (Trust Account 4)	27,290	1.74

(Notes) 1. For the number of shares held, the amount is rounded down to the nearest thousand.
2. The Company holds 29,668,632 shares of treasury stock but is excluded from the list of major shareholders above.
3. The percentage of ownership is calculated excluding treasury stock.

The Ownership and Distribution of Our Shares by Category of Shareholders



(Notes) % is calculated by investment ratio.

Historical stock prices



Subsidiary Information

The combined strength of the ACOM Group looking to the future

The ACOM Group consists of ACOM and its affiliates and subsidiaries. The ACOM Group supplies a range of financial products and services such as loan and credit card business, guarantee business, loan servicing, and overseas finance business.

Consolidated subsidiaries(As of June 25, 2020)

MU Credit Guarantee Co., LTD.

Business outline	Guarantee Business
Incorporated	September 2013
Paid-in capital	¥300 million
Head office	NCO Kanda-Kon'yacho. 8, Kanda-Kon'yacho, Chiyoda-ku, Tokyo
Tel	(03)6838-0001(main)
URL	https://www.mucg.co.jp/

EASY BUY Public Company Limited

Business outline	Unsecured loan business and installment loan business (installment sales finance business) in Kingdom of Thailand
Incorporated	September 1996
Paid-in capital	6.0 billion Thai Baht
Head office	5th Floor Sathorn Square Office Tower, 98 North Sathorn Road,Silom, Bangrak, Bangkok 10500 Thailand
URL	http://www.easybuy.co.th/en

ACOM CONSUMER FINANCE CORPORATION

Business outline	Unsecured loan business in Republic of the Philippines
Incorporated	July 2017
Paid-in capital	500 million Philippine peso
Head office	10th Floor, 45 San Miguel Building, 45 San Miguel Avenue,Ortigas Center, Pasig City 1605, Philippines
URL	https://www.acom.com.ph/

IR Loan Servicing, Inc.

Business outline	Loan servicing
Incorporated	June 2000
Paid-in capital	¥520 million
Head office	Trusty Kojimachi Building, 3-4 Kojimachi, Chiyoda-ku, Tokyo
Tel	(03)5215-6511(main)
URL	http://www.irservicing.co.jp/

Equity-method Affiliate

MU Communications Co., Ltd.

Business outline	Subcontracting contact center operations/contract staff services
Incorporated	April 2007
Paid-in capital	¥1,020 million
Head office	Hatsudai Daiya Building, 1-3-4 Honmachi, Shibuya-ku, Tokyo
Tel	(03)5333-3530(main)
URL	http://mucc.co.jp/

ACOM CO., LTD.

Head office Meiji Yasuda Seimei Bldg. 1-1, Marunouchi 2-chome, Chiyoda-ku 100-8307, Tokyo, Japan
TEL (03)5533-0811(main)
URL <https://www.acom.co.jp/>