ACOM CO., LTD.

Annual Report 2012

Year ended March 31, 2012

Establishment of a revenue base aimed at further growth

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Financial Highlights

ACOM CO., LTD. and Subsidiaries

	Millions of Yen				
	2008/3	2009/3	2010/3	2011/3	**2012/3**
Profit and Loss Related:					
Operating Revenue	379,706	324,396	278,795	245,831	**210,456**
Operating Expenses	298,054	293,666	272,732	430,617	**179,570**
Provision of Allowance for Doubtful Accounts [*1]	115,848	87,899	89,654	78,136	**34,725**
Provision for Loss on Interest Repayment [*2]	19,620	52,157	58,362	243,456	**48,807**
Other Operating Expenses	162,586	153,610	124,716	109,025	**96,038**
Operating Income (Loss)	81,651	30,729	6,063	(184,785)	**30,885**
Net Income (Loss)	35,406	13,662	(7,239)	(202,648)	**21,464**
Balance Sheet Related:					
Total Assets	1,861,505	1,605,567	1,482,520	1,302,758	**1,212,461**
Receivables Outstanding [*3]	1,561,839	1,384,193	1,231,949	1,016,280	**895,181**
Total Amount of Non-performing Loans	136,396	128,223	116,694	104,128	**80,163**
Allowance for Doubtful Accounts	119,882	93,037	70,449	71,369	**48,882**
Net Assets [*4]	472,144	452,406	439,269	243,599	**264,915**
			Yen		
Per Share:					
Net Income (Loss), Basic	225.24	86.91	(46.18)	(1,293.54)	**137.01**
Net Assets [*4]	2,950.01	2,831.36	2,773.59	1,516.95	**1,645.35**
Cash Dividends	100	70	10	0	**0**
			%		
Financial Ratios:					
Operating Margin	21.5	9.5	2.2	(75.2)	**14.7**
ROE [*5]	7.7	3.0	(1.6)	(60.3)	**8.7**
Operating Efficiency [*6]	11.1	14.0	14.0	31.4	**15.2**
ROA1 (Net Income to Total Assets) [*5]	1.8	0.8	(0.5)	(14.6)	**1.7**
ROA2 (Net Income to Receivables Outstanding)[*5]	2.1	0.9	(0.6)	(18.0)	**2.2**
Shareholders' Equity Ratio	24.9	27.7	29.3	18.2	**21.3**
Non-performing Loans Ratio (Gross Basis) [Non-Consolidated] [*7]	9.4	9.9	9.9	10.9	**9.3**
Non-performing Coverage Ratio [Non-Consolidated] [*8]	87.0	72.3	56.5	63.9	**55.4**

Notes: 1. The amount of provision of allowance for doubtful accounts is the sum of bad debts expenses, increase or decrease in allowance for accounts receivable-operating loans, and increase or decrease in provision for loss on guarantees. In addition, the amount of provision of allowance for doubtful accounts includes loss on sales of accounts receivable-operating loans from the fiscal year ended March 31, 2009.

2. Provision for loss on interest repayment represents the sum of interest repayments, ACOM's voluntary waiver of repayments accompanied with interest repayment, and increase or decrease in provision for loss on interest repayment.

3. Receivables outstanding indicates the sum of receivables outstanding of the loan business, credit card business, and installment sales finance business.

4. Net assets excludes minority interests in consolidated subsidiaries.

5. ROE and ROA are calculated using the simple average of beginning and end of term balance sheet figures.

6. Operating efficiency = Operating expenses excluding provision of allowance for doubtful accounts / Average of beginning and end of term receivables outstanding

7. Non-performing loans ratio (Gross basis) = Total amount of non-performing loans / Loans receivable plus loans to borrowers in bankruptcy or under reorganization

8. Non-performing coverage ratio = Allowance for doubtful accounts / Total amount of non-performing loans

Notes:

1. Forward-Looking Statements

The figures contained in this annual report with respect to ACOM's plans and strategies and other statements that are not historical facts are forward-looking statements about the future performance of ACOM which are based on management's assumptions and belief in light of the information currently available to it and involve risks and uncertainties and actual result may differ from those in the forward-looking statements as a result of various facts. Potential risks and uncertainties include, without limitation, general economic conditions in ACOM's market and changes in the size of the overall market for consumer loans, the rate of default by customers, the fluctuations in number of cases of claims from and the amount paid to customers who claim us to reimburse the portion of interest in excess of the interest ceiling as specified in the Interest Rate Restriction Law, the level of interest rates paid on the ACOM's debt and legal limits on interest rates charged by ACOM.

2. All amounts are truncated to the nearest expressed unit.

3. Percentage figures are a result of rounding.

Letter to Shareholders

In our relentless quest to seize the No.1 share of the personal loan market, we will respond appropriately to changing business conditions and embrace the challenge of transforming our business model in our closer alliance with the MUFG Group.

Shigeyoshi Kinoshita
Chairman, President & Chief Executive Officer

The Outline of the Consolidated Financial Results for the Fiscal Year Ended March 2012

The consolidated operating revenue for the fiscal year ended March, 2012 was 210.4 billion yen, down 14.4% year-on-year. In the mainstay loan business, drops in accounts receivable-operating loans and average loan yield were seen mainly due to the Revised Money Lending Business Act. However, this drop was partially offset by stable increase in guaranteed receivables due to following factors: stable growth in "BANQUIC," a card loan product provided by The Bank of Tokyo-Mitsubishi UFJ, Ltd., and extension of guarantee business alliance partners, focusing on top tier regional banks. Moreover, smooth expansion in overseas business also contributed to offset the declines seen in loan business.

On the expense front, financial expenses were 24.1 billion yen, up 7.1% year-on-year. Provision for bad debts, however, saw year-on-year decrease of 55.6% to 34.7 billion yen. This decrease is attributable to reversal of part of 10.1 billion yen of provision made in response to earthquake in the fiscal year ended March, 2011. Decrease in accounts receivable-operating loans and decline in ratio of default resulting from improvement in loan portfolio also contributed to drop in provision for bad debts.

Moreover, other operating expenses saw year-on-year decrease of 16.9% to 71.8 billion yen due to completion of cost structure reform.

Nonetheless, overall operating expenses was 179.5 billion yen, down 58.3% year-on-year, due to booking of 48.8 billion yen of provision for loss on interest repayment.

As a result, operating income and ordinary income were 30.8 billion yen and 32.2 billion yen, respectively.

Extraordinary loss decreased substantially while income taxes-deferred increased, resulting in net income of 21.4 billion yen.

We regard expansion of shareholder's equity as task of the highest priority for implementation of future growth strategies in viewpoint of improving management stability and security. ACOM truly regrets to inform that no dividend payment is scheduled for the fiscal year ended March 2012 and fiscal year ending March 2013.

However, we hope to resume dividend payment as soon as eradication of possibility of making additional provision for loss on interest repayment and recovery in accounts receivable-operating loans become clear.

Further Strengthening Business Management

ACOM has made prompt responses to drastically changing business environment. In November 2006, ACOM commenced: implementation of "Group Management Reform" and taking measures to strengthen its internal control system, after foreseeing impacts of decreases in the unsecured loans receivable outstanding and average loan yield. These were followed by becoming the forerunner in the industry to implement lowering the maximum interest rate in June 2007.

However, business environment surrounding us has increased in severity from that of period when "Group Management Reform" was announced. For example, requests for interest repayment have stayed at high level, and the balance of accounts receivable-operating loans has been decreasing. Under such business environment, ACOM decided to pursue the strengthening business management policy in November 2009. ACOM promoted drastic cost reduction policy by restructuring business outlets, improving personnel efficiency, and reducing other operation costs.

Therefore, ACOM achieved reduction of operation cost at the fiscal year ended March 2012 with target below 60.0 billion yen. The operation cost for this fiscal year was 57.8 billion yen, down 17.6% year-on-year.

ACOM intends to focus our management resources on core business segment to attain management efficiency and improve profitability.

Business Alliance with MUFG Group in Progress

In September 2008, Mitsubishi UFJ Financial Group, Inc. ("MUFG") and The Bank of Tokyo-Mitsubishi UFJ, Ltd. agreed to position ACOM as the core company in the consumer loan business within the consumer finance segment of the MUFG group based on mutual understanding that closer alliance is necessary. The repositioning was done to also establish ACOM's competitive advantages in consumer finance industry and materialize consumer finance segment with potential for massive growth in the MUFG group. Afterward, in December 2008, ACOM became a consolidated subsidiary of MUFG.

Various measures were taken to reorganize and enhance efficiency in the alliance. As a part of alliance strategy, the loan business of DC Cash One Ltd. was integrated into ACOM in May 2009. In September 2009, ACOM succeeded unsecured card loan guarantee business of The Mitsubishi UFJ Home Loan Credit Co., Ltd. Unsecured card loan guarantee business of Mitsubishi UFJ NICOS Co., Ltd. was integrated into ACOM in October, 2010.

In addition, we have commenced additional guaranteeing service for "MY CARD PLUS", new product available for customers who own cash cards at The Bank of Tokyo-Mitsubishi UFJ, Ltd. from October, 2011.

We will further pursue close business alliance with MUFG group.

ACOM Group: Mid-term Outlook

The business environment surrounding consumer credit industry will remain to be severe. However, we believe that "personal loan market," which we position as our central business domain, will enter into growth stage anew in near future as market turmoil triggered by legal reform and requests for interest repayment subsides.

Although managing revised law and execution of measures to enhance managerial basis have been matters of high priority, transition to strategic investment focusing on business expansion will be necessary in mid-term perspective.

In addition to former cost reduction measures, we will execute assertive strategic investments such as marketing strategies, with aim to recover operating revenue.

ACOM Group's Vision

Fiscal 2012 is the finishing year of the mid-term management plan formulated in fiscal 2010.

Under the Group's management vision of "becoming the `leading company` which provides prime satisfaction to as many customers as possible and wins trust in the consumer finance industry," ACOM is going to respond precisely to the environmental changes while attempting to transform its business model. We will keep moving to materialize the company with the "top share" in personal loan market.

Three 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 satisfaction 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 wins trust from the market" by further strengthening the brand of "safety and trust."

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

Shigeyoshi Kinoshita

Shigeyoshi Kinoshita
Chairman, President & Chief Executive Officer

ACOM in the New Regime

Almost two years have passed since the full enactment of revised Money Lending Business Act in June, 2010. While consumer finance market still is in a shrinking trend, other unfavorable factors such as intensifying competitions and requests for interest repayment remain.

However, there are some indications of stabilization. The number of requests for interest repayment is in decreasing trend. Moreover, there are increase in the number of new customers and deceleration in drop in loans receivable in loan business.

Under such a business environment, ACOM aims to become the leading company trusted from society in "personal loan market," which consists of loan business and guarantee business. Concurrently, ACOM will implement business structure reform to steadily improve profitability under close cooperation with MUFG Group.

Adjusting Ourselves to the Revised Money Lending Business Act

The Revised Money Lending Business Act was fully enacted on June 18, 2010, forbidding "lending which exceed 1/3 of borrowers' annual income in principle," also known as the introduction of "debt-to-income cap." Moreover, the maximum interest rates in Interest Rate Restriction Law (15~20%) and Capital Subscription Law (29.2%) were lowered to 20%.

Since the proclamation of the act in December 2006, significant reorganization of consumer finance market ensued. These include: one of major rivals becoming a fully consolidated subsidiary of a bank, other banks made entries into this segment, and etc. Reorganization still continues today.

ACOM has taken various measures to adjust itself to changing environment, such as being the forerunner in the industry to introduce a product with the maximum interest rate within the range stipulated in Interest Rate Restriction Law in June 2007, announcing accurate information about the revised act through media such as commercials to improve public awareness on regulation on total borrowing amount, enhancing consulting capabilities to assist customers in need, etc.

As for screening new applicants, credit screening standard and methods were modified in response to the revised act. Concurrently, scoring models were refined.

Owing to above-mentioned factors, the ratio of customers in breach of debt-to-income cap has made a substantial improvement of 21.7 points to 36.3% from 58.0% in June 2010. The composition ratio of outstanding receivables with interest rate of 18% or less increased by 9.4 points to 83.2% from 73.8% in March 2011. The total number of new customers in Fiscal March 2012 was 152,257, equivalent to year-on-year increase of 18.6%. The approval ratio, which dropped to around 33% around full enactment, recovered to 45% recently.

Issue of Interest Repayment

Although the number of requests for interest repayment had shown year-on-year decrease for 11 consecutive months, from November 2009 to September 2010, it reverted and stayed at a high level after a major rival filed for corporate rehabilitation. However, this increase proved to be temporary and there are signs of decreasing trend since April 2011.

As for the provision for loss on interest repayment, the actual amount requested for Fiscal March 2012 was within our projection. However, we have observed deceleration in the decreasing trend in the number of requests. We added 48.8 billion yen to the reserve after conservatively estimating future claims. The remaining reserve is 200.2 billion yen.

We plan to compare our estimate and actual amount requested every quarter to see whether more provision is necessary since trend of requests for interest repayment is highly sensitive of changes in external factors.

Alliance with Jibun Bank Corporation

On January 20, 2012, ACOM came to an agreement with Jibun Bank Corporation ("Jibun Bank") on forming a business alliance, with the aim of further improving the quality of customer service and facilitating the creation of a sound consumer finance market.

In addition, the two entities executed an absorption-type demerger agreement whereby ACOM would transfer part of its card loan business to Jibun Bank by means of company split with effect on May 12, 2012.

Under this agreement, ACOM provided its personnel and expertise in consumer finance business, both essential to promotion of card loan business, to Jibun Bank. Jibun Bank entrusted guarantee business of its card loan business to ACOM in return.

Looking ahead, two entities expect to integrate ACOM's considerable expertise in consumer finance business and Jibun Bank's technical know-how in mobile online banking using mobile phones and smart phones, with a view to promoting collaborative research for development of sophisticated loan products and provision of various services to precisely meet the customer needs.

Responses to the Great East Japan Earthquake

ACOM has taken several measures to aid customers living in stricken areas after the Great East Japan Earthquake in March, 2011. In addition to refraining from counseling activities, and extending due dates for customers in seriously stricken areas, we commenced providing emergency loan product to victims from May, 2011. "The Cabinet Office Ordinance for Partial Amendment of the Money Lending Business Act" allowed temporal additional lending to victims with loan balance exceeding 1/3 of their annual income.

We are going to take necessary measures to assist customers to restore their daily lives as early as possible.

Business Highlights

Loan and Credit Card Business

In its core loan business, ACOM has established a highly sophisticated expertise in credit screening based on data from more than 9 million customers it has served in the past.

Fully utilizing this expertise, we have constructed networks of branches, automatic contract machines and our own ATMs. This network is easily accessible for both borrowing and repayment, and accessibility is further enhanced through our alliance with convenience stores and financial institutions. In addition, we have a diverse sales and service channel through personal computers, mobile and smart phones and call center.

On the other hand, ACOM entered into credit card business following acquisition of principal membership of MasterCard International in 1998.

However, we have revised our policy to gradually cancel alliance cards with large-scale retail chains due to recent rapid changes in business environment. We encourage alliance cardholders to switch to ACOM's card when renewal date approaches.

Guarantee Business

ACOM has forged alliances with banks, mainly top-tier regional banks, and provides guarantee on unsecured personal loans provided by these alliance partners. The main source of revenue in this business is guarantee fees received on guaranteed receivables.

Amid ongoing business reorganization within MUFG Group to centralize guarantee business of unsecured card loans to ACOM, we provide guarantee schemes tailored to the needs of alliance partners, from product planning to loan management, and increase guaranteed receivables in a stable manner. We also provide guarantees on business loans. The alliance partners comprise of 22 banks as of March 31, 2012.

Loan Servicing Business

The primary sources of revenue in our loan servicing business consist of commissions received from banks, life insurance companies and other financial institutions for handling their debt collection activities on consignment, combined with marginal profit from recovery of purchased receivables. IR Loan Servicing, Inc., representative loan servicing company within the ACOM Group, operates a comprehensive loan servicing business which takes full advantage of expertise in consumer loan servicing and managing business loans.

Financial Businesses at Overseas

EASY BUY Public Company Limited, a subsidiary in Kingdom of Thailand established in 1996, first focused on installment sales finance business. It commenced loan business in 2001, and subsequently launched a loan card brand, "Umay+ Card." The launch was done as a part of initiatives to differentiate its service in the industry. This brand is well recognized and sustains market share over 20%.

PT. Bank Nusantara Parahyangan, Tbk., an Indonesian bank which was jointly acquired with The Bank of Tokyo-Mitsubishi UFJ, Ltd. in 2007, focused on lending to SMEs. Its assets, the number of employees and branches have more than doubled since acquisition.

Social Contribution Activity

ACOM's Social Contribution Activity Policy

Guided by the basic principle of the "Circle of Trust" spirit on which it was founded, ACOM Group embraces a corporate philosophy emphasizing contribution to enriched cultural lifestyles.

In line with this philosophy, ACOM aims to build good relations with local communities and become the "company next door" and a "corporate citizen in harmony with society" through its wide range of social activities comprising of social welfare, regional contribution, and other.

Culture and Arts

ACOM actively supports cultural and artistic events, reflecting its philosophy which emphasizes contribution to enriched cultural lifestyles.

Our most prominent initiatives in this area are our barrier-free concert performances, "Miru Concert Monogatari."

It is not only ACOM employees, but also volunteers from local communities and local authorities who are involved in preparing and supporting the concert performances. The performances can be fully enjoyed not only by audiences of different generations, but also by those with handicaps. We make it a barrier-free event through means of on-stage sign language interpretation, expanded reserved seats for wheelchair users, etc.

Since the first performance in 1994, based on our wishes to "do something for others," "see many people's smiles" and "build close relationships with local communities," we held over 162 performances, inviting over 150,000 audiences.

Social Welfare

ACOM encourages active involvements of its employees in social contribution activities in order to materialize its foundation spirit of the "Circle of Trust."

The "ACOM Bluebird Fund" is one such activity that began at employees' suggestion in 1984. Employees can make donations on their will to collection boxes placed at each workplace. Their contributions are donated to social welfare organizations and community chests in disaster-stricken areas.

Supporting Activities in Regional Development

ACOM is actively involved in regional activities such as local cleanup campaigns and other, in addition to sponsoring various cultural and athletic events.

For further information, please contact:

Public & Investor Relations Office

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Chiyoda-ku, Tokyo, 100-8307, Japan
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Annual Securities Report

(The 35th fiscal year)

ACOM CO., LTD.

Annual Securities Report

[Cover]

[Document Submitted]	Annual Securities Report (“Yukashoken Hokokusho”)
[Article of the Applicable Law Requiring Submission of This Document]	Article 24, Paragraph 1 of the Financial Instruments and Exchange Act of Japan
[Submitted to]	Director, Kanto Local Finance Bureau
[Date of Submission]	June 21, 2012
[Accounting Period]	The 35th Fiscal Year (from April 1, 2011, to March 31, 2012)
[Company Name]	ACOM Kabushiki-Kaisha
[Company Name in English]	ACOM CO., LTD. (“ACOM” or the “Company”)
[Position and Name of Representative]	Shigeyoshi Kinoshita, Chairman, President & CEO
[Location of Head Office]	1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo
[Phone No.]	03-5533-0811 (main)
[Contact for Communications]	Takashi Kiribuchi, Chief General Manager of Treasury Department
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[Phone No.]	03-5533-0811 (main)
[Contact for Communications]	Takashi Kiribuchi, Chief General Manager of Treasury Department
[Place Where Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo)

Part I Information on the Company

I. Overview of the Company

1. Key Financial Data and Trends

(1) Consolidated financial data, etc.

(Millions of yen, unless otherwise stated)

Fiscal period	31st fiscal year	32nd fiscal year	33rd fiscal year	34th fiscal year	35th fiscal year
Period of account	March 2008	March 2009	March 2010	March 2011	March 2012
Operating revenue	379,706	324,396	278,795	245,831	210,456
Ordinary income (loss)	83,120	32,648	7,917	(183,506)	32,219
Net income (loss)	35,406	13,662	(7,239)	(202,648)	21,464
Comprehensive income	—	—	—	(194,813)	21,566
Net assets	472,144	452,406	439,269	243,599	264,915
Total assets	1,861,505	1,605,567	1,482,520	1,302,758	1,212,461
Net assets per share (yen)	2,950.01	2,831.36	2,773.59	1,516.95	1,645.35
Net income (loss) per share (yen)	225.24	86.91	(46.18)	(1,293.54)	137.01
Diluted net income per share (yen)	225.23	86.91	—	—	—
Shareholders' equity ratio (%)	24.91	27.72	29.31	18.24	21.26
Return on equity (%)	7.74	3.07	(1.65)	(60.30)	8.67
Price earnings ratio (times)	11.74	31.99	—	—	13.50
Net cash provided by operating activities	126,183	66,989	63,431	97,249	48,421
Net cash provided by (used in) investing activities	8,250	19,417	(6,175)	(2,746)	10,981
Net cash used in financing activities	(128,678)	(104,900)	(55,280)	(65,069)	(28,554)
Cash and cash equivalents at end of period	152,221	131,477	133,723	162,910	193,441
Number of employees [Average number of temporary workers, etc.]	6,277 [699]	6,266 [732]	6,145 [453]	5,571 [232]	5,537 [193]

(Notes)
1. "Diluted net income per share" is not shown here for the 33rd fiscal year, since the Company posted net loss per share.
2. "Diluted net income per share" is not shown here for the 34th fiscal year, since the Company posted net loss per share, and there was no residual security.
3. "Diluted net income per share" is not shown here for the 35th fiscal year, since there was no residual security.
4. "Price earnings ratio" is not shown here for the 33rd and 34th fiscal years, since the Company posted net loss.
5. Operating revenues are presented exclusive of consumption tax.

(2) Financial data etc. of the Filing Company

(Millions of yen, unless otherwise stated)

Fiscal period	31st fiscal year	32nd fiscal year	33rd fiscal year	34th fiscal year	35th fiscal year
Period of account	March 2008	March 2009	March 2010	March 2011	March 2012
Operating revenue	317,116	262,120	238,215	207,767	173,837
Ordinary income (loss)	82,319	29,165	6,495	(189,551)	26,461
Net income (loss)	33,518	16,928	(10,056)	(204,929)	20,853
Capital stock	63,832	63,832	63,832	63,832	63,832
Total number of outstanding shares (thousands of shares)	159,628	159,628	159,628	159,628	159,628
Net assets	451,321	440,398	426,597	228,283	248,606
Total assets	1,620,468	1,423,187	1,368,028	1,181,063	1,085,904
Net assets per share (yen)	2,871.10	2,801.62	2,723.05	1,457.18	1,586.90
Dividends per share (Yen) [Of the above, interim dividends per share] (Yen)	100.0 [50.00]	70.00 [50.00]	10.00 [5.00]	— [—]	— [—]
Net Income (loss) per share (Yen)	213.23	107.69	(64.15)	(1,308.10)	133.11
Diluted net income per share (yen)	—	—	—	—	—
Shareholders’ equity ratio (%)	27.85	30.94	31.18	19.33	22.89
Return on equity (%)	7.48	3.84	(2.32)	(62.59)	8.75
Price earnings ratio (times)	12.40	25.81	—	—	13.89
Dividend payout ratio (%)	46.89	65.00	—	—	—
Number of employees [Average number of temporary workers, etc.]	2,774 [373]	2,636 [460]	2,610 [399]	1,876 [194]	1,756 [171]

(Notes)

1. “Diluted net income per share” is not shown here for the 33rd fiscal year, since the Company posted net loss per share.
2. “Diluted net income per share” is not shown here for the 34th fiscal year, since the Company posted net loss per share, and there was no residual security.
3. “Diluted net income per share” is not shown here for the 35th fiscal year, since there was no residual security.
4. “Price earnings ratio” is not shown here for the 33rd and 34th fiscal years, since the Company posted net loss.
5. “Dividend payout ratio” is not shown here for the 33rd and 34th fiscal years, since the Company posted net loss.
6. “Diluted net income per share” is not shown here for the 31st and 32nd fiscal years, since there was no residual security with dilutive effect.
7. Operating revenues are presented exclusive of consumption tax.

2. ACOM History

Year/Month		ACOM History
1978	Oct.	"ACOM CO., LTD." was founded with paid-in capital of 500 million yen as the business of consumer finance, and established its office in Nihonbashi, Chuo-ku, Tokyo.
1978	Dec.	Acquired 69 consumer finance outlets and receivable-outstanding from "Maruito Co., Ltd." and "Joy Co., Ltd.," and started consumer finance business.
1979	Dec.	Installed an automatic teller machine (ATM), which provides a 24-hour/365-day service, at the Ginza branch (located in Ginza, Chuo-ku), as the first in the industry.
1983	Dec.	Registered to Kanto Local Finance Bureau as a money-lending company along with enforcement of "Money-Lending Business Control and Regulations Law."
1984	Aug.	Moved headquarter location to Fujimi, Chiyoda-ku, Tokyo.
1986	Dec.	Established "ACOM (U.S.A.) INC." (present, consolidated subsidiary) in Delaware, U.S.A.as the business of real estate lease.
1992	Mar.	Absorbed "N.S.K. Shinpan Co., Ltd." and started the business of installment sales finance, golf membership mortgage loan, and commercial loan.
1993	July	Installed "MUJINKUN," automatic contract machine, at the Shinjuku branch and the Hakata branch as the first in Japan.
1993	Oct.	Listed ACOM shares on the over-the-counter market at Japan Securities Dealers Association.
1994	Dec.	Listed ACOM shares on the second section of the Tokyo Stock Exchange.
1996	Sep.	Established "SIAM A&C CO., LTD." as a joint venture of hire purchase business in Kingdom of Thailand.
1996	Sep.	Listed ACOM shares on the first section of the Tokyo Stock Exchange.
1998	July	Acquired principal membership of MasterCard International (currently, MasterCardWorldwide) and obtained a license to issue credit cards.
1999	April	Started issuing MasterCard®.
2000	Oct.	Acquired all shares of "JUKI CREDIT CO., LTD."
2000	Nov.	Established "A B PARTNER CO., LTD." as the business of temporary employment agencies and back-office services.
2001	Mar.	Invested capital in "IR Loan Servicing, Inc." (present, consolidated subsidiary) to advance into the servicing business.
2001	Aug.	Established "Tokyo-Mitsubishi Cash One Ltd." with "The Bank of Tokyo-Mitsubishi, Ltd." (present, "The Bank of Tokyo-Mitsubishi UFJ, Ltd."), "The Mitsubishi Trust and Banking Corporation" (present, "The Mitsubishi UFJ Trust and Banking Corporation"), "DC CARD Co., Ltd." (present, "Mitsubishi UFJ NICOS Co., Ltd."), and "JACCS CO., LTD."
2001	Sep.	JUKI CREDIT CO., LTD. changed its corporate name to "JCK CREDIT CO., LTD."
2004	Mar.	Reached an agreement with respect to a strategic business and capital alliance with "Mitsubishi Tokyo Financial Group, Inc." (present, "Mitsubishi UFJ Financial Group, Inc.").
2004	May	Was granted the "Privacy Mark" authorized by Japan Information Processing Development Corporation (JIPDEC).
2004	Dec.	Moved headquarter location to Marunouchi, Chiyoda-ku, Tokyo.
2005	Jan.	Acquired shares in "Tokyo-Mitsubishi Cash One Ltd." and changed its corporate name into "DC Cash One Ltd."
2005	Jan.	Established "RELATES CO., LTD.," which operated entrusted call center functions from banks.
2005	Mar.	Acquired all shares of "MTB Capital Co., Ltd." and changed its corporate name to "AC Ventures Co., Ltd."
2005	April	"SIAM A&C CO., LTD." changed its corporate name to "EASY BUY Public Company Limited" (present, a consolidated subsidiary).
2007	April	"JCK CREDIT CO., LTD." succeeded to installment sales finance business split up from ACOM and changed its corporate name into "AFRESH CREDIT CO., LTD." (present, consolidated subsidiary).
2007	Dec.	Jointly acquired "PT. Bank Nusantara Parahyangan, Tbk." (present, consolidated subsidiary) in Republic of Indonesia with "The Bank of Tokyo-Mitsubishi UFJ, Ltd."
2008	Feb.	Acquired all shares of "IR Loan Servicing, Inc."
2008	Sep.	Agreed upon further strengthening strategic business and capital alliance with "Mitsubishi UFJ Financial Group, Inc." and "The Bank of Tokyo-Mitsubishi UFJ, Ltd."

Year/Month	ACOM History
2008 Dec.	Became a consolidated subsidiary of “Mitsubishi UFJ Financial Group, Inc.” as the parent company.
2009 April	“RELATES CO., Ltd.” was dissolved due to absorption-type merger with “MU Communication Co., Ltd. (present, equity-method affiliate), a subsidiary of “The Bank of Tokyo-Mitsubishi UFJ, Ltd.,” where “MU Communication Co., Ltd.” was the surviving company.
2009 May	“DC Cash One Ltd.” was dissolved due to absorption-type merger with the Company where the Company was the surviving company.
2010 Aug.	“A B PARTNER CO., LTD.” was dissolved due to absorption-type merger with “IR Loan Servicing, Inc.,” where “IR Loan Servicing, Inc.” was the surviving company.
2012 April	“AC Ventures Co., Ltd.,” was dissolved due to absorption-type merger with the Company where the Company was the surviving company.

3. Description of Business

ACOM is a consolidated subsidiary of Mitsubishi UFJ Financial Group, Inc. (hereinafter, “MUFG”), and MUFG is the “Parent company” of ACOM.

The ACOM Group consists of ACOM and 12 subsidiaries (including investment partnerships) and 1 affiliate. The Group’s main line of business is [loan and credit card business, guarantee business, loan servicing business and overseas finance business].

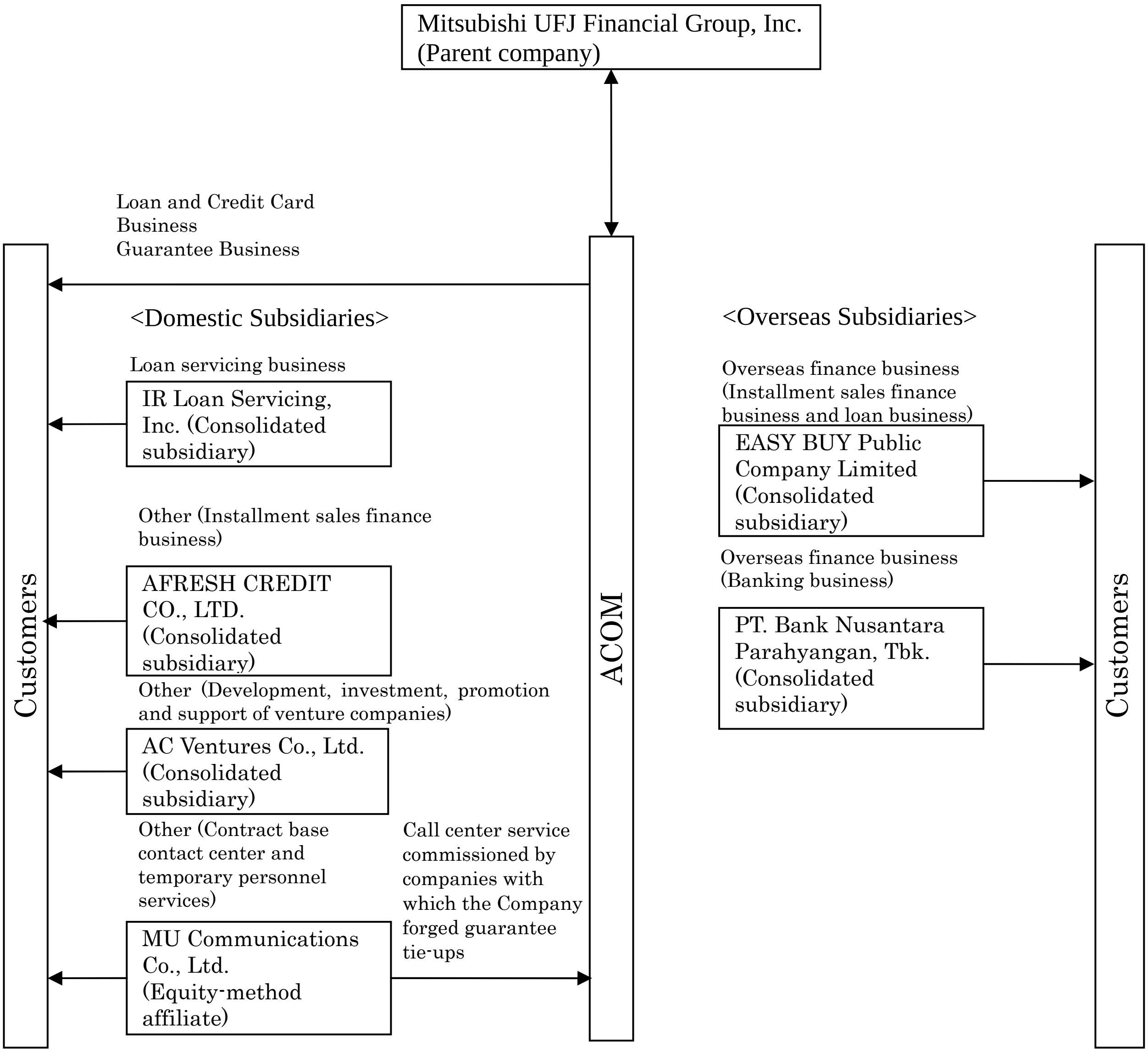
The table below explains the positioning of group companies and their relevant segments.

The following four segments are consistent with those stated in [Notes], (1) Consolidated Financial Statements in 1. Consolidated Financial Statements, etc. of V. Financial Information.

Segment	Company Name	Business Outline	Classification
Loan and Credit Card Business	ACOM CO., LTD.	Loan business including unsecured loan and secured loan	—
		Credit card business of which the principal commodity is MasterCard®	
Guarantee Business	ACOM CO., LTD.	Guarantee business for personal loan of banks, etc.	
Loan Servicing Business	IR Loan Servicing, Inc.	Servicing business (Loan servicing business)	Consolidated subsidiary
	General Incorporated Association Mirai Capital	Purchase, management, and disposal of monetary claims (Special Purpose Company)	
	Power Investments LLC		
Overseas Finance Business	EASY BUY Public Company Limited	Unsecured loan business in Kingdom of Thailand	
		Hire purchase business (Installment sales finance business) in Kingdom of Thailand	
	PT. Bank Nusantara Parahyangan, Tbk.	Banking business in Republic of Indonesia	
Others	AFRESH CREDIT CO., LTD.	Installment sales finance business	
	AC Ventures Co., Ltd.	Development, investment, promotion and support of venture companies	
	ACOM (U.S.A.) INC.	—	
	MU Communications Co., Ltd.	Contract base contact center and temporary personnel services	Equity-method affiliate

(Note) ACOM (U.S.A.) INC. is currently suspending its operation.

The diagram below illustrates the businesses of the ACOM Group companies.



(Notes)
1. ACOM (U.S.A.) INC. suspended its operation; therefore, it is eliminated from the diagram.
2. Investment partnerships are omitted as they operate funds.
3. This diagram does not include both General Incorporated Association Mirai Capital and Power investments LLC as they were established as Special Purpose Company.
4. The installment sales finance business conducted by AFRESH CREDIT CO., LTD. has suspended acceptance of new contracts as the company is preparing for withdrawal from the business.
5. The Company merged AC Ventures Co., Ltd., via absorption-type merger with April 1, 2012, as the effective date.

4. Information on Subsidiaries and Affiliates

Company name	Location	Paid in capital (Million yen)	Principal business	Ratio of voting rights holding (held)		Relationship			
				Ratio of voting rights holding (%)	Ratio of voting rights held (%)	Concurrent positions held by Directors and temporary transfers of employees	Financial assistance	Business transaction	Lease of facilities
(Parent company) Mitsubishi UFJ Financial Group, Inc. (Note) 3	Chiyoda-ku, Tokyo	2,137,476	Bank holding company	—	40.18 (2.60)	Temporary transfers of employees to the Company: 3	—	Business management, business and capital alliance	—
(Consolidated subsidiary) IR Loan Servicing, Inc.	Chiyoda-ku, Tokyo	520	Loan servicing business	100	—	Concurrent position held by 1 Director; Temporary transfer of employees to the said company: 24	Financial loan	Transfer of loan	—
AFRESH CREDIT CO., LTD. (Note) 4	Chiyoda-ku, Tokyo	100	Other	100	—	Concurrent position held by 1 Director; Temporary transfer of employees to the said company: 27	Collection of loans from the said company	—	—
AC Ventures Co., Ltd.	Chiyoda-ku, Tokyo	100	Other	100	—	Temporary transfer of employees to the said company: 1	—	—	Rent office from the Company
EASY BUY Public Company Limited (Note) 5 (Note) 10	Bangkok, Kingdom of Thailand	(Thousand Thai Baht) 300,000	Overseas finance business	49	—	Concurrent position held by 1 Director; Temporary transfer of employees to the said company: 9	Collection of loans from the said company and loan guarantee to the said company	—	—
PT. Bank Nusantara Parahyangan, Tbk.	Bandung, Republic of Indonesia	(Million Rupiah) 208,257	Overseas finance business	60.31	—	Temporary transfer of employees to the said company: 3	Holding of subordinated loans issued by the said company	—	—
ACOM (U.S.A.) INC. (Note) 6	Delaware, U.S.A.	(Thousand US dollars) 34,000	Other	100	—	—	—	—	—
AC Ventures Fourth Investment Partnership (Note) 7	Chiyoda-ku, Tokyo	4,000	Other	100 (10)	—	—	—	—	—
AC Ventures Fifth Investment Partnership (Note) 7	Chiyoda-ku, Tokyo	1,000	Other	100 (10)	—	—	—	—	—
AC Ventures Sixth Investment Partnership (Note) 7	Chiyoda-ku, Tokyo	2,000	Other	100 (10)	—	—	—	—	—
MTBC Third Investment Partnership (Note) 5	Chiyoda-ku, Tokyo	2,000	Other	0 (10)	—	—	—	—	—

Company name	Location	Paid in capital (Million yen)	Principal business	Ratio of voting rights holding (held)		Relationship			
				Ratio of voting rights holding (%)	Ratio of voting rights held (%)	Concurrent positions held by Directors and temporary transfers of employees	Financial assistance	Business transaction	Lease of facilities
General Incorporated Association Mirai Capital (Note) 8	Minato-ku, Tokyo	3	Loan servicing business	0 (100)	—	—	—	—	—
Power Investments LLC (Note) 9	Setagaya-ku, Tokyo	0	Loan servicing business	0 (100)	—	—	—	—	—
(Equity-method affiliate)									
MU Communications Co., Ltd.	Shibuya-ku, Tokyo	1,990	Other	15	—	Temporary transfer of employees to the said company: 12	—	Consulting contracts with companies with which the Company forged guarantee tie-ups	—

(Notes)
1. Name of business segments of consolidated subsidiaries in the box of “Principal business” are the same as those stated in the segment information.
2. The ratio of voting rights held indirectly is shown in parentheses “( )” in the box of “Ratio of voting rights holding (held).”
3. The Company files Securities Reports.
4. “Paid in capital” was decreased by 400 million yen to 100 million yen with March 1, 2012, as the effective date.
5. It is considered a subsidiary because the Company substantially controls its management even though the Company’s shareholding ratio is less than 50%.
6. ACOM (U.S.A.) INC. is currently suspending its operation.
7. AC Ventures Fourth, Fifth and Sixth Investment Partnerships were dissolved as of April 1, 2012, and the dissolution proceeding thereof is currently under way.
8. General Incorporated Association Mirai Capital is a subsidiary of IR Loan Servicing Inc., which is a consolidated subsidiary of the Company.
9. Power Investments LLC is a subsidiary of General Incorporated Association Mirai Capital., which is a consolidated subsidiary of the Company.
10. Paid in capital of EASY BUY Public Company Limited increased from 200,000 thousand to 300,000 thousand Thai Baht as a result of a capital increase through a shareholder allocation on May 31, 2011.

5. Employees

(1) Consolidated Companies

As of March 31, 2012

Name of business segment	Number of employees
Loan and credit card business	1,331 (152)
Guarantee business	114 (19)
Loan servicing business	152 (1)
Overseas finance business	3,596 (4)
Others	33 (17)
Company-wide (common)	311 (0)
Total	5,537 (193)

(Notes)
1. The number of employees represents the number of workers employed by the consolidated companies and includes 808 contracted workers.
2. The bracketed figure is the average number of temporary workers during the current fiscal year.
   (The average number of employees during the current fiscal year calculated on the 8-working-hour per day basis was 164).
3. The employees in the Company-wide (common) section are those belonging to the administration department of the Filing Company and thus do not fall into any business segment.

(2) The Filing Company

As of March 31, 2012

Number of employees	Average age (years old)	Average length of service (years)	Average annual salary (Thousands of yen)
1,756 (171)	39.9	15.3	6,259

Name of business segment	Number of employees
Loan and credit card business	1,331 (152)
Guarantee business	114 (19)
Company-wide (common)	311 (0)
Total	1,756 (171)

(Notes)
1. The number of employees represents the number of workers employed by the Company and includes 103 contracted workers.
2. Bonus and extra remuneration are included in the average annual salary.
3. The bracketed figure is the average number of temporary workers during the current fiscal year.
   (The average number of employees during the current fiscal year calculated on the 8-working-hour per day basis was 145.)
4. The employees in the Company-wide (common) section are those belonging to the administration department of the Head Office and thus do not fall into any business segment.

(3) Status of labor union

Relationship between management and labor is stable.

II. Business Overview

1. Summary of Results

(1) Business results

During this consolidated fiscal year ended March 31, 2012, the Japanese economy remained weak due to the adverse effects of the Great East Japan Earthquake. However, the economic outlook was increasingly uncertain against a backdrop of the effects of the debt crisis on several governments in Europe, the rise of crude oil prices, deflationary pressures, and concerns over the worsening employment situation despite a gradual recovery trends.

In the consumer finance industry, the market continued to shrink, following the full enforcement of the Money Lending Business Act in June 2010. Consumer finance companies are also forced to take measures to respond to requests for interest repayment.

Given these circumstances, under the management vision of "aiming to become the leading company that gives prime satisfactions to as many customers as possible and trusted in the consumer loan market," the Group promoted core operations in loan, credit guarantee, and loan servicing businesses in its domestic region, whereas those in loan business in the Kingdom of Thailand and banking business in Republic of Indonesia in its overseas region.

Consolidated operating revenue for this fiscal year decreased 14.4% year-on-year to 210,456 million yen primarily due to a decrease in interest on consumer loans. Operating expenses decreased 58.3% to 179,570 million yen mainly due to decreases in provision for loss on interest repayment, provision of allowance for doubtful accounts and general administrative expenses. As a result, the Company posted operating income of 30,885 million yen compared with an operating loss of 184,785 million yen for the prior fiscal year and ordinary income of 32,219 million yen compared with an ordinary loss of 183,506 million yen for the prior fiscal year.

In addition, the Company posted net income of 21,464 million yen for the fiscal year under review compared with a net loss of 202,648 million yen for the prior fiscal year. This was primarily attributable to an increase of 8,284 million yen in income taxes-deferred although extraordinary loss decreased by 15,323 million yen mainly due to decreases in loss on valuation of stocks of parent company, loss on valuation of investment securities, loss on adjustment for changes of accounting standard for asset retirement obligations, etc.

The Company agreed to form a business alliance with Jibun Bank Corporation ("Jibun Bank"), and concluded a business alliance agreement as of January 20, 2012 in order to contribute to further improvements in customer services and the development of a sound consumer finance market. Additionally, the Company agreed that Jibun Bank would succeed a part of the Company's card loan business by means of a company split (absorption type) with May 12, 2012 as the effective date, on condition of approval by the related authorities, etc., and concluded a company split agreement on January 20, 2012.

In the future, we intend to promote joint research on the development of innovative loan products and the provision of appropriate services by precisely responding to customer needs through the fusion of our know-how related to the consumer loan business and Jibun Bank's mobile phone Internet banking know-how for mobile phones and smartphones.

(2) Status of financial service businesses

1) Loan and credit card business

In the domestic loan and credit card business, during the fiscal year under review, interest on consumer loans and revenue from credit card business decreased year-on-year, due to the decrease in loans receivable of consumer loans and the decline in average yield precipitated by lower caps on interest rates, as well as the decrease in accounts receivable-installment. As a result, the business segment's operating revenue was 150,783 million yen (down 18.2% year-on-year). The segment posted operating income of 11,639 million yen compared with an operating loss of 196,975 million yen for the prior fiscal year due to the fact that the provision for loss on interest repayment considerably decreased compared with the prior fiscal year, as well as decreased in the provision of allowance for doubtful accounts and general and administrative expenses.

2) Guarantee business

In the guarantee business, the credit guarantee receivables increased steadily, due to strengthened cooperation with existing business partners, including The Bank of Tokyo-Mitsubishi UFJ, Ltd., in addition to the newly commenced guarantee business for consumer loans provided by The Hyakujushi Bank, Ltd., The Miyazaki Bank, Ltd. and The Musashino Bank, Ltd. As a result, the business segment's operating revenue was 22,950 million yen (up 2.2% year-on-year) for the fiscal year under review. Operating income was 11,263 million yen (up 93.9% year-on-year) mainly due to a year-on-year decrease in provision of allowance for doubtful accounts under operating expenses.

3) Loan servicing business

In the loan servicing business, the business segment's operating revenue for the fiscal year under review was 7,511 million yen (down 16.2% year-on-year) principally due to the declined amount of collection from purchased receivables despite a slight increase in transaction volume (volume of purchased receivables) on a principal basis. Operating income was 555 million yen (up 0.6% year-on-year) mainly due to the decreases in provision of allowance for doubtful accounts and general and administrative expenses.

4) Overseas finance business

Although EASY BUY Public Company Limited, which mainly operates loan business in the Kingdom of Thailand, was anxious about the adverse effects of last year's floods, their direct impact on the business was immaterial and loans receivable of consumer loans continued to increase steadily. As for the financing business in the Republic of Indonesia, small loans to sole proprietors increased considerably and unsecured loans for consumers also increased. As a result, the segment's operating revenue for the fiscal year under review was 27,069 million yen (up 4.9% year-on-year) and operating income was 6,200 million yen (up 54.3% year-on-year).

(3) Status of cash flows during the current fiscal year

Cash and cash equivalents ("funds") at the end of the fiscal year under review increased by 30,530 million yen (up 18.7% year-on-year) to 193,441 million yen. The changes in the respective cash flows and the reasons thereof are as follows:

With respect to net cash provided by operating activities, funds saw an increase of 48,421 million yen. This was mainly attributable to 33,377 million yen in income before income taxes and minority interests, a decrease of 21,978 million yen in allowance for doubtful accounts, a decrease of 83,100 million yen in provision for loss on interest repayment, an increase of 98,113 million yen due to a decrease in loans receivable of consumer loans and an increase of 16,183 million yen due to a decrease in accounts receivable-installment.

With respect to net cash provided by investing activities, funds saw an increase of 10,981 million yen. This was primarily due to 11,210 million yen in proceeds from sales of investment securities.

With respect to net cash used in financing activities, funds saw a decrease of 28,554 million yen. This was primarily due to the fact that the total amount of proceeds from loans and issuance of bonds was 28,329 million yen less than the repayments of interest bearing debt and payments at maturity of bonds.

2. Consolidated Operating Results

(1) Operating revenue by business segment

Business segment			For the prior fiscal year (from April 1, 2010, to March 31, 2011)		For the current fiscal year (from April 1, 2011, to March 31, 2012)	
			Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Financial service businesses	Japan	Loan business	180,778	73.5	147,883	70.3
		Credit card business	3,403	1.4	2,900	1.4
		Guarantee business	22,461	9.1	22,950	10.9
		Loan servicing business	8,945	3.7	7,495	3.6
		Others	3,490	1.4	1,812	0.8
	Overseas	Loan business	21,077	8.6	21,526	10.2
		Installment sales finance business	527	0.2	340	0.2
		Banking business	4,193	1.7	5,548	2.6
Other businesses			954	0.4	—	—
Total			245,831	100.0	210,456	100.0

(Note) Category of business above applies the category of business stated in “Segment information” in 1. Consolidated Financial Statements, etc. of V. Financial Information.

(2) Transaction volume and outstanding receivables at the end of the fiscal year of the financial service business segments

1) Transaction volume

Business segment		For the prior fiscal year (from April 1, 2010, to March 31, 2011)		For the current fiscal year (from April 1, 2011, to March 31, 2012)	
		Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Japan	Loan business	280,953	73.7	311,000	78.1
	Credit card business	9,127	2.4	8,532	2.1
	Loan servicing business	2,476	0.6	3,218	0.8
	Others	13,887	3.6	190	0.1
Overseas	Loan business	52,557	13.8	53,740	13.5
	Installment sales finance business	1,142	0.3	904	0.2
	Banking business	21,210	5.6	20,835	5.2
Total		381,356	100.0	398,422	100.0

(Notes) 1. Category of business above applies the category of business stated in “Segment information” in 1. Consolidated Financial Statements, etc. of V. Financial Information.

2. Details and transaction volume of the above Financial Service business segments are as follows:

Loan business	Provision of loans directly to customers. The scope of this segment's transaction volume is the amount of loans to customers.
Credit card business	Provision of general financial services through the use of credit cards, based on comprehensive credit administration. The scope of transaction volume is the total amount of credit.
Loan servicing business	The amount of purchased receivables.
Installment sales finance business	Provision of financial services without using credit cards. Each transaction of this service involves customer screening and review. The scope of transaction volume is the sum of credit amount and commission fees.
Banking business	Provision of loans directly to customers. The scope of this segment's transaction volume is the amount of loans to customers.

2) Receivables outstanding

Business segment		As of the end of the prior fiscal year (March 31, 2011)		As of the end of the current fiscal year (March 31, 2012)	
		Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Japan	Loan business	903,707	85.1	799,888	84.5
	Credit card business	21,625	2.0	18,482	1.9
	Loan servicing business	11,931	1.1	10,159	1.1
	Others	21,336	2.0	8,499	0.9
Overseas	Loan business	68,621	6.5	67,603	7.1
	Installment sales finance business	989	0.1	708	0.1
	Banking business	33,405	3.2	41,518	4.4
Total		1,061,618	100.0	946,860	100.0

(Note) Category of business above applies the category of business stated in "Segment information" in 1. Consolidated Financial Statements, etc. of V. Financial Information.

(3) Number of outlets

Category	As of the end of the prior fiscal year (March 31, 2011)	As of the end of the current fiscal year (March 31, 2012)
Outlets	1,277	1,188

(4) Number of customer accounts

Business segment		As of the end of the prior fiscal year (March 31, 2011)	As of the end of the current fiscal year (March 31, 2012)
Japan	Loan business	1,718,769	1,579,000
	Credit card business	235,118	170,188
	Loan servicing business	303,339	318,124
	Others	108,776	51,790
Overseas	Loan business	786,404	847,262
	Installment sales finance business	29,383	22,929
	Banking business	7,278	15,694

(Notes) 1. Category of business above applies the category of business stated in "Segment information" in 1. Consolidated Financial Statements, etc. of V. Financial Information.

2. The numbers of customer accounts by business segment shown above are as follows:

Loan business	Number of loan accounts with loans receivable
Credit card business	Number of credit card "MasterCard®" holders
Loan servicing business	Number of accounts with outstanding purchased receivables
Installment sales finance business	Number of contracts with outstanding accounts receivable-installment
Banking business	Number of loan accounts with outstanding loans receivable of banking business

(5) Breakdown of loans receivable of consumer loans

1) By loan type

Loan type		As of the end of the prior fiscal year (March 31, 2011)					As of the end of the current fiscal year (March 31, 2012)				
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Average contracted interest rate (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Average contracted interest rate (%)
Consumer loans	Unsecured loans (excluding housing loans)	2,498,607	99.7	948,890	97.6	18.64	2,420,615	99.8	848,347	97.8	17.82
	Secured loans (excluding housing loans)	6,466	0.3	22,851	2.3	12.50	5,561	0.2	18,612	2.1	12.38
	Housing loans	—	—	—	—	—	—	—	—	—	—
	Subtotal	2,505,073	100.0	971,742	99.9	18.50	2,426,176	100.0	866,959	99.9	17.70
Commercial loans	Unsecured loans	17	0.0	17	0.0	22.22	12	0.0	11	0.0	14.82
	Secured loans	83	0.0	570	0.1	8.47	74	0.0	520	0.1	7.99
	Subtotal	100	0.0	587	0.1	8.87	86	0.0	531	0.1	8.14
Total		2,505,173	100.0	972,329	100.0	18.49	2,426,262	100.0	867,491	100.0	17.69

2) By industry

Industry	As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Agriculture, forestry and fishery	3	0.0	18	0.0	3	0.0	17	0.0
Construction	23	0.0	61	0.0	21	0.0	53	0.0
Manufacturing	12	0.0	27	0.0	11	0.0	25	0.0
Electricity; gas; heat supply; water supply	—	—	—	—	—	—	—	—
Information and communications	1	0.0	5	0.0	1	0.0	5	0.0
Transport and postal services	3	0.0	9	0.0	3	0.0	12	0.0
Wholesale and retail	18	0.0	120	0.0	14	0.0	101	0.0
Finance and insurance	6	0.0	41	0.0	5	0.0	35	0.0
Real estate, and goods rental and leasing	8	0.0	192	0.0	8	0.0	189	0.0
Restaurants, accommodation, and food and beverage services	6	0.0	26	0.0	6	0.0	26	0.0
Education and educational support	1	0.0	0	0.0	—	—	—	—
Healthcare and welfare	2	0.0	2	0.0	2	0.0	0	0.0
Multiple services	—	—	—	—	—	—	—	—
Other services (not belong to any other category)	16	0.0	75	0.0	12	0.0	62	0.0
Individuals	2,505,073	100.0	971,742	100.0	2,426,176	100.0	866,959	100.0
Specified nonprofit organization	—	—	—	—	—	—	—	—
Others	1	0.0	4	0.0	—	—	—	—
Total	2,505,173	100.0	972,329	100.0	2,426,262	100.0	867,491	100.0

(Note) Commercial loans to sole proprietors are included in corresponding categories other than “Individuals.”

3) By collateral type

Collateral	As of the end of the prior fiscal year (March 31, 2011)		As of the end of the current fiscal year (March 31, 2012)	
	Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Securities (Stocks included in the above)	— (—)	— (—)	— (—)	— (—)
Credit (Deposits included in the above)	— (—)	— (—)	— (—)	— (—)
Merchandise	—	—	—	—
Real estate	23,317	2.4	19,036	2.2
Foundations	—	—	—	—
Others	103	0.0	96	0.0
Subtotal	23,421	2.4	19,132	2.2
Guarantee	—	—	—	—
Unsecured	948,908	97.6	848,359	97.8
Total	972,329	100.0	867,491	100.0

4) By loan term

Loan period		As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Unsecured loans	Revolving	2,316,572	92.5	893,197	91.9	2,239,229	92.3	788,319	90.9
	Due within 1 year	3,086	0.1	390	0.0	2,892	0.1	294	0.0
	Due after 1 year through 5 years	160,444	6.4	44,704	4.6	131,029	5.4	29,307	3.4
	Due after 5 years through 10 years	16,940	0.7	8,839	0.9	24,881	1.0	13,290	1.5
	Due after 10 years through 15 years	1,569	0.0	1,769	0.2	22,581	1.0	17,136	2.0
	Due after 15 years through 20 years	11	0.0	5	0.0	11	0.0	8	0.0
	Due after 20 years through 25 years	2	0.0	0	0.0	3	0.0	1	0.0
	Due after 25 years	—	—	—	—	1	0.0	0	0.0
	Subtotal	2,498,624	99.7	948,908	97.6	2,420,627	99.8	848,359	97.8
Secured loans	Revolving	5,518	0.3	18,708	1.9	4,633	0.2	14,850	1.7
	Due within 1 year	13	0.0	40	0.0	10	0.0	21	0.0
	Due after 1 year through 5 years	201	0.0	472	0.1	197	0.0	474	0.1
	Due after 5 years through 10 years	357	0.0	1,117	0.1	383	0.0	1,133	0.1
	Due after 10 years through 15 years	72	0.0	427	0.0	76	0.0	412	0.0
	Due after 15 years through 20 years	116	0.0	705	0.1	98	0.0	566	0.1
	Due after 20 years through 25 years	272	0.0	1,949	0.2	238	0.0	1,673	0.2
	Due after 25 years	—	—	—	—	—	—	—	—
	Subtotal	6,549	0.3	23,421	2.4	5,635	0.2	19,132	2.2
Due within 1 year		3,099	0.1	431	0.1	2,902	0.1	315	0.0
Due after 1 year through 5 years		2,482,735	99.1	957,083	98.4	2,375,088	97.9	832,953	96.0
Due after 5 years through 10 years		17,297	0.7	9,956	1.0	25,264	1.1	14,423	1.7
Due after 10 years through 15 years		1,641	0.1	2,196	0.2	22,657	0.9	17,548	2.0
Due after 15 years through 20 years		127	0.0	711	0.1	109	0.0	575	0.1
Due after 20 years through 25 years		274	0.0	1,950	0.2	241	0.0	1,675	0.2
Due after 25 years		—	—	—	—	1	0.0	0	0.0
Total		2,505,173	100.0	972,329	100.0	2,426,262	100.0	867,491	100.0
Average term per contract		3 years and 5 months				3 years and 7 months			

(Note) The Company's revolving loan contracts are automatically renewed for every three years. Therefore, they are categorized as Due after 1 year through 5 years.

(6) Breakdown of funds

1) Breakdown by funding sources

Funding sources, etc.	As of the end of the prior fiscal year (March 31, 2011)		As of the end of the current fiscal year (March 31, 2012)	
	Outstanding balance (Millions of yen)	Average interest rate (%)	Outstanding balance (Millions of yen)	Average interest rate (%)
Borrowings from financial institutions, etc.	474,503	2.54	441,551	2.78
Others	222,644	2.68	222,481	2.95
(Corporate bonds, CPs)	(222,644)	(2.68)	(222,481)	(2.95)
Total	697,147	2.59	664,032	2.84
Owners’ equity	601,208	—	513,188	—
(Capital stock)	(63,832)	(—)	(63,832)	(—)

(Notes) 1. “Owners’ equity” was calculated by deducting total liabilities, the amount of minority interests in the “net assets” section, and the planned amount of dividend from total assets, and then adding the total amount of reserves (including reserves under special laws).

2. “Borrowings from financial institutions, etc.” as of the end of the current fiscal year includes 32,792 million yen (38,250 million yen as of the end of the prior fiscal year) borrowings by liquidation of receivables.

2) Breakdown by financial institution

(Millions of yen)

Financial institution		As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
		Beginning balance	Amount procured	Amount repaid	Final balance	Beginning balance	Amount procured	Amount repaid	Final balance
Borrowings	City banks, etc.	122,661	36,003	49,413	109,251	109,251	56,765	34,337	131,679
	Regional banks	15,036	4,800	8,296	11,540	11,540	7,900	7,352	12,088
	Trust banks	166,978	40,586	47,799	159,765	159,765	56,292	49,103	166,955
	Foreign banks	15,460	42,435	41,310	16,585	16,585	39,220	45,017	10,787
	Life insurance companies	62,820	8,300	30,623	40,497	40,497	9,800	20,011	30,286
	Non-life insurance companies	8,088	—	6,000	2,088	2,088	—	1,988	100
	Business corporations (leasing and financing companies, etc.)	1,000	1,000	1,125	875	875	3,000	750	3,125
	Other financial institutions	127,621 (20,000)	49,158 (22,000)	42,878 (3,749)	133,901 (38,250)	133,901 (38,250)	16,250 (—)	63,620 (5,457)	86,530 (32,792)
Subtotal		519,665	182,284	227,446	474,503	474,503	189,227	222,179	441,551
Corporate bonds (including current portion of bonds payable)		242,903	32,000	52,259	222,644	222,644	81,091	81,254	222,481
Subtotal		242,903	32,000	52,259	222,644	222,644	81,091	81,254	222,481
Total		762,569	214,284	279,706	697,147	697,147	270,319	303,433	664,032

(Notes) 1. “City banks, etc.” include Shinsei Bank, Limited and Aozora Bank, Ltd.

2. Figures in parentheses in the “Other financial institutions” are borrowings by liquidation of receivables.

3. Amounts procured and repaid by overseas subsidiaries are stated after foreign currency translation adjustment.

(7) Operating results of the Filing Company

1) The number of outlets and customer accounts by business segment

(i) The number of outlets and cash dispensers/automated teller machines

Category		As of the end of the prior fiscal year (March 31, 2011)	As of the end of the current fiscal year (March 31, 2012)
Outlets		1,141	1,044
	Staffed outlets	39	39
	Unstaffed outlets	1,102	1,005
MUJINKUN corners		1,141 locations (1,148)	1,044 locations (1,056)
ATMs and CDs		50,593	48,592
	Proprietary	1,201	1,102
	Tie-up	49,392	47,490
	(Number of tie-up companies)	(16)	(14)
Machines used for settlement under agency agreements		8,973	—
(Number of counterparties)		(1)	(—)

(Notes) 1. In addition to the above 1,044 loan business outlets, based on the Money Lending Business Act, we registered 39 automatic contract machines (MUJINKUN corners) installed in staffed outlets (they stood at 39 as of March 31, 2011), 6 cash dispensers/automated teller machines installed outside outlets (7 as of March 31, 2011) and 1 service center (1 as of March 31, 2011) as outlets.

2. The number of "machines used for settlement under agency agreements" represents the number of machines for receiving payments at convenience stores.

(ii) Number of customer accounts

Business segment		As of the end of the prior fiscal year (March 31, 2011)	As of the end of the current fiscal year (March 31, 2012)
Loan business		1,712,560	1,575,021
Credit card business	Credit cards	235,118	170,188

(Note) The numbers of customer accounts by business segment shown above are as follows:

Loan business		Number of loan accounts with loans receivable
Credit card business		
	Credit cards	Number of "MasterCard®" holders

2) Breakdown of operating revenue

(i) Operating revenue by division

Division	Account	For the prior fiscal year (from April 1, 2010, to March 31, 2011)		For the current fiscal year (from April 1, 2011, to March 31, 2012)	
		Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Financial service businesses	Interest on consumer loans	173,209	83.4	139,211	80.1
	Unsecured loans	170,154	81.9	136,757	78.7
	Consumer	170,150	81.9	136,754	78.7
	Commercial	3	0.0	2	0.0
	Secured loans	3,055	1.5	2,454	1.4
	Credit card revenue	2,889	1.4	2,440	1.4
	Revenue from credit guarantee	20,477	9.8	20,626	11.9
Other businesses	Net sales of merchandise	952	0.5	—	—
Others	Other financial revenue	81	0.0	104	0.0
	Other operating revenue	10,157	4.9	11,455	6.6
	Collection of bad debts previously written-off	8,826	4.2	9,017	5.2
	Others	1,330	0.7	2,437	1.4
Total		207,767	100.0	173,837	100.0

(Notes) 1. Card shopping revenue for MasterCard® are included in “Credit card revenue.”

2. “Net sales of merchandise” in “Other businesses” represents sales of paintings.

(ii) Interest on consumer loans by region

Area	For the prior fiscal year (from April 1, 2010, to March 31, 2011)		For the current fiscal year (from April 1, 2011, to March 31, 2012)	
	Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Hokkaido	6,231	3.6	5,034	3.6
Tohoku	11,952	6.9	8,769	6.3
Kanto	68,990	39.8	56,139	40.3
Chubu	25,434	14.7	20,448	14.7
Kinki	30,199	17.4	24,152	17.4
Chugoku	8,330	4.8	6,658	4.8
Shikoku	4,286	2.5	3,468	2.5
Kyushu	17,784	10.3	14,538	10.4
Total	173,209	100.0	139,211	100.0

(Note) The prefectures belonging to each region are as follows:

Hokkaido:	Hokkaido
Tohoku:	Aomori, Iwate, Miyagi, Akita, Yamagata and Fukushima
Kanto:	Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo and Kanagawa
Chubu:	Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Nagano, Gifu, Shizuoka and Aichi
Kinki:	Mie, Shiga, Kyoto, Osaka, Hyogo, Nara and Wakayama
Chugoku:	Tottori, Shimane, Okayama, Hiroshima and Yamaguchi
Shikoku:	Tokushima, Kagawa, Ehime and Kochi
Kyushu:	Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima and Okinawa

Total amount for each region is calculated based on the locations of sales outlets.

3) Transaction volume and outstanding receivables at the end of the fiscal year for the financial service business segments

(i) Transaction volume

Business segment		For the prior fiscal year (from April 1, 2010, to March 31, 2011)		For the current fiscal year (from April 1, 2011, to March 31, 2012)	
		Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Loan business	Unsecured loans	280,745	96.8	310,943	97.3
	Consumer loans	280,745	96.8	310,943	97.3
	Commercial loans	—	—	—	—
	Secured loans	208	0.1	57	0.0
	Subtotal	280,953	96.9	311,000	97.3
Credit card business	Credit cards	9,127	3.1	8,532	2.7
Total		290,081	100.0	319,532	100.0

(Note) Details and transaction volume of the above Financial Service business segments are as follows:

Loan business	Provision of loans by the Filing Company directly to customers. The scope of this segment’s transaction volume is the amount of loans to customers.
Credit card business	Provision of general financial services through the use of credit cards, based on comprehensive credit administration. The scope of transaction volume is the total amount of credit.

(ii) Receivables outstanding

Business segment		As of the end of the prior fiscal year (March 31, 2011)		As of the end of the current fiscal year (March 31, 2012)	
		Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Loan business	Unsecured loans	878,778	95.1	779,965	95.4
	Consumer loans	878,761	95.1	779,954	95.4
	Commercial loans	17	0.0	11	0.0
	Secured loans	23,421	2.6	19,132	2.3
	Subtotal	902,200	97.7	799,098	97.7
Credit card business	Credit cards	21,625	2.3	18,482	2.3
Total		923,826	100.0	817,580	100.0

4) Increase/decrease and outstanding balance of operating loans

(Millions of yen)

Item	As of the end of the prior fiscal year (March 31, 2011)			As of the end of the current fiscal year (March 31, 2012)		
	Total amount	Unsecured loans	Secured loans	Total amount	Unsecured loans	Secured loans
Beginning balance	1,103,969	1,074,933	29,036	902,200	878,778	23,421
Loans made during the period	280,953	280,745	208	311,000	310,943	57
Collection during the period	369,408	364,421	4,986	338,688	334,910	3,778
Transfer of claims on bankruptcy and reorganization, etc.	2,073	1,958	114	1,421	1,341	79
Write-off of bad debts during the period	107,738	107,016	722	73,034	72,545	488
Other decrease	3,502	3,502	—	958	958	—
Final balance	902,200	878,778	23,421	799,098	779,965	19,132
Average loans receivable	1,016,978	990,606	26,372	851,697	830,316	21,380

(Note) “Other increase” is the result of the transfer of receivables.

5) Breakdown of operating loans

(i) By loan type

Loan type		As of the end of the prior fiscal year (March 31, 2011)					As of the end of the current fiscal year (March 31, 2012)				
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Average contracted interest rate (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Average contracted interest rate (%)
Consumer loans	Unsecured loans (excluding housing loans)	1,705,994	99.6	878,761	97.4	18.01	1,569,374	99.6	779,954	97.6	17.05
	Secured loans (excluding housing loans)	6,466	0.4	22,851	2.5	12.50	5,561	0.4	18,612	2.3	12.38
	Housing loans	—	—	—	—	—	—	—	—	—	—
	Subtotal	1,712,460	100.0	901,613	99.9	17.87	1,574,935	100.0	798,566	99.9	16.94
Commercial loans	Unsecured loans	17	0.0	17	0.0	22.22	12	0.0	11	0.0	14.82
	Secured loans	83	0.0	570	0.1	8.47	74	0.0	520	0.1	7.99
	Subtotal	100	0.0	587	0.1	8.87	86	0.0	531	0.1	8.14
Total		1,712,560	100.0	902,200	100.0	17.86	1,575,021	100.0	799,098	100.0	16.94

(ii) Breakdown of unsecured consumer loans by consumers' occupation

Occupation	As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Clerical work	232,241	13.6	145,829	16.6	216,943	13.8	132,278	17.0
Marketing	166,446	9.8	116,562	13.3	149,032	9.5	101,625	13.0
Sales	94,833	5.6	38,898	4.4	89,291	5.7	34,965	4.5
Personnel management	589,154	34.5	282,566	32.1	554,441	35.3	258,342	33.1
Drivers	100,825	5.9	56,027	6.4	90,877	5.8	49,306	6.3
Technicians &Engineers	108,451	6.4	67,054	7.6	98,289	6.3	58,701	7.5
Management	221,545	13.0	102,623	11.7	197,661	12.6	86,432	11.1
Hospitality & service	67,130	3.9	23,616	2.7	59,117	3.8	20,124	2.6
Others	125,369	7.3	45,583	5.2	113,723	7.2	38,176	4.9
Total	1,705,994	100.0	878,761	100.0	1,569,374	100.0	779,954	100.0

(iii) By industry

Industry	As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Agriculture, forestry and fishery	3	0.0	18	0.0	3	0.0	17	0.0
Construction	23	0.0	61	0.0	21	0.0	53	0.0
Manufacturing	12	0.0	27	0.0	11	0.0	25	0.0
Electricity; gas; heat supply; water supply	—	—	—	—	—	—	—	—
Information and communications	1	0.0	5	0.0	1	0.0	5	0.0
Transport and postal services	3	0.0	9	0.0	3	0.0	12	0.0
Wholesale and retail	18	0.0	120	0.0	14	0.0	101	0.0
Finance and insurance	6	0.0	41	0.0	5	0.0	35	0.0
Real estate, and goods rental and leasing	8	0.0	192	0.0	8	0.0	189	0.0
Restaurants, accommodation, and food and beverage services	6	0.0	26	0.0	6	0.0	26	0.0
Education and educational support	1	0.0	0	0.0	—	—	—	—
Healthcare and welfare	2	0.0	2	0.0	2	0.0	0	0.0
Multiple services	—	—	—	—	—	—	—	—
Other services (not belong to any other category)	16	0.0	75	0.0	12	0.0	62	0.0
Individuals	1,712,460	100.0	901,613	100.0	1,574,935	100.0	798,566	100.0
Specified nonprofit organization	—	—	—	—	—	—	—	—
Others	1	0.0	5	0.0	—	—	—	—
Total	1,712,560	100.0	902,200	100.0	1,575,021	100.0	799,098	100.0

(Note) Commercial loans to sole proprietors are included in corresponding categories other than "Individuals."

(iv) Breakdown of unsecured consumer loans receivable by consumers' sex and age

Sex and age		As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Male	18-19 years	—	—	—	—	—	—	—	—
	20-29	214,058	12.6	75,210	8.6	210,311	13.4	79,452	10.2
	30-39	356,037	20.9	185,328	21.1	318,964	20.3	161,011	20.6
	40-49	307,786	18.0	217,206	24.7	288,112	18.4	193,332	24.8
	50-59	225,499	13.2	170,284	19.4	203,961	13.0	147,699	18.9
	60 years and older	149,986	8.8	75,153	8.5	139,375	8.9	66,841	8.6
	Subtotal	1,253,366	73.5	723,183	82.3	1,160,723	74.0	648,338	83.1
Female	18-19 years	—	—	—	—	—	—	—	—
	20-29	79,347	4.6	22,584	2.6	72,575	4.6	21,018	2.7
	30-39	113,529	6.7	38,373	4.4	100,502	6.4	31,931	4.1
	40-49	102,508	6.0	37,568	4.3	95,468	6.1	32,359	4.2
	50-59	86,687	5.1	33,689	3.8	76,525	4.9	27,414	3.5
	60 years and older	70,557	4.1	23,362	2.6	63,581	4.0	18,892	2.4
	Subtotal	452,628	26.5	155,578	17.7	408,651	26.0	131,616	16.9
Total		1,705,994	100.0	878,761	100.0	1,569,374	100.0	779,954	100.0

(v) By collateral type

Collateral accepted	As of the end of the prior fiscal year (March 31, 2011)		As of the end of the current fiscal year (March 31, 2012)	
	Amount (Millions of yen)	Proportion (%)	Amount (Millions of yen)	Proportion (%)
Securities (Stocks included in the above)	— (—)	— (—)	— (—)	— (—)
Credit (Deposits included in the above)	— (—)	— (—)	— (—)	— (—)
Merchandise	—	—	—	—
Real estate	23,317	2.6	19,036	2.4
Foundations	—	—	—	—
Others	103	0.0	96	0.0
Subtotal	23,421	2.6	19,132	2.4
Guarantee	—	—	—	—
Unsecured	878,778	97.4	779,965	97.6
Total	902,200	100.0	799,098	100.0

(vi) By loan amount

Loan amount		As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Unsecured loans	Due within 100,000 yen	197,503	11.5	12,272	1.4	202,049	12.8	12,291	1.5
	Due after 100,000 yen through 300,000 yen	428,737	25.0	91,336	10.1	416,791	26.5	89,371	11.2
	Due after 300,000 yen through 500,000 yen	698,379	40.8	303,585	33.6	571,701	36.3	242,763	30.4
	Due after 500,000 yen	381,392	22.3	471,584	52.3	378,845	24.0	435,539	54.5
	Subtotal	1,706,011	99.6	878,778	97.4	1,569,386	99.6	779,965	97.6
Secured loans	Due within 1 million yen	623	0.0	343	0.0	653	0.0	367	0.1
	Due after 1 million yen through 5 million yen	4,801	0.3	14,307	1.6	4,096	0.3	11,847	1.5
	Due after 5 million yen through 10 million yen	965	0.1	6,527	0.7	757	0.1	5,085	0.6
	Due after 10 million yen through 50 million yen	159	0.0	2,162	0.3	128	0.0	1,751	0.2
	Due after 50 million yen through 100 million yen	1	0.0	80	0.0	1	0.0	80	0.0
	Due after 100 million yen	—	—	—	—	—	—	—	—
	Subtotal	6,549	0.4	23,421	2.6	5,635	0.4	19,132	2.4
Total		1,712,560	100.0	902,200	100.0	1,575,021	100.0	799,098	100.0
Average loans receivable per contract (Thousands of yen)		—	—	526	—	—	—	507	—
	Unsecured loans	—	—	515	—	—	—	496	—
	Secured loans	—	—	3,576	—	—	—	3,395	—

(vii) By loan term

Loan term		As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Unsecured loans	Revolving	1,561,548	91.2	827,280	91.7	1,432,434	91.0	724,598	90.7
	Due within 1 year	3,063	0.2	388	0.1	1,698	0.1	234	0.0
	Due after 1 year through 5 years	123,666	7.2	40,863	4.5	88,414	5.6	24,928	3.1
	Due after 5 years through 10 years	16,153	0.9	8,471	0.9	24,245	1.5	13,057	1.6
	Due after 10 years through 15 years	1,568	0.1	1,768	0.2	22,580	1.4	17,136	2.2
	Due after 15 years through 20 years	11	0.0	5	0.0	11	0.0	8	0.0
	Due after 20 years through 25 years	2	0.0	0	0.0	3	0.0	1	0.0
	Due after 25 years	—	—	—	—	1	0.0	0	0.0
	Subtotal	1,706,011	99.6	878,778	97.4	1,569,386	99.6	779,965	97.6
Secured loans	Revolving	5,518	0.4	18,708	2.1	4,633	0.3	14,850	1.9
	Due within 1 year	13	0.0	40	0.0	10	0.0	21	0.0
	Due after 1 year through 5 years	201	0.0	472	0.1	197	0.0	474	0.1
	Due after 5 years through 10 years	357	0.0	1,117	0.1	383	0.1	1,133	0.1
	Due after 10 years through 15 years	72	0.0	427	0.0	76	0.0	412	0.0
	Due after 15 years through 20 years	116	0.0	705	0.1	98	0.0	566	0.1
	Due after 20 years through 25 years	272	0.0	1,949	0.2	238	0.0	1,673	0.2
	Due after 25 years	—	—	—	—	—	—	—	—
	Subtotal	6,549	0.4	23,421	2.6	5,635	0.4	19,132	2.4
Due within 1 year		3,076	0.2	428	0.0	1,708	0.1	255	0.0
Due after 1 year through 5 years		1,690,933	98.7	887,324	98.4	1,525,678	96.9	764,852	95.7
Due after 5 years through 10 years		16,510	1.0	9,589	1.1	24,628	1.6	14,190	1.8
Due after 10 years through 15 years		1,640	0.1	2,196	0.2	22,656	1.4	17,548	2.2
Due after 15 years through 20 years		127	0.0	711	0.1	109	0.0	575	0.1
Due after 20 years through 25 years		274	0.0	1,950	0.2	241	0.0	1,675	0.2
Due after 25 years		—	—	—	—	1	0.0	0	0.0
Total		1,712,560	100.0	902,200	100.0	1,575,021	100.0	799,098	100.0
Average term per contract		3 years and 1 month				3 years and 3 months			

(Note) The Company’s revolving loan contracts are automatically renewed for every three years. Therefore, they are categorized as Due after 1 year through 5 years.

(viii) By interest rate

Interest rate		As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Unsecured loans	Lower than 10% p.a.	136,849	8.0	47,891	5.3	119,936	7.6	45,044	5.7
	10-19% p.a.	1,140,720	66.6	618,455	68.5	1,190,365	75.6	616,063	77.1
	20-21% p.a.	9,511	0.5	9,745	1.1	5,780	0.4	5,670	0.7
	22-23% p.a.	21,621	1.3	25,093	2.8	13,775	0.9	15,306	1.9
	24-25% p.a.	90,165	5.3	60,176	6.7	55,256	3.5	34,268	4.3
	26-27% p.a.	293,183	17.1	112,092	12.4	175,903	11.2	61,013	7.6
	28-29.20% p.a.	13,962	0.8	5,323	0.6	8,371	0.5	2,599	0.3
	Subtotal	1,706,011	99.6	878,778	97.4	1,569,386	99.6	779,965	97.6
Secured loans	Lower than 10% p.a.	557	0.0	2,996	0.3	549	0.0	2,706	0.3
	10-11% p.a.	694	0.1	3,639	0.4	609	0.1	3,021	0.4
	12-13% p.a.	2,081	0.1	7,667	0.9	1,782	0.1	6,199	0.8
	14-15% p.a.	3,211	0.2	9,100	1.0	2,690	0.2	7,188	0.9
	16-18% p.a.	6	0.0	17	0.0	5	0.0	16	0.0
	19-23% p.a.	—	—	—	—	—	—	—	—
	Subtotal	6,549	0.4	23,421	2.6	5,635	0.4	19,132	2.4
Total		1,712,560	100.0	902,200	100.0	1,575,021	100.0	799,098	100.0

(ix) By product type

Product type		As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Unsecured loans	Comprehensive contract type (Card loans)	1,561,548	91.2	827,280	91.7	1,432,434	90.9	724,598	90.7
	Individual contract type	144,446	8.4	51,481	5.7	136,940	8.7	55,356	6.9
	Commercial loans	17	0.0	17	0.0	12	0.0	11	0.0
	Subtotal	1,706,011	99.6	878,778	97.4	1,569,386	99.6	779,965	97.6
Secured loans	Real estate card loans	6,089	0.4	20,192	2.3	5,235	0.4	16,365	2.1
	Mortgage loans	433	0.0	2,974	0.3	375	0.0	2,518	0.3
	Loans backed by securities or golf club memberships	22	0.0	103	0.0	20	0.0	96	0.0
	Commercial loans	5	0.0	151	0.0	5	0.0	151	0.0
	Subtotal	6,549	0.4	23,421	2.6	5,635	0.4	19,132	2.4
Total		1,712,560	100.0	902,200	100.0	1,575,021	100.0	799,098	100.0

(x) By region

Region		As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
		Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)	Number of loan contracts	Proportion (%)	Outstanding balance (Millions of yen)	Proportion (%)
Unsecured loans	Hokkaido	60,858	3.5	28,249	3.1	58,056	3.7	26,125	3.3
	Tohoku	108,833	6.4	54,300	6.0	97,122	6.1	45,972	5.8
	Kanto	703,732	41.1	367,051	40.7	640,984	40.7	324,451	40.6
	Chubu	208,825	12.2	118,719	13.2	198,196	12.6	108,150	13.5
	Kinki	337,640	19.7	169,094	18.7	300,282	19.0	144,564	18.1
	Chugoku	72,576	4.2	38,435	4.3	69,296	4.4	35,210	4.4
	Shikoku	39,292	2.3	20,164	2.2	37,373	2.4	18,469	2.3
	Kyushu	174,255	10.2	82,763	9.2	168,077	10.7	77,023	9.6
	Subtotal	1,706,011	99.6	878,778	97.4	1,569,386	99.6	779,965	97.6
Secured loans	Hokkaido	351	0.0	1,003	0.1	294	0.0	810	0.1
	Tohoku	407	0.0	1,200	0.1	343	0.0	965	0.1
	Kanto	2,282	0.1	9,079	1.0	1,991	0.1	7,462	0.9
	Chubu	895	0.1	3,282	0.4	781	0.1	2,756	0.4
	Kinki	1,649	0.1	5,703	0.6	1,393	0.1	4,577	0.6
	Chugoku	286	0.0	996	0.1	247	0.0	823	0.1
	Shikoku	108	0.0	333	0.1	98	0.0	286	0.0
	Kyushu	571	0.1	1,821	0.2	488	0.1	1,450	0.2
	Subtotal	6,549	0.4	23,421	2.6	5,635	0.4	19,132	2.4
Total		1,712,560	100.0	902,200	100.0	1,575,021	100.0	799,098	100.0

(xi) Operating loans per outlet and per employee

Item	As of the end of the prior fiscal year (March 31, 2011)		As of the end of the current fiscal year (March 31, 2012)	
	Number of loan contracts	Outstanding balance (Millions of yen)	Number of loan contracts	Outstanding balance (Millions of yen)
Per loan business outlet	43,911	23,133	40,385	20,489
Per loan business employee	1,758	926	1,859	943

(Notes) 1. Loans receivable per loan business outlet = $\dfrac{\text{Loans receivable at the end of the period}}{\text{Number of staffed loan outlets at the end of the period}}$

2. Loans receivable per loan business employee= $\dfrac{\text{Loans receivable at the end of the period}}{\text{Number of employees at the end of the period}}$

The number of employees at the end of the period is the number of employees who work at the contact centers and the loan business outlets. The numbers at the end of the prior fiscal year and at the end of the current fiscal year are 974 and 847, respectively.

6) Number of outlets and employees by region

(i) Number of outlets by region

Area	As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
	Total	Proportion (%)	Loan outlets	Proportion (%)	Total	Proportion (%)	Loan outlets	Proportion (%)
Hokkaido	1	2.6	1	2.6	1	2.6	1	2.6
Tohoku	3	7.7	3	7.7	3	7.7	3	7.7
Kanto	15	38.5	15	38.5	15	38.5	15	38.5
Chubu	6	15.4	6	15.4	6	15.4	6	15.4
Kinki	7	17.9	7	17.9	7	17.9	7	17.9
Chugoku	2	5.1	2	5.1	2	5.1	2	5.1
Shikoku	1	2.6	1	2.6	1	2.6	1	2.6
Kyushu	4	10.2	4	10.2	4	10.2	4	10.2
Total	39	100.0	39	100.0	39	100.0	39	100.0

(Note) The above number of outlets in each region is the number of staffed outlets.

(ii) Number of employees by region

Area	As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
	Total	Proportion (%)	Loan outlets	Proportion (%)	Total	Proportion (%)	Loan outlets	Proportion (%)
Hokkaido	7	0.4	7	0.7	6	0.3	6	0.7
Tohoku	18	0.9	18	1.9	17	1.0	17	2.0
Kanto	1,297	69.1	571	58.6	1,236	70.4	496	58.5
Chubu	34	1.8	34	3.5	31	1.8	31	3.7
Kinki	476	25.4	300	30.8	428	24.4	259	30.6
Chugoku	13	0.7	13	1.3	11	0.6	11	1.3
Shikoku	5	0.3	5	0.5	5	0.3	5	0.6
Kyushu	26	1.4	26	2.7	22	1.2	22	2.6
Total	1,876	100.0	974	100.0	1,756	100.0	847	100.0

(Note) The number of employees of “Loan outlets” is the number of employees at the end of the fiscal year working at contact centers and loan business outlets.

7) Breakdown of funds

(i) Breakdown by funding sources

Funding sources	As of the end of the prior fiscal year (March 31, 2011)		As of the end of the current fiscal year (March 31, 2012)	
	Outstanding balance (Millions of yen)	Average interest rate (%)	Outstanding balance (Millions of yen)	Average interest rate (%)
Borrowings from financial institutions, etc.	440,812	2.38	410,991	2.60
Others	202,840	2.46	200,836	2.70
(Corporate bonds, CPs)	(202,840)	(2.46)	(200,836)	(2.70)
Total	643,652	2.41	611,827	2.63
Owners' equity	583,253	―	496,236	―
(Capital stock)	(63,832)	(―)	(63,832)	(―)

(Notes) 1. "Owners' equity" was calculated by deducting total liabilities and the planned amount of dividend from total assets, and then adding the total amount of reserves (including reserves under special laws).

2. "Borrowings from financial institutions, etc." as of the end of the current fiscal year includes 32,792 million yen borrowings by liquidation of receivables (38,250 million yen as of the end of the prior fiscal year).

(ii) Breakdown by financial institution

(Millions of yen)

Financial institution		As of the end of the prior fiscal year (March 31, 2011)				As of the end of the current fiscal year (March 31, 2012)			
		Beginning balance	Amount procured	Amount repaid	Final balance	Beginning balance	Amount procured	Amount repaid	Final balance
Borrowings	City banks, etc.	107,757	31,816	40,312	99,261	99,261	53,982	30,384	122,859
	Regional banks	14,743	4,800	8,003	11,540	11,540	7,900	7,352	12,088
	Trust banks	162,578	38,920	44,970	156,528	156,528	52,308	48,308	160,528
	Foreign banks	5,000	5,000	3,000	7,000	7,000	1,000	6,400	1,600
	Life insurance companies	62,820	8,300	30,623	40,497	40,497	9,800	20,011	30,286
	Non-life insurance companies	8,088	—	6,000	2,088	2,088	—	1,988	100
	Business corporations (leasing and financing companies, etc.)	1,000	1,000	1,125	875	875	3,000	750	3,125
	Other financial institutions	121,901 (20,000)	42,500 (22,000)	41,378 (3,749)	123,023 (38,250)	123,023 (38,250)	16,250 (—)	58,867 (5,457)	80,405 (32,792)
Subtotal		483,887	132,336	175,411	440,812	440,812	144,240	174,060	410,991
Corporate bonds (including current portion of bonds payable)		221,500	32,000	50,660	202,840	202,840	79,250	81,254	200,836
Subtotal		221,500	32,000	50,660	202,840	202,840	79,250	81,254	200,836
Total		705,387	164,336	226,071	643,652	643,652	223,490	255,314	611,827

(Notes) 1. “City banks, etc.” include Shinsei Bank, Limited and Aozora Bank, Ltd.

2. Figures in parentheses in the “Other financial institutions” are borrowings by liquidation of receivables.

3. Issues to be Addressed

The business environment surrounding the Group remains harsh, including the need to take measures to respond to requests for interest repayment and intensifying competition.

In such a tough environment, the Group aims to step up its compliance-first business attitude and aggressively focus on measures such as business expansion and improvement of profitability in each existing business in order to establish a business foundation for future growth.

4. Risks Related to Business

The following report on “Risks Related to Business” details potential risks to the Group’s operations based on our assumptions and views as of the submission date of this securities report.

However, the risks described below may not cover all potential risks. On the other hand, as there may be new risks arising from various uncertain factors such as future changes in economic and business conditions affecting the consumer finance industry, from the viewpoint of prompt and timely disclosure to the investors, we disclose what may not be such risk factors but we believe are important for the investors in making their investment-related decisions. The forward-looking statements included in the following description are based on our assumptions and views as of the submission date of this securities report.

(1) 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 accounts
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
5) Competition with other companies
6) Rate of default by customers
7) The Company’s ability to procure funds and costs involved
8) Advertising expenses, personnel expenses, and other expenses
9) Occurrence of large-scale accidents and disasters

(2) Impact of amendments to the Money Lending Business Act and Installment Sales Act

With the “Act to Partially Amend the Regulations Governing Money Lending Business Act,” the revised Money Lending Business Act came into force on December 19, 2007, and stronger regulations on actions, solicitations and collections have been imposed on our industry. On June 18, 2010, full enforcement of the revised Money Lending Business Act commenced, prohibiting agreements on interest rates exceeding those stipulated in the Interest Rate Restriction Act and placing restrictions on loans exceeding one-third of a customer’ annual income. The lower yield from enforcement of these provisions is expected to reduce interest on consumer loans and the stricter regulations on lending to decrease the Company’s operating loans receivable.

In addition, the revised Installment Sales Act came into force on December 1, 2009, pursuant to the “Act to Partially Amend the Act on Specified Commercial Transactions and the Installment Sales Act.” The revisions include stricter regulations such as a requirement to make more stringent checks on the capacity of customers to pay and an obligation to supervise affiliate stores. There is a possibility that these revisions will impact on the performance of Group companies operating domestic credit card and installment sales finance businesses.

(3) Status of interest repayment

The interest rates charged on some loan products by the Company, in which customers entered into contracts before June 17, 2007, exceed the interest rate ceilings specified in the Interest Rate Restriction Act. In addition, several consumers have taken legal action against consumer finance companies, including the Company, calling for a reimbursement of payments made, asserting that such payments do not meet a part of the requirements set forth in Article 43 of the Money Lending Business Act. In some recent court precedents, the plaintiffs’ demands were accepted.

In case our customers request a reduction in the loan amount or reimbursement of excess interest paid, citing obligations for maximum interest rates under the Interest Rate Restriction Act, the Company may accept to write off such loan or reimburse payments. The costs of write-off and reimbursing repayments (hereinafter referred to as “loss on interest repayment”) have remained at high level as of the end of the current fiscal year.

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 finance companies at a clear disadvantage, could have an impact on the Group’s business performance.

(4) Fund procurement

The Group secures the necessary funds for its operations and liabilities repayments through cash provided by operating activities, as well as financing activities such as borrowings from financial institutions, etc. and direct financing from capital markets, including via bond issues.

At the end of the fiscal year under review, 55.1% of the Group’s outstanding interest-bearing liabilities had been resourced from the 10 largest of our creditor banks and other financial institutions (excluding those from syndicated loans).

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 in Japan 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 and its rank. In that case, the fund procurement costs 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.

(5) Allowance for doubtful accounts

Loans receivable of consumer loans and accounts receivable-installment constitute the majority of total assets of the Group. For this reason, we book allowance for doubtful accounts, based on the conditions of customers and the estimates of pledged collateral value at the end of the fiscal year.

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 Concerning Specific 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.

(6) Issues concerning multiple debtors

The Group addresses the issues concerning multiple debtors, who take out excessive loans or credit-card loans from multiple consumer credit companies, mainly by ways of “promoting consumer enlightenment activities,” “improvement of counseling functions for consumer loan customers,” “implementation of more rigorous credit administration,” “reduction in maximum lending interest rate,” “review of the content of advertisement.”

Nevertheless, 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.

(7) Information systems

The Group relies on computer systems and networks to manage information relating to our business, including data on our store network and customers, in order to provide services to customers and to manage our marketing activities. 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.

(8) Management of personal information

The Group, including the Company and its main subsidiaries, are now regarded as businesses handling personal information as defined by the "Act on the Protection of Personal Information."

In the management of personal information, we have ensured management and control structure under "Policy for Protection of Personal Information" and "Regulation for Protection of Personal Information." The Company was granted the Privacy Mark authorized by Japan Information Processing Development Corporation (JIPDEC).

As for the management of Computer Center, we have formulated rigorous safety measures for physical security, including controls on entering and leaving the Computer Center, and for information security, such as controlling access to computer systems. Moreover, we have introduced the framework of Information Security Management System (ISMS) certification for the operation and maintenance of the Computer Center.

Nonetheless, 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.

(9) Business and capital alliance with MUFG

In March 2004 we entered into a strategic business and capital alliance with MUFG. MUFG later raised its stake in the Company, and after completing the necessary procedures, the Company became a consolidated subsidiary of MUFG in December 2008. This means that 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.

In addition, if rival companies of similar business enter into similar business and capital alliances with other banks, etc., there are possibilities that the Group may face intensified competition, depending on the nature of these alliances.

(10) 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. Although the Group regularly reviews the profitability and growth potential of each business, possibilities still remain that such reviews may prompt us 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.

In addition, in the event that the price of equity securities held by the Group drops substantially, there is a possibility that losses may be incurred, which could potentially affect the Group's business results and perhaps reduce its owner's equity ratio.

(11) Disposal of our shares by major shareholders, etc.

Shigeyoshi Kinoshita, our president and chief executive officer, along with members of his families and affiliated companies together, holds around 40% of our issued/outstanding shares. In addition, MUFG also holds around 40% of our issued/outstanding shares (including indirect holdings). 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 adverse impact on our share price.

(12) Accidents and disasters

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 the prevalence of infectious diseases such as new types of influenza, 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.

5. Material Business Agreements, etc.

(Company split in the card loan business)

Based on the resolution at a Board of Directors Meeting held on January 20, 2012, the Company agreed to form a business alliance with Jibun Bank and concluded a business alliance agreement and a company split agreement as of the same date in order to contribute to further improvements in customer services and the development of a sound consumer finance market.

The Company authorized Jibun Bank to succeed a part of the Company's card loan business by means of a company split as of May 12, 2012. Details are stated in (Significant subsequent events) of [Notes] in "2. Consolidated Financial Statements" of "V Financial Information."

6. Research and Development Activities

Not applicable.

7. Analyses of Consolidated Business Results, Financial Position and Cash Flows

(1) Analysis of financial position

Compared with the end of the prior fiscal year, total assets decreased by 90,296 million yen and total liabilities decreased by 111,612 million yen, whereas net assets increased by 21,316 million yen as of March 31, 2012. Details of changes in assets, liabilities and net assets are as follows:

(Assets)

Current assets decreased by 72,264 million yen while noncurrent assets decreased by 18,032 million yen. The breakdown of major increases and decreases in current assets is as follows: loans receivable of consumer loans (down by 104,838 million yen), allowance for doubtful accounts (down by 22,348 million yen), accounts receivable-installment (down by 16,261 million yen), cash and deposits (up 21,651 million yen), short-term investment securities (up 10,853 million yen) and loans receivable of banking business (up 8,112 million yen). The breakdown of major decreases in noncurrent assets is as follows: investment securities (down by 12,217 million yen), tangible and intangible assets (down by 2,195 million yen) and prepaid pension cost (down by 1,731 million yen).

(Liabilities)

With regard to the liabilities account, changes in current and noncurrent liabilities were an increase of 10,983 million yen and a decrease of 122,595 million yen, respectively. The breakdown of major increases and decreases in liabilities include: provision for loss on interest repayment (down 83,100 million yen), loans and bonds payable (down 33,114 million yen) and deposits of banking business (up 7,640 million yen).

(Net assets)

In terms of net assets, shareholders' equity increased by 21,464 million yen mainly due to an increase in retained earnings, while accumulated other comprehensive income and minority interests decreased by 1,347 million yen and increased by 1,199 million yen, respectively. As a result, total net assets increased by 21,316 million yen and the shareholders' equity ratio increased 3.1 percentage points year-on-year to 21.3%.

(2) Analysis of business results

In the fiscal year under review, we recorded operating revenue of 210,456 million yen (down 14.4% year-on-year), operating income of 30,885 million yen, ordinary income of 32,219 million yen, and net income of 21,464 million yen. Details of year-on-year changes in primary accounts are as follows:

(Operating revenue)

Operating revenue decreased by 35,374 million yen from the prior fiscal year with a 34,123 million yen decrease in interest on consumer loans and a 1,612 million yen decrease in collection from purchased receivables.

Interest on consumer loans decreased mainly as a result of a fall in operating loans of the Company by 103,102 million yen during the current fiscal year, due to the impact of introducing cap on total borrowing amount in accordance with full enactment of Money Lending Business Act and claims for interest repayment hovering at a high level, as well as a decline in the yield rate caused by reduced interest on loans.

(Operating expenses)

Operating expenses decreased by 251,046 million yen from the prior fiscal year. This is mainly due to a 1,610 million yen increase in financial expenses and a 252,269 million yen decrease in other operating expenses.

Factors for the decrease in other operating expenses include a 194,649 million yen decrease of provision for loss on interest repayment, a 41,619 million yen decrease in provision of allowance for doubtful accounts and a decrease of 14,208 million yen in general and administrative expenses such as personnel expenses and rent expenses.

(Non-operating income/expenses)

Non-operating income increased by 48 million yen, and non-operating expenses decreased by 6 million yen from the prior fiscal year. Either did not change significantly.

(Extraordinary income/loss)

Extraordinary income increased by 1,966 million yen mainly due to an increase of 2,191 million yen in gain on sales of investment securities. Extraordinary loss decreased by 15,323 million yen from the prior fiscal year. Major factors for the decrease in extraordinary loss include a decrease of 5,481 million yen in loss on valuation of stocks of parent company, a decrease of 4,700 million yen in loss on valuation of investment securities, and a decrease of 4,050 million yen in loss on adjustment for changes of accounting standard for asset retirement obligations.

(Tax etc.)

In comparison with the prior fiscal year, income taxes-current increased by 73 million yen without significant change. Income taxes-deferred increased 8,284 million yen from the prior fiscal year.

(3) Status of cash flows

Cash and cash equivalents (hereinafter “funds”) as of the end of this fiscal year increased by 30,530 million yen (up 18.7%) from the prior fiscal year to 193,441 million yen. Cash flows from each activity are as follows.

(Net cash provided by operating activities)

Funds from operating activities saw an increase of 48,421 million yen. Major factors of this increase were income before income taxes and minority interests of 33,377 million yen, a decrease of 21,978 million yen in allowance for doubtful accounts, a decrease of 83,100 million yen in provision for loss on interest repayment, an increase of 98,113 million yen due to a decrease in loans receivable of consumer loans, and an increase of 16,183 million yen due to a decrease in accounts receivable-installment.

(Net cash provided by investing activities)

Funds flows from investing activities saw an increase of 10,981 million yen. This increase was mainly attributable to 11,210 million yen in proceeds from sales of investment securities.

(Net cash used in financing activities)

Funds from financing activities showed a decrease of 28,554 million yen. This was primarily due to the fact that the total amount of proceeds from loans and issuance of bonds was 28,329 million yen less than the repayments of interest bearing debt and payments at maturity of bonds.

III. Equipment and Facilities

1. Status of Capital Expenditures, etc.

The total amount spent on capital expenditure for this fiscal year was 1,063 million yen.
Segmental capital expenditure is as follows:

1) Loan and credit card business

The total amount spent on capital expenditure for this fiscal year was 508 million yen, primarily for the replacement of automatic contract machines.

Equipment amounting to a total of 348 million yen was disposed of due to the closure of unstaffed outlets in the loan business.

2) Guarantee business

During this fiscal year, there was no major capital investment or disposal or sale of important equipment to report.

3) Loan servicing business

During this fiscal year, there was no major capital investment or disposal or sale of important equipment to report.

4) Financial business conducted overseas

The total amount spent on capital expenditure for this fiscal year was 426 million yen. Major capital investments include an expenditure of 337 million yen for the building of new operating offices and interior finish work associated with office relocation by EASY BUY Public Company Limited and an expenditure for PT. Bank Nusantara Parahyangan, Tbk.

There was no disposal or sale of important equipment to report.

5) Other

There was no disposal or sale of important equipment to report.

2. Situation of Major Equipment

The major equipment in ACOM Group is the following:

(1) The Filing Company

As of March 31, 2012

Business Place (Location)	Name of business segments	Details of major facilities and equipment	Book value (Millions of yen)					Number of employees [temporary workers, others]
			Buildings and structures	Furniture and fixtures	Property [Area in m^2]	Leased Assets	Total	
Head Office (Note) 1 (Chiyoda-ku, Tokyo)	Corporate wide (shared)	Other facilities and equipment	100	8,961	—	7	9,069	235 [—]
ACOM Ikegami Building (Ota-ku, Tokyo)	Corporate wide (shared)	Other facilities and equipment	283	20	—	—	304	—
Minami Kashiwa Company Residence (Kashiwa-shi, Chiba) 9 other residential buildings	Corporate wide (shared)	Company residence	1,830	6	6,156 [13,303.54]	—	7,994	—
Kinugawa Health Resort (Kinugawa Onsen Ohara, Nikko-shi, Tochigi) 19 other resorts	Corporate wide (shared)	Health resorts	292	0	145 [39,419.48]	—	437	—
Nishishinjuku (Shinjuku-ku, Tokyo) and 1,043 other outlets	Loan and credit card business	Outlets, Other facilities and equipment	3,839 52	329 19	—	831	5,072	856 [121]

(Notes)
1. Part of the building has been on lease since December 2004 and the leasing fee is 485 million yen.
2. The rent for part of the building and property other than the above (Note) 1 that is on lease is 5,588 million yen.
3. Consumption tax is not included in the above amounts.
4. There are no major facilities that are not operating.
5. Major facilities on lease other than the consolidated subsidiaries stated above are:

Business Place (Location)	Name of business segments	Details of major facilities and equipment	Number of units	Lease period	Annual leasing fee (Millions of yen)	Lease contracts with receivable outstanding (Millions of yen)
Head office (Chiyoda-ku, Tokyo) and 4 other buildings	Corporate wide (shared)	Computers	—	4 years	0	0
		Automatic contract machines	1	5 years	0	1
		Office equipment	—	3 years	0	—
			—	4 years	0	0
		Vehicles	—	3 years	2	8
Nishishinjuku (Shinjuku-ku, Tokyo) and 1,043 other outlets	Loan and credit card business	Computers	—	4 years	0	—
		Automatic contract machines	617	4 years	26	—
			443	5 years	171	902
		Office equipment	—	3 years	—	—

(Note) Consumption tax is not included in the above amount.

(2) Domestic subsidiaries
Not applicable.

(3) Overseas subsidiaries
Not applicable.

3. Plans for Equipment Introduction, Disposals, etc.

(1) Major equipment introduction, etc.

Name of the company	Business place (location)	Name of business segment	Details of major facilities and equipment		Planned investment		Funding source	Date of installation	Planned completion
					Total amount (Millions of yen)	Paid amount (Millions of yen)			
The Filing Company	Head Office (Chiyoda-ku, Tokyo)	Loan and Credit card business	Transfer of outlets	Outlets	120	—	Own capital	June 2012	February 2013
			Renovation of advertising signs and billboards	Outlets	108	—	Own capital	May 2012	March 2013
			Renovation of outlets	Outlets	106	—	Own capital	May 2012	March 2013

(Note) Consumption tax is not included in the above amount.

(2) Major equipment disposal, etc.

Not applicable.

IV. Information on the Filing Company

1. Information on the Company’s Shares

(1) Total number of shares, etc.

1) Total number of shares

Class	Total number of shares authorized to be issued
Common stock	532,197,400
Total	532,197,400

2) Total number of shares issued

Class	As of the end of the current fiscal year (March 31, 2012)	As of the submission date (June 21, 2012)	Stock exchange on which the Company is listed	Description
Common stock	159,628,280	159,628,280	First Section of the Tokyo Stock Exchange	These are the Company’s standard shares with no restricted rights. One unit of stock constitutes 10 common shares.
Total	159,628,280	159,628,280	—	—

(2) Status of the stock acquisition rights

Not applicable.

(3) Status in the exercise of bonds with stock acquisition rights with exercise price amendment

Not applicable.

(4) Rights plans

Not applicable.

(5) Changes in the total number of shares issued and the amount of capital stock and other

(Millions of yen, unless otherwise stated)

Period	Changes in the total number of shares issued (Thousand shares)	Balance of the total number of shares issued (Thousand shares)	Changes in capital stock	Balance of capital stock	Changes in legal capital surplus	Balance of legal capital surplus
From April 1, 2004 to March 31, 2005 (Note)	14,000	159,628	46,550	63,832	46,550	72,322

(Note) Third-party allotment: Issue price: 6,650 yen, amount to be included in capital: 3,325 yen, allocated to: Mitsubishi Tokyo Financial Group, Inc. (presently, “Mitsubishi UFJ Financial Group, Inc.”).

(6) Status of shareholders

As of March 31, 2012

Classification	Status of shares (the number of minimum unit is 10 shares)								Status of shares below unit (shares)
	Government and local municipalities	Japanese financial institutions and insurance companies	Financial instruments business operator	Other Japanese corporations	Foreign corporations, etc.		Individuals, others	Total	
					Other	Individual			
Number of shareholders	—	33	36	67	169	7	10,197	10,509	—
Number of shares held (Unit)	—	1,159,247	192,934	11,685,549	863,215	109	2,061,641	15,962,695	1,330
Ratio of shares held (%)	—	7.26	1.21	73.20	5.41	0.00	12.92	100.00	—

(Notes) 1. 2,966,733 shares of treasury stocks include 296,673 units in the “Individuals, others” box and 3 shares in the “Status of shares below unit” box.

2. The number of shares in the “Other Japanese corporations” box includes 30 units of shares under the name of Japan Securities Depository Center, Inc.

(7) Major shareholders

As of March 31, 2012

Name	Address	Number of shares held (Thousands of shares)	Percentage of shares held to the total number of issued shares (%)
Mitsubishi UFJ Financial Group, Inc.	2-7-1 Marunouchi, Chiyoda-ku, Tokyo	58,872	36.88
Maruito Shokusan Co., Ltd.	1-2-3 Minato-machi, Naniwa-ku, Osaka City	27,346	17.13
Maruito Co., Ltd.	1-2-3 Minato-machi, Naniwa-ku, Osaka City	12,553	7.86
Foundation of Kinoshita Memorial Enterprise	6-2-14 Moto-machi, Chuo-ku, Kobe City	9,219	5.77
Maruito Shoten Co., Ltd.	1-2-3 Minato-machi, Naniwa-ku, Osaka City	3,873	2.42
Kyosuke Kinoshita	Ota-ku, Tokyo	3,240	2.02
Shigeyoshi Kinoshita	Minato-ku, Tokyo	3,220	2.01
Mitsubishi UFJ Trust and Banking Corporation (Standing proxy: The Master Trust Bank of Japan, Ltd.)	2-11-3 Hamamatsu-cho, Minato-ku, Tokyo	3,157	1.97
NOBUKA CO., LTD.	1-2-3 Minato-machi, Naniwa-ku, Osaka City	3,000	1.87
Japan Trustee Services Bank, Ltd. (Trust account 4)	1-8-11 Harumi, Chuo-ku, Tokyo	2,662	1.66
Total	—	127,145	79.65

(Notes) 1. In addition to the shares above, the Company owns 2,966 thousand shares of treasury stocks (1.85%).

2. In “Number of shares held,” figures less than one thousand are truncated

(8) Status of voting rights

1) Issued shares

As of March 31, 2012

Classification	Number of shares (shares)	Number of voting rights (units)	Details
Shares without voting rights	—	—	—
Shares with limited voting rights (treasury stock, etc.)	—	—	—
Shares with limited voting rights (others)	—	—	—
Shares with full voting rights (treasury stock, etc.)	(Treasury stock) Common stock 2,966,730	—	–
Shares with full voting rights (others)	Common stock 156,660,220	15,666,022	–
Shares of less than one unit	Common stock 1,330	—	–
Total number of shares issued	159,628,280	—	—
Total voting rights held by all shareholders	—	15,666,022	—

(Notes) 1. The number of shares of common stock in the "Shares with full voting rights (others)" box includes 300 shares (30 units of voting rights) held by Japan Securities Depository Center, Inc.
2. The number of shares of common stock in the "Shares of less than one unit" box includes 3 shares of treasury stock held by the Company.

2) Treasury stock, etc.

As of March 31, 2012

Shareholder	Address of shareholder	Number of shares held under own name (shares)	Number of shares held under the names of others (shares)	Total (shares)	Percentage of shares held to the total number of issued shares (%)
(Treasury stock) ACOM CO., LTD.	1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo	2,966,730	—	2,966,730	1.85
Total	—	2,966,730	—	2,966,730	1.85

(9) Details of stock option plans

Not applicable.

2. Status of Acquisition of Treasury Stock, etc.

Class of stocks, etc. Acquisition of common shares under Article 155, Paragraph 7 of Companies Act.

(1) Status of the acquisition of treasury stock resolved at shareholders' meetings

Not applicable.

(2) Status of the acquisition of treasury stock resolved at the meetings of the Board of Directors

Not applicable.

(3) Details of the acquisition of treasury stock not based on the resolutions of shareholders' meetings or the meetings of the Board of Directors

Category	Number of shares	Total amount (thousands of yen)
Treasury stock acquired during this fiscal year under review	40	53
Treasury stock acquired during the current term	—	—

(Note) Treasury stock acquired during the current term does not include the number of shares acquired for purchase of shares less than one unit from June 1, 2012, to the submission date of securities report.

(4) Status of the disposition and holding of acquired treasury stock

Category	Current fiscal year		Current term	
	Number of shares	Total disposition amount (Thousands of yen)	Number of shares	Total disposition amount (Thousands of yen)
Acquired treasury stock for which subscribers were solicited	—	—	—	—
Acquired treasury stock that was disposed of	—	—	—	—
Treasury stock transferred due to merger, stock exchange or corporate separation	—	—	—	—
Others	—	—	—	—
Number of shares of treasury stock held	2,966,733	—	2,966,733	—

(Note) The number of treasury stock acquired during the current term does not include the number of shares acquired for purchase of shares less than one unit from June 1, 2012, to the submission date of the Securities Report.

3. Basic Policy on Dividends

With regard to the Company's policy on dividends, it is our basic policy to attempt stable and continuous profit distribution to the shareholders, taking the Company's business performance and the shareholders' equity as well as the economic and financial situation into consideration.

We basically pay dividends twice a year: an interim dividend and a year-end dividend. The amount of interim dividend is decided by the Board of Directors, and that of year-end dividend is decided by the general meeting of shareholders.

Considering that increasing owners' equity is our top-priority issue from the standpoint of improving the stability and safety of corporate management to realize our future growth strategy, we sincerely regret to advise our shareholders that the Company has decided to suspend the payment of dividends for this fiscal year.

The Group is committed to unified vigorous progress for the achievement of its long-term stable growth.

A provision to the effect that the Company may pay an interim dividend is provided for in the Articles of Incorporation

4. Changes in Share Prices

(1) Highest and lowest share prices by fiscal year during the recent five years

Fiscal Year	31st	32nd	33rd	34th	35th
Year end	March 2008	March 2009	March 2010	March 2011	March 2012
Highest (yen)	5,490	4,400	2,975	1,880	1,906
Lowest (yen)	2,080	2,270	1,089	773	980

(Note) The highest and lowest share prices are marked on the first section of the Tokyo Stock Exchange.

(2) Highest and lowest share prices by month during the recent six months

Month	October 2011	November	December	January 2012	February	March
Highest (yen)	1,660	1,440	1,415	1,436	1,770	1,906
Lowest (yen)	1,345	1,217	1,225	1,300	1,368	1,602

(Note) The highest and lowest share prices are marked on the first section of the Tokyo Stock Exchange.

5. Directors

Title	Position	Name	Date of birth	Career summary		Term	Number of shares of the Company held (Thousands)
Chairman, President, & CEO		Shigeyoshi Kinoshita	April 14, 1949	April 1973	Joined Marubeni Corporation	(Note) 2	3,220
				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 Director and Senior Managing Director of the Company		
				October 1992	Representative Director 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)		

Title	Position	Name	Date of birth	Career summary		Term	Number of shares of the Company held (Thousands)
Deputy Chairman	In Charge of Internal Audit Dept.	Toshiaki Kajiura	April 8, 1953	April 1977 February 1999 June 2001 November 2001 March 2004 June 2004 June 2004 June 2005 June 2005 October 2005 October 2005 April 2006 June 2007 June 2009 June 2010 June 2011	Joined The Mitsubishi Trust and Banking Corporation (MTB) General Manager, Nagasaki Branch of MTB General Manager, Business Integration Office of MTB General Manager, Osaka Sales Division II of MTB General Manager, Investment Planning Division of MTB Executive Officer and General Manager, Investment Planning Division of MTB Executive Officer and Assistant General Manager, Asset Management and Administration Planning Division of Mitsubishi Tokyo Financial Group, Inc. Executive Officer and General Manager, Corporation Finance Division of MTB Executive Officer and General Manager of Trust Business Planning Division, Assistant General Manager, Corporate Business Planning Division of Mitsubishi Tokyo Financial Group, Inc. Executive Officer and General Manager, Corporation Finance Division of Mitsubishi UFJ Trust and Banking Corporation (MUTB) Executive Officer and General Manager, Trust Business Planning Division, Corporate Business Planning Division, and Corporate Business Division I of Mitsubishi UFJ Financial Group, Inc. Executive Officer and General Manager, Corporate Business Promotion Division of MUTB Managing Director of MUTB Managing Executive Officer of MUTB Senior Managing Executive Officer of MUTB Deputy Chairman of the Company (to present)	(Note) 2	—

Title	Position	Name	Date of birth	Career summary		Term	Number of shares of the Company held (Thousands)
Senior Managing Director & Senior Executive Managing Officer	In Charge of: Human Resources Dept., General Affairs Dept.	Shigeru Akaki	September 5, 1949	September 1974 April 1997 June 2000 June 2003 June 2003 June 2008 June 2008 June 2011	Joined Maruito Co., Ltd. General Manager, Human Resources Dept. of the Company Director and Chief General Manager, Human Resources Dept. of the Company Managing Director of the Company Executive Managing Officer of the Company Senior Managing Director of the Company (to present) Senior Executive Managing Officer of the Company (to present) President of ACOM Health Insurance Society (to present)	(Note) 2	0
Managing Director & Executive Managing Officer	Head of Credit Supervision Division In charge of: Credit Supervision Dept. I, Credit Supervision Dept. II, and Compliance for Credit Supervision Office	Satoru Tomimatsu	January 4, 1952	October 1975 April 2000 September 2000 June 2002 June 2003 June 2004 December 2004 June 2005 April 2007 June 2012	Joined Maruito Co., Ltd. General Manager, Public Relations Dept. of the Company Chief General Manager, Public Relations Dept. of the Company Director and Chief General Manager, Public Relations Dept. of the Company Executive Officer and Chief General Manager, Credit Business Management Dept. of the Company Executive Officer and Chief General Manager, Business Promotion Dept. of the Company Executive Managing Officer of the Company Managing Director of the Company (to present) Executive Managing Officer and Head of Credit Business Promotion Division of the Company (to present) Executive Managing Officer and Head of Credit Supervision Division of the Company (to present)	(Note) 2	—

Title	Position	Name	Date of birth	Career summary		Term	Number of shares of the Company held (Thousands)
Managing Director & Executive Managing Officer	In charge of: Corporate Planning Dept., Finance Dept., Treasury Dept.	Kiyoshi Tachiki	November 17, 1951	March 1975	Joined Maruito Co., Ltd.	(Note) 2	5
				April 1999	General Manager, Business Development Dept. of the Company		
				April 2000	Chief General Manger, Business Development Dept. of the Company		
				April 2002	Chief General Manager, Market Development Dept. of the Company		
				June 2002	Director and Chief General Manager, Market Development Dept. of the Company		
				June 2003	Executive Officer and Chief General Manager, Market Development Dept. of the Company		
				June 2004	Executive Officer and Chief Officer, Retail Strategy Planning Office of the Company		
				June 2006	Managing Director of the Company (to present)		
				June 2006	Executive Managing Officer and Chief Officer, Retail Strategy Planning Office of the Company		
				April 2007	Executive Managing Officer of the Company (to present)		
Managing Director & Executive Managing Officer	In charge of: Business Process Management Dept., Corporate Risk Management Dept., Compliance Dept. and Chief General Manager of Business Process Management Dept.	Tatsuo Taki	October 7, 1952	April 1975	Joined The Mitsubishi Trust and Banking Corporation (MTB)	(Note) 2	1
				September 2000	General Manager, Hong Kong Branch of MTB		
				July 2002	Representative Director of Mitsubishi Trust Information Systems		
				June 2004	Executive Officer and General Manager, Corporate Risk Management Division of MTB		
				April 2005	Director of DC Cash One Ltd.		
				June 2005	Managing Director of DC Cash One Ltd.		
				April 2007	Executive Officer and Chief General Manager, Corporate Management Dept. of the Company		
				April 2007	Director of IR Loan Servicing, Inc.		
				June 2008	Managing Director of the Company (to present)		
				June 2008	Executive Managing Officer and Chief General Manager, Corporate Management Dept. of the Company		
				October 2009	Executive Managing Officer of the Company (to present)		
				April 2010	Director of AFRESH CREDIT CO., LTD.		
				April 2012	Executive Managing Officer and Chief General Manager, Business Process Management Dept. of the Company (to present)		

Title	Position	Name	Date of birth	Career summary		Term	Number of shares of the Company held (Thousands)
Director		Tatsunori Imagawa	October 15, 1943	April 1966	Joined The Mitsubishi Bank, Limited	(Note) 2	—
				January 1990	General Manager, Securities Investment Dept. of Treasury and Securities Division of The Mitsubishi Bank, Limited		
				October 1990	General Manager, Treasury and Securities Division of The Mitsubishi Bank, Limited		
				May 1992	General Manager, the Americas Integration Dept. of the Americas Division of The Mitsubishi Bank, Limited		
				February 1993	General Manager, New York Branch and Cayman Branch of The Mitsubishi Bank, Limited		
				June 1993	Director and Deputy Head, the Americas Division, and General Manager, New York Branch and Cayman Branch of The Mitsubishi Bank, Limited		
				July 1994	Director and General Manager, Personnel Division of The Mitsubishi Bank, Limited		
				April 1996	Director and General Manager, Personnel Division of The Bank of Tokyo-Mitsubishi, Ltd. (BTM)		
				May 1997	Managing Director and General Manager, Corporate Planning Division of BTM		
				May 1998	Managing Director of BTM		
				March 2001	Managing Director and General Manager, Assets Management Division of BTM		
				April 2001	Director of Mitsubishi Tokyo Financial Group, Inc.		
				June 2002	Senior Managing Director and General Manager, Investment Banking Division and Assets Management Division of BTM		
				May 2003	Senior Managing Director of Mitsubishi Tokyo Financial Group, Inc.		
				June 2003	Director of Mitsubishi Securities Co., Ltd.		
				April 2004	Director and Deputy President of Mitsubishi Tokyo Financial Group, Inc.		
				June 2004	Director of the Company		
				October 2005	Director and Deputy President of Mitsubishi UFJ Financial Group, Inc.		
				June 2006	Corporate Auditor (full-time) of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU)		
				April 2007	Corporate Auditor, Mitsubishi UFJ Lease & Finance Company Limited (to present)		
				June 2011	Director of the Company (to present)		
				June 2011	Corporate Auditor, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (to present)		
				June 2011	Corporate Auditor, Mitsubishi UFJ Securities Holdings Co., Ltd. (to present)		

Title	Position	Name	Date of birth	Career summary		Term	Number of shares of the Company held (Thousands)
Full-time Company Auditor		Shigeru Sato	January 17, 1952	October 1975	Joined Maruito Co., Ltd.	(Note) 3	—
				April 1999	General Manager, Treasury Dept. of the Company		
				June 2000	Chief General Manager, Treasury Dept. of the Company		
				June 2003	Executive Officer and Chief General Manager, Treasury Dept. of the Company		
				June 2007	Executive Managing Officer of the Company		
				June 2008	Managing Director of the Company		
				June 2011	Full-time Company Auditor of the Company (to present)		
Full-time Company Auditor		Shinichi Yasuda	August 6, 1952	April 1977	Joined Meiji Life Insurance Company	(Note) 3	—
				April 2000	General Manager, Finance Dept. of Meiji Life Insurance Company		
				January 2004	General Manager, Secretarial Dept. of Meiji Yasuda Life Insurance Company		
				April 2008	Councilor, Secretarial Dept. of Meiji Yasuda Life Insurance Company		
				June 2010	Full-time Corporate Auditor of IR Loan Servicing, Inc.		
				June 2011	Full-time Company Auditor of the Company (to present)		
Full-time Company Auditor		Eiji Oshima	January 22, 1948	August 1973	Joined Mitsubishi Corporation	(Note) 3	—
				July 1994	President and Director, Mitsubishi Netherland B.V.		
				October 1998	President and Director, Mitsubishi Belgium N.V.		
				April 1999	General Manager, Corporate Communications Dept. of Mitsubishi Corporation		
				October 1999	General Manager, Investor Relations of Mitsubishi Corporation		
				April 2003	Senior Vice President (“*riji*”) and General Manager, Investors Relations of Mitsubishi Corporation		
				June 2007	Auditor (full time) of Mitsubishi Corporation		
				June 2011	Full-time Company Auditor of the Company (to present)		
Company Auditor		Takashi Doi	August 28, 1955	April 1987	Registered as an attorney-at-law (Daini Tokyo Bar Association) (to present)	(Note) 3	—
				April 2003	Chief, Inspection Office of Daini Tokyo Bar Association		
				April 2005	Director, Secretariat of Daini Tokyo Bar Association		
				April 2010	Vice President, Daini Tokyo Bar Association		
				April 2010	Managing Director, Japan Federation of Bar Associations		
				April 2010	Manager, Kanto Office of Japan Bar Association		
				June 2011	Company Auditor of the Company (to present)		
Total							3,226

(Notes) 1. Company Auditors Shinichi Yasuda, Eiji Oshima, and Takashi Doi are all Outside Company Auditors stipulated under the Article 2-16 of the Companies Act.

2. The term of office for Directors is from the end of the General Meeting of Shareholders for the fiscal year 2012 to the conclusion of the General Meeting of Shareholders for the fiscal year 2013.
3. The term of office for Company Auditors is from the end of the General Meeting of Shareholders for the fiscal year 2011 to the conclusion of the General Meeting of Shareholders for the fiscal year 2015.
4. We have an executive officer system in order to establish corporate structure to quickly and accurately respond to issues of management by expanding the scope of corporate governance, strengthened function of the Board of Directors, separating decision making from business execution, and enforcing the function of audit.

   As of June 21, 2012, Executive officers who are not Directors are as follows:

Title	Name	Position
Executive Managing Officer	Etsuro Tabuchi	Special Mission
Executive Managing Officer	Kazuo Fukumoto	Head of Credit Business Promotion Division, and in charge of Business Planning Dept., Business Promotion Dept., East Japan Business Promotion Dept., West Japan Business Promotion Dept., and Compliance for Credit Business Promotion Office
Executive Managing Officer	Teruyuki Sagehashi	In charge of System Development & Administration Dept., and Chief General Manager of System Development & Administration Dept.
Executive Managing Officer	Michio Atsuda	In charge of Overseas Business Dept., Guarantee Business Dept,, and Chief General Manager of Overseas Business Dept.
Executive Officer	Yoshiharu Kita	Chief General Manager of Internal Audit Dept.
Executive Officer	Noriyoshi Watanabe	Chief General Manager of Corporate Planning Dept.
Executive Officer	Yoshinori Matsubara	Chief General Manager of Finance Dept.
Executive Officer	Satoru Miyakawa	Chief General Manager of General Affairs Dept.

5. After the Japan Consumer Finance Inc. changed its company name to NSK Guarantee Inc. on April 1, 1980, ACOM CO., LTD. absorbed it on March 1, 1992.
6. Shares below one thousand shares have been truncated.

6. Corporate Governance

(1) Status of Corporate Governance

1) Corporate Governance Structure

(i) An overview of corporate governance structure and reasons for employing the said structure

The Company has a Board of Company Auditors. Of the four Company Auditors, three are Outside Company Auditors. In addition, of the three Full-time Company Auditors, two are Outside Company Auditors. These ensure the independence of audits. All Company Auditors attend Board of Directors meetings, and Full-time Company Auditors divide duties to attend important meetings and committee meetings, ensuring a system in which Company Auditors can offer their opinions. The reason for adopting the aforementioned corporate governance structure is to establish a system in which external surveillance on the management is fully functional because objective and neutral surveillance of the management is conducted, and the fairness, health, and transparency of the management are ensured due to the implementation of audit by Outside Company Auditors.

The organs installed by the Company are as follows:

(A) Board of Directors

The Company has a reduced-size Board of Directors with seven members in order to speed up decision-making and ensure effective mutual monitoring among directors. In the presence of Company Auditors, the Board decides important business management matters, such as management strategies and planning, and also determines basic policies for building corporate governance and internal control systems. The Board monitors the execution of duties of the President & CEO and executive officers.

It meets once a month in principle, and more as deemed necessary.

(B) Board of Company Auditors and Company Auditors

The Board of Company Auditors consists of four Company Auditors, including three Outside Company Auditors. The internal Company Auditor held the positions of Chief General Manager and Director in charge of departments related to finance and accounting from April 1999 to June 2011 and has respectable knowledge in finance and accounting.

The Company has concluded a limited liability agreement with each Outside Company Auditor, 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.

It meets once a month, in principle, and more as deemed necessary, to receive reports concerning important audit-related matters, hold discussions, and pass resolutions.

To upgrade the Company Auditors’ capabilities, the Company established the Administration for Board of Company Auditors and assigned persons to assist Company Auditors by providing related support. Decisions regarding their number, appointments and transfers of such persons are made after consultation with the Board of Company Auditors in order to secure independence of these persons.

(C) Executive Officers

The company introduced an executive officer system in June 2003. The Board of Directors appoints executive officers, determines their function, lines of responsibility and authority, and delegates execution of operations to them. In these ways, decision-making and business execution are expedited, while supervision and execution functions are clearly separated.

The Company has thirteen executive officers, nine of whom are directors in office, and five of the seven members of the Board of Directors serve concurrently as executive officers.

(D) Executive Officers’ Meeting

The Executive Officers’ Meeting consists of executive officers who serve concurrently as directors in office and the Director in charge of the Internal Audit Department. In the presence of Company Auditors, the Executive Officers’ Meeting discusses and makes decisions related to the execution of business operations delegated by the Board of Directors in accordance with basic policies determined by the Board of Directors, and also deliberates in advance resolutions for proposal to the Board of Directors.

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

(E) Affiliated Companies Coordination Board

The Affiliated Companies Coordination Board consists of executive officers who serve concurrently as directors, the Director in charge of the Internal Audit Department and representatives of ACOM Group companies. In the presence of Company Auditors, the Affiliated Companies Coordination Board discusses important matters concerning the management of affiliated companies, and also coordinates, communicates, and reports on important matters pertaining to the execution of their business.

The Board meets once every quarter, and also on the occasion of drawing up a budget, in principle, and more as deemed necessary.

(F) Various committees

(a) Compliance Committee

The Compliance Committee, appointed by the Board of Directors, consists of three experts from outside the Company and two ACOM Directors. It discusses and makes recommendations about the following compliance-related matters.

The Compliance Committee meets once every two months, or 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.

(b) Director Evaluation Committee

Compensations and bonuses for directors are subject to evaluation by the Director Evaluation Committee, which consists of the Chairman, Deputy Chairman, President, and director in charge of human resources department. The Board of Directors passes resolutions based on the results of such evaluations, as well as internal rules covering remuneration and bonuses for directors.

(c) Risk Management Committee

The Risk Management Committee consists of executive officers who serve concurrently as directors and the Director in charge of the Internal Audit Department. In the presence of Company Auditors, based on authority bestowed upon it by the Executive Officers' Meeting, the Committee establishes the Company's risk management approach, formulates basic risk management plans, and discusses and makes decisions on important items related to risk management, such as evaluations of risks. As necessary, it participates in Executive Officers' Meetings and Board of Directors Meeting and makes proposals and reports.

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

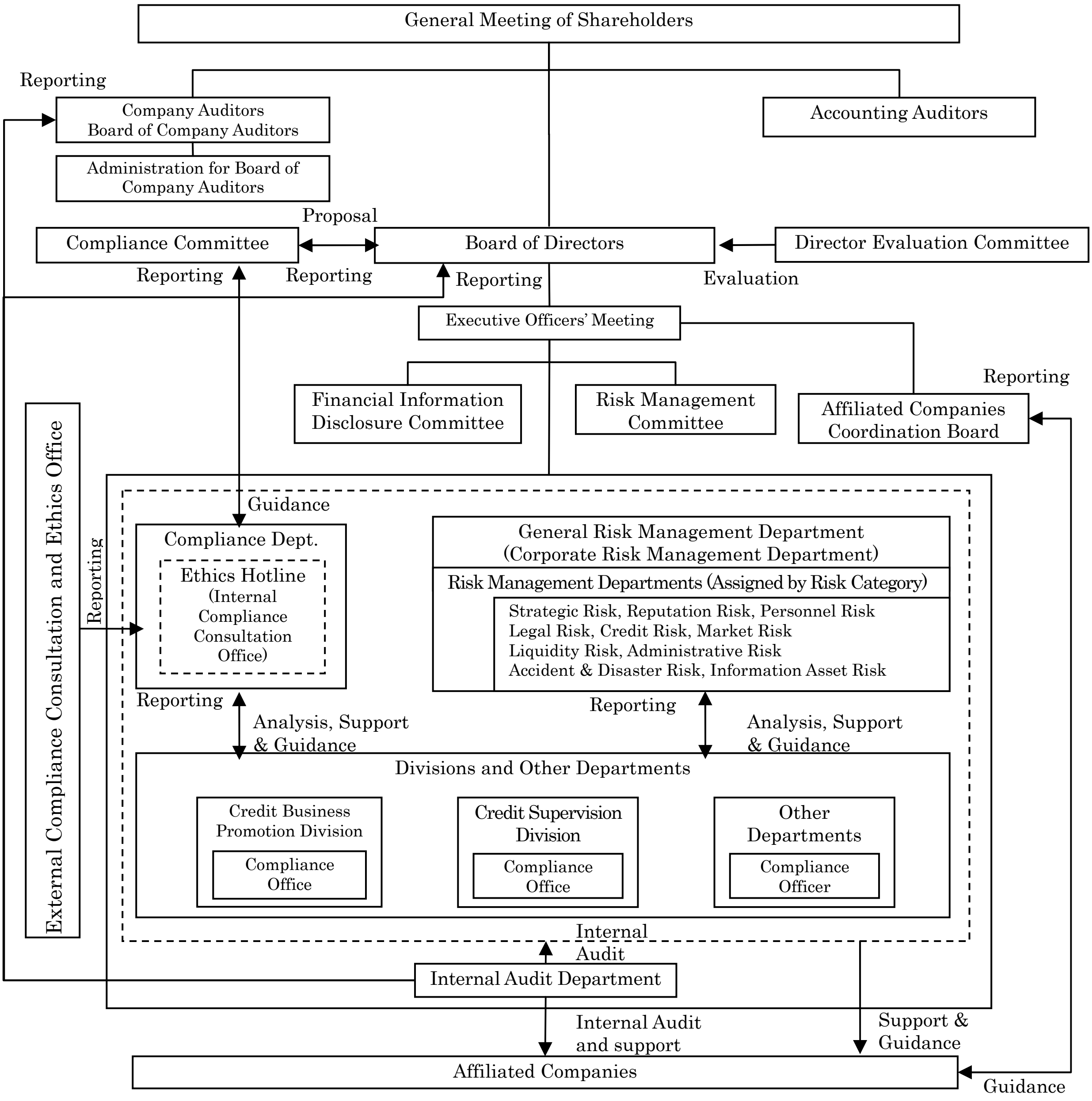
(d) Financial Information Disclosure Committee

The Financial Information Disclosure Committee is presided over by the Executive Officer in charge of the Treasury Department as the committee chairperson and consists of executive officers who serve concurrently as directors in office that are in charge of the relevant departments and chief general managers of the relevant departments. In the presence of Company Auditors, based on authority bestowed upon it by the Executive Officers' Meeting, the Committee discusses and makes decisions on items related to the establishment of the financial disclosure system in order for the disclosure of the financial information to be made in accordance with the relevant laws in a timely and in an appropriate manner. In addition, the Committee conducts prior consultations regarding the financial information to be disclosed before the Board of Directors meeting.

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

(ii) Corporate governance structure and internal control system structure

(As of June 21, 2012)



(iii) Other corporate governance related matters

(A) Basic stance on internal control system and the development of such a system

The Company resolved as described below on the development of its internal control system to ensure the appropriateness of its business activities, in accordance with Article 362, Paragraph 4, Item 6, and Paragraph 5 of the Companies Act, as well as Article 100, Paragraphs 1 and 3, of the Enforcement Regulations of the Companies Act.

The Company is making efforts to periodically evaluate the status of improvement of the internal control system, take remedial measures as necessary, review the system to respond to changes in the business environment, etc. and improve the effectiveness of the internal control system.

1. System to ensure that execution of duties by the Directors and employees complies with laws, regulations and the Articles of Incorporation of the Company
   (1) The Company regards compliance as the highest priority in the corporate management, and establishes the ACOM Group Code of Ethics and Code of Conduct, while developing the rules for compliance and various internal rules and making employees fully aware of them.
   (2) The President & CEO of the Company is committed to taking leadership in acting in accordance with the ACOM Group Code of Ethics and the Code of Conduct in order to create a corporate culture that emphasizes compliance.
   (3) The Company establishes a committee on compliance, personnel and departments with across-the-board responsibilities for compliance, and a department which exclusively conducts verifications and assistance for compliance in major departments. In addition, personnel responsible for promoting compliance and personnel in charge of compliance are placed in each department.
   (4) The Company formulates and promotes compliance initiatives based on company-wide and division/department-specific compliance plans, while managing its progress.
   (5) The Company establishes contact points for reporting and inquiry by employees concerning the act of violations or possible violations of compliance in order to prevent, detect early and correct misconduct. Based on the rules for protecting whistleblowers, the Company will make efforts to protect employees who made such report or advice.
   (6) In accordance with the basic policy and related rules with respect to antisocial forces, the Company develops a system to prevent relations with antisocial forces and ensure appropriate business operations.
   (7) In accordance with the Group's basic policy and related rules for the internal control over financial reporting, the Company develops a system to ensure the accuracy and reliability of financial reporting. The Company also establishes a system to disclose financial information by setting up a committee on disclosure of financial information.
   (8) The Company establishes an internal audit department and ensures its independence and specialties. It also develops an internal audit system in accordance with the rules on internal audit. The internal audit department verifies and evaluates the appropriateness and effectiveness of internal controls, reports the results to the Board of Directors and Company Auditors, and provides information, advice and recommendations to related departments.

2. System concerning storage and management of information on the execution of duties by Directors
   (1) In accordance with the rules for confidential information management and related rules,

the Company establishes procedures for managing documents related to the execution of duties by the Directors (including electromagnetic records), stores and manages such information in an appropriate manner, ensuring that such documents are available for inspection by directors when necessary.

(2) In order to maintain the appropriateness of information storage and management, the Company appoints personnel responsible for information security management, determines the roles of respective organizations, officers and employees, and stores and manages information in a systematic manner. The Company regularly verifies the status of information storage and management.

3. Rules concerning loss risk management and other systems

(1) The Company establishes a system for proper and efficient risk management in accordance with the rules for risk management.

(2) In order to manage risks in an integrated manner, the Company establishes a committee on risk management, and personnel and departments with across-the-board responsibilities for risk management. It also establishes departments for risk management by risk category, develops systems for managing each risk, and implements management and operations based on the intensive risk management measures.

(3) The internal audit department audits the status of risk management in each department and reports the results to the Board of Directors and Company Auditors.

(4) The Company establishes a system to minimize economic losses and loss of credibility and to continue or swiftly resume business operations in cases where risks that may have significant internal or external impacts arise.

4. System to ensure efficient execution of duties by the Directors

(1) The Company formulates management policies and management plans and carries out business management based on appropriate methods.

(2) The Company establishes the Executive Officer’s Meeting and various committees so as to conduct decision making concerning the execution of duties delegated from the Board of Directors and prior deliberations on matters to be discussed in the meetings of the Board of the Directors.

(3) The Company introduces an executive officer system and, based on internal rules, determines the division of duties by each organization and the criteria of decision making for each position so as to make decisions more quickly and execute duties more efficiently.

5. System to ensure the propriety of business carried out by the group consisting of the Company, parent company and subsidiaries
   (1) While maintaining independence as a publicly-traded company, the Company coordinates with the parent company through reporting or consultation on the Group's business management in accordance with the rules for consultation and reporting with the parent company. The Company also establishes the Group's business management systems in accordance with the parent company's policy for its group management so as to contribute to the appropriate business operations of both of the groups.
   (2) The Company makes the ACOM Group Code of Ethics the entire Group's basic compliance policy. In accordance with the rules for compliance and related rules, the Company provides assistance for the promotion of compliance to subsidiaries, etc. within the Group (hereinafter referred to as "Affiliated Companies").
   (3) The Company holds regular meetings with Affiliated Companies, establishes departments for managing Affiliated Companies, and manages and supports Affiliated Companies in accordance with the rules for management of Affiliated Companies, while respecting the independence of each company.
   (4) The internal audit department implements audits of Affiliated Companies or supports their audits and contributes to development of the internal control systems of Affiliated Companies.

6. Matters concerning employees to assist Company Auditors' duties and matters concerning their independence from Directors, in the case where Company Auditors request appointment of such employees
   (1) Administration for Board of Company Auditors will be established to assist in the Company Auditors' duties, and assistants for auditors will be appointed.
   (2) The number of employees to assist Company Auditors and their requirements will be decided after discussion with the Board of Company Auditors.
   (3) Employees to assist Company Auditors will be exclusively in charge of work that assists Company Auditors, and will not be subject to instructions and orders from the Directors and other operational organizations.
   (4) Assignment, transfer, evaluation and disciplinary action of employees who assist Company Auditors will be decided after discussion with the Board of Company Auditors.

7. System for reporting to Company Auditors by the Directors and employees, and other systems for reporting to Company Auditors
   (1) In compliance with laws and regulations and the rules regarding reporting to Company

Auditors, the Directors and chief general managers of each department will promptly report to Company Auditors such matters as facts which may significantly damage the Company and Affiliated Companies. In addition, they will report matters concerning the execution of duties periodically and when necessary.

(2) Documents used in the decision making provided for in internal rules will be made available for inspection by Company Auditors promptly after making the decision.

(3) Company Auditors may ask Directors and employees to report matters other than the above-mentioned ones if needed.

8. Other systems to ensure that audits are effectively implemented by Company Auditors

(1) Directors will ensure a system that allows Company Auditors to: attend the Board of Directors meetings, the Executive Officers' meetings, and other important meetings and committees; and have access to the important documents concerning the execution of duties, such as statutory documents.

(2) Directors will have regular meetings with the Board of Company Auditors to exchange opinions on issues with which the company should deal, issues concerning the execution of duties, and primary issues on audits. They will also take actions regarding the matters that the Board of Company Auditors deems necessary to be addressed.

(3) Directors and employees will follow the rules of the Board of Company Auditors and other rules, including audit policies, and cooperate with Company Auditors for inspection and consultation requests.

(4) The internal audit department will establish a cooperation system for exchanging information with Company Auditors as needed in order to contribute to ensuring the effectiveness of audits.

(B) Development of risk management system

As the management environment surrounding the Company changes, risks to be managed are becoming more complicated and diverse. Under such a 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 health of management, and stably secure profitability and growth.

The Company, under the Risk Management Committee, set basic matters concerning risk management as the Risk Management Regulations to clarify risks to be managed, departments and sections in charge of risk management, 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 risk management for information assets, such as individual 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.

2) Internal Audits and Audits by Company Auditors

(i) Internal audits

With an auditing staff of 17 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 Company Auditors.

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

(ii) Audits by Company Auditors

Based on the Company's auditing policies and auditing plans, Company Auditors attend meetings of the Board of Directors and other important meetings. Through examination of the Company's business and financial situation, Company Auditors audit the execution of business by directors and make appropriate and timely suggestions and recommendations to facilitate establishment of legal compliance and business ethics protocols. In addition, the Company Auditors work together with the accounting auditors and the Internal Audit Department to ensure an accurate grasp of operating status and monitor and verify the condition of internal control systems.

In addition, the Company Auditors form close relationships with Company Auditors of Group companies to facilitate the sharing of information.

(iii) Collaboration between Company Auditors and Accounting Auditors

Company Auditors hold regular meetings with accounting auditors 14 times a year to confirm the accounting auditors' auditing plan for the relevant fiscal year, and receive audit reports and the overview and results of the audit. In addition, the Company promotes collaboration between Company Auditors and accounting auditors by having opinion exchange meetings when necessary, as well as being present at audits.

(iv) Collaboration between Company Auditors and the Internal Audit Department

Company Auditors and the Internal Audit Department hold a monthly meeting on internal audit policy, audit plans, and audit results in order to collaborate between them.

3) Outside Company Auditors

The Company has three Outside Company Auditors. Their relationship with the Company is as shown in the chart below.

Incidentally, the Company does not appoint Outside Directors. The Company already has a system in which external surveillance on the management is fully functional due to the implementation of audit by Outside Company Auditors, and for that reason maintains the current system.

The Company does not have specific standards or policies regarding the independence of Outside Company Auditors from the Company in designating such Outside Company Auditors. With regard to the collaboration between the audits by the Outside Company Auditors and the internal audits, as well as that between the audits by the Company Auditors and the Accounting Auditors, refer to (ii), (iii) and (iv) of the preceding item 2).

Name of Outside Company Auditor	Relations with the Company
Shinichi Yasuda	- No special interests in the Company - He has built considerable experience and knowledge through years of duties in the financial industry (i.e. life insurance company), to which the Company belongs. He also served the Company's subsidiary as full-time Company Auditor. Therefore, the Company believes that he can contribute to further enhancement of the audit system and corporate governance of the Company.
Eiji Oshima	- No special interests in the Company - With his considerable experience and knowledge gained during his time with a leading trading company, as well as his experience as a full-time Auditor at that company, in addition to his international perspective and insights based on long-term experience living and engaging in corporate management overseas, the Company believes that he can contribute to further enhancement of the audit system and corporate governance of the Company. - As he has no potential conflict of interest with general shareholders and meets the independence requirements of the Tokyo Stock Exchange, he has been designated as an independent director/corporate auditor.
Takashi Doi	- No special interests in the Company - With his expert knowledge and experience acquired though years of duties as an attorney-at-law, he is judged as being capable of monitoring corporate management from a legal point of view. Therefore, the Company believes that he can contribute to further enhancement of the audit system and corporate governance of the Company. - As he has no potential conflict of interest with general shareholders and meets the independence requirements of the Tokyo Stock Exchange, he has been designated as an independent director/corporate auditor.

4) Compensation to Directors and Company Auditors

(i) Total amount of compensations by categories for the Filing Company, total amount of compensations by type, and the number of paid officers

Category	Total amount (Millions of yen)	Total amount of compensations by type (Millions of yen)				Number of persons
		Basic salary	Stock option	Bonus	Retirement benefit	
Directors (excluding Outside Directors)	204	204	—	—	—	11
Company Auditors (excluding Outside Company Auditors)	19	19	—	—	—	2
Outside Directors and Outside Company Auditors	40	40	—	—	—	6
Total	264	264	—	—	—	19

(Notes) 1. There are no employee-directors.
2. "Number of persons" represents the cumulative number of directors who received compensation during the current fiscal year.

(ii) Total amount of consolidated compensations by Filing Company's officers

This is not listed because no officers of the Filing Company receive the total of more than 100 million yen of consolidated compensations.

(iii) Policy concerning the decision on the amounts of compensations paid to officers

The Company has no policy concerning the decision on the amounts of compensations paid to officers.

5) Status of securities held by the Company

(i) Regarding investment securities held for other than pure investment purposes, the number of stock names and total value recorded in the balance sheet.

2 stock names 1,180 million yen

(ii) Regarding individual investment securities held for other than pure investment purposes, type of investment, name, the number of shares, value recorded in the balance sheet total, and purpose of holding.

Prior fiscal year:

Special investment securities

Not applicable.

Deemed shareholdings

Not applicable.

Current fiscal year:

Special investment securities

Not applicable.

Deemed shareholdings

Not applicable.

(iii) Regarding investment securities held for pure investment purposes, total value recorded in the balance sheet, total dividend received, total gain or loss on sale, and total valuation gain or loss in the prior and current fiscal years.

	Prior fiscal year (Millions of yen)	Current fiscal year (Millions of yen)			
	Total value in balance sheet	Total value in balance sheet	Total dividend received	Total gain or loss on sale	Total valuation gain or loss
Non-listed securities	799	793	4	31	(Note)
Securities other than the above	13,966	3,563	281	1,577	441

(Note) "Total valuation gain or loss" is not shown for non-listed securities, since they have no market value and it is considered extremely difficult to obtain the value of such securities.

(iv) Regarding individual investment securities, of which holding purpose has been changed from pure investment to other than pure investment, name, the number of shares and value recorded in the balance sheet.

Not applicable.

(v) Regarding individual investment securities, of which holding purpose has been changed from other than pure investment to pure investment, name, the number of shares and value recorded in the balance sheet.

Not applicable.

6) Status of Accounting Audits

(i) Names of Certified Public Accountants (CPAs) who audit the Company's Accounts, the audit corporation to which they belong, and their years of continuous audit service to the Company

Designated employee, managing partner:	Takuji Akiyama, Deloitte Touche Tohmatsu LLC
Designated employee, managing partner:	Tatsuya Hiraki, Deloitte Touche Tohmatsu LLC
Designated employee, managing partner:	Koichiro Watanabe, Deloitte Touche Tohmatsu LLC

*Since all three auditors have served ACOM for less than seven years, their years of service have been omitted.

*The above audit corporation has voluntarily put mechanisms in place to prevent the managing partners from participating in the auditing of the Company's accounts for longer than a certain period of time.

(ii) Breakdown of Team Auditing the Company's Accounts

CPAs:	10 persons
Assistant certified public accountants, etc.	11 persons
Other staff:	6 persons

7) Resolution Requirement for Election of Directors

The Articles of Incorporation stipulates the Board of Directors consist of 12 members or less.

The Articles of Incorporation stipulates that voting on resolutions for election of directors shall take place under the presence of shareholders who represent one-third or more of total voting rights, and the majority of the votes of those shareholders and those which are not contingent upon cumulative votes shall be the requisite for adoption of the resolution.

8) Purchase of Treasury Stock

Pursuant to Article 165, Paragraph 2 of the Companies Act, the Company has included in its Articles of Incorporation a clause allowing purchase of its own shares via the market, subject to a resolution of the Board of Directors. Such inclusion was made to permit flexible share buybacks according to the Company’s business and financial conditions and other circumstances.

9) Liability Exemption for Directors and Company Auditors

To ensure that directors and Company Auditors can adequately carry out the duties they are entrusted with, as pursuant Article 426, Paragraph 1 of the Companies Act, a provision has been included in the Articles of Incorporation to allow the exemption of Directors (including former Directors) and Company Auditors (including former Company Auditors), by decision of the Board of Directors and within the limits allowed by the law, from liability resulting from dereliction of duty.

10) Interim Dividend

Pursuant to Article 454, Paragraph 5 of the Companies Act, the Company may, by a resolution of the Board of Directors, pay interim dividends each year with September 30 as the base date.

11) Special Resolutions at the General Meeting of Shareholders

For purpose of maintaining smooth operation of the General Meeting of Shareholders, the Articles of Incorporation stipulates that special resolutions as pursuant Article 309, Paragraph 2 of the Companies Act, shall be passed if at least two-thirds of voting rights are cast in favor, if shareholders representing at least one-third of eligible votes are present.

(2) Details of Compensation for Auditors

1) Details of Compensation for Certified Public Accountants

Classification	Prior fiscal year		Current fiscal year	
	Compensation in accordance with audit certification (Thousands of yen)	Compensation in accordance with non-audit certification (Thousands of yen)	Compensation in accordance with audit certification (Thousands of yen)	Compensation in accordance with non-audit certification (Thousands of yen)
The Filing Company	111,800	—	114,750	—
Consolidated subsidiary	24,000	—	24,600	—
Total	135,800	—	139,350	—

2) Other important details concerning remuneration

Not applicable.

3) Details of non-audit work against the Filing Company by certified public accountants

Not applicable.

4) Policies concerning auditing remuneration

Not applicable.

V. Financial Information

1. Basis of preparation of the consolidated financial statements

(1) The consolidated financial statements of the Company are prepared in accordance with the “Regulations Concerning the Terminology, Forms and Preparation Methods of the Consolidated Financial Statements” (Ordinance of the Finance Ministry No. 28 of 1976) and the “Ordinance on Reorganization of Accounting Methods for Special Finance Corporations, etc.” (Ordinance of General Administrative Agency of the Cabinet/the Finance Ministry No. 32 of 1999).

(2) The non-consolidated financial statements of the Company are prepared in accordance with the “Regulations Concerning Terminology, Forms, and Preparation Methods of Non-Consolidated Financial Statements” (Ordinance of the Finance Ministry No. 59 of 1963) and the “Ordinance on Reorganization of Accounting Methods for Special Finance Corporations, etc.” (Ordinance of General Administrative Agency of the Cabinet/the Finance Ministry No. 32 of 1999).

2. Audit reports

Pursuant to the first paragraph of Article 193-2 of the Financial Instruments and Exchange Act, the Company’s consolidated financial statements and non-consolidated financial statements for the fiscal year (from April 1, 2011 to March 31, 2012) were audited by Deloitte Touche Tohmatsu LLC.

3. Specific efforts to secure the appropriateness of the consolidated financial statements, etc.

As specific efforts to secure the appropriateness of the consolidated financial statements, etc., the Company holds membership in the Financial Accounting Standards Foundation, etc., and attends seminars provided by the Accounting Standards Board of Japan, etc., to ensure the correct understanding of the corporate accounting standards and prepare to accommodate any changes in accounting standards, etc.

1. Consolidated Financial Statements, etc.

(1) Consolidated Financial Statements

1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2011		As of March 31, 2012	
Assets				
Current assets				
Cash and deposits	*3	100,074	*3	121,726
Loans receivable of consumer loans	*1,*4,*5 *6,*8	972,329	*1,*4,*5 *6,*8	867,491
Loans receivable of banking business	*7	33,405	*7	41,518
Accounts receivable-installment	*9	43,951	*9	27,690
Purchased receivables		11,931		10,159
Short-term investment securities		26,190		37,043
Shares of parent company		4,683		5,025
Operational investment securities		1,216		902
Trading account securities		414		394
Merchandise and finished goods		334		334
Raw materials and supplies		72		81
Deferred tax assets		27,906		20,750
Short-term loans receivable	*10	39,991	*10	39,991
Other		39,622		34,402
Allowance for doubtful accounts		(70,283)		(47,934)
Total current assets		1,231,841		1,159,577
Noncurrent assets				
Property, plant and equipment				
Buildings and structures		31,949		31,499
Accumulated depreciation		(23,564)		(23,973)
Buildings and structures, net		8,385		7,525
Vehicles		59		58
Accumulated depreciation		(34)		(41)
Vehicles, net		24		16
Equipment		24,228		23,445
Accumulated depreciation		(13,951)		(13,478)
Equipment, net		10,277		9,967
Land		6,529		6,413
Lease assets		1,970		2,200
Accumulated depreciation		(1,233)		(1,358)
Lease assets, net		736		841
Total property, plant and equipment		25,952		24,764
Intangible assets				
Goodwill		11,381		10,397
Leasehold right		4		4
Telephone subscription right		62		39
Other		3		2
Total intangible assets		11,451		10,443
Investments and other assets				
Investment securities	*2	18,895	*2	6,678
Deferred tax assets		444		—
Guarantee deposits		6,874		6,032
Prepaid pension cost		3,237		1,506
Other	*8	5,147	*8	4,407
Allowance for doubtful accounts		(1,086)		(948)
Total investments and other assets		33,512		17,675
Total noncurrent assets		70,916		52,884
Total assets		1,302,758		1,212,461

(Millions of yen)

	As of March 31, 2011		As of March 31, 2012	
Liabilities				
Current liabilities				
Notes and accounts payable-trade		221		195
Short-term loans payable	*12	3,375	*12	4,008
Current portion of long-term loans payable	*1,*11,*12	168,514	*1,*11,*12	166,193
Current portion of bonds payable		81,155		87,103
Deposits of banking business		43,200		50,841
Lease obligations		157		231
Income taxes payable		1,334		1,125
Deferred tax liabilities		—		7
Provision for loss on guarantees	*14	8,822	*14	6,230
Asset retirement obligations		7		26
Unearned income	*13	2,482	*13	886
Other		12,456		15,862
Total current liabilities		321,727		332,711
Noncurrent liabilities				
Bonds payable		141,489		135,378
Long-term loans payable	*1,*12	302,613	*1,*12	271,349
Lease obligations		561		682
Deferred tax liabilities		1,745		950
Provision for retirement benefits		49		91
Provision for directors' retirement benefits		18		20
Provision for loss on interest repayment		283,300		200,200
Asset retirement obligations		4,468		4,405
Other		3,184		1,756
Total noncurrent liabilities		737,431		614,835
Total liabilities		1,059,159		947,546
Net assets				
Shareholders' equity				
Capital stock		63,832		63,832
Capital surplus		76,010		76,010
Retained earnings		120,463		141,927
Treasury stock		(19,793)		(19,793)
Total shareholders' equity		240,512		261,976
Accumulated other comprehensive income				
Valuation difference on available-for-sale securities		1,235		712
Foreign currency translation adjustment		(4,100)		(4,925)
Total accumulated other comprehensive income		(2,865)		(4,213)
Minority interests		5,951		7,151
Total net assets		243,599		264,915
Total liabilities and net assets		1,302,758		1,212,461

2) Consolidated Statements of Operations and Consolidated Statements of Comprehensive Income

(Consolidated Statements of Operations)

(Millions of yen)

	For the fiscal year ended March 31, 2011	For the fiscal year ended March 31, 2012
Operating revenue		
Interest on consumer loans	192,654	158,530
Interest on loans of banking business	3,464	4,701
Revenue from credit card business	2,893	2,440
Revenue from installment sales finance business	2,926	1,547
Revenue from credit guarantee	20,477	20,626
Collection from purchased receivable	8,278	6,666
Other financial revenue		
Interest on deposits	23	55
Interest on securities	164	78
Interest on loans	43	54
Gain on trading account securities	21	—
Gain on valuation of derivatives	—	389
Other	780	598
Total other financial revenue	1,034	1,176
Other operating revenue	14,101	14,766
Total operating revenue	245,831	210,456
Operating expenses		
Financial expenses		
Interest expenses	11,969	12,050
Interest expenses of banking business	2,000	2,808
Interest on bonds	6,079	6,741
Amortization of bond issuance cost	197	424
Loss on valuation of derivatives	314	—
Other	1,973	2,120
Total financial expenses	22,534	24,145
Cost of purchased receivable	3,401	3,013
Other operating expenses		
Advertising expenses	5,678	5,877
Provision of allowance for doubtful accounts	73,578	31,959
Provision for loss on guarantees	4,051	2,766
Bad debts expenses	507	—
Provision for loss on interest repayment	243,456	48,807
Employees' salaries and bonuses	18,088	15,602
Retirement benefit expenses	4,379	2,860
Provision for directors' retirement benefits	14	9
Welfare expenses	2,594	2,287
Rent expenses	8,156	6,957
Depreciation	2,167	1,812
Commission fee	25,836	20,778
Amortization of goodwill	751	984
Other	15,420	11,706
Total other operating expenses	404,681	152,412
Total operating expenses	430,617	179,570
Operating income (loss)	(184,785)	30,885

(Millions of yen)

	For the fiscal year ended March 31, 2011		For the fiscal year ended March 31, 2012	
Non-operating income				
Interest income		269		281
Dividends income		371		436
Equity in earnings of affiliates		19		10
House rent income		304		255
Other		405		433
Total non-operating income		1,369		1,418
Non-operating expenses				
Interest expenses		6		12
Loss on insurance cancellation		24		31
Loss on disposal of supplies		11		8
Other		49		31
Total non-operating expenses		90		84
Ordinary income (loss)		(183,506)		32,219
Extraordinary income				
Gain on sales of noncurrent assets	*1	219	*1	34
Gain on sales of investment securities		345		2,536
Other	*2	43	*2	3
Total extraordinary income		608		2,574
Extraordinary loss				
Loss on sales of noncurrent assets	*3	27	*3	4
Loss on retirement of noncurrent assets	*4	179	*4	176
Impairment loss	*5	381	*5	187
Loss on valuation of shares of parent company		5,481		—
Loss on sales of investment securities		255		1,042
Loss on valuation of investment securities		4,700		0
Business structure improvement expenses	*6	1,528	*6	—
Cumulative effect of accounting change for asset retirement obligations		4,050		—
Other	*7	133	*7	5
Total extraordinary losses		16,740		1,417
Income (loss) before income taxes and minority interests		(199,638)		33,377
Income taxes-current		2,053		2,127
Income taxes-deferred		(530)		7,753
Total income taxes		1,523		9,881
Income (loss) before minority interests		(201,161)		23,496
Minority interests in income		1,486		2,032
Net income (loss)		(202,648)		21,464

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	For the fiscal year ended March 31, 2011	For the fiscal year ended March 31, 2012
Income (loss) before minority interests	(201,161)	23,496
Other comprehensive income		
Valuation difference on available-for-sale securities	7,397	(523)
Foreign currency translation adjustment	(1,050)	(1,406)
Total other comprehensive income	6,347	* (1,930)
Comprehensive income	(194,813)	21,566
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(196,084)	20,116
Comprehensive income attributable to minority interests	1,270	1,450

3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	For the fiscal year ended March 31, 2011	For the fiscal year ended March 31, 2012
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	63,832	63,832
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	63,832	63,832
Capital surplus		
Balance at the beginning of current period	76,010	76,010
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	76,010	76,010
Retained earnings		
Balance at the beginning of current period	323,894	120,463
Changes of items during the period		
Dividends from surplus	(783)	—
Net income (loss)	(202,648)	21,464
Total changes of items during the period	(203,431)	21,464
Balance at the end of current period	120,463	141,927
Treasury stock		
Balance at the beginning of current period	(19,793)	(19,793)
Changes of items during the period		
Purchase of treasury stock	(0)	(0)
Total changes of items during the period	(0)	(0)
Balance at the end of current period	(19,793)	(19,793)
Total shareholders' equity		
Balance at the beginning of current period	443,944	240,512
Changes of items during the period		
Dividends from surplus	(783)	—
Net income (loss)	(202,648)	21,464
Purchase of treasury stock	(0)	(0)
Total changes of items during the period	(203,431)	21,464
Balance at the end of current period	240,512	261,976

(Millions of yen)

	For the fiscal year ended March 31, 2011	For the fiscal year ended March 31, 2012
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	(6,161)	1,235
Changes of items during the period		
Net changes of items other than shareholders' equity	7,397	(523)
Total changes of items during the period	7,397	(523)
Balance at the end of current period	1,235	712
Foreign currency translation adjustment		
Balance at the beginning of current period	(3,266)	(4,100)
Changes of items during the period		
Net changes of items other than shareholders' equity	(834)	(824)
Total changes of items during the period	(834)	(824)
Balance at the end of current period	(4,100)	(4,925)
Total accumulated other comprehensive income		
Balance at the beginning of current period	(9,428)	(2,865)
Changes of items during the period		
Net changes of items other than shareholders' equity	6,563	(1,347)
Total changes of items during the period	6,563	(1,347)
Balance at the end of current period	(2,865)	(4,213)
Minority interests		
Balance at the beginning of current period	4,753	5,951
Changes of items during the period		
Net changes of items other than shareholders' equity	1,198	1,199
Total changes of items during the period	1,198	1,199
Balance at the end of current period	5,951	7,151
Total net assets		
Balance at the beginning of current period	439,269	243,599
Changes of items during the period		
Dividends from surplus	(783)	—
Net income (loss)	(202,648)	21,464
Purchase of treasury stock	(0)	(0)
Net changes of items other than shareholders' equity	7,761	(148)
Total changes of items during the period	(195,670)	21,316
Balance at the end of current period	243,599	264,915

4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2011	For the fiscal year ended March 31, 2012
Net cash provided by (used in) operating activities		
Income (Loss) before income taxes and minority interests	(199,638)	33,377
Depreciation and amortization	2,168	1,812
Impairment loss	381	187
Amortization of goodwill	751	984
Increase (Decrease) in allowance for doubtful accounts	1,050	(21,978)
Increase (Decrease) in provision for loss on guarantees	(352)	(2,592)
Increase (Decrease) in provision for retirement benefits	(93)	49
Increase (Decrease) in provision for directors' retirement benefits	(14)	1
Increase (Decrease) in provision for loss on interest repayment	78,800	(83,100)
Interest and dividends income	(640)	(718)
Interest expenses	6	12
Amortization of bond issuance costs	197	424
Foreign exchange losses (gains)	(320)	380
Equity in (earnings) losses of affiliates	(19)	(10)
(Gain) Loss on sales of property, plant and equipment	(192)	(30)
Loss on retirement of property, plant and equipment	179	176
(Gain) Loss on valuation of shares of parent company	5,481	—
(Gain) Loss on sales of investment securities	(89)	(1,493)
(Gain) Loss on valuation of investment securities	4,700	0
Business structure improvement expenses	1,528	—
Cumulative effect of accounting change for asset retirement obligations	4,050	—
(Increase) Decrease in loans receivable of consumer loans	199,678	98,113
(Increase) Decrease in loans receivable of banking business	(10,508)	(10,498)
(Increase) Decrease in accounts receivable-installment	14,433	16,183
(Increase) Decrease in purchased receivables	3,378	1,771
(Increase) Decrease in investment securities for sale	750	314
(Increase) Decrease in trading account securities	1,957	(0)
(Increase) Decrease in inventories	731	(10)
(Increase) Decrease in other current assets	(8,459)	4,635
(Increase) Decrease in prepaid pension costs	520	1,731
Increase (Decrease) in notes and accounts payable-trade	(538)	(22)
Increase (Decrease) in deposits of banking business	11,792	10,562
Increase (Decrease) in unearned income	(1,324)	(1,586)
Increase (Decrease) in other current liabilities	(2,714)	4,047
Increase (Decrease) by other operating activities	(1,879)	(2,267)
Subtotal	105,754	50,456
Interest and dividends income received	665	716
Interest expenses paid	(6)	(12)
Business structure improvement expenses paid	(7,758)	(245)
Income taxes refunds	261	182
Income taxes paid	(1,667)	(2,676)
Net cash provided by (used in) operating activities	97,249	48,421

(Millions of yen)

	For the fiscal year ended March 31, 2011		For the fiscal year ended March 31, 2012	
Net cash provided by (used in) investing activities				
Purchase of property, plant and equipment		(610)		(693)
Proceeds from sales of property, plant and equipment		364		81
Proceeds from sales of investment securities		556		11,210
Payments for transfer of business	*2	(4,650)	*2	—
Increase (Decrease) by other investing activities		1,593		382
Net cash provided by (used in) investing activities		(2,746)		10,981
Net cash provided by (used in) financing activities				
Proceeds from short-term loans payable		39,375		36,119
Repayments of short-term loans payable		(40,040)		(35,108)
Proceeds from issuance of bonds		31,804		82,757
Payments at maturity of bonds		(51,823)		(81,254)
Proceeds from long-term loans payable		144,436		156,230
Repayments of long-term loans payable		(188,183)		(187,074)
Proceeds from stock issuance to minority shareholders		230		136
Repayments of finance lease obligations		(84)		(175)
Purchase of treasury stock		(0)		(0)
Cash dividends paid		(784)		(0)
Cash dividends paid to minority shareholders		—		(185)
Net cash provided by (used in) financing activities		(65,069)		(28,554)
Effect of exchange rate change on cash and cash equivalents		(246)		(317)
Net increase (decrease) in cash and cash equivalents		29,186		30,530
Cash and cash equivalents at beginning of period		133,723		162,910
Cash and cash equivalents at end of period	*1	162,910	*1	193,441

[Significant matters providing the basis for the preparation of consolidated financial statements]

Item	Current fiscal year (from April 1, 2011 to March 31, 2012)
1.The scope of consolidation	All subsidiaries are consolidated. Number of consolidated subsidiaries: 12 The names of the consolidated subsidiaries are omitted because they are shown in “4. Information on Subsidiaries and Affiliates” under “I. Overview of the Company.”
2. Application of the equity-method	Number of equity-method-affiliates: 1 The name of the equity-method affiliate is omitted because it is shown in “4. Information on Subsidiaries and Affiliates” under “I. Overview of the Company.”
3.Accounting period of consolidated subsidiaries	Fiscal date of the following consolidated subsidiaries ends on December 31: ACOM (U.S.A.) INC. EASY BUY Public Company Limited PT. Bank Nusantara Parahyangan, Tbk. General Incorporated Association Mirai Capital Power Investments LLC MTBC Third Investment Partnership AC Ventures Fourth Investment Partnership AC Ventures Sixth Investment Partnership Fiscal date of the following consolidated subsidiaries ends on February 29: AC Ventures Fifth Investment Partnership Consolidated financial statements hereof are prepared by using financial statements as of the abovementioned settlement date and important matters that occurred between the settlement date and the consolidated settlement date are subject to the adjustment necessary for consolidation.
4. Significant accounting policies (1) Evaluation methods for significant assets	
1) Marketable and investment securities	Trading securities: Market value method (the cost of securities sold is computed using the moving average method) Held-to-maturity securities: Amortization cost method (straight-line method) Available-for-sales securities: Securities with market quotations: Stated at market value at the end of the fiscal year (Unrealized gains or losses net of applicable taxes are comprehensively reported as a component of net assets and the cost of securities sold is computed using the moving average method) Securities without market quotations: Stated at cost by the moving-average method The investments in limited investment partnerships and other similar partnerships (those deemed as “securities” according to the Article 2, Paragraph 2 of the Financial Instruments and Exchange Act) are reported, using the equity method, based on the latest financial statements available as at the closing dates stipulated by the respective partnership contracts.
2) Derivative financial instruments	Swap transactions: Fair value method

Item	Current fiscal year (from April 1, 2011 to March 31, 2012)
3) Inventories	Merchandise: Stated at the lower cost, on an individual specified cost basis or net selling value Supplies: Mainly at cost, based on the first-in first-out method
(2) Depreciation methods for significant assets	
1) Property, plant and equipment (excluding lease assets)	The Company and its domestic consolidated subsidiaries use the declining balance method, and overseas consolidated subsidiaries use straight-line method. Useful lives of assets are principally as follows: Buildings and structures: 2 to 47 years Vehicles: 2 to 8 years Equipment: 2 to 20 years
2) Intangible assets (excluding lease assets)	The Company and its domestic consolidated subsidiaries use the straight-line method.
3) Lease assets	Lease assets concerning transfer ownership finance lease transactions: Depreciated using the same depreciation method applied to noncurrent assets owned by the Company. Lease assets concerning non-transfer ownership finance lease transactions: Depreciated using the straight-line method, defining the lease term of respective assets as their useful lives, without residual value. Among lease assets concerning non-transfer ownership finance lease transactions, lease transactions that commenced prior to March 31, 2008 are reported using the same method applied to operating leases.
4) Long-term prepaid expenses	The Companies use the equal installment method over the estimated useful life.
5) Deferred assets	Bond issuance cost: These costs are fully charged to income when they are paid.
(3) Accounting policies for significant allowances and provisions	
1) Allowance for doubtful accounts	To provide for potential loss on loans receivable of consumer loans and other receivables, the Companies make an allowance for the expected amount of irrecoverable loans. Allowances for ordinary bad debts are computed, based on the historical rate of defaults. For specific debts where recovery is doubtful, the Company considers the likelihood of recovery on an individual basis.
2) Provision for loss on guarantees	To provide for loss on guarantees, the Company and certain consolidated subsidiaries make an allowance for potential losses at the end of the fiscal year.

Item	Current fiscal year (from April 1, 2011 to March 31, 2012)
3) Provision for retirement benefits	To provide for employees' retirement benefits, the Company and its domestic consolidated subsidiaries make a provision for estimated retirement benefits for this fiscal year, based on the projected retirement benefit obligations and related pension assets as of the end of this fiscal year. Past service liabilities are charged to expenses, using the straight-line method, over the determined years (5 years) that are no longer than average remaining service years of the employees at the time of occurrence. Actuarial differences are amortized evenly using the straight-line method over the determined years (5 years) that are no longer than the average remaining service years of employees, beginning from the fiscal year following the time of occurrence. Certain overseas consolidated subsidiaries make provisions for estimated retirement benefits at the end of this fiscal year, based on projected retirement obligations at the end of the fiscal year.
4) Provision for directors' retirement benefits	Certain domestic consolidated subsidiaries make provisions for a necessary amount of directors' retirement benefits at the end of each fiscal year, in accordance with the Company's internal rules.
5) Provision for loss on interest repayment	To prepare for potential loss on interest repayment in the future, the Company estimates and provides a reasonable amount of provision for loss on interest repayment, in consideration of the past actual results and the latest interest repayment situations.
(4) Accounting policies for significant revenue and expenses	Interest on consumer loans Interest on consumer loans is recorded on an accrual basis. Accrued interest on consumer loans is recorded, using the interest rate stipulated in the Interest Rate Restriction Act or the contracted interest rate of the Company, whichever the lower. Revenue from credit card business Fees from customers: Recorded by the credit balance method. Fees from member stores: Recorded as fees at the time of transaction. Revenue from installment sales finance business Fees from customers and member stores: Recorded mainly by the sum-of-digits method on a due date basis. Revenue from credit guarantee Recorded by the credit balance method. (Note) Details of each recording method are as follows: Credit balance method: Fees to be recorded as income are calculated pursuant to the prescribed rates applicable to the relevant credit balance. Sum-of-digits method: Total fees are proportionally divided by the total sum of the number of installment payments. Each divided amount is recorded as an income at every due date.
(5) Accounting policies for translation of significant foreign currency assets and liabilities into Japanese yen used in preparing the financial statements of consolidated companies on which consolidated financial statements are based	Foreign currency monetary claims and obligations are translated into Japanese yen, using the spot exchange rates on the closing date of consolidated accounting and the resulting translation gains and losses are recognized as income and expenses. Assets and liabilities and income and expenses of overseas subsidiaries are translated into Japanese yen at the spot exchange rates on the account closing date and average exchange rates respectively. The resulting translation gains and losses are recorded as foreign currency translation adjustments and minority interests under the net assets section.

Item	Current fiscal year (from April 1, 2011 to March 31, 2012)
(6) Significant hedge accounting method	1) Hedge accounting method The Company adopts the deferred hedge accounting. The interest rate swaps which quality for hedge accounting and meet specific matching criteria are not remeasured at market value but the differential paid or received under the swap agreement is recognized and included in interest expenses or income. The currency swaps which qualify for hedge accounting and meet specific matching criteria are used to hedge the foreign currency fluctuations are translated at the contracted rate if the forward contracts qualify for hedge accounting. 2) Hedging instruments and hedging items Interest rate-related items Hedging instruments: Interest-rate swap agreements Hedging items: Loans payable and bonds with variable interest rates Bonds with fixed interest rates Currency-related items Hedging instruments: Currency swap agreements Hedging items: Foreign currency loans payable 3) Hedging policy In accordance with the Company’s internal rules and those of its subsidiaries, the Company and its subsidiaries enter into derivatives contracts to hedge against various risks. These contracts include the following: Interest-rate swaps to hedge against the risk of fluctuations in interest rates relating to their loans payable and bonds with variable interest rates for the purpose of protecting cash flows. Interest rate swaps to hedge against the risk of fluctuations in fair value, relating to loans payable and bonds with fixed interest rates. Currency swaps to hedge against the risk of fluctuations in exchange rates relating to loans payable and interest on loans. Currency swap contracts to hedge against the risk of fluctuations in exchanges rates relating to foreign currency loans payable for the purpose of protecting cash flows. 4) Method for evaluating hedging effectiveness With regard to interest rate-related hedging, important requirements concerning hedging instruments and hedging items are closely matched with each other. Also, the Company can assume that fluctuations in interest rates and cash flows are fully offset by the fluctuations in hedging instruments on an ongoing basis since the implementation of hedging contracts. Therefore, the judgment of hedging effectiveness is omitted. On currency-related hedging, currency swap contracts are entered into on the same conditions as hedged items, thus the Company can assume that fluctuations in exchange rates or cash flows are fully offset by the fluctuations of hedge instruments. Therefore, the judgment of hedging effectiveness is omitted.

Item	Current fiscal year (from April 1, 2011 to March 31, 2012)
(7) Method and period of amortization of goodwill	Goodwill is amortized in equal installments over a 10 to 15 year period.
(8) Cash and cash equivalents in the consolidated statements of cash flows	Cash and cash equivalents include cash at hand, demand deposits at banks and highly liquid short-term investments with negligible risk of fluctuation in value and maturities of less than three months.
(9) Other significant accounting policies for the preparation of consolidated financial statements	Accounting method for consumption tax Transactions subject to consumption tax are recorded at the amount exclusive of consumption tax. However, consumer tax and other taxes imposed on non tax-deductible assets are recorded as an expense for the fiscal year they were incurred. In addition, accrued consumption tax is included in “Other” in current assets on the consolidated balance sheets and unpaid consumption tax is included in “Other” in current liabilities on the consolidated balance sheets.

[Changes in presentation]

Current fiscal year (from April 1, 2011, to March 31, 2012)
(Consolidated statements of operations) “Loss on investments in partnership” had been separately listed as an item of non-operating expenses up to the prior fiscal year. However, currently it does not account for more than 10% of total non-operating expenses. Therefore, it has been included in “Other” in non-operating expenses effective from the current fiscal year. To reflect this change in the consolidated statement of operations for the prior fiscal year, 26 million yen stated as “Loss on investments in partnership” under “Non-operating expenses” in the consolidated statement of operations for the prior fiscal year has been reclassified into “Other.”

[Additional information]

Current fiscal year (from April 1, 2011, to March 31, 2012)
<Adoption of the Accounting Standard for Accounting Changes and Error Corrections> Effective for the accounting changes and corrections of prior period errors that have been made after the beginning of the fiscal year under review, the Company adopts the “Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Statement No. 24, December 4, 2009) and the “Guidance on Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Guidance No. 24, December 4, 2009).

[Notes]

(Notes to Consolidated Balance Sheets)

Prior fiscal year (As of March 31, 2011)		Current fiscal year (As of March 31, 2012)	
*1. Pledged assets (Millions of yen)		*1. Pledged assets (Millions of yen)	
(1) Assets pledged as collateral		(1) Assets pledged as collateral	
Loans receivable of consumer loans	73,613 [71,273]	Loans receivable of consumer loans	65,644 [65,644]
(2) Secured obligations		(2) Secured obligations	
Current portion of long-term loans payable	7,795 [5,457]	Current portion of long-term loans payable	10,500 [10,500]
Long-term loans payable	32,792 [32,792]	Long-term loans payable	22,291 [22,291]
Total	40,588 [38,250]	Total	32,792 [32,792]
Figures in brackets “[ ]” represent amount concerning liquidation of receivables. In addition, the loans receivable of consumer loans of 71,273 million yen shown above have been transferred by trust for the purpose of liquidation, whose right of ownership has been transferred to the trust bank (trustees).		Figures in brackets “[ ]” represent amount concerning liquidation of receivables. In addition, the loans receivable of consumer loans shown above have been transferred by trust for the purpose of liquidation, whose right of ownership has been transferred to the trust bank (trustees).	
*2. Amount of subsidiaries and affiliates’ stocks included in investment securities (Millions of yen)	288	*2. Amount of subsidiaries and affiliates’ stocks included in investment securities (Millions of yen)	299
*3. Cash and deposits include 2,971 million yen of reserve for deposit of a consolidated subsidiary pursuant to the regulations of Bank Indonesia.		*3. Cash and deposits include 4,272 million yen of reserve for deposit of a consolidated subsidiary pursuant to the regulations of Bank Indonesia.	
*4. Amounts of loans receivable of consumer loans by the categories of loan methods Loans receivable of consumer loans were made by the method of loan on deed.		*4. Same as the left	
*5. Amount of unsecured consumer loans in loans receivable of consumer loans (Millions of yen)	948,890	*5. Amount of unsecured consumer loans in loans receivable of consumer loans (Millions of yen)	848,347

Prior fiscal year (As of March 31, 2011)	Current fiscal year (As of March 31, 2012)
*6. Commitment line contracts for loans receivable of consumer loans Contracts for loans receivable of consumer loans extended by the Company and some of consolidated subsidiaries primarily take the form of revolving credit-line contracts whereby a facility indicating a maximum loanable amount is assigned to a customer who is then able to borrow repeatedly within the limit of the facility, provided that contract terms have not been violated. Outstanding unexercised portions of such facilities amounted to 306,722 million yen at the end of the accounting period. This included a total of 193,719 million yen of unexercised amounts remaining in the accounts of customers with zero outstanding balances at the end of the fiscal year. A certain portion of revolving credit-line contracts lapse without ever being used. Therefore, the amount itself of outstanding unexercised facilities will not necessarily affect the future cash flow of the Company and its consolidated subsidiaries. Contracts contain provisions allowing the Company and its consolidated subsidiaries to reject applications for additional borrowing or reduce the facility in case of changes in the customer's credit standing or other material reasons. Outstanding contracts are regularly examined according to internal procedures to determine the credit standing of customers and other pertinent information. When necessary, contracts are reviewed and measures are taken to preserve loan assets.	*6. Commitment line contracts for loans receivable of consumer loans Contracts for loans receivable of consumer loans extended by the Company and some of consolidated subsidiaries primarily take the form of revolving credit-line contracts whereby a facility indicating a maximum loanable amount is assigned to a customer who is then able to borrow repeatedly within the limit of the facility, provided that contract terms have not been violated. Outstanding unexercised portions of such facilities amounted to 284,757 million yen at the end of the accounting period. This included a total of 156,546 million yen of unexercised amounts remaining in the accounts of customers with zero outstanding balances at the end of the fiscal year. A certain portion of revolving credit-line contracts lapse without ever being used. Therefore, the amount itself of outstanding unexercised facilities will not necessarily affect the future cash flow of the Company and its consolidated subsidiaries. Contracts contain provisions allowing the Company and its consolidated subsidiaries to reject applications for additional borrowing or reduce the facility in case of changes in the customer's credit standing or other material reasons. Outstanding contracts are regularly examined according to internal procedures to determine the credit standing of customers and other pertinent information. When necessary, contracts are reviewed and measures are taken to preserve loan assets.

Prior fiscal year (As of March 31, 2011)	Current fiscal year (As of March 31, 2012)
*7. Commitment line contracts for loans receivable of banking business The consolidated subsidiary PT. Bank Nusantara Parahyangan, Tbk. has concluded a savings overdraft agreement pledging to lend funds up to an established limit when such financing is requested by a customer (as long as this lending does not violate conditions stipulated in the agreements) and a commitment line agreement on loans. The balance of undrawn lines of credit based on these agreements is 10,140 million yen as of the end of the current fiscal year. A certain portion of commitment line contracts lapse without ever being used. Therefore, the amount itself of outstanding unexercised facilities will not necessarily affect the future cash flow of the consolidated subsidiaries of the Company. Contracts contain provisions allowing the consolidated subsidiaries of the Company to reject applications for additional borrowing or reduce the facility in case of changes in the customer's credit standing or other material reasons. Outstanding contracts are regularly examined according to internal procedures to determine the credit standing of customers and other pertinent information. When necessary, contracts are reviewed and measures are taken to preserve loan assets.	*7. Commitment line contracts for loans receivable of banking business The consolidated subsidiary PT. Bank Nusantara Parahyangan, Tbk. has concluded a savings overdraft agreement pledging to lend funds up to an established limit when such financing is requested by a customer (as long as this lending does not violate conditions stipulated in the agreements) and a commitment line agreement on loans. The balance of undrawn lines of credit based on these agreements is 12,440 million yen as of the end of the current fiscal year. A certain portion of commitment line contracts lapse without ever being used. Therefore, the amount itself of outstanding unexercised facilities will not necessarily affect the future cash flow of the consolidated subsidiaries of the Company. Contracts contain provisions allowing the consolidated subsidiaries of the Company to reject applications for additional borrowing or reduce the facility in case of changes in the customer's credit standing or other material reasons. Outstanding contracts are regularly examined according to internal procedures to determine the credit standing of customers and other pertinent information. When necessary, contracts are reviewed and measures are taken to preserve loan assets.

Prior fiscal year (As of March 31, 2011)	Current fiscal year (As of March 31, 2012)
*8. Status of non-performing loans in loans receivable of consumer loans Losses on unsecured consumer loans to bankrupt parties are written off at the time bankruptcy is declared. For this reason, loans to bankrupt parties include 1,055 million yen for debtors who have petitioned for bankruptcy as of the end of the fiscal year, but not yet declared bankrupt. This entire amount is charged to the allowance for doubtful accounts. In addition, from the point of view of maintaining the soundness of the Company’s assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company’s policy differs from that set forth in Japan’s tax laws, under which accrued interest is charged on loans less than six months in arrears. As a result of the Company’s policy, non-performing loans included additional 32,917 million yen. Under the policies stipulated in Japan’s tax laws, 10,596 million yen of this amount would be classified as loans overdue by three months or more, 5,666 million yen as restructured loans and 16,654 million yen as loans no longer in arrears. Accrued interest is charged on operating loans of the consolidated subsidiaries in Japan in the same manner as set forth in Japan’s tax laws and accrued interest on those of the consolidated subsidiaries overseas are accounted for in accordance with tax laws in countries in question.	*8. Status of non-performing loans in loans receivable of consumer loans Losses on unsecured consumer loans to bankrupt parties are written off at the time bankruptcy is declared. For this reason, loans to bankrupt parties include 400 million yen for debtors who have petitioned for bankruptcy as of the end of the fiscal year, but not yet declared bankrupt. This entire amount is charged to the allowance for doubtful accounts. In addition, from the point of view of maintaining the soundness of the Company’s assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company’s policy differs from that set forth in Japan’s tax laws, under which accrued interest is charged on loans less than six months in arrears. As a result of the Company’s policy, non-performing loans included additional 19,592 million yen. Under the policies stipulated in Japan’s tax laws, 6,986 million yen of this amount would be classified as loans overdue by three months or more, 4,563 million yen as restructured loans and 8,042 million yen as loans no longer in arrears. Accrued interest is charged on operating loans of the consolidated subsidiaries in Japan in the same manner as set forth in Japan’s tax laws and accrued interest on those of the consolidated subsidiaries overseas are accounted for in accordance with tax laws in countries in question.

Prior fiscal year (As of March 31, 2011)			Current fiscal year (As of March 31, 2012)		
		(Millions of yen)			(Millions of yen)
Category	Amount	Classification criteria	Category	Amount	Classification criteria
Loans to bankrupt parties	<2,436> 2,436	Of loans exclusive of accrued interest, loans to bankrupt parties, parties in rehabilitation and reorganization, and others.	Loans to bankrupt parties	<1,494> 1,494	Of loans exclusive of accrued interest, loans to bankrupt parties, parties in rehabilitation and reorganization, and others.
Loans in arrears	<18,552> 51,470	Other loans exclusive of accrued interest, excluding loans on which interest payment is deferred for the purpose of reconstructing or assisting debtors.	Loans in arrears	<11,356> 30,948	Other loans exclusive of accrued interest, excluding loans on which interest payment is deferred for the purpose of reconstructing or assisting debtors.
Loans overdue by three months or more	<13,895> 3,298	Loans other than the above that are overdue by three months or more.	Loans overdue by three months or more	<8,994> 2,007	Loans other than the above that are overdue by three months or more.
Restructured loans	<52,589> 46,922	Loans other than the above that are restructured on favorable terms for debtors, such as reduction or waiving of interest, in order to facilitate collection of outstanding balance.	Restructured loans	<50,275> 45,712	Loans other than the above that are restructured on favorable terms for debtors, such as reduction or waiving of interest, in order to facilitate collection of outstanding balance.
Total	<87,473> 104,128	—	Total	<72,120> 80,163	—
Figures in brackets “< >“ represent the balance of non-performing loans when loans exclusive of accrued interest are calculated according to the policies set forth in the general directives concerning Corporation Tax Act.			Figures in brackets “< >“ represent the balance of non-performing loans when loans exclusive of accrued interest are calculated according to the policies set forth in the general directives concerning Corporation Tax Act.		

Prior fiscal year (As of March 31, 2011)	Current fiscal year (As of March 31, 2012)
*9. Balances of accounts receivable-installment by business categories (Millions of yen) Fees from the credit card business 21,639 Fees from installment sales finance business 22,311 Total 43,951	*9. Balances of accounts receivable-installment by business categories (Millions of yen) Fees from the credit card business 18,482 Fees from installment sales finance business 9,207 Total 27,690
*10 Financial assets received as freely disposable securities The Company entered into “Repurchase agreement” transactions (to purchase debt securities under resale agreements) and received marketable securities as securities for the money repayable from the sellers. Market value of marketable securities purchased at the end of the fiscal year is 39,992 million yen.	*10 Financial assets received as freely disposable securities The Company entered into “Repurchase agreement” transactions (to purchase debt securities under resale agreements) and received marketable securities as securities for the money repayable from the sellers. Market value of marketable securities purchased at the end of the fiscal year is 39,993 million yen.
*11 Financial Covenants The Company's loans payable, which violate the financial covenants, are as follows: (1) Syndicated loan borrowed in March 2008 5,500 million yen (Financial covenants related to the rating) (2) Syndicated loan borrowed in September 2009 7,000 million yen (Financial covenants related to the rating) Syndicated loans above fully paid prior to the due date in April 2011. Therefore, there was no interference with our corporate activities.	*11 ――――――――
*12 Agreements for overdraft and commitment facilities For efficient procurement of working capital, the Company and some of its subsidiaries maintain overdraft contracts with three financial institutions and designated commitment line contracts with 14 financial institutions. As of the end of the current fiscal year, the unexercised portion of facilities based on these contracts was as follows: (Millions of yen) Amount of agreement for overdraft and commitment line 146,217 Amount of borrowing 22,812 Net 123,405	*12 Agreements for overdraft and commitment facilities For efficient procurement of working capital, the Company and some of its subsidiaries maintain overdraft contracts with three financial institutions and designated commitment line contracts with 11 financial institutions. As of the end of the current fiscal year, the unexercised portion of facilities based on these contracts was as follows: (Millions of yen) Amount of agreement for overdraft and commitment line 143,784 Amount of borrowing 25,057 Net 118,726

<table>
<tr><th>Prior fiscal year
(As of March 31, 2011)</th><th>Current fiscal year
(As of March 31, 2012)</th></tr>
<tr><td>
*13 The balance of unearned income belongs to the installment sales finance business. The breakdown of the amount during the period was as follows:
(Millions of yen)
<table>
<tr><th>Balance at the beginning of current period</th><th>Accrued during the period</th><th>Realized during the period</th><th>Balance at the end of current period</th></tr>
<tr><td>(205)
3,809</td><td>(254)
1,959</td><td>(341)
3,286</td><td>(119)
2,482</td></tr>
</table>
Figures in parentheses “( )” represent fees from member outlets.

*14. Contingent liabilities (Millions of yen)
<table>
<tr><td>Outstanding guarantee obligation in the guarantee business</td><td>443,460</td></tr>
<tr><td>Outstanding guarantee obligation in the banking business</td><td>1,034</td></tr>
<tr><td>Provision for loss on guarantees</td><td>8,822</td></tr>
<tr><td>Net</td><td>435,672</td></tr>
</table>
</td><td>
*13 The balance of unearned income belongs to the installment sales finance business. The breakdown of the amount during the period was as follows:
(Millions of yen)
<table>
<tr><th>Balance at the beginning of current period</th><th>Accrued during the period</th><th>Realized during the period</th><th>Balance at the end of current period</th></tr>
<tr><td>(119)
2,482</td><td>(14)
97</td><td>(114)
1,693</td><td>(18)
886</td></tr>
</table>
Figures in parentheses “( )” represent fees from member outlets.

*14. Contingent liabilities (Millions of yen)
<table>
<tr><td>Outstanding guarantee obligation in the guarantee business</td><td>483,282</td></tr>
<tr><td>Outstanding guarantee obligation in the banking business</td><td>1,238</td></tr>
<tr><td>Provision for loss on guarantees</td><td>6,230</td></tr>
<tr><td>Net</td><td>478,291</td></tr>
</table>
</td></tr>
</table>

(Notes to Consolidated Statements of Operations)

Prior fiscal year (from April 1, 2010 to March 31, 2011)	Current fiscal year (from April 1, 2011 to March 31, 2012)
*1. Breakdown of gain on sales of noncurrent assets (Millions of yen) Buildings and structures 0 Vehicles 0 Equipment 219 Total 219	*1. Breakdown of gain on sales of noncurrent assets (Millions of yen) Buildings and structures 1 Vehicles 0 Equipment 15 Land 16 Total 34
*2. Breakdown of other extraordinary income (Millions of yen) Gains on negative goodwill 2 Gains on sales of golf club memberships 0 Reversal of provision for retirement benefits 41 Total 43	*2. Breakdown of other extraordinary income Other extraordinary income results from sales of golf club memberships.
*3. Loss on sales of noncurrent assets results from sales of equipment.	*3. Same as the left
*4. Loss on retirement of noncurrent assets mainly results from transfer of operating outlets, remodeling of interior and change of signboards. The breakdown thereof is set out below. (Millions of yen) Buildings and structures 138 Equipment 41 Total 179	*4. Loss on retirement of noncurrent assets mainly results from transfer of operating outlets, remodeling of interior and change of signboards. The breakdown thereof is set out below. (Millions of yen) Buildings and structures 158 Equipment 18 Total 176

<table>
<tr><th>Prior fiscal year
(from April 1, 2010 to March 31, 2011)</th><th>Current fiscal year
(from April 1, 2011 to March 31, 2012)</th></tr>
<tr><td>*5. Impairment loss
The following loss on impairment of noncurrent assets was recorded for the current fiscal year:
(1) Assets recognized as having suffered impairment
<table>
<tr><th>Location</th><th>Usage</th><th>Type</th></tr>
<tr><td>Chiyoda-ku, Tokyo</td><td>Property to be sold</td><td>Equipment</td></tr>
<tr><td>Chiyoda-ku, Tokyo, etc.</td><td>Dormant assets</td><td>Telephone subscription right, etc.</td></tr>
</table></td>
<td>*5. Impairment loss
The following loss on impairment of noncurrent assets was recorded for the current fiscal year:
(1) Assets recognized as having suffered impairment
<table>
<tr><th>Location</th><th>Usage</th><th>Type</th></tr>
<tr><td>Toyooka-shi, Hyogo, etc.</td><td>Property to be sold</td><td>Land, buildings, etc.</td></tr>
<tr><td>Chiyoda-ku, Tokyo, etc.</td><td>Dormant assets</td><td>Telephone subscription right, etc.</td></tr>
</table></td></tr>
<tr><td>(2) Method of grouping assets
The smallest units the Group has adopted for the grouping of assets are as below:
(a) For the domestic loan, credit card and guarantee business: each business
(b) For other financial businesses: each companies
(c) For the overseas financial business: each companies
For leasehold estate and property to be sold, the smallest units are the individual assets themselves. Our headquarter and welfare/leisure facilities for our employees are treated as common assets because they do not generate their own cash flows.</td>
<td>(2) Method of grouping assets
Same as the left</td></tr>
<tr><td>(3) Process through which impairment loss was recognized
We recognized impairment loss on property to be sold because the expected sale prices were significantly lower than the assets’ carrying amounts.
Due to the restructuring of operation bases, telephone subscription right, etc. became the dormant assets.
We recognized impairment loss on the idle assets because we cannot collect the assets’ carrying amounts through future net cash flows.</td>
<td>(3) Process through which impairment loss was recognized
We recognized impairment loss on property to be sold because the expected sale prices were significantly lower than the assets’ carrying amounts.
Due to the restructuring of operation bases, telephone subscription right, etc. became the dormant assets.
We recognized impairment loss on the idle assets because we cannot collect the assets’ carrying amounts through future net cash flows.</td></tr>
<tr><td>(4) Amount of impairment loss
<table>
<tr><th></th><th>(Millions of yen)</th></tr>
<tr><td>Equipment</td><td>291</td></tr>
<tr><td>Telephone subscription right</td><td>89</td></tr>
<tr><td>Other intangible assets</td><td>0</td></tr>
<tr><td>Total</td><td>381</td></tr>
</table></td>
<td>(4) Amount of impairment loss
<table>
<tr><th></th><th>(Millions of yen)</th></tr>
<tr><td>Buildings and structures</td><td>65</td></tr>
<tr><td>Equipment</td><td>0</td></tr>
<tr><td>Land</td><td>99</td></tr>
<tr><td>Telephone subscription right</td><td>22</td></tr>
<tr><td>Total</td><td>187</td></tr>
</table></td></tr>
<tr><td>(5) Calculation method of recoverable amount
The recoverable amount of property to be sold is measured by net selling price and evaluated by the minimum price guaranteed by consigned company and the sale price.
The recoverable amount of telephone subscription right is measured to be one yen as there is no expectation to use, and we cannot sell it at the market.</td>
<td>(5) Calculation method of recoverable amount
The recoverable amount of property to be sold is measured by net selling price and evaluated based on an appraisal value provided by a real estate appraiser.
The recoverable amount of telephone subscription right is measured to be one yen as there is no expectation to use, and we cannot sell it at the market.</td></tr>
</table>

<table>
<tr><th>Prior fiscal year
(from April 1, 2010 to March 31, 2011)</th><th>Current fiscal year
(from April 1, 2011 to March 31, 2012)</th></tr>
<tr><td>
*6. Business structure improvement expenses were the expenditures required for the implementation of Strengthening Business Management Policy as a result of review of the Group’s business strategy. Details of the expenses are shown below.
<table>
<tr><th></th><th>(Millions of yen)</th></tr>
<tr><td>Special extra retirement payments</td><td>460</td></tr>
<tr><td>Re-employment assistance expenses</td><td>39</td></tr>
<tr><td>Loss on retirement of noncurrent assets</td><td>730</td></tr>
<tr><td>Temporary amortization of long-term prepaid expenses</td><td>5</td></tr>
<tr><td>Sales and operation base restructuring costs</td><td>214</td></tr>
<tr><td>Impairment loss</td><td>76</td></tr>
<tr><td>Total</td><td>1,528</td></tr>
</table>
The above loss on retirement of noncurrent assets was related to the closedown, relocation and renovation of operation bases. Details are as follows:
<table>
<tr><th></th><th>(Millions of yen)</th></tr>
<tr><td>Buildings</td><td>494</td></tr>
<tr><td>Structures</td><td>184</td></tr>
<tr><td>Equipment</td><td>51</td></tr>
<tr><td>Total</td><td>730</td></tr>
</table>
We recognized impairment loss above on business properties where we had resolved business withdrawal. Due to the restructuring of operation base, they became dormant assets. We recognized impairment loss on the dormant assets because we cannot collect the assets’ carrying values through future net cash flows.
The recoverable amount of the properties is measured to be one or zero yen as there is no expectation to use, and we cannot sell them at the market.
</td><td>
*6.
―――――――――
</td></tr>
</table>

Prior fiscal year (from April 1, 2010 to March 31, 2011)	Current fiscal year (from April 1, 2011 to March 31, 2012)
*7. Breakdown of other extraordinary loss (Millions of yen) Loss on disaster 82 Loss on sales of golf club memberships 0 Provision of allowance for doubtful accounts for golf club memberships 0 Temporary amortization of retirement benefit expenses 11 Temporary amortization of long-term prepaid expenses 38 Total 133 Loss on disaster above is expenses paid for removal and recovery of the assets damaged by the Great East Japan Earthquake.	*7. Breakdown of other extraordinary loss (Millions of yen) Loss on sales of golf club memberships 1 Loss on valuation of golf club memberships 0 Temporary amortization of long-term prepaid expenses 3 Total 5
8. Basis for classification of financial revenue and financial expenses on consolidated statements of operations (1) Financial revenue stated as operating revenue Includes all financial revenue earned by the Company and its subsidiaries engaged in the financial service business, excluding dividends and interest on investment securities. (2) Financial expenses stated as operating expenses Include all financial expenses spent by the Company and its subsidiaries engaged in the financial service business, excluding interest expenses, etc. which have no relationship to operating revenue.	8. Same as the left

(Notes to Consolidated Statements of Comprehensive Income)

For the current fiscal year (from April 1, 2011 to March 31, 2012)

* Reclassification adjustment and tax effect relating to other comprehensive income:

Unrealized gain (loss) on available-for-sale securities	(Millions of yen)
Gains arising during the year	(182)
Reclassification adjustment	(1,422)
Amount before income tax effect	(1,604)
Income tax effect	1,081
Unrealized gain (loss) on available-for-sale securities	(523)
Foreign currency translation adjustments	
Gains arising during the year	(1,406)
Total other comprehensive income	(1,930)

(Notes to Consolidated Statements of Changes in Net Assets)

For the prior fiscal year (from April 1, 2010 to March 31, 2011)

1. Matters related to outstanding shares

Class of shares	As of April 1, 2010	Increase	Decrease	As of March 31, 2011
Common stock	159,628,280 shares	—	—	159,628,280 shares

2. Matters related to treasury stock

Class of shares	As of April 1, 2010	Increase	Decrease	As of March 31, 2011
Common stock	2,966,676 shares	17 shares	—	2,966,693 shares

(Outline for the change)

17 shares of increase are due to purchase of shares of less than one unit.

3. Matters related to stock acquisition rights, etc.

Not applicable.

4. Matters related to dividends

(1) Dividends paid

Resolution	Class of shares	Total amount of dividends (Millions of yen)	Dividend per share (yen)	Record date	Effective date
General Shareholders' Meeting held on June 24, 2010	Common stock	783	5.00	March 31, 2010	June 25, 2010

(2) Dividends whose record date falls in the current fiscal year, but whose effective date comes after March 31, 2011

Not applicable.

For the current fiscal year (from April 1, 2011 to March 31, 2012)

1. Matters related to outstanding shares

Class of shares	As of April 1, 2011	Increase	Decrease	As of March 31, 2012
Common stock	159,628,280 shares	—	—	159,628,280 shares

2. Matters related to treasury stock

Class of shares	As of April 1, 2011	Increase	Decrease	As of March 31, 2012
Common stock	2,966,693 shares	40 shares	—	2,966,733 shares

(Outline for the change)

40 shares of increase are due to purchase of shares of less than one unit.

3. Matters related to stock acquisition rights, etc.

Not applicable.

4. Matters related to dividends

(1) Dividends paid

Not applicable.

(2) Dividends whose record date falls in the current fiscal year, but whose effective date comes after March 31, 2012

Not applicable.

(Notes to Consolidated Statements of Cash Flows)

Prior fiscal year (from April 1, 2010 to March 31, 2011)		Current fiscal year (from April 1, 2011 to March 31, 2012)	
*1 Relationship between the fiscal-end balance of cash and cash equivalents and the amount of consolidated balance sheet items.		*1 Relationship between the fiscal-end balance of cash and cash equivalents and the amount of consolidated balance sheet items.	
(As of March 31, 2011; millions of yen)		(As of March 31, 2012; millions of yen)	
Cash and deposits	100,074	Cash and deposits	121,726
Short-term investment securities	26,190	Short-term investment securities	37,043
Short-term loans receivable	39,991	Short-term loans receivable	39,991
Time deposits with original maturities of more than three months	(4)	Time deposits with original maturities of more than three months	(3)
Cash reserved for banking business	(2,971)	Cash reserved for banking business	(4,272)
Bonds to be matured within 1 year	(370)	Bonds to be matured within 1 year	(1,043)
Cash and cash equivalents	162,910	Cash and cash equivalents	193,441
*2 Breakdown of principal assets and liabilities that increased or decreased due to the transfer of business in this fiscal year Mitsubishi UFJ NICOS Co., Ltd.		*2	
(As of October 1, 2010; millions of yen)			
Current assets	890		
Goodwill	4,662		
Current liabilities	(903)		
Payments for transfer of business	4,650		

(Notes to lease transactions)

Prior fiscal year (from April 1, 2010 to March 31, 2011)	Current fiscal year (from April 1, 2011 to March 31, 2012)
1. Finance lease transactions (1) Finance lease transactions that transfer ownership 1) Details of lease assets Property, plant and equipment They are servers and ATM of EASY BUY Public Company Limited. 2) Depreciation of lease assets Same depreciation method which we apply to our noncurrent assets (2) Finance lease transactions that do not transfer ownership 1) Details of lease assets Property, plant and equipment They are mainly vehicles and MUJINKUN of loan business 2) Depreciation of lease assets Depreciated using the straight-line method, with the lease term of respective assets as their useful lives, with residual value equaling zero.	1. Finance lease transactions (1) Finance lease transactions that transfer ownership 1) Details of lease assets Same as the left 2) Depreciation of lease assets Same as the left (2) Finance lease transactions that do not transfer ownership 1) Details of lease assets Property, plant and equipment They are mainly MUJINKUN of loan business 2) Depreciation of lease assets Same as the left

<table>
<tr><th>Prior fiscal year
(from April 1, 2010 to March 31, 2011)</th><th>Current fiscal year
(from April 1, 2011 to March 31, 2012)</th></tr>
<tr><td>2. Operating lease transactions
The rental commitments under noncancellable operating leases were as follows:
(Millions of yen)
<table>
<tr><td>Due within 1 year</td><td>4</td></tr>
<tr><td>Due after 1 year</td><td>6</td></tr>
<tr><td>Total</td><td>11</td></tr>
</table>
In addition, finance leases without ownership transfer of the leased property to the lessee whose lease inception was before March 31, 2008 are accounted for as operating lease transactions if certain “as if capitalized” information is disclosed in the note to the financial statements. Specific details are as follows:

(1) Acquisition cost, accumulated depreciation and net leased property under finance lease
(Millions of yen)
<table>
<tr><th></th><th>Acquisition cost</th><th>Accumulated depreciation</th><th>Net leased property</th></tr>
<tr><td>Equipment</td><td>235</td><td>170</td><td>65</td></tr>
</table>
(2) Obligations under finance leases
(Millions of yen)
<table>
<tr><td>Due within 1 year</td><td>50</td></tr>
<tr><td>Due after 1 year</td><td>16</td></tr>
<tr><td>Total</td><td>67</td></tr>
</table>
(3) Lease payment, depreciation expense and interest expenses under finance leases
(Millions of yen)
<table>
<tr><td>Lease payments</td><td>68</td></tr>
<tr><td>Depreciation expense</td><td>65</td></tr>
<tr><td>Interest expenses</td><td>2</td></tr>
</table>
</td>
<td>2. Operating lease transactions
The rental commitments under noncancellable operating leases were as follows:
(Millions of yen)
<table>
<tr><td>Due within 1 year</td><td>7</td></tr>
<tr><td>Due after 1 year</td><td>11</td></tr>
<tr><td>Total</td><td>18</td></tr>
</table>
In addition, finance leases without ownership transfer of the leased property to the lessee whose lease inception was before March 31, 2008 are accounted for as operating lease transactions if certain “as if capitalized” information is disclosed in the note to the financial statements, but these leases have all ended. Specific details are as follows:

(1) Acquisition cost, accumulated depreciation and net leased property under finance lease
(Millions of yen)
<table>
<tr><th></th><th>Acquisition cost</th><th>Accumulated depreciation</th><th>Net leased property</th></tr>
<tr><td>Equipment</td><td>88</td><td>72</td><td>15</td></tr>
</table>
(2) Obligations under finance leases
(Millions of yen)
<table>
<tr><td>Due within 1 year</td><td>16</td></tr>
<tr><td>Due after 1 year</td><td>—</td></tr>
<tr><td>Total</td><td>16</td></tr>
</table>
(3) Lease payment, depreciation expense and interest expenses under finance leases
(Millions of yen)
<table>
<tr><td>Lease payments</td><td>51</td></tr>
<tr><td>Depreciation expense</td><td>49</td></tr>
<tr><td>Interest expenses</td><td>1</td></tr>
</table>
</td></tr>
</table>

Prior fiscal year (from April 1, 2010 to March 31, 2011)	Current fiscal year (from April 1, 2011 to March 31, 2012)
(4) Method of calculation of depreciation expense under finance leases Calculated by using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and a residual value of zero.	(4) Method of calculation of depreciation expense under finance leases Same as the left
(5) Method of calculation of interest expenses under finance leases The equivalent of interest is regarded as the difference between the total lease payments and the amount equivalent to acquisition cost of the asset. The interest method is used to calculate the portion applicable to each fiscal year.	(5) Method of calculation of interest expenses under finance leases Same as the left

(Notes to financial instruments)

1. Financial instruments and related disclosures

(1) Policy for financial instruments

The Group conducts financial service businesses including, but not limited to, loan business, credit card business, installment sales finance business, guarantee business, loan servicing business and banking business. To finance the operation of these businesses, the Group raises funds through indirect financing, i.e. borrowings from financial institutions, as well as direct financing, such as issuing bonds, liquidation of receivables, etc., in light of the market situation and balance between variable interest rates and fixed interest rates. The Group conducts derivative transactions primarily for the purpose of avoiding the risk of fluctuations in interest rates and exchange rates associated with these financing operations, and has a policy not to conduct speculative trading.

(2) Nature and extent of risks arising from financial instruments

Major financial assets held by the Group are loans receivable of consumer loans, loans receivable of banking business and accounts receivable-installment; these assets are exposed to credit risk resulting from customers' default of payments. In addition, the Group holds shares, bonds, investment trusts, investments in partnership, etc. either on a held-to-maturity or portfolio investment basis, while some consolidated subsidiaries hold them for trading purposes. These assets are exposed to the risk of market price fluctuations and some are open to the risks of issuer's credit and interest rate fluctuations.

Financial liabilities including loans payable, bonds and liquid receivables are exposed to liquidity risk, giving some indication of the possibility that the Company Group may not be able to make payment at the due date as a result of a change in the Group's credit standings or the market environment. Likewise, liabilities with variable interest rates have a certain degree of interest-rate risk, but the Group mitigates this risk through interest rate swap transactions. On the other hand, foreign-currency liabilities are exposed to the risk of fluctuations in foreign currency exchange rates, which is averted with the help of currency swap agreements.

Derivative transactions include interest rate swaps for the purpose of hedging against the risk of fluctuations in interest rates associated with loans payable and bonds; and currency swap that aim to hedge against the risk of fluctuations in exchange rates concerning foreign-currency loans payable. For details of hedging instruments, hedging items, hedging policy and the method for evaluating hedging effectiveness concerning hedge accounting, please refer to aforementioned "Significant matters providing the basis for the preparation of consolidated financial statements, 4. Matters concerning accounting standards, (6) Significant hedge accounting method."

(3) Risk management for financial instruments

1) Credit risk management

According to internal rules, the Company incorporates and operates a structure to cope with individual transaction-based credit administration, credit information management, a credit rating system, a self-assessment system, problem loans and to regularly monitor its credit portfolios. The credit management and credit business promotion divisions separately conduct individual transaction-based screening and credit management, designed to facilitate a mutual surveillance function. In addition, the Company holds regular management meetings to report and discuss important matters on credit risk management and operations. Separately it has a system under which the internal audit department reviews the appropriateness of the Company's credit business operations, ensuring that the Company engages in a proper credit business. Consolidated subsidiaries also have similar management systems in place.

2) Market risk management

The Company and some of its consolidated subsidiaries utilize interest rate swaps to manage the risk of fluctuations in interest payments on their financial liabilities, such as loans payable and bonds. Also, they basically enter into currency swap to hedge against the risk of fluctuations in exchange rate related to their foreign-currency liabilities.

With regard to marketable securities, such as shares and bonds, management receives regular monitoring reports regarding market trends, market values, issuers' financial standings, etc., in order to constantly review their asset holdings.

The Group conducts derivative transactions primarily with the aim of optimizing financing costs and adjustment of the fixed/variable interest rates proportion. It has a policy of not conducting derivatives trading for speculative purposes. Further, execution and administration of derivatives transactions are conducted in accordance with the Company's internal rules that stipulate the trading authority, trading limits, etc., under the basic policy approved at meetings of management. Consolidated subsidiaries also have similar market risk management systems in place.

In addition, all the loans receivable of consumer loans, which are the Group's major financial assets, have fixed interest rates, and loans payable and bonds, which are the Group's major financial liabilities, have mainly fixed interest rates, therefore they have low sensitivity to fluctuations in interest rates. That is why the Group does not use a quantitative analysis on the market risk.

With regard to the items of which fair values are determined using the market interest rate, the estimated effects of a change of 1 basis point (0.01%) in the fiscal year-end market interest rate on their net asset amount - financial assets after deduction of financial liabilities are as follows. This estimation assumes that there are no changes in any risk variables other than the market interest rate.

(Millions of yen)

	As of March 31, 2011	As of March 31, 2012
If the market interest rate had been		
higher by 1 basis point	(95)	(84)
lower by 1 basis point	95	84

3) Liquidity risk management associated with financing activities

The Company manages the liquidity risk by reviewing its financing plan on a timely basis according to past financing results, change in market conditions or interest rate situations, etc., based on the financing plan approved at meetings of management. Also for that purpose, it maintains a certain amount of liquidity at all times, secures commitment lines, seeking diversity and appropriate balance of financing methods in light of the market environment. Consolidated subsidiaries also have similar management systems in place.

(4) Supplementary explanations on fair value of financial instruments

Fair value of financial instruments are measured based on the quoted market price, if available, or reasonably assessed value if a quoted market price is not available. Fair value of financial instruments for which quoted market price is not available is calculated based on certain assumptions, and the value might differ if different assumptions are used. In addition, the contract amount of the derivative transactions described below in "2. Matters concerning the fair value of financial instruments" does not represent the market risk of the derivative transactions.

2. Fair value of financial instruments

The carrying amount and fair value of financial instruments as well as the differences between these values are described below. Financial instruments whose fair value appears to be extremely difficult to determine are not included in the table. (See (Note 2))

For the prior fiscal year (As of March 31, 2011)

(Millions of yen)

	Carrying amount	Fair value	Unrealized gain/loss
(1) Cash and deposits	100,074	100,074	—
(2) Loans receivable of consumer loans	972,329		
Allowance for doubtful accounts	(53,711)		
Provision for loss on interest repayment (Write-off of receivables)	(80,600)		
	838,017	1,040,272	202,254
(3) Loans receivable of banking business	33,405		
Allowance for doubtful accounts	(323)		
	33,081	35,764	2,682
(4) Accounts receivable-installment	43,951		
Allowance for doubtful accounts	(4,534)		
Unearned income	(2,367)		
	37,050	44,248	7,198
(5) Purchased receivables	11,931		
Allowance for doubtful accounts	(2,164)		
	9,767	9,767	—
(6) Marketable securities, shares of parent company, trading account securities and investment securities			
1) Trading securities	414	414	—
2) Held-to-maturity securities	2,203	2,457	253
3) Available-for-sale securities	45,223	45,223	—
(7) Short-term loans receivable	39,991	39,992	1
Total assets	1,105,824	1,318,215	212,390
(1) Short-term loans payable	3,375	3,375	—
(2) Deposits of banking business	43,200	43,200	—
(3) Current portion of bonds payable and bonds payable	222,644	217,597	(5,047)
(4) Current portion of long-term loans payable and long-term loans payable	471,128	470,394	(734)
Total liabilities	740,348	734,567	(5,781)
Derivative transaction*	[651]	[651]	—

For the current fiscal year (As of March 31, 2012)

(Millions of yen)

	Carrying amount	Fair value	Unrealized gain/loss
(1) Cash and deposits	121,726	121,726	—
(2) Loans receivable of consumer loans	867,491		
Allowance for doubtful accounts	(34,603)		
Provision for loss on interest repayment (Write-off of receivables)	(42,200)		
	790,688	952,256	161,568
(3) Loans receivable of banking business	41,518		
Allowance for doubtful accounts	(433)		
	41,084	45,963	4,878
(4) Accounts receivable-installment	27,690		
Allowance for doubtful accounts	(3,127)		
Unearned income	(870)		
	23,691	29,240	5,549
(5) Purchased receivables	10,159		
Allowance for doubtful accounts	(1,836)		
	8,322	8,322	—
(6) Marketable securities, shares of parent company, trading account securities and investment securities			
1) Trading securities	394	394	—
2) Held-to-maturity securities	1,820	2,002	182
3) Available-for-sales securities	44,645	44,645	—
(7) Short-term loans receivable	39,991	39,993	1
Total assets	1,072,365	1,244,545	172,180
(1) Short-term loans payable	4,008	4,008	—
(2) Deposits of banking business	50,841	50,841	—
(3) Current portion of bonds payable and bonds payable	222,481	224,347	1,865
(4) Current portion of long-term loans payable and long-term loans payable	437,542	437,098	(444)
Total liabilities	714,874	716,295	1,421
Derivative transaction*	[261]	[261]	—

* The receivables and payables attributable to derivative transactions are shown in their net amounts. If the aggregate outcome of the derivative transactions results in net payables, the amount is shown in brackets [ ].

(Note 1) The calculation method for the fair value of financial instruments, marketable securities and derivative financial instruments.

Assets

(1) Cash and deposits

Deposits without maturity are stated at their carrying amount, as their fair value approximate carrying amount. Deposits with maturity are stated at their carrying amount, as their remaining periods are short (within a year) and their fair value approximate carrying amount.

(2) Loans receivable of consumer loans, (3) loans receivable of banking business and (4) accounts receivable-installment

The fiscal year-end outstanding balances are stated at their net present value, which are calculated by discounting expected future cash flows of the potentially recoverable principal and interest by the current market interest rate. These exclude secured loans and accounts receivable-installment, which are stated at adjusted carrying amount; the expected amount of loan losses on these assets are calculated based on the expected recoverable amount of their collateral securities, hence their fair value approximates their carrying amount at the closing date, less the current expected amount of loan losses. Meanwhile, the assets related to the installment sales finance business at certain consolidated subsidiaries are stated at adjusted carrying amount, as their average remaining periods are roughly one year and their fair value approximates their carrying amount net of an allowance for doubtful accounts.

(5) Purchased receivables

These are stated at adjusted carrying amount. The expected amount of loan losses on these assets are calculated based on either the present value of expected future cash flows or expected recoverable amount of their collateral securities or guarantees; hence their fair value approximates their carrying amount at the closing date, less the current expected amount of loan losses.

(6) Marketable securities, shares of the parent company, trading account securities and investment securities

Shares are stated at the stock exchange quoted price, bonds are stated at either the stock exchange quoted price or the price presented by transacting financial institutions and investment trusts are stated at the official reference price. Certain bonds are stated at amortized cost method, as they are redeemed in the short term and their fair value approximates carrying amount. Negotiable deposits are stated at carrying amount, as they are short-term assets and their fair value approximates carrying amount.

For notes to securities according to holding purposes, please refer to the notes “Notes to securities”

(7) Short-term loans receivable

All short-term loans receivable are related to repurchase agreement transactions, and they are stated at the price presented by financial institutions.

Liabilities

(1) Short-term loans payable and (2) Deposits of banking business

These assets are stated at carrying amount as they are settled in the short-term and their fair value approximates their carrying amount.

(3) Current portion of bonds payable and bonds payable

Bonds with market value are stated at market price. Bonds without market value and privately offered bonds are stated at the net present value, which is calculated by discounting the compound value (for bonds involved in the interest-rate swaps that meet conditions for exceptional accounting treatments, a principal with interest income at a post-swap interest rate is applied) by the discount rate (i.e. the current market interest rate in consideration of credit risk).

(4) Current portion of long-term loans payable and long-term loans payable

Long-term loans payable are stated at the net present value, which is calculated by discounting the compound value (for loans involved in the interest-rate swap that meet conditions for exceptional accounting treatment and the currency swap that conforms to the requirements of designated transactions, a principal with interest income at a post-swap interest rate is applied) by the discount rate (i.e. the current market interest rate in consideration of credit risk).

Derivatives transactions

Please refer to “Note to derivatives transaction”

(Note 2) The carrying amounts of financial instruments whose fair value cannot be reliably determined.

(Millions of yen)

Item	As of March 31, 2011	As of March 31, 2012
1) Unlisted shares (*1) (*2)	2,319	2,273
2) Investments in investment partnerships (*1) (*3)	23	7
3) Operational investment securities (*1)	1,216	902
Total	3,559	3,184

(*1) These shares are not included in “Asset (6) Marketable securities, shares of the parent company, trading account securities and investment securities” which contain information about the fair value of financial instruments.

(*2) The fair value of unlisted shares is not disclosed, as they do not have a quoted market price in an active market and it appears to be extremely difficult to determine their fair values.

(*3) The fair value of investments in investment partnerships is not disclosed, as partnerships’ assets comprise unlisted shares and other investment instruments whose fair value appears to be extremely difficult to determine.

(Note 3) Maturity analysis for financial assets and securities with contractual maturity

For the prior fiscal year (As of March 31, 2011)

(Millions of yen)

	Due within 1 year	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Cash and deposits	100,074	—	—	—	—	—
Loans receivable of consumer loans (*1) (*2)	181,134	164,499	164,832	161,909	160,443	51,785
Loans receivable of banking business	20,145	1,508	2,399	1,840	3,063	4,447
Accounts receivable-installment (*1) (*2)	16,428	8,763	5,834	4,443	3,919	1,158
Marketable securities and Investment securities						
1) Held-to-maturity securities (Government bond)	370	1,104	466	—	—	262
2) Available-for-sales securities with contractual maturities						
Government bond	—	—	—	—	—	54
Other	25,820	—	—	—	—	—
Short-term loans receivable	39,991	—	—	—	—	—
Total	383,965	175,875	173,532	168,193	167,426	57,706

For the current fiscal year (As of March 31, 2012)

(Millions of yen)

	Due within 1 year	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Cash and deposits	121,726	—	—	—	—	—
Loans receivable of consumer loans (*1) (*2)	181,663	158,973	150,101	147,102	146,145	25,188
Loans receivable of banking business	22,111	1,777	3,485	2,929	5,069	6,144
Accounts receivable-installment (*1) (*2)	8,816	5,347	4,027	3,480	3,324	549
Marketable securities and Investment securities						
1) Held-to-maturity securities (Government bond)	1,043	439	86	—	—	251
2) Available-for-sales securities with contractual maturities						
Government bond	—	—	—	—	—	56
Other	36,000	—	—	—	—	—
Short-term loans receivable	39,991	—	—	—	—	—
Total	411,352	166,538	157,700	153,512	154,539	32,190

(*1) Loans receivable of consumer loans and accounts receivable-installment do not include loans whose recovery is doubtful because their redemption schedule is unclear (amounts: 72,762 million yen for the prior fiscal year and 45,447 million yen for the current fiscal year).

(*2) The amounts of loans receivable of consumer loans and accounts receivable-installment in the credit card business are the expected amounts assuming that average minimum payments are to be made on a fixed date in each month.

(Note 4) Scheduled repayment amount of bonds payable, long-term loans payable, lease obligations and other interest-bearing liabilities after the consolidated closing date.

For the prior fiscal year (As of March 31, 2011)

(Millions of yen)

	Due within 1 year	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Short-term loans payable	3,375	—	—	—	—	—
Deposits of banking business	43,200	—	—	—	—	—
Current portion of bonds payable and bonds payable	81,155	88,274	33,215	20,000	—	—
Current portion of long-term loans payable and long-term loans payable	168,514	145,471	97,920	47,264	11,956	—
Lease obligations	157	158	160	161	80	—
Total	296,403	233,903	131,296	67,426	12,036	—

For the current fiscal year (As of March 31, 2012)

(Millions of yen)

	Due within 1 year	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Short-term loans payable	4,008	—	—	—	—	—
Deposits of banking business	50,841	—	—	—	—	—
Current portion of bonds payable and bonds payable	87,103	82,602	51,551	1,225	—	—
Current portion of long-term loans payable and long-term loans payable	166,193	145,816	87,199	28,036	10,298	—
Lease obligations	231	235	235	154	57	—
Total	308,377	228,653	138,985	29,415	10,355	—

(Note to securities)

For the prior fiscal year

1. Trading securities (As of March 31, 2011)

Unrealized gain or loss reported as income or loss for the current fiscal year 21 million yen

2. Held-to-maturity securities (As of March 31, 2011)

(Millions of yen)

Category	Carrying amount	Market value	Unrealized gain/loss
Market value greater than carrying amount			
(1) Government/municipal	2,203	2,457	253
(2) Corporate	—	—	—
(3) Other	—	—	—
Subtotal	2,203	2,457	253
Market value not greater than carrying amount			
(1) Government/municipal	—	—	—
(2) Corporate	—	—	—
(3) Other	—	—	—
Subtotal	—	—	—
Total	2,203	2,457	253

3. Available-for-sale securities (As of March 31, 2011)

(Millions of yen)

Category	Carrying amount	Acquisition cost	Unrealized gain/loss
Acquisition cost not greater than carrying amount			
(1) Stocks	6,909	3,680	3,229
(2) Bonds			
Government/municipal	54	52	2
Corporate	—	—	—
Other	—	—	—
(3) Other	32	30	1
Subtotal	6,996	3,763	3,233
Acquisition cost greater than carrying amount			
(1) Stocks	11,740	12,238	(498)
(2) Bonds			
Government/municipal	—	—	—
Corporate	—	—	—
Other	—	—	—
(3) Other	666	894	(228)
Subtotal	12,406	13,133	(726)
Total	19,403	16,896	2,506

4. Available-for-sale securities sold during the fiscal year (From April 1, 2010 to March 31, 2011)

(Millions of yen)

Category	Amount of proceeds	Total gains on sales	Total losses on sales
(1) Stocks	900	345	255
(2) Bonds			
Government/municipal	—	—	—
Corporate	—	—	—
Other	—	—	—
(3) Other	—	—	—
Total	900	345	255

5. Impaired securities that were written down to their fair values (From April 1, 2010 to March 31, 2011)

During this fiscal year, the Company reported a loss of 10,182 million yen incurred by a write-down of impaired securities (shares classified as “other securities”).

For the current fiscal year

1. Trading securities (As of March 31, 2012)

Unrealized gain or loss reported as income or loss for the current fiscal year (1) million yen

2. Held-to-maturity securities (As of March 31, 2012)

(Millions of yen)

Category	Carrying amount	Market value	Unrealized gain/loss
Market value greater than carrying amount			
(1) Government/municipal	1,820	2,002	182
(2) Corporate	—	—	—
(3) Other	—	—	—
Subtotal	1,820	2,002	182
Market value not greater than carrying amount			
(1) Government/municipal	—	—	—
(2) Corporate	—	—	—
(3) Other	—	—	—
Subtotal	—	—	—
Total	1,820	2,002	182

3. Available-for-sales securities (As of March 31, 2012)

(Millions of yen)

Category	Carrying amount	Acquisition cost	Unrealized gain/loss
Acquisition cost not greater than carrying amount			
(1) Stocks	7,999	7,094	905
(2) Bonds			
Government/municipal	56	53	3
Corporate	—	—	—
Other	—	—	—
(3) Other	—	—	—
Subtotal	8,055	7,147	908
Acquisition cost greater than carrying amount			
(1) Stocks	589	711	(122)
(2) Bonds			
Government/municipal	—	—	—
Corporate	—	—	—
Other	—	—	—
(3) Other	—	—	—
Subtotal	589	711	(122)
Total	8,645	7,859	786

4. Available-for-sale securities sold during the fiscal year (From April 1, 2011 to March 31, 2012)

(Millions of yen)

Category	Amount of proceeds	Total gains on sales	Total losses on sales
(1) Stocks	9,913	2,536	795
(2) Bonds			
Government/municipal	—	—	—
Corporate	—	—	—
Other	—	—	—
(3) Other	679	—	247
Total	10,593	2,536	1,042

5. Impaired securities that were written down to their fair values (From April 1, 2011 to March 31, 2012)

During this fiscal year, the Company reported a loss of 0 million yen incurred by a write-down of impaired securities (shares classified as “other securities”).

(Note to derivatives transactions)

For the prior fiscal year (As of March 31, 2011)

1. Derivative financial instruments not subject to the application of hedge accounting

(1) Currency-related derivatives

The currency-related derivatives transactions used by part of the consolidated subsidiaries are currency swap transactions with the aim of fixing the value of foreign-currency borrowings in local currency. Because these borrowings include transactions between consolidated companies that are eliminated in consolidation, they are not treated as hedging transactions in the consolidated accounts.

(Millions of yen)

Category	Type of derivatives	Contract amount	Amount of due after 1 year-period contracts	Fair value	Valuation gain (loss)
Transactions out of the market	Currency swap	8,872	5,780	(651)	(651)

(Note) Calculation method for fair value

Calculated based on the price presented by counterparty financial institutions

2. Derivatives transactions subject to the application of hedge accounting

(1) Interest rate-related derivatives

(Millions of yen)

Hedge accounting method	Type of derivatives	Major hedging items	Contract amount	Amount of due after 1 year-period contracts	Fair value
Interest rate swaps which qualify for hedge accounting and meet specific matching criteria	Interest rate swap transactions Fixed interest receivables/ Floating interest payments	Bonds payable	2,700	2,700	41
	Fixed interest payments and floating interest receivables	Long-term loans payable Bonds payable	254,486	175,478	(4,142)
Total			257,186	178,178	(4,100)

(Note) Interest rate swap subject to the application of exceptional treatments are recognized together with hedging items (i.e. bonds payable and long-term loans payable), therefore their fair value are included in the fair value of the relevant long-term loans payable.

(2) Currency-related derivatives

(Millions of yen)

Hedge accounting method	Type of derivatives	Major hedging items	Contract amount	Amount of due after 1 year-period contracts	Fair value
Currency swaps which qualify for hedge accounting and meet specific matching criteria	Currency swap	Long-term loans payable	4,935	2,691	402

(Note) Currency swap agreements subject to the application of designation transactions are recognized together with hedging items (i.e. long-term loans payable), therefore their fair value are included in the market value of the relevant long-term loans payable.

For the current fiscal year (as of March 31, 2012)

1. Derivative financial instruments not subject to the application of hedge accounting

(1) Currency-related derivatives

The currency-related derivatives transactions used by part of the consolidated subsidiaries are currency swap transactions with the aim of fixing the value of foreign-currency borrowings in local currency. Because these borrowings include transactions between consolidated companies that are eliminated in consolidation, they are not treated as hedging transactions in the consolidated accounts.

(Millions of yen)

Category	Type of derivatives	Contract amount	Amount of due after 1 year-period contracts	Fair value	Valuation gain (loss)
Transactions out of the market	Currency swap	4,307	—	(261)	(261)

(Note) Calculation method for fair value
Calculated based on the price presented by counterparty financial institutions

2. Derivatives transactions subject to the application of hedge accounting

(1) Interest rate-related derivatives

(Millions of yen)

Hedge accounting method	Type of derivatives	Major hedging items	Contract amount	Amount of due after 1 year-period contracts	Fair value
Interest rate swaps which qualify for hedge accounting and meet specific matching criteria	Interest rate swap transactions Fixed interest receivables/ Floating interest payments	Bonds payable	2,450	2,450	0
	Fixed interest payments and floating interest receivables	Long-term loans payable Bonds payable	272,211	186,948	(3,847)
Total			274,661	189,398	(3,847)

(Note) Interest rate swap subject to the application of exceptional treatments are recognized together with hedging items (i.e. bonds payable and long-term loans payable), therefore their fair value are included in the fair value of the relevant long-term loans payable.

(2) Currency-related derivatives

(Millions of yen)

Hedge accounting method	Type of derivatives	Major hedging items	Contract amount	Amount of due after 1 year-period contracts	Fair value
Currency swaps which qualify for hedge accounting and meet specific matching criteria	Currency swap	Long-term loans payable	6,427	5,496	620

(Note) Currency swap agreements subject to the application of designation transactions are recognized together with hedging items (i.e. long-term loans payable), therefore their fair value are included in the market value of the relevant long-term loans payable.

(Notes to retirement benefits)

	Prior fiscal year (from April 1, 2010 to March 31, 2011)	Current fiscal year (from April 1, 2011 to March 31, 2012)
1. Overview of retirement benefit plans	The Company and consolidated subsidiaries have two types of defined-benefits retirement plans: defined benefit pension plan and retirement lump sum payment plan. There are also cases when an employee is given a severance pay premium on leaving the company. 3 companies within the consolidated ACOM Group have retirement lump sum payment plan. In addition, as to the defined benefit pension plan, the Group has a jointly managed annuity plan.	Same as the left
2. Retirement benefit obligations	(As of March 31, 2011; millions of yen)	(As of March 31, 2012; millions of yen)
(1) Retirement benefit obligations	(17,612)	(17,910)
(2) Pension assets	16,142	16,520
(3) Unfunded retirement benefit obligations ((1) +(2))	(1,470)	(1,390)
(4) Unrecognized past service obligations	(16)	—
(5) Unrecognized difference with actuarial obligation	4,675	2,805
(6) Difference ((3) + (4) +(5))	3,187	1,414
(7) Prepaid pension cost	3,237	1,506
(8) Provision for retirement benefits ((6) - (7))	(49)	(91)
(Note)	Some consolidated subsidiaries use the simplified method for calculating retirement benefit obligations.	Some consolidated subsidiaries use the simplified method for calculating retirement benefit obligations.
3. Retirement benefit expenses	(Millions of yen)	(Millions of yen)
(1) Service expenses (Note 1)	1,307	1,296
(2) Interest expenses	428	223
(3) Expected investment income	(650)	(490)
(4) Recognized past service obligations	(15)	(16)
(5) Recognized actuarial loss	352	1,628
(6) Special severance pay premium	2,734	35
(7) Others (Note 2)	221	184
(8) Retirement benefit expenses ((1)+(2)+(3)+(4)+(5)+(6)+(7))	4,379	2,860
(Notes)	1. Retirement benefit expenses of consolidated subsidiaries using the simplified method are added up in “(1) service expenses”. 2. “Others” are premium paid to a defined-contribution pension plan.	1. Retirement benefit expenses of consolidated subsidiaries using the simplified method are added up in “(1) service expenses”. 2. “Others” are premium paid to a defined-contribution pension plan.

Prior fiscal year (from April 1, 2010 to March 31, 2011)	Current fiscal year (from April 1, 2011 to March 31, 2012)
4. Assumptions in calculating retirement benefit obligations (1) Discount rate 1.255% to 2.0% (2) Expected rate of return on investments 3.0% (3) Allocation of projected benefit obligations Straight-line method (4) Years for amortizing past service obligations 5 years Past service obligations have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employee) from the time of occurrence. (5) Years for amortizing actuarial losses 5 years Actuarial losses have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employees) following the respective fiscal years when such losses are identified.	4. Assumptions in calculating retirement benefit obligations (1) Discount rate 0.985% to 1.255% (2) Expected rate of return on investments 3.0% (3) Allocation of projected benefit obligations Straight-line method (4) Years for amortizing past service obligations 5 years Past service obligations have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employee) from the time of occurrence. (5) Years for amortizing actuarial losses 5 years Actuarial losses have been recognized evenly over the five years (a period not exceeding the expected average remaining working lives of the employees) following the respective fiscal years when such losses are identified.

(Notes to stock options, etc.)

For the prior fiscal year (from April 1, 2010, to March 31, 2011)

1. Details and amount of stock options and changes in the amount

(1) Details of stock options

Company Name	The Filing Company
Date of resolution	June 27, 2003
Type and number of eligible persons	Directors of the Company: 10 Employees of the Company: 1,739
Class and number of shares granted	Common stock: 349,800 shares
Grant date	August 1, 2003
Vesting requirement	Continuously employed from the grant date (August 1, 2003) to the vesting date (June 30, 2005)
Vesting period	From August 1, 2003 to June 30, 2005
Exercise period	From July 1, 2005 to June 30, 2010

Company Name	(Consolidated subsidiary) IR Loan Servicing, Inc.
Date of resolution	August 6, 2004
Type and number of eligible persons	Directors of the subsidiary concerned: 5 Employees of the subsidiary concerned: 30
Class and number of shares granted	Common stock: 133 shares
Grant date	October 1, 2004
Vesting requirement	Listing of the company share, and director/employee being employed on the vesting date (listing date)
Vesting period	From October 1, 2004 to August 31, 2007
Exercise period	From the listing date to August 31, 2010

(2) Amount of stock options and changes in this amount

1) Number of stock options

Company Name	The Filing Company	(Consolidated subsidiary) IR Loan Servicing, Inc.
Date of resolution	June 27, 2003	August 6, 2004
Prior to vesting		
At end of the prior fiscal year(shares)	—	34
Granted (shares)	—	—
Expired (shares)	—	34
Vested (shares)	—	—
Unvested balance (shares)	—	—
After vesting		
At end of the prior fiscal year (shares)	119,110	—
Vested (shares)	—	—
Exercised (shares)	—	—
Expired (shares)	119,110	—
Unexercised balance (shares)	—	—

2) Price information

Company Name	The Filing Company	(Consolidated subsidiary) IR Loan Servicing, Inc.
Date of resolution	June 27, 2003	August 6, 2004
Exercise price (yen)	4,931	67,900
Average stock price at exercise (yen)	—	—
Fair appraised price on grant date (yen)	—	—

For the current fiscal year (from April 1, 2011, to March 31, 2012)

Not applicable.

(Notes to the method of tax effect accounting)

Prior fiscal year (As of March 31, 2011)		Current fiscal year (As of March 31, 2012)	
1. Breakdown of major factors that caused deferred tax assets and liabilities		1. Breakdown of major factors that caused deferred tax assets and liabilities	
	(Millions of yen)		(Millions of yen)
Deferred tax assets		Deferred tax assets	
Bad debt expenses	12,000	Bad debt expenses	8,633
Allowance for doubtful accounts	3,292	Allowance for doubtful accounts	2,163
Provision for loss on guarantees	3,568	Provision for loss on guarantees	2,368
Provision for loss on interest repayment	115,274	Provision for loss on interest repayment	76,096
Accrued bonuses	644	Accrued bonuses	522
Accrued directors’ retirement benefits	93	Accrued directors’ retirement benefits	73
Unrecognized accrued interest	962	Unrecognized accrued interest	621
Software	4,853	Software	3,951
Deferred assets	754	Deferred assets	600
Deferred consumption taxes	263	Deferred consumption taxes	191
Loss on valuation of securities	19,349	Loss on valuation of securities	7,569
Loss on valuation of golf club memberships	71	Loss on valuation of golf club memberships	52
Loss on valuation of inventories	202	Loss on valuation of inventories	177
Impairment loss	437	Impairment loss	374
Asset adjustment	2,635	Asset adjustment	1,757
Loss on investments in partnership	508	Loss on investments in partnership	373
Business structure improvement expenses	476	Business structure improvement expenses	—
Asset retirement obligations	1,501	Asset retirement obligations	1,341
Retained loss	140,507	Retained loss	166,334
Other	895	Other	520
Deferred tax assets (subtotal)	308,292	Deferred tax assets (subtotal)	273,722
Valuation allowance	(278,274)	Valuation allowance	(252,345)
Total deferred tax assets	30,018	Total deferred tax assets	21,377
Deferred tax liabilities		Deferred tax liabilities	
Retained earnings of subsidiaries	499	Retained earnings of subsidiaries	712
Prepaid pension cost	1,318	Prepaid pension cost	584
Valuation difference on available-for-sale securities	1,265	Valuation difference on available-for-sale securities	184
Other	330	Other	102
Total deferred tax liabilities	3,413	Total deferred tax liabilities	1,584
Balance of net deferred tax assets	26,604	Balance of net deferred tax assets	19,792

Prior fiscal year (As of March 31, 2011)	Current fiscal year (As of March 31, 2012)
2. Breakdown of items which caused the difference between the statutory tax rate and the effective tax rate after adoption of tax effect accounting. Normal effective statutory tax rate 40.7% (Adjustment) Changes in valuation allowance (40.6%) Retained earnings of subsidiaries (0.1%) Difference from tax rates for consolidated subsidiaries 0.1% Reduction in year-end deferred tax assets due to tax-rate changes —% Other (0.9%) Actual effective tax rate (0.8%)	2. Breakdown of items which caused the difference between the statutory tax rate and the effective tax rate after adoption of tax effect accounting. Normal effective statutory tax rate 40.7% (Adjustment) Changes in valuation allowance (16.5%) Retained earnings of subsidiaries 0.7% Difference from tax rates for consolidated subsidiaries (1.8%) Reduction in year-end deferred tax assets due to tax-rate changes 4.1% Other 2.4% Actual effective tax rate 29.6%
3. —	3. Changes in the amount of deferred tax assets and deferred tax liabilities due to changes in the rate of income tax, etc. Following the promulgation of the “Act for Partial Amendment of the Income Tax Act, etc. for the Purpose of Creating a Taxation System Responding to Changes in Economic and Social Structures” (Act No. 114, 2011) and the “Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction following the Great East Japan Earthquake” (Act No. 117, 2011) on December 2, 2011, the corporate income tax rate will be lowered and a special restoration surtax will be imposed from the fiscal years beginning on and after April 1, 2012. In conjunction with these changes, the effective statutory tax rate used to measure deferred tax assets and deferred tax liabilities will change for the temporary differences expected to be resolved from the fiscal year beginning on April 1, 2012 to the fiscal year beginning on April 1, 2014, and for the temporary differences expected to be resolved on and after the fiscal years beginning on April 1, 2015, from the former 40.7% to 38.0% and 35.6%, respectively. As a result of this change, the amount of deferred tax assets (less the amount of deferred tax liabilities) has decreased by 1,328 million yen and the amount of income taxes-deferred has increased by 1,354 million yen.

(Notes to asset retirement obligations)
For the prior fiscal year (from April 1, 2010 to March 31, 2011)
Asset retirement obligations booked in the consolidated balance sheets

(1) Outline of relevant asset retirement obligations
Asset retirement obligations are booked for internal equipments, etc. furnished in leased properties where restoration is required in lease contracts.

(2) Calculation method for the amount of relevant asset retirement obligations
Assumed use period of 5 to 16 years following acquisition, and discount rate at market rate (swap rate) corresponding to rebate period are adopted for calculation of asset retirement obligations.

(3) The changes in asset retirement obligations for the year ended March 31, 2011 were as follows.

	(Millions of yen)
Balance at beginning of year(Note)	5,075
Additional provisions associated with the acquisition of property, plant and equipment	4
Reconciliation associated with passage of time	74
Reduction associated with meeting asset retirement obligations	(675)
Difference due to foreign currency translation	(2)
Other increases (decreases)	(1)
Balance at end of year	4,475

(Note) This is the balance at beginning of year due to adoption of “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18, March 31, 2008) and “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21, March 31, 2008) from the year ended March 31, 2011.

For the current fiscal year (from April 1, 2011 to March 31, 2012)
Asset retirement obligations booked in the consolidated balance sheets

(1) Outline of relevant asset retirement obligations
Asset retirement obligations are booked for internal equipments, etc. furnished in leased properties where restoration is required in lease contracts.

(2) Calculation method for the amount of relevant asset retirement obligations
Assumed use period of 5 to 16 years following acquisition, and discount rate at market rate (swap rate) corresponding to rebate period are adopted for calculation of asset retirement obligations.

(3) The changes in asset retirement obligations for the year ended March 31, 2012 were as follows.

	(Millions of yen)
Balance at beginning of year	4,475
Additional provisions associated with the acquisition of property, plant and equipment	32
Reconciliation associated with passage of time	58
Reduction associated with meeting asset retirement obligations	(142)
Difference due to foreign currency translation	(8)
Other increases (decreases)	16
Balance at end of year	4,432

(Segments of an Enterprise and Related information)

[Segment information]

1. Outline of reported segment information

The reported segments of the Company are the business units for which the Company is able to obtain respective financial information separately in order for the Board of Directors to conduct periodic review to determine distribution of management resources and evaluate their business results.

The Company conducts finance businesses comprised mainly of loan and credit card business in Japan and overseas.

In Japan, the Company mainly conducts guarantee business and loan servicing business in addition to loan and credit card business. Overseas, the Company also conducts finance businesses in Asia.

Accordingly, the Company's reportable segments are "Loan and credit card business," "Guarantee business," "Loan servicing business," and "Overseas finance business."

2. Methods of measurement for the amounts of operating revenue, income or loss, assets and other items by reported segments

The accounting treatment regarding the reported business segments are the same as recorded in the "Significant matters providing the basis for the preparation of consolidated financial statements." The income or loss of business segments are based on operating income. The intersegment operating revenue is based on trading prices in the market.

3. Information about operating revenue, income or loss, assets and other items by reported segments

For the prior fiscal year (From April 1, 2010 to March 31, 2011)

(Millions of yen)

	Reported segments					Others (Note 1)	Total
	Loan and credit card business	Guarantee business	Loan servicing business	Overseas finance business	Subtotal		
Operating revenue							
Operating revenue from external customers	184,181	22,461	8,945	25,798	241,386	4,445	245,831
Revenues from transactions with other operating segments	90	—	20	3	115	(213)	(98)
Total	184,272	22,461	8,966	25,801	241,501	4,231	245,733
Segment income (loss)	(196,975)	5,808	552	4,018	(186,596)	689	(185,906)
Segment assets	892,148	19,444	12,235	121,157	1,044,985	147,146	1,192,131
Other items							
Depreciation	1,657	19	24	483	2,185	24	2,209
Amortization of goodwill	—	751	—	—	751	—	751
Provision for bad debts (Note 2)	54,755	12,149	2,210	9,197	78,313	—	78,313
Provision for loss on interest repayment	243,456	—	—	—	243,456	—	243,456
Increase in property, plant and equipment and intangible assets	1,328	23	21	368	1,741	21	1,763

(Notes) 1. The "Others" category is a business segment which is not included in the reported segments and includes installment sales finance business, and venture capital business, etc.

2. This item is the sum of provision of allowance for doubtful accounts, provision for loss on guarantees and bad debt expenses.

For the current fiscal year (From April 1, 2011 to March 31, 2012)

(Millions of yen)

	Reported segments					Others (Note 1)	Total
	Loan and credit card business	Guarantee business	Loan servicing business	Overseas finance business	Subtotal		
Operating revenue							
Operating revenue from external customers	150,783	22,950	7,495	27,415	208,643	1,812	210,456
Revenues from transactions with other operating segments	(0)	—	16	(345)	(329)	—	(329)
Total	150,783	22,950	7,511	27,069	208,314	1,812	210,127
Segment income	11,639	11,263	555	6,200	29,659	464	30,123
Segment assets	804,081	19,089	9,338	126,932	959,442	160,959	1,120,402
Other items							
Depreciation	1,395	18	18	397	1,829	14	1,843
Amortization of goodwill	—	984	—	—	984	—	984
Provision for bad debts (Note 2)	18,760	7,288	1,673	7,217	34,940	—	34,940
Provision for loss on interest repayment	48,807	—	—	—	48,807	—	48,807
Increase in property, plant and equipment and intangible assets	524	40	6	433	1,005	—	1,005

(Notes) 1. The “Others” category is a business segment which is not included in the reported segments and includes installment sales finance business, and venture capital business, etc.

2. This item is the sum of provision of allowance for doubtful accounts and provision for loss on guarantees.

4. Amount and outline of difference between the total amounts of reported segments and amounts of consolidated financial statements

(Millions of yen)

Operating revenue	For the prior fiscal year	For the current fiscal year
Total reported segments	241,501	208,314
Operating revenue of “Others” category	4,231	1,812
Elimination of intersegment transactions	(263)	(16)
Adjustment due to unification of accounting treatment between parent company and subsidiaries, etc.	361	345
Operating revenue on consolidated financial statements	245,831	210,456

(Millions of yen)

Income (loss)	For the prior fiscal year	For the current fiscal year
Total reported segments	(186,596)	29,659
Income of “Others” category	689	464
Elimination of intersegment transactions	735	524
Adjustment due to unification of accounting treatment between parent company and subsidiaries, etc.	385	237
Operating income (loss) on consolidated financial statements	(184,785)	30,885

(Millions of yen)

Assets	For the prior fiscal year	For the current fiscal year
Total reported segments	1,044,985	959,442
Assets of “Others” category	147,146	160,959
Elimination of intersegment assets	(41,805)	(24,841)
Corporate assets (Note)	152,705	118,177
Adjustment due to unification of accounting treatment between parent company and subsidiaries, etc.	(272)	(1,276)
Total assets on consolidated financial statements	1,302,758	1,212,461

(Note) Corporate assets are assets that belongs to headquarter, but are not included in reported segments.

(Millions of yen)

Other items	Total reported segments		Others		Adjustment amount		Amounts of consolidated financial statements	
	For the prior fiscal year	For the current fiscal year	For the prior fiscal year	For the current fiscal year	For the prior fiscal year	For the current fiscal year	For the prior fiscal year	For the current fiscal year
Depreciation	2,185	1,829	24	14	(41)	(30)	2,167	1,812
Amortization of goodwill	751	984	—	—	—	0	751	984
Provision for bad debts	78,313	34,940	—	—	(176)	(214)	78,136	34,725
Provision for loss on interest repayment	243,456	48,807	—	—	—	—	243,456	48,807
Increase of property, plant and equipment and intangible assets	1,741	1,005	21	—	320	90	2,083	1,096

(Note) The adjustment amount of increase of property, plant and equipment and intangible assets is mainly the amount of capital investment in corporate assets.

[Related information]

For the prior fiscal year (From April 1, 2010 to March 31, 2011)

1. Information about products and services

Information about products and services is omitted as operating revenue from external customers in “financial service businesses” account for more than 90% of operating revenue in consolidated statements of operations.

2. Information about geographic areas

(1) Operating revenue

(Millions of yen)

Japan	Overseas	Total
220,020	25,811	245,831

(Note) Operating revenue is categorized by country or region based on customers’ location.

(2) Property, plant and equipment

Details of property, plant and equipment is omitted as amounts of property, plant and equipment located in Japan account for more than 90% of all property, plant and equipment listed in consolidated balance sheets.

3. Information about major customers

No single external customer accounts for more than 10% of operating revenue in consolidated statements of operations.

For the current fiscal year (From April 1, 2011 to March 31, 2012)

1. Information about products and services

Information about products and services is omitted as operating revenue from external customers in “financial service businesses” account for more than 90% of operating revenue in consolidated statements of operations.

2. Information about geographic areas

(1) Operating revenue

(Millions of yen)

Japan	Overseas	Total
183,029	27,427	210,456

(Note) Operating revenue is categorized by country or region based on customers’ location.

(2) Property, plant and equipment

Details of property, plant and equipment is omitted as amounts of property, plant and equipment located in Japan account for more than 90% of all property, plant and equipment listed in consolidated balance sheets.

3. Information about major customers

No single external customer accounts for more than 10% of operating revenue in consolidated statements of operations.

[Information about impairment loss on noncurrent assets of each reported segment]

For the prior fiscal year (From April 1, 2010 to March 31, 2011)

(Millions of yen)

	Loan and credit card business	Guarantee business	Loan servicing business	Overseas finance business	Others	Corporate/ elimination (Note)	Total
Impairment loss	—	—	0	—	—	381	381

(Note) It is mainly excluded from reported segments that relates to impairment loss of headquarters corporate equipment.

In addition, Impairment losses for business structure improvement were, 2 million yen in “Loan and credit card business”, 12 million yen in “Other”, and 62 million yen in “Corporate/elimination”. Hence, 76 million yen in total has been included in “Business structure improvement expenses” under extraordinary loss. Corporate/elimination is impairment loss related to telephone subscription rights.

For the current fiscal year (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Loan and credit card business	Guarantee business	Loan servicing business	Overseas finance business	Others	Corporate/ elimination (Note)	Total
Impairment loss	—	—	—	—	0	187	187

(Note) It is mainly excluded from reported segments that relates to impairment loss of headquarters corporate equipment.

[Information about amortization of goodwill and unamortized balance of each reported segment]

For the prior fiscal year (From April 1, 2010 to March 31, 2011)

(Millions of yen)

	Loan and credit card business	Guarantee business	Loan servicing business	Overseas finance business	Others	Corporate/ elimination (Note)	Total
Amortization of goodwill	—	751	—	—	—	—	751
Goodwill at the end of current fiscal year	—	11,381	—	—	—	—	11,381

For the current fiscal year (From April 1, 2011 to March 31, 2012)

(Millions of yen)

	Loan and credit card business	Guarantee business	Loan servicing business	Overseas finance business	Others	Corporate/ elimination (Note)	Total
Amortization of goodwill	—	984	—	—	—	—	984
Goodwill at the end of current fiscal year	—	10,397	—	—	—	—	10,397

[Information about gain on negative goodwill of each reported segment]

For the prior fiscal year (From April 1, 2010 to March 31, 2011)

There was no significant gain on negative goodwill.

For the current fiscal year (From April 1, 2011 to March 31, 2012)

Not applicable.

[Information on related parties]

For the prior fiscal year (from April 1, 2010 to March 31, 2011)

1. Transactions between Related Parties

(1)Transactions between the Company and related parties

(i) Subsidiaries of the Company's parent company and the subsidiaries of other related companies of the Company

(Millions of yen)

Type	Name	Location	Paid-in capital	Business outline or occupation	Ratio of voting rights holding (held)
Companies of the same parent company	Mitsubishi UFJ Trust and Banking Corporation	Chiyoda-ku, Tokyo	324,279	Trust banking business	Direct (2.01 %)
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Chiyoda-ku, Tokyo	1,711,958	Banking business	—
	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	Chiyoda-ku, Tokyo	65,518	Securities business	Direct (0.00 %)

(Millions of yen)

Type	Name	Relationship	Summary of transactions	Amount of transaction	Item	Outstanding amount at the end of the fiscal year
Companies of the same parent company	Mitsubishi UFJ Trust and Banking Corporation	Borrowing	Borrowing of funds	Borrowing 39,920 Repayment 39,920	Current portion of long-term loans payable	52,308
					Long-term loans payable	109,220
			Payment of interest	3,753	Other current assets	79
					Other current liabilities	293
			Assignment of loans receivable of consumer loans for the borrowings from the bank	2,338	—	—
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Borrowing	Borrowing of funds	Borrowing 15,716 Repayment 17,716	Current portion of long-term loans payable	9,182
					Long-term loans payable	54,218
			Payment of interest	1,581	Other current liabilities	112
		Debt guarantee	Receipt of credit guarantee fees for unsecured loan of the bank	14,319	Other current assets	2,012
			Guarantee obligation for unsecured loan issued by the bank	338,158	—	—
	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	Repurchase agreement transaction	Repurchase agreement transaction	Purchase 74,977 Sale 84,972	—	—
			Interest received	3	—	—

(Note) Terms and conditions of the transaction and its policies

1. Interest rates of the borrowing by Mitsubishi UFJ Trust and Banking Corporation are the money

market rates. The Company pledged loans receivables as collateral for its bank borrowings which are funded for its loans receivables of consumer loans.

2. Interest rates of the borrowing by The Bank of Tokyo-Mitsubishi UFJ, Ltd. are the money market rates.

   Guarantee commission rates on the debt guarantees for consumer loan by The Bank of Tokyo-Mitsubishi UFJ, Ltd. is determined after negotiation by taking the market of guarantee commission into consideration.

3. Interest rates on the repurchase agreement transaction with Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. are the money market rates.

(ii) Directors of the Company and major individual shareholders, etc.

(Millions of yen)

Type	Name	Location	Paid-in capital	Business outline or occupation	Ratio of voting rights holding (held)
Executive Counselor	Kyosuke Kinoshita	—	—	Chief director of The Institute for Research on Household Economics	—
Company owned by the directors and their close relative holding the majority of ratio of voting rights (including its subsidiaries)	Maruito Shokusan Co., Ltd.	Naniwa-ku, Osaka City	68	Management of land, buildings, as well as trading, leasing, and mediation	Direct (17.45%) Indirect (2.47%)
	JLA CO., LTD.	Chiyoda-ku, Tokyo	100	Real estate related, interior design, construction of service outlets, and maintenance of buildings and other properties	Direct 14.9%

(Millions of yen)

Type	Name	Relationship	Summary of transactions	Amount of transaction	Item	Outstanding amount at the end of the fiscal year
Executive Counselor	Kyosuke Kinoshita	—	Donation	100	—	—
Company owned by the directors and their close relative holding the majority of ratio of voting rights (including its subsidiaries)	Maruito Shokusan Co., Ltd.	Rental of real estates	Payment of rents	212	Guarantee deposits	184
	JLA CO., LTD.	Interior design and construction of service outlets	Purchase equipment and payment of expenses	1,223	Other current Liabilities	517
		Rental of real estates	Payment of rents	436	—	—
			Repayment of guarantee deposits	Payment 3	Guarantee deposits	342

(Notes) 1. Above transaction amounts do not include consumption tax, etc.

2. Terms and conditions of transactions and their policies

(1) The Institute for Research on Household Economics conducts research on household economy. The Company determines the terms and conditions of transactions by comprehensively considering the Institute’s business plans and business performance.

(2) Rents for the real estate of Maruito Shokusan Co., Ltd are determined by biennial negotiation with the Company, with reference to local market rates.

(3) Transactions with JLA CO., LTD are determined through negotiations with reference to the prevailing market rates.

(2)Transactions between consolidated subsidiaries of the Company and related parties

(i) Subsidiaries of the Company's parent company, and the subsidiaries of other related companies of the Company

(Millions of yen)

Type	Name	Location	Paid-in capital	Business outline or occupation	Ratio of voting rights holding (held)
Companies of the same parent company	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Chiyoda-ku, Tokyo	1,711,958	Banking business	—

(Millions of yen)

Type	Name	Relationship	Summary of transactions	Amount of transaction	Item	Outstanding amount at the end of the fiscal year
Companies of the same parent company	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Borrowing	Borrowing of funds	Borrowing 11,218 Repayment 13,019	Short-term loans payable	270
					Long-term loans payable	10,530
			Payment of interest	607	Other current liabilities	57

(Note) Terms and conditions of the transaction and its policies

Interest rates of the borrowing by The Bank of Tokyo-Mitsubishi UFJ, Ltd. are the money market rates.

(ii) Directors of the Company and major individual shareholders, etc.

(Millions of yen)

Type	Name	Location	Paid-in capital	Business outline or occupation	Ratio of voting rights holding (held)
Company owned by the directors and their close relative holding the majority of ratio of voting rights (including its subsidiaries)	JLA CO., LTD.	Chiyoda-ku, Tokyo	100	Real estate related, interior design, construction of service outlets, and maintenance of buildings and other properties	Direct 14.9%

(Millions of yen)

Type	Name	Relationship	Summary of transactions	Amount of transaction	Item	Outstanding amount at the end of the fiscal year
Company owned by the directors and their close relative holding the majority of ratio of voting rights (including its subsidiaries)	JLA CO., LTD.	Interior design and construction of service outlets	Construction expenses	18	—	—
			Payment of rents	60	—	—
		Rental of real estates	Repayment of guarantee deposits	Repayment 7	Guarantee deposits	47

(Notes) 1. Above transaction amounts do not include consumption tax, etc.

2. Terms and conditions of transactions and their policies

Transactions with JLA CO., LTD are determined through negotiations with reference to the prevailing market rates.

2. Notes to the parent company or other important affiliated companies

(1) Information on the Parent Company

Name of the parent company: Mitsubishi UFJ Financial Group, Inc.

Financial exchanges where securities issued by the parent company are listed:

Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya Stock Exchange, and New York Stock Exchange

(2) Financial Statements of other important affiliated company

Disclosure is omitted as the information for current fiscal year was not significant.

For the current fiscal year (from April 1, 2011 to March 31, 2012)

1. Transactions between Related Parties

(1)Transactions between the Company and related parties

(i) Subsidiaries of the Company’s parent company and the subsidiaries of other related companies of the Company

(Millions of yen)

Type	Name	Location	Paid-in capital	Business outline or occupation	Ratio of voting rights holding (held)
Companies of the same parent company	Mitsubishi UFJ Trust and Banking Corporation	Chiyoda-ku, Tokyo	324,279	Trust banking business	Direct (2.01 %)
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Chiyoda-ku, Tokyo	1,711,958	Banking business	—

(Millions of yen)

Type	Name	Relationship	Summary of transactions	Amount of transaction	Item	Outstanding amount at the end of the fiscal year
Companies of the same parent company	Mitsubishi UFJ Trust and Banking Corporation	Borrowing	Borrowing of funds	Borrowing 52,308 Repayment 52,308	Current portion of long-term loans payable	44,630
					Long-term loans payable	116,898
			Payment of interest	4,089	Other current assets	35
					Other current liabilities	263
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Borrowing	Borrowing of funds	Borrowing 9,182 Repayment 9,182	Current portion of long-term loans payable	17,364
					Long-term loans payable	46,036
			Payment of interest	1,619	Other current liabilities	76
		Debt guarantee	Receipt of credit guarantee fees for unsecured loan of the bank	13,714	Other current assets	1,766
			Guarantee obligation for unsecured loan issued by the bank	358,829	—	—

(Note) Terms and conditions of the transaction and its policies

1. Interest rates of the borrowing by Mitsubishi UFJ Trust and Banking Corporation are the money market rates.
2. Interest rates of the borrowing by The Bank of Tokyo-Mitsubishi UFJ, Ltd. are the money market rates.

   Guarantee commission rates on the debt guarantees for consumer loan by The Bank of Tokyo-Mitsubishi UFJ, Ltd. is determined after negotiation by taking the market of guarantee commission into consideration.

(ii) Directors of the Company and major individual shareholders, etc.

(Millions of yen)

Type	Name	Location	Paid-in capital	Business outline or occupation	Ratio of voting rights holding (held)
Directors and their close relatives	Kyosuke Kinoshita	—	—	Chief director of The Institute for Research on Household Economics	—
Company owned by the directors and their close relative holding the majority of ratio of voting rights (including its subsidiaries)	Maruito Shokusan Co., Ltd.	Naniwa-ku, Osaka City	68	Management of land, buildings, as well as trading, leasing, and mediation	Direct (17.45%) Indirect (2.47%)
	JLA CO., LTD.	Chiyoda-ku, Tokyo	100	Real estate related, interior design, construction of service outlets, and maintenance of buildings and other properties	Direct 14.9%

(Millions of yen)

Type	Name	Relationship	Summary of transactions	Amount of transaction	Item	Outstanding amount at the end of the fiscal year
Directors and their close relatives	Kyosuke Kinoshita	—	Donation	80	—	—
Company owned by the directors and their close relative holding the majority of ratio of voting rights (including its subsidiaries)	Maruito Shokusan Co., Ltd.	Rental of real estates	Payment of rents	215	Guarantee deposits	184
	JLA CO., LTD.	Interior design and construction of service outlets	Purchase equipment and payment of expenses	956	Other current Liabilities	467
		Rental of real estates	Payment of rents	417	—	—
			Repayment of guarantee deposits	Deposited 33 Payment 20	Guarantee deposits	355

(Notes) 1. Above transaction amounts do not include consumption tax, etc.

2. Terms and conditions of transactions and their policies

(1) The Institute for Research on Household Economics conducts research on household economy. The Company determines the terms and conditions of transactions by comprehensively considering the Institute’s business plans and business performance.

(2) Rents for the real estate of Maruito Shokusan Co., Ltd are determined by biennial negotiation with the Company, with reference to local market rates.

(3) Transactions with JLA CO., LTD are determined through negotiations with reference to the prevailing market rates.

(2)Transactions between consolidated subsidiaries of the Company and related parties

(i) Directors of the Company and major individual shareholders, etc.

(Millions of yen)

Type	Name	Location	Paid-in capital	Business outline or occupation	Ratio of voting rights holding (held)
Company owned by the directors and their close relative holding the majority of ratio of voting rights (including its subsidiaries)	JLA CO., LTD.	Chiyoda-ku, Tokyo	100	Real estate related, interior design, construction of service outlets, and maintenance of buildings and other properties	Direct 14.9%

(Millions of yen)

Type	Name	Relationship	Summary of transactions	Amount of transaction	Item	Outstanding amount at the end of the fiscal year
Company owned by the directors and their close relative holding the majority of ratio of voting rights (including its subsidiaries)	JLA CO., LTD.	Rental of real estates	Payment of rents	50	—	—
			Repayment of guarantee deposits	Repayment 17	Guarantee deposits	30

(Notes) 1. Above transaction amounts do not include consumption tax, etc.

2. Terms and conditions of transactions and their policies

Transactions with JLA CO., LTD are determined through negotiations with reference to the prevailing market rates.

2. Notes to the parent company or other important affiliated companies

(1) Information on the Parent Company

Name of the parent company: Mitsubishi UFJ Financial Group, Inc.

Financial exchanges where securities issued by the parent company are listed:

Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya Stock Exchange, and New York Stock Exchange

(2) Financial Statements of other important affiliated company

Disclosure is omitted as the information for current fiscal year was not significant.

(Per share information)

Item	For the prior fiscal year (From April 1, 2010 to March 31, 2011)	For the current fiscal year (From April 1, 2011 to March 31, 2012)
Net assets per share	1,516.95 yen	1,645.35 yen
Net income (loss) per share	(1,293.54 yen)	137.01 yen

Notes: 1. Diluted net income per share is not stated because there is no residual security.

2. The basis for calculation of net income (loss) per share is as follows.

(Millions of yen unless otherwise stated)

Item	For the prior fiscal year (From April 1, 2010 to March 31, 2011)	For the current fiscal year (From April 1, 2011 to March 31, 2012)
Net income (loss)	(202,648)	21,464
Net income (loss) not attributable to common shareholders	—	—
Net income (loss) related to common shares	(202,648)	21,464
Weighted average number of common shares during the fiscal year	156,661,601 shares	156,661,574 shares

3. The basis for calculation of net assets per share is as follows.

(Millions of yen unless otherwise stated)

Item	For the prior fiscal year (As of March 31, 2011)	For the current fiscal year (As of March 31, 2012)
Total net assets	243,599	264,915
Amount deducted from the total net assets	5,951	7,151
[Minority interests included in the above]	[5,951]	[7,151]
Amounts of net assets related to common shares at the end of the fiscal year	237,647	257,763
Number of common shares used to calculate net assets per share at the end of the fiscal year	156,661,587 shares	156,661,547 shares

(Significant subsequent events)

Current fiscal year (from April 1, 2011 to March 31, 2012)
Based on a resolution of the Board of Directors held on January 20, 2012, the Company concluded a business alliance agreement and an absorption-type company split agreement with Jibun Bank Corporation, (hereinafter “Jibun Bank”), and split a part of its card loan business, which was succeeded by Jibun Bank Corporation as of May 12, 2012.

1. Outline of the business divestiture
    (1) Name of the company that succeeds the separated business: Jibun Bank
    (2) Description of the separated business
    A part of the card loan business, provided under the Cash One brand
    (3) The purpose of the business divestiture
    On December 3, 2008, the Company and Jibun Bank commenced an alliance in the guarantee business on unsecured card loans for individuals provided by Jibun Bank. Subsequently, the Company and Jibun Bank, following discussions by both parties on current circumstances and the outlooks of respective business environments, agreed to form a more comprehensive business alliance in order to contribute to further improvements in consumer services and the development of a sound consumer finance market.
    As a part of this business alliance, and with a purpose of expanding the business basis shared by both parties, the Company will transfer a part of its card loan business, provided under “Cash One” brand, to Jibun Bank by means of a company split. Concurrently, Jibun Bank will entrust the guarantee business of this card loan business to the Company.
    (4) Date of the business divestiture
    May 12, 2012
    (5) Outline of the transaction including legal form of the transaction
    Business transfer with cash consideration

2. Outline of the applied accounting method
    (1) The amount of a gain on transfer: 2,900 million yen
    (2) Details and the fair book values of the assets and liabilities of the transferred business
    Assets: Operating loans of 43,501 million yen, etc.
    Liabilities: Deposits received of 2 million yen
    (3) Accounting method applied
    Assuming that the investment in the part of the card loan business transferred has been liquidated, the difference between the market value of assets received as a consideration for the business transfer and an amount equivalent to the shareholders’ equity of the transferred business is recognized as a gain or loss on transfer.

3. Name of the reported segment to which the transferred business belonged
    Loan and credit card business

4. Revenue and income from the transferred business on the consolidated statement of income for the current fiscal year
    Operating revenue: 150,783 million yen
    Operating income: 11,639 million yen

5. Continuous commitment
    The guarantee services for the unsecured card loans for individuals provided by Jibun Bank will continue to be provided by the Company.

5) Consolidated supplemental schedules

[Schedule of bonds]

Company	Description	Date of issuance	Balance at the beginning of current fiscal year (Millions of yen)	Balance at the end of current fiscal year (Millions of yen)	Interest rate (%)	Collateral	Maturity
The Company	35th Issuance of Domestic Unsecured Bonds (Public Offering)	June 26, 2002	10,000	(10,000) 10,000	2.700	—	June 26, 2012
	39th Issuance of Domestic Unsecured Bonds (Public Offering)	November 26, 2004	10,000	—	—	—	—
	40th Issuance of Domestic Unsecured Bonds (Public Offering)	February 10, 2005	10,000	(—) 10,000	1.660	—	February 10, 2015
	41st Issuance of Domestic Unsecured Bonds (Public Offering)	May 31, 2005	10,000	(10,000) 10,000	1.190	—	May 31, 2012
	42nd Issuance of Domestic Unsecured Bonds (Public Offering)	September 21, 2005	10,000	(10,000) 10,000	1.180	—	September 21, 2012
	45th Issuance of Domestic Unsecured Bonds (Public Offering)	January 25, 2006	10,000	(10,000) 10,000	1.480	—	January 25, 2013
	48th Issuance of Domestic Unsecured Bonds (Public Offering)	January 23, 2007	15,000	—	—	—	—
	49th Issuance of Domestic Unsecured Bonds (Public Offering)	February 9, 2007	15,000	—	—	—	—
	50th Issuance of Domestic Unsecured Bonds (Public Offering)	April 6, 2007	10,000	(—) 10,000	2.090	—	April 4, 2014
	51st Issuance of Domestic Unsecured Bonds (Public Offering)	June 4, 2007	20,000	(—) 20,000	2.070	—	June 4, 2013
	52nd Issuance of Domestic Unsecured Bonds (Public Offering)	June 17, 2008	15,000	—	—	—	—
	3rd Issuance of Domestic Unsecured Bonds (Private Placement)	December 30, 2009	1,005	(510) 510	0.670	—	December 28, 2012
	53rd Issuance of Domestic Unsecured Bonds (Public Offering)	January 29, 2010	10,000	—	—	—	—
	54th Issuance of Domestic Unsecured Bonds (Public Offering)	January 29, 2010	15,000	—	—	—	—

Company	Description	Date of issuance	Balance at the beginning of current fiscal year (Millions of yen)	Balance at the end of current fiscal year (Millions of yen)	Interest rate (%)	Collateral	Maturity
The Company	55th Issuance of Domestic Unsecured Bonds (Public Offering)	March 18, 2010	10,000	(10,000) 10,000	3.660	—	March 18, 2013
	56th Issuance of Domestic Unsecured Bonds (Public Offering)	April 30, 2010	20,000	(20,000) 20,000	3.350	—	October 30, 2012
	4th Issuance of Domestic Unsecured Bonds (Private Placement)	June 30, 2010	835	(330) 505	0.600	—	June 28, 2013
	57th Issuance of Domestic Unsecured Bonds (Public Offering)	September 17, 2010	10,000	(—) 10,000	3.720	—	September 17, 2013
	5th Issuance of Domestic Unsecured Bonds (Private Placement)	February 18, 2011	1,000	(330) 670	0.650	—	February 18, 2014
	58th Issuance of Domestic Unsecured Bonds (Public Offering)	June 3, 2011	—	(—) 20,000	3.670	—	June 3, 2013
	59th Issuance of Domestic Unsecured Bonds (Public Offering)	June 15, 2011	—	(—) 13,000	3.570	—	April 15, 2013
	60th Issuance of Domestic Unsecured Bonds (Public Offering)	July 27, 2011	—	(—) 15,000	3.850	—	November 27, 2013
	6th Issuance of Domestic Unsecured Bonds (Private Placement)	September 13, 2011	—	(198) 501	0.530	—	September 12, 2014
	61st Issuance of Domestic Unsecured Bonds (Public Offering)	March 6, 2012	—	(—) 30,000	2.620	—	March 6, 2015
	7th Issuance of Domestic Unsecured Bonds (Private Placement)	March 13, 2012	—	(214) 650	0.540	—	March 13, 2015
EASY BUY Public Company Limited	3rd privately offered unsecured bonds	August 8, 2007	7,654	(6,945) 6,945 [2,835 million baht]	5.829	—	August 8, 2012
	1st publicly offered unsecured bonds	August 6, 2009	9,450	(8,575) 8,575 [3,500 million baht]	4.900	—	August 6, 2012
	4th privately offered unsecured bonds	September 30, 2009	2,700	(—) 2,450 [1,000 million baht]	2.643	—	March 15, 2013
	2nd publicly offered unsecured bonds	December 23, 2011	—	(—) 3,675 [1,500 million baht]	5.583	—	December 23, 2015
Total	—	—	222,644	(87,103) 222,481	—	—	—

(Notes) 1. Figures in brackets “( )” in the columns of “Balance at the end of current fiscal year” represent the amounts which are scheduled to be redeemed within one year.

2. Figures in brackets “[ ]” in the columns of “Balance at the end of current fiscal year” are stated in a foreign currency.

3. The redemption schedule of bonds for 5 years subsequent to March 31, 2012, is summarized as follows:

(Millions of yen)

Due within 1 year	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years
87,103	82,602	51,551	1,225	—

[Schedule of loans]

Category	Balance at the beginning of current fiscal year (Millions of yen)	Balance at the end of current fiscal year (Millions of yen)	Average interest rate (%)	Maturity
Short-term loans payable	3,375	4,008	4.44	—
Current portion of long-term loans payable	168,514	166,193	2.07	—
Current portion of lease obligations	157	231	1.78	—
Long-term loans payable (excluding current portion)	302,613	271,349	2.25	From April 15, 2013 to March 31, 2017
Lease obligations (excluding current portion)	561	682	1.82	From April 2, 2013 to January 20, 2017
Other interest-bearing debt (Deposits of banking business)	43,200	50,841	5.76	—
Total	518,422	493,306	—	—

(Notes) 1. To calculate “Average interest rate,” fiscal year-end interest rates and balances are used.
2. The redemption schedule of long-term loans payable and lease obligations (excluding current portion) for 5 years subsequent to March 31, 2012, is summarized as follows:

(Millions of yen)

Category	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years
Long-term loans payable	145,816	87,199	28,036	10,298
Lease obligations	235	235	154	57

[Schedule of asset retirement obligations]

(Millions of yen)

Category	Balance at the beginning of current fiscal year	Increase during the period	Decrease during the period	Balance at the end of current fiscal year
Based on lease contracts	4,475	107	150	4,432

(2) [Others]

Quarterly Information for the current fiscal year

(Millions of yen, unless otherwise stated)

Cumulative period	First Quarter (Three months ended June 30, 2011)	Second Quarter (Six months ended Sept. 30, 2011)	Third Quarter (Nine months ended Dec. 31, 2011)	Fourth Quarter (Fiscal year ended March 31, 2012)
Operating revenue	54,104	108,042	160,243	210,456
Income before income taxes and minority interests	18,524	32,458	49,207	33,377
Net income	16,030	28,391	42,112	21,464
Net income per share (Yen)	102.32	181.23	268.81	137.01

Each quarter	First Quarter (From April 1, 2011, to June 30, 2011)	Second Quarter (From July 1, 2011 to Sept. 30, 2011)	Third Quarter (From Oct. 1, 2011 to Dec. 31, 2011)	Fourth Quarter (From Jan. 1, 2012 to March 31, 2012)
Net income (loss) per share (Yen)	102.32	78.91	87.58	(131.80)

2. Non-consolidated Financial Statements, etc.

(1) Non-consolidated Financial Statements

1) Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2011		As of March 31, 2012	
Assets				
Current assets				
Cash and deposits		89,032		110,294
Loans receivable of consumer loans	*1,*2,*3*4,*5	902,200	*1,*2,*3*4,*5	799,098
Accounts receivable-installment	*6	21,625	*6	18,482
Short-term investment securities		25,000		36,000
Shares of parent company		4,683		5,025
Merchandise and finished goods		334		334
Raw materials and supplies		42		48
Prepaid expenses		1,727		1,234
Deferred tax assets		25,992		19,360
Accrued income		8,853		8,001
Short-term loans receivable	*7	39,991	*7	39,991
Current portion of long-term loans receivable from subsidiaries and affiliates		14,897		2,773
Right to reimbursement		15,128		14,477
Other		4,254		2,595
Allowance for doubtful accounts		(61,870)		(40,280)
Total current assets		1,091,894		1,017,436
Noncurrent assets				
Property, plant and equipment				
Buildings		26,014		25,679
Accumulated depreciation		(19,243)		(19,698)
Buildings, net		6,771		5,981
Structures		4,849		4,858
Accumulated depreciation		(3,450)		(3,534)
Structures, net		1,399		1,323
Vehicles		—		2
Accumulated depreciation		—		(2)
Vehicles, net		—		0
Equipment		22,237		21,442
Accumulated depreciation		(12,610)		(12,060)
Equipment, net		9,627		9,382
Land		6,411		6,301
Lease assets		774		1,114
Accumulated depreciation		(107)		(273)
Lease assets, net		666		841
Total property, plant and equipment		24,876		23,830
Intangible assets				
Goodwill		11,381		10,397
Leasehold right		4		4
Telephone subscription right		58		36
Other		1		1
Total intangible assets		11,446		10,439
Investments and other assets				
Investment securities		16,722		5,602
Stocks of subsidiaries and affiliates		12,248		12,340
Investments in other securities of subsidiaries and affiliates		2,564		861
Long-term loans receivable from subsidiaries and affiliates		7,596		4,746
Claims provable in bankruptcy, claims provable in rehabilitation and other	*5	1,812	*5	1,508
Long-term prepaid expenses		401		135
Guarantee deposits		6,534		5,737
Prepaid pension cost		3,240		1,538
Other		2,756		2,645
Allowance for doubtful accounts		(1,030)		(920)
Total investments and other assets		52,846		34,197
Total noncurrent assets		89,168		68,467
Total assets		1,181,063		1,085,904

(Millions of yen)

		As of March 31, 2011		As of March 31, 2012
Liabilities				
Current liabilities				
Accounts payable-trade		138		161
Current portion of long-term loans payable	*1,*8,*9	159,153	*1,*9	161,511
Current portion of bonds payable		81,155		71,582
Lease obligations		157		231
Accounts payable-other		1,039		5,659
Accrued expenses		8,710		7,114
Income taxes payable		211		195
Deposits received		233		275
Unearned revenue		37		16
Provision for loss on guarantees	*10	8,770	*10	6,230
Asset retirement obligations		7		26
Other		148		25
Total current liabilities		259,761		253,031
Noncurrent liabilities				
Bonds payable		121,685		129,253
Long-term loans payable	*1,*9	281,658	*1,*9	249,479
Lease obligations		561		682
Deferred tax liabilities		1,265		180
Provision for loss on interest repayment		283,300		200,200
Asset retirement obligations		4,316		4,285
Other		230		186
Total noncurrent liabilities		693,017		584,267
Total liabilities		952,779		837,298
Net assets				
Shareholders' equity				
Capital stock		63,832		63,832
Capital surplus				
Legal capital surplus		72,322		72,322
Other capital surplus		3,687		3,687
Total capital surpluses		76,010		76,010
Retained earnings				
Legal retained earnings		4,320		4,320
Other retained earnings				
General reserve		285,000		80,000
Retained earnings brought forward		(182,322)		43,530
Total retained earnings		106,998		127,851
Treasury stock		(19,793)		(19,793)
Total shareholders' equity		227,047		247,900
Valuation and translation adjustments				
Valuation difference on available-for-sale securities		1,236		705
Total valuation and translation adjustments		1,236		705
Total net assets		228,283		248,606
Total liabilities and net assets		1,181,063		1,085,904

2) Non-consolidated Statements of Operations

(Millions of yen)

	For the year ended March 31, 2011	For the year ended March 31, 2012
Operating revenue		
Interest on consumer loans	173,209	139,211
Revenue from credit card business	2,889	2,440
Revenue from credit guarantee	20,477	20,626
Other financial revenue		
Interest on deposits	10	18
Interest on securities	27	31
Interest on loans	43	54
Total other financial revenue	81	104
Net sales of goods	952	—
Other operating revenue	10,157	11,455
Total operating revenue	207,767	173,837
Operating expenses		
Financial expenses		
Interest expenses	10,197	10,288
Interest on bonds	5,041	5,754
Amortization of bond issuance costs	192	399
Other	1,909	1,677
Total financial expenses	17,340	18,118
Cost of sales		
Beginning goods	1,034	334
Cost of purchased goods	—	—
Total	1,034	334
Ending goods	334	334
Cost of goods sold	700	—
Other operating expenses		
Advertising expenses	5,261	5,327
Provision of allowance for doubtful accounts	62,396	23,229
Provision for loss on guarantees	4,000	2,819
Bad debts expenses	507	—
Provision for loss on interest repayment	243,456	48,807
Employees' salaries and bonuses	13,295	11,470
Retirement benefit expenses	4,270	2,638
Welfare expenses	2,139	1,906
Rent expenses	7,318	6,186
Depreciation	1,676	1,413
Commission fee	24,278	19,261
Amortization of goodwill	751	984
Other	11,205	8,668
Total other operating expenses	380,559	132,711
Total operating expenses	398,600	150,830
Operating income (loss)	(190,832)	23,007

(Millions of yen)

	For the year ended March 31, 2011		For the year ended March 31, 2012	
Non-operating income				
Interest income	*1	676	*1	367
Interest on securities		5		5
Dividends income	*1	371	*1	2,620
Other	*1	779	*1	774
Total non-operating income		1,832		3,767
Non-operating expenses				
Interest expenses		6		12
Loss on investments in partnership	*2	492	*2	236
Other		52		63
Total non-operating expenses		552		312
Ordinary income (loss)		(189,551)		26,461
Extraordinary income				
Gain on sales of noncurrent assets	*3	216	*3	27
Gain on sales of investment securities		345		2,473
Other	*4	0	*4	3
Total extraordinary income		561		2,505
Extraordinary loss				
Loss on sales of noncurrent assets	*5	27	*5	3
Loss on retirement of noncurrent assets	*6	165	*6	160
Impairment loss	*7	381	*7	187
Loss on valuation of shares of parent company		5,481		—
Loss on sales of investment securities		255		1,020
Loss on valuation of investment securities		4,696		0
Loss on valuation of shares of subsidiaries and affiliates		—		38
Business structure improvement expenses	*8	1,007	*8	—
Cumulative effect of accounting change for asset retirement obligations		3,941		—
Other	*9	122	*9	5
Total extraordinary losses		16,079		1,416
Income (Loss) before income taxes		(205,069)		27,550
Income taxes-current		70		65
Income taxes-deferred		(210)		6,632
Total income taxes		(140)		6,697
Net income (loss)		(204,929)		20,853

3) Non-consolidated Statements of Changes in Net Assets

(Millions of yen)

	For the year ended March 31, 2011	For the year ended March 31, 2012
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	63,832	63,832
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	63,832	63,832
Capital surplus		
Legal capital surplus		
Balance at the beginning of current period	72,322	72,322
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	72,322	72,322
Other capital surplus		
Balance at the beginning of current period	3,687	3,687
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	3,687	3,687
Total capital surplus		
Balance at the beginning of current period	76,010	76,010
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	76,010	76,010
Retained earnings		
Legal retained earnings		
Balance at the beginning of current period	4,320	4,320
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	4,320	4,320
Other retained earnings		
General reserve		
Balance at the beginning of current period	285,000	285,000
Changes of items during the period		
Reversal of general reserve	—	(205,000)
Total changes of items during the period	—	(205,000)
Balance at the end of current period	285,000	80,000
Retained earnings brought forward		
Balance at the beginning of current period	23,390	(182,322)
Changes of items during the period		
Reversal of general reserve	—	205,000
Dividends from surplus	(783)	—
Net income (loss)	(204,929)	20,853
Total changes of items during the period	(205,712)	225,853
Balance at the end of current period	(182,322)	43,530
Total retained earnings		
Balance at the beginning of current period	312,710	106,998
Changes of items during the period		
Dividends from surplus	(783)	—
Net income (loss)	(204,929)	20,853
Total changes of items during the period	(205,712)	20,853
Balance at the end of current period	106,998	127,851

(Millions of yen)

	For the year ended March 31, 2011	For the year ended March 31, 2012
Treasury stock		
Balance at the beginning of current period	(19,793)	(19,793)
Changes of items during the period		
Purchase of treasury stock	(0)	(0)
Total changes of items during the period	(0)	(0)
Balance at the end of current period	(19,793)	(19,793)
Total shareholders' equity		
Balance at the beginning of current period	432,760	227,047
Changes of items during the period		
Dividends from surplus	(783)	—
Net income (loss)	(204,929)	20,853
Purchase of treasury stock	(0)	(0)
Total changes of items during the period	(205,712)	20,852
Balance at the end of current period	227,047	247,900
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	(6,162)	1,236
Changes of items during the period		
Net changes of items other than shareholders' equity	7,398	(530)
Total changes of items during the period	7,398	(530)
Balance at the end of current period	1,236	705
Total valuation and translation adjustments		
Balance at the beginning of current period	(6,162)	1,236
Changes of items during the period		
Net changes of items other than shareholders' equity	7,398	(530)
Total changes of items during the period	7,398	(530)
Balance at the end of current period	1,236	705
Total net assets		
Balance at the beginning of current period	426,597	228,283
Changes of items during the period		
Dividends from surplus	(783)	—
Net income (loss)	(204,929)	20,853
Purchase of treasury stock	(0)	(0)
Net changes of items other than shareholders' equity	7,398	(530)
Total changes of items during the period	(198,313)	20,322
Balance at the end of current period	228,283	248,606

[Significant accounting policies]

Item	Current fiscal year (from April 1, 2011 to March 31, 2012)
1. Evaluation methods for marketable and investment securities	(1) Stocks of subsidiaries and affiliates Stated at cost by the moving-average method (2) Available-for-sales securities 1) Securities with market quotations: Stated at market value at the end of the fiscal year (Unrealized gains or losses net of applicable taxes are comprehensively reported as a component of net assets and the cost of securities sold is computed using the moving average method) 2) Securities without market quotations: Stated at cost by the moving-average method The investments in limited investment partnerships and other similar partnerships (those deemed as "securities" according to the Article 2, Paragraph 2 of the Financial Instruments and Exchange Act) are reported, using the equity method, based on the latest financial statements available as at the closing dates stipulated by the respective partnership contracts.
2. Derivative financial instruments	Swap transactions: Fair value method
3. Evaluation methods for inventories	Merchandise: Stated at the lower cost, on an individual specified cost basis or net selling value Supplies: Mainly at cost, based on the first-in first-out method
4. Depreciation methods for noncurrent assets	(1) Property, plant and equipment (excluding lease assets) Declining balance method Useful lives of assets are principally as follows: Buildings: 2 to 47 years Structures: 3 to 45 years Vehicles: 2 years Equipment: 2 to 20 years (2) Intangible assets (excluding lease assets) Straight-line method Years of depreciation of assets are principally as follows: Goodwill: 10 to 15 years (3) Lease assets Lease assets concerning non-transfer ownership finance lease transactions: Depreciated using the straight-line method, defining the lease term of respective assets as their useful lives, without residual value. Among lease assets concerning non-transfer ownership finance lease transactions, lease transactions that commenced prior to March 31, 2008 are reported using the same method applied to operating leases. (4) Long-term prepaid expenses Equal installment method
5. Accounting method for deferred assets	Bond issuance costs are fully charged to income when they are paid.
6. Accounting policies for significant translation of foreign currency assets and liabilities into Japanese yen	Foreign currency monetary claims and obligations are translated into Japanese yen, using the spot exchange rates on the closing date of accounting and the resulting translation gains and losses are recognized as income and expenses.

Item	Current fiscal year (from April 1, 2011 to March 31, 2012)
7. Accounting policies for allowances and provisions	(1) Allowance for doubtful accounts To provide for potential loss on loans receivable of consumer loans and other receivables, the Company makes an allowance for the expected amount of irrecoverable loans. Allowances for ordinary bad debts are computed, based on the historical rate of defaults. For specific debts where recovery is doubtful, the Company considers the likelihood of recovery on an individual basis. (2) Provision for loss on guarantees To provide for loss on guarantees, the Company makes an allowance for potential losses at the end of the fiscal year. (3) Provision for retirement benefits To provide for employees' retirement benefits, the Company makes a provision for estimated retirement benefits for this fiscal year, based on the projected retirement benefit obligations and related pension assets as of the end of this fiscal year. Past service liabilities are charged to expenses, using the straight-line method, over the determined years (5 years) that are no longer than average remaining service years of the employees at the time of occurrence. Actuarial differences are amortized evenly using the straight-line method over the determined years (5 years) that are no longer than the average remaining service years of employees, beginning from the fiscal year following the time of occurrence. As the projected amount of pension fund assets exceeds the amount of projected retirement benefit obligations adjusted by unrecognized past service liabilities and unrecognized actuarial gains or losses, the surplus is recorded as a prepaid pension cost. (4) Provision for loss on interest repayment To prepare for potential loss on interest repayment in the future, the Company estimates and provides a reasonable amount of provision for loss on interest repayment, in consideration of the past actual results and the latest interest repayment situations.
8. Accounting policies for revenue and expenses	(1) Interest on consumer loans Interest on consumer loans is recorded on an accrual basis. Accrued interest on consumer loans is recorded, using the interest rate stipulated in the Interest Rate Restriction Act or the contracted interest rate of the Company, whichever the lower. (2) Revenue from credit card business Fees from customers: Recorded by the credit balance method. Fees from member stores: Recorded as fees at the time of transaction. (3) Revenue from credit guarantee Recorded by the credit balance method. (Note) Details of each recording method are as follows: Credit balance method: Fees to be recorded as income are calculated pursuant to the prescribed rates applicable to the relevant credit balance.

Item	Current fiscal year (from April 1, 2011 to March 31, 2012)
9. Hedge accounting method	(1) Hedge accounting method The Company adopts the deferred hedge accounting. The interest rate swaps which qualify for hedge accounting and meet specific matching criteria are not remeasured at market value but the differential paid or received under the swap agreements are recognized and included in interest expenses or income. (2) Hedging instruments and hedging items Hedging instruments: Interest-rate swap agreements Hedging items: Loans payable with variable interest rates (3) Hedging policy In accordance with the Company's internal rules, the Company enters into derivative transactions of interest-rate swaps to hedge against the risk of fluctuations in interest rates relating to the loans payable with variable interest rates for the purpose of protecting cash flows. (4) Method for evaluating hedging effectiveness Important requirements concerning hedging instruments and hedging items are closely matched with each other. Also, the Company can assume that fluctuations in interest rates and cash flows are fully offset by the fluctuations in hedging instruments on an ongoing basis since the implementation of hedging contracts. Therefore, the judgment of hedging effectiveness is omitted.
10. Other significant accounting policies as bases for the preparation of financial statements	Accounting method for consumption tax Transactions subject to consumption tax are recorded at the amount exclusive of consumption tax. However, consumption tax and other taxes imposed on non tax-deductible assets are recorded as an expense when incurred. In addition, accrued consumption tax payable is included in "Other" in current assets on the balance sheet.

[Changes in presentation]

Current fiscal year (from April 1, 2011, to March 31, 2012)
(Non-consolidated statements of operations) “House rent income” had been separately listed as an item of non-operating income up to the prior fiscal year. However, currently it does not account for more than 10% of total non-operating income. Therefore, it has been included in “Other” in non-operating income effective from the current fiscal year. To reflect this change in the non-consolidated statement of operations for the prior fiscal year, 311 million yen stated as “House rent income” under “Non-operating income” in the non-consolidated statement of operations for the prior fiscal year has been reclassified into “Other.”

[Additional information]

Current fiscal year (from April 1, 2011, to March 31, 2012)
<Adoption of the Accounting Standard for Accounting Changes and Error Corrections> Effective for the accounting changes and corrections of prior period errors that have been made after the beginning of the fiscal year under review, the Company adopts the “Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Statement No. 24, December 4, 2009) and the “Guidance on Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Guidance No. 24, December 4, 2009).

[Notes]

(Notes to Non-consolidated Balance Sheets)

Prior fiscal year (As of March 31, 2011)	Current fiscal year (As of March 31, 2012)
*1. Pledged assets (Millions of yen) (1) Assets pledged as collateral Loans receivable of consumer loans 73,613 [71,273] (2) Secured obligations Current portion of long-term loans payable 7,795 [5,457] Long-term loans payable 32,792 [32,792] Total 40,588 [38,250] Figures in brackets "[ ]" represent amount concerning liquidation of receivables. In addition, the loans receivable of consumer loans of 71,273 million yen shown above have been transferred by trust for the purpose of liquidation, whose right of ownership has been transferred to the trust bank (trustees).	*1. Pledged assets (Millions of yen) (1) Assets pledged as collateral Loans receivable of consumer loans 65,644 [65,644] (2) Secured obligations Current portion of long-term loans payable 10,500 [10,500] Long-term loans payable 22,291 [22,291] Total 32,792 [32,792] Figures in brackets "[ ]" represent amount concerning liquidation of receivables. In addition, the loans receivable of consumer loans shown above have been transferred by trust for the purpose of liquidation, whose right of ownership has been transferred to the trust bank (trustees).
*2. Amounts of loans receivable of consumer loans by the categories of loan methods Loans receivable of consumer loans were made by the method of loan on deed.	*2. Same as the left
*3. Amount of unsecured consumer loans in loans receivable of consumer loans (Millions of yen) 878,761	*3. Amount of unsecured consumer loans in loans receivable of consumer loans (Millions of yen) 779,954

Prior fiscal year (As of March 31, 2011)	Current fiscal year (As of March 31, 2012)
*4. Commitment line contracts for loans receivable of consumer loans Contracts for loans receivable of consumer loans primarily take the form of revolving credit-line contracts whereby a facility indicating a maximum loanable amount is assigned to a customer who is then able to borrow repeatedly within the limit of the facility, provided that contract terms have not been violated. Outstanding unexercised portions of such facilities amounted to 283,920 million yen at the end of the accounting period. This included a total of 181,743 million yen of unexercised amounts remaining in the accounts of customers with zero outstanding balances at the end of the fiscal year. A certain portion of revolving credit-line contracts lapse without ever being used. Therefore, the amount itself of outstanding unexercised facilities will not necessarily affect the future cash flow of the Company. Contracts contain provisions allowing the Company to reject applications for additional borrowing or reduce the facility in case of changes in the customer’s credit standing or other material reasons. Outstanding contracts are regularly examined according to internal procedures to determine the credit standing of customers and other pertinent information. When necessary, contracts are reviewed and measures are taken to preserve loan assets.	*4. Commitment line contracts for loans receivable of consumer loans Contracts for loans receivable of consumer loans primarily take the form of revolving credit-line contracts whereby a facility indicating a maximum loanable amount is assigned to a customer who is then able to borrow repeatedly within the limit of the facility, provided that contract terms have not been violated. Outstanding unexercised portions of such facilities amounted to 257,819 million yen at the end of the accounting period. This included a total of 140,964 million yen of unexercised amounts remaining in the accounts of customers with zero outstanding balances at the end of the fiscal year. A certain portion of revolving credit-line contracts lapse without ever being used. Therefore, the amount itself of outstanding unexercised facilities will not necessarily affect the future cash flow of the Company. Contracts contain provisions allowing the Company to reject applications for additional borrowing or reduce the facility in case of changes in the customer’s credit standing or other material reasons. Outstanding contracts are regularly examined according to internal procedures to determine the credit standing of customers and other pertinent information. When necessary, contracts are reviewed and measures are taken to preserve loan assets.
*5. Status of non-performing loans in loans receivable of consumer loans Losses on unsecured consumer loans to bankrupt parties are written off at the time bankruptcy is declared. For this reason, loans to bankrupt parties include 900 million yen for debtors who have petitioned for bankruptcy as of the end of the fiscal year, but not yet declared bankrupt. This entire amount is charged to the allowance for doubtful accounts. In addition, from the point of view of maintaining the soundness of the Company’s assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company’s policy differs from that set forth in Japan’s tax laws, under which accrued interest is charged on loans less than six months in arrears. As a result of the Company’s policy, non-performing loans included additional 31,510 million yen. Under the policies stipulated in Japan’s tax laws, 10,472 million yen of this amount would be classified as loans overdue by three months or more, 4,383 million yen as restructured loans and 16,654 million yen as loans no longer in arrears.	*5. Status of non-performing loans in loans receivable of consumer loans Losses on unsecured consumer loans to bankrupt parties are written off at the time bankruptcy is declared. For this reason, loans to bankrupt parties include 338 million yen for debtors who have petitioned for bankruptcy as of the end of the fiscal year, but not yet declared bankrupt. This entire amount is charged to the allowance for doubtful accounts. In addition, from the point of view of maintaining the soundness of the Company’s assets, loans where repayment is doubtful are stated exclusive of accrued interest, and the loans in question are classified as loans in arrears. The Company’s policy differs from that set forth in Japan’s tax laws, under which accrued interest is charged on loans less than six months in arrears. As a result of the Company’s policy, non-performing loans included additional 18,850 million yen. Under the policies stipulated in Japan’s tax laws, 6,889 million yen of this amount would be classified as loans overdue by three months or more, 3,918 million yen as restructured loans and 8,042 million yen as loans no longer in arrears.

<table>
<tr><th>Prior fiscal year
(As of March 31, 2011)</th><th>Current fiscal year
(As of March 31, 2012)</th></tr>
<tr><td>
(Millions of yen)
<table>
<tr><th>Category</th><th>Amount</th><th>Classification criteria</th></tr>
<tr><td>Loans to bankrupt parties</td><td><2,282>
2,282</td><td>Of loans exclusive of accrued interest, loans to bankrupt parties, parties in rehabilitation and reorganization, and others.</td></tr>
<tr><td>Loans in arrears</td><td><18,465>
49,976</td><td>Other loans exclusive of accrued interest, excluding loans on which interest payment is deferred for the purpose of reconstructing or assisting debtors.</td></tr>
<tr><td>Loans overdue by three months or more</td><td><12,121>
1,649</td><td>Loans other than the above that are overdue by three months or more.</td></tr>
<tr><td>Restructured loans</td><td><48,853>
44,470</td><td>Loans other than the above that are restructured on favorable terms for debtors, such as reduction or waiving of interest, in order to facilitate collection of outstanding balance.</td></tr>
<tr><td>Total</td><td><81,723>
98,377</td><td>—</td></tr>
</table>
</td><td>
(Millions of yen)
<table>
<tr><th>Category</th><th>Amount</th><th>Classification criteria</th></tr>
<tr><td>Loans to bankrupt parties</td><td><1,432>
1,432</td><td>Of loans exclusive of accrued interest, loans to bankrupt parties, parties in rehabilitation and reorganization, and others.</td></tr>
<tr><td>Loans in arrears</td><td><11,308>
30,159</td><td>Other loans exclusive of accrued interest, excluding loans on which interest payment is deferred for the purpose of reconstructing or assisting debtors.</td></tr>
<tr><td>Loans overdue by three months or more</td><td><7,616>
727</td><td>Loans other than the above that are overdue by three months or more.</td></tr>
<tr><td>Restructured loans</td><td><45,925>
42,006</td><td>Loans other than the above that are restructured on favorable terms for debtors, such as reduction or waiving of interest, in order to facilitate collection of outstanding balance.</td></tr>
<tr><td>Total</td><td><66,283>
74,326</td><td>—</td></tr>
</table>
</td></tr>
<tr><td>Figures in brackets “< >” represent the balance of non-performing loans when loans exclusive of accrued interest are calculated according to the policies set forth in the general directives concerning Corporation Tax Act.</td><td>Figures in brackets “< >” represent the balance of non-performing loans when loans exclusive of accrued interest are calculated according to the policies set forth in the general directives concerning Corporation Tax Act.</td></tr>
<tr><td>*6. Balances of accounts receivable-installment by business categories
All of accounts receivable-installment is from the credit card business.</td><td>*6. Same as the left</td></tr>
<tr><td>*7. Financial assets received as freely disposable securities
The Company entered into “Repurchase agreement” transactions (to purchase debt securities under resale agreements) and received marketable securities as securities for the money repayable from the sellers.
Market value of marketable securities purchased at the end of the fiscal year is 39,992 million yen.</td><td>*7. Financial assets received as freely disposable securities
The Company entered into “Repurchase agreement” transactions (to purchase debt securities under resale agreements) and received marketable securities as securities for the money repayable from the sellers.
Market value of marketable securities purchased at the end of the fiscal year is 39,993 million yen.</td></tr>
</table>

<table>
<tr><th>Prior fiscal year
(As of March 31, 2011)</th><th>Current fiscal year
(As of March 31, 2012)</th></tr>
<tr><td>*8. Financial Covenants
The Company’s loans payable, which violate the financial covenants, are as follows:
(1) Syndicated loan borrowed in March 2008
5,500 million yen (Financial covenants related to the rating)
(2) Syndicated loan borrowed in September 2009
7,000 million yen (Financial covenants related to the rating)
Syndicated loans above were fully paid prior to the due date in April 2011. Therefore, these covenants did not interfere with our corporate activities.</td><td>*8. ―――――</td></tr>
<tr><td>*9. Agreements for overdraft and commitment facilities
For efficient procurement of working capital, the Company maintains overdraft contracts with one financial institution and a designated commitment line contract with one financial institution. As of the end of the current fiscal year, the unexercised portion of facilities based on these contracts was as follows:
(Millions of yen)
<table>
<tr><td>Amount of agreement for overdraft and commitment line</td><td>104,600</td></tr>
<tr><td>Amount of borrowing</td><td>―</td></tr>
<tr><td>Net</td><td>104,600</td></tr>
</table></td><td>*9. Agreements for overdraft and commitment facilities
For efficient procurement of working capital, the Company maintains overdraft contracts with one financial institution and a designated commitment line contract with one financial institution. As of the end of the current fiscal year, the unexercised portion of facilities based on these contracts was as follows:
(Millions of yen)
<table>
<tr><td>Amount of agreement for overdraft and commitment line</td><td>104,600</td></tr>
<tr><td>Amount of borrowing</td><td>―</td></tr>
<tr><td>Net</td><td>104,600</td></tr>
</table></td></tr>
<tr><td>*10. Contingent liabilities
(1) Outstanding guarantee obligation in the guarantee business
(Millions of yen)
<table>
<tr><td>Guarantee obligation</td><td>443,460</td></tr>
<tr><td>Provision for loss on guarantees</td><td>8,770</td></tr>
<tr><td>Net</td><td>434,690</td></tr>
</table>
(2) Outstanding guarantee obligation of affiliated companies
(Millions of yen)
<table>
<tr><td>EASY BUY Public Company Limited</td><td>53,060</td></tr>
</table></td><td>*10. Contingent liabilities
(1) Outstanding guarantee obligation in the guarantee business
(Millions of yen)
<table>
<tr><td>Guarantee obligation</td><td>483,282</td></tr>
<tr><td>Provision for loss on guarantees</td><td>6,230</td></tr>
<tr><td>Net</td><td>477,052</td></tr>
</table>
(2) Outstanding guarantee obligation of affiliated companies
(Millions of yen)
<table>
<tr><td>EASY BUY Public Company Limited</td><td>59,450</td></tr>
</table></td></tr>
</table>

(Notes to Non-consolidated Statements of Operations)

Prior fiscal year (from April 1, 2010 to March 31, 2011)	Current fiscal year (from April 1, 2011 to March 31, 2012)
*1. The business operation results with subsidiaries and affiliates are included into non-operating income as follows: (Millions of yen) Interest income 669 Dividends income 146 Guarantee commission received 113 House rent income 9 Part-time director's bonus 3 Total 942	*1. The business operation results with subsidiaries and affiliates are included into non-operating income as follows: (Millions of yen) Interest income 360 Dividends income 2,331 Guarantee commission received 106 House rent income 4 Part-time director's bonus 3 Total 2,806
*2. The business operation results with subsidiaries and affiliates are included into non-operating expenses as follows: (Millions of yen) Loss on investments in partnership 466	*2. The business operation results with subsidiaries and affiliates are included into non-operating expenses as follows: (Millions of yen) Loss on investments in partnership 229
*3. Gain on sales of noncurrent assets results from sales of equipment.	*3. Breakdown of gain on sales of noncurrent assets consist of the following. (Millions of yen) Equipment 10 Land 16 Total 27
*4. Other extraordinary income results from sales of golf club memberships.	*4. Same as the left
*5. Loss on sales of noncurrent assets results from sales of equipment	*5. Same as the left
*6. Loss on retirement of noncurrent assets mainly results from transfer of operating outlets, remodeling of interior and change of signboards. The breakdown thereof is set out below. (Millions of yen) Buildings 79 Structures 46 Equipment 39 Total 165	*6. Loss on retirement of noncurrent assets mainly results from transfer of operating outlets, remodeling of interior and change of signboards. The breakdown thereof is set out below. (Millions of yen) Buildings 109 Structures 33 Equipment 17 Total 160

<table>
<tr><th>Prior fiscal year
(from April 1, 2010 to March 31, 2011)</th><th>Current fiscal year
(from April 1, 2011 to March 31, 2012)</th></tr>
<tr><td>*7. Impairment loss
The following loss on impairment of noncurrent assets was recorded for the current fiscal year:
(1) Assets recognized as having suffered impairment
<table>
<tr><th>Location</th><th>Usage</th><th>Type</th></tr>
<tr><td>Chiyoda-ku, Tokyo</td><td>Property to be sold</td><td>Equipment</td></tr>
<tr><td>Chiyoda-ku, Tokyo, etc.</td><td>Dormant assets</td><td>Telephone subscription right, etc.</td></tr>
</table></td>
<td>*7. Impairment loss
The following loss on impairment of noncurrent assets was recorded for the current fiscal year:
(1) Assets recognized as having suffered impairment
<table>
<tr><th>Location</th><th>Usage</th><th>Type</th></tr>
<tr><td>Toyooka-shi, Hyogo, etc.</td><td>Property to be sold</td><td>Land and buildings, etc.</td></tr>
<tr><td>Chiyoda-ku, Tokyo, etc.</td><td>Dormant assets</td><td>Telephone subscription right</td></tr>
</table></td></tr>
<tr><td>(2) Method of grouping assets
The smallest units the Company has adopted for the grouping of assets are as below:
(a) For the loan and credit card business: each business
(b) For the guarantee business: each business
For property to be sold, the smallest units are the individual assets themselves. Our headquarter and welfare/leisure facilities for our employees are treated as common assets because they do not generate their own cash flows.</td>
<td>(2) Method of grouping assets
Same as the left</td></tr>
<tr><td>(3) Process through which impairment loss was recognized
We recognized impairment loss on property to be sold because the expected sale prices were significantly lower than the assets’ carrying amounts.
Due to the restructuring of operation bases, telephone subscription right, etc. became the dormant assets.
We recognized impairment loss on the dormant assets because we cannot collect the assets’ carrying amounts through future net cash flows.</td>
<td>(3) Process through which impairment loss was recognized
We recognized impairment loss on property to be sold because the expected sale prices were significantly lower than the assets’ carrying amounts.
Due to the restructuring of operation bases, telephone subscription right, etc. became the dormant assets.
We recognized impairment loss on the dormant assets because we cannot collect the assets’ carrying amounts through future net cash flows.</td></tr>
<tr><td>(4) Amount of impairment loss
<table>
<tr><th></th><th>(Millions of yen)</th></tr>
<tr><td>Equipment</td><td>291</td></tr>
<tr><td>Telephone subscription right</td><td>89</td></tr>
<tr><td>Other intangible assets</td><td>0</td></tr>
<tr><td>Total</td><td>381</td></tr>
</table></td>
<td>(4) Amount of impairment loss
<table>
<tr><th></th><th>(Millions of yen)</th></tr>
<tr><td>Buildings</td><td>65</td></tr>
<tr><td>Structures</td><td>0</td></tr>
<tr><td>Equipment</td><td>0</td></tr>
<tr><td>Land</td><td>99</td></tr>
<tr><td>Telephone subscription right</td><td>21</td></tr>
<tr><td>Total</td><td>187</td></tr>
</table></td></tr>
<tr><td>(5) Calculation method of recoverable amount
The recoverable amount of property to be sold is measured by net selling price and evaluated by the minimum price guaranteed by consigned company and the sale price.
The recoverable amount of telephone subscription right is measured to be one yen as there is no expectation to use, and we cannot sell it at the market.</td>
<td>(5) Calculation method of recoverable amount
The recoverable amount of property to be sold is measured by net selling price and evaluated based on an appraisal value provided by a real estate appraiser.
The recoverable amount of telephone subscription right is measured to be one yen as there is no expectation to use, and we cannot sell it at the market.</td></tr>
</table>

Prior fiscal year (from April 1, 2010 to March 31, 2011)	Current fiscal year (from April 1, 2011 to March 31, 2012)
*8.Business structure improvement expenses were the expenditures required for the implementation of the Strengthening Business Management Policy last year and for further strengthening business management. Details of the expenses are shown below. (Millions of yen) Loss on retirement of noncurrent assets 727 Temporary amortization of long-term prepaid expenses 5 Sales and operation base restructuring costs 209 Impairment loss 64 Total 1,007 The above loss on retirement of noncurrent assets was related to the closedown, relocation and renovation of operation bases. Details are as follows: (Millions of yen) Buildings 492 Structures 184 Equipment 49 Total 727 The above impairment loss was due to the suspension of telephone subscription right that, as a result, became a dormant asset, in line with the Company's operation base restructuring program. The recoverable amount is measured to be one yen as there is no expectation to use, and we cannot sell it at the market.	*8 ―――――
*9. Breakdown of other extraordinary loss (Millions of yen) Loss on disaster 82 Loss on sales of golf club memberships 0 Provision of allowance for doubtful accounts for golf club memberships 0 Temporary amortization of long-term prepaid expenses 38 Total 122 Loss on disaster above is expenses paid for removal and recovery of the assets damaged by the Great East Japan Earthquake.	*9. Breakdown of other extraordinary loss (Millions of yen) Losses on retirement, including amortization of lease and guarantee deposits 3 Loss on sales of golf club memberships 1 Loss on valuation of golf club memberships 0 Total 5

Prior fiscal year (from April 1, 2010 to March 31, 2011)	Current fiscal year (from April 1, 2011 to March 31, 2012)
*10.Basis for classification of financial revenue and financial expenses on Non-consolidated statements of operations (1) Financial revenue stated as operating revenue Includes all financial revenue, excluding interest on loans and dividends income related to subsidiaries and affiliates, and dividends and interest on investment securities. (2) Financial expenses stated as operating expenses Include all financial expenses, excluding interest expenses, etc. which have no relationship to operating revenue.	*10. Same as the left

(Notes to Non-consolidated Statements of Changes in Net Assets)

For the prior fiscal year (from April 1, 2010 to March 31, 2011)

Matters related to treasury stock

Class of shares	As of April 1, 2010	Increase	Decrease	As of March 31, 2011
Common stock	2,966,676 shares	17 shares	—	2,966,693 shares

(Outline for the change)

17 shares of increase are due to purchase of shares of less than one unit.

For the current fiscal year (from April 1, 2011 to March 31, 2012)

Matters related to treasury stock

Class of shares	As of April 1, 2011	Increase	Decrease	As of March 31, 2012
Common stock	2,966,693 shares	40 shares	—	2,966,733 shares

(Outline for the change)

40 shares of increase are due to purchase of shares of less than one unit.

(Notes to lease transactions)

<table>
<tr><th>Prior fiscal year
(from April 1, 2010 to March 31, 2011)</th><th>Current fiscal year
(from April 1, 2011 to March 31, 2012)</th></tr>
<tr><td>
Finance lease transactions
Finance lease transactions that do not transfer ownership
(1) Details of lease assets
Property, plant and equipment
They are mainly vehicles and MUJINKUN of loan business
(2) Depreciation of lease assets
Depreciated using the straight-line method, with the lease term of respective assets as their useful lives, with residual value equaling zero
In addition, finance leases without ownership transfer of the leased property to the lessee whose lease inception was before March 31, 2008 are accounted for as operating lease transactions if certain “as if capitalized” information is disclosed in the note to the financial statements. Specific details are as follows:

1. Acquisition cost, accumulated depreciation and net leased property under finance leases
(Millions of yen)
<table>
<tr><th></th><th>Acquisition cost</th><th>Accumulated depreciation</th><th>Net leased property</th></tr>
<tr><td>Equipment</td><td>118</td><td>92</td><td>26</td></tr>
</table>
2. Obligations under finance leases
(Millions of yen)
<table>
<tr><td>Due within 1 year</td><td>26</td></tr>
<tr><td>Due after 1 year</td><td>—</td></tr>
<tr><td>Total</td><td>26</td></tr>
</table>
3. Lease payment, depreciation expense, interest expenses under finance leases
(Millions of yen)
<table>
<tr><td>Lease payments</td><td>42</td></tr>
<tr><td>Depreciation expense</td><td>41</td></tr>
<tr><td>Interest expenses</td><td>0</td></tr>
</table>
</td><td>
Finance lease transactions
Finance lease transactions that do not transfer ownership
(1) Details of lease assets
Property, plant and equipment
They are mainly MUJINKUN of loan business
(2) Depreciation of lease assets
Same as the left

In addition, finance leases without ownership transfer of the leased property to the lessee whose lease inception was before March 31, 2008 were accounted for as operating lease transactions if certain “as if capitalized” information is disclosed in the note to the financial statement, but these leases have all ended. Specific details are as follows:

1. Acquisition cost, accumulated depreciation and net leased property under finance leases
Not applicable.

2. Obligations under finance leases
Not applicable.

3. Lease payment, depreciation expense, interest expenses under finance leases
(Millions of yen)
<table>
<tr><td>Lease payments</td><td>27</td></tr>
<tr><td>Depreciation expense</td><td>26</td></tr>
<tr><td>Interest expenses</td><td>0</td></tr>
</table>
</td></tr>
<tr><td>
4. Method of calculation of depreciation expense under finance leases
Calculated by using the straight-line method, assuming that the lease period corresponds to the useful life of the asset and a residual value of zero.
</td><td>
4. Method of calculation of depreciation expense under finance leases
Same as the left
</td></tr>
</table>

Prior fiscal year (from April 1, 2010 to March 31, 2011)	Current fiscal year (from April 1, 2011 to March 31, 2012)
5. Method of calculation of interest expenses under finance leases The equivalent of interest is regarded as the difference between the total lease payments and the amount equivalent to acquisition cost of the asset. The interest method is used to calculate the portion applicable to each fiscal year.	5. Method of calculation of interest expenses under finance leases Same as the left

(Notes to securities)

For the prior fiscal year (As of March 31, 2011)

Stocks of subsidiaries and affiliates (Millions of yen)

Category	Carrying amount	Market value	Difference
Stocks of subsidiaries	2,861	3,134	273
Stocks of affiliates	—	—	—
Total	2,861	3,134	273

(Note) Stocks of subsidiaries and affiliates whose market values appear to be extremely difficult to determine: (Millions of yen)

Category	Carrying amount
Stocks of subsidiaries	8,887
Stocks of affiliates	500
Total	9,387

For above mentioned stocks, quoted market prices are not available. Accordingly, their market values appear to be extremely difficult to determine.

For the current fiscal year (As of March 31, 2012)

Stocks of subsidiaries and affiliates (Millions of yen)

Category	Carrying amount	Market value	Difference
Stocks of subsidiaries	2,861	2,971	110
Stocks of affiliates	—	—	—
Total	2,861	2,971	110

(Note) Stocks of subsidiaries and affiliates whose market values appear to be extremely difficult to determine: (Millions of yen)

Category	Carrying amount
Stocks of subsidiaries	8,979
Stocks of affiliates	500
Total	9,479

For above mentioned stocks, quoted market prices are not available. Accordingly, their market values appear to be extremely difficult to determine.

(Notes to the method of tax effect accounting)

	Prior fiscal year (As of March 31, 2011)	Current fiscal year (As of March 31, 2012)
1. Breakdown of major factors that caused deferred tax assets and liabilities	(Millions of yen)	(Millions of yen)
Deferred tax assets		
Bad debt expenses	11,801	8,401
Allowance for doubtful accounts	957	573
Provision for loss on guarantees	3,568	2,368
Provision for loss on interest repayment	115,274	76,096
Accrued bonuses	520	475
Unrecognized accrued interest	962	621
Software	4,665	3,837
Deferred assets	754	600
Deferred consumption taxes	259	188
Loss on valuation of securities	17,117	5,616
Loss on valuation of shares of parent company	2,230	1,953
Loss on valuation of shares of subsidiaries and affiliates	1,375	1,204
Valuation loss on goods	202	177
Impairment loss	437	374
Asset adjustment	2,635	1,757
Loss on investments in partnership	508	373
Business structure improvement expenses	393	—
Asset retirement obligations	1,461	1,313
Retained loss	139,811	165,799
Other	641	520
Deferred tax assets (subtotal)	305,579	272,252
Valuation allowance	(278,256)	(252,307)
Deferred tax assets (total)	27,322	19,944
Deferred tax liabilities		
Valuation difference on available-for-sale securities	1,265	180
Prepaid pension cost	1,318	584
Other	11	0
Total deferred tax liabilities	2,595	765
Balance of net deferred tax assets	24,726	19,179

Prior fiscal year (As of March 31, 2011)		Current fiscal year (As of March 31, 2012)	
2. Breakdown of items which caused the difference between the statutory tax rate and the effective tax rate after adoption of tax effect accounting		2. Breakdown of items which caused the difference between the statutory tax rate and the effective tax rate after adoption of tax effect accounting	
Normal effective statutory tax rate	40.7%	Normal effective statutory tax rate	40.7%
(Adjustment)		(Adjustment)	
Changes in valuation allowance	(39.7%)	Changes in valuation allowance	(19.9%)
Amortization of goodwill	(0.2%)	Amortization of goodwill	1.5%
Dividend and other income not counted for tax purposes	—%	Dividend and other income not counted for tax purposes	(3.3%)
Reduction in year-end deferred tax assets due to tax-rate changes	—%	Reduction in year-end deferred tax assets due to tax-rate changes	4.9%
Other	(0.8%)	Other	0.4%
Actual effective tax rate	0.1%	Actual effective tax rate	24.3%
3. ————		3. Changes in the amount of deferred tax assets and deferred tax liabilities due to changes in the rate of income tax, etc. Following the promulgation of the “Act for Partial Amendment of the Income Tax Act, etc. for the Purpose of Creating a Taxation System Responding to Changes in Economic and Social Structures” (Act No. 114, 2011) and the “Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction following the Great East Japan Earthquake” (Act No. 117, 2011) on December 2, 2011, the corporate income tax rate will be lowered and a special restoration surtax will be imposed from the fiscal years beginning on and after April 1, 2012. In conjunction with these changes, the effective statutory tax rate used to measure deferred tax assets and deferred tax liabilities will change for the temporary differences expected to be resolved from the fiscal year beginning on April 1, 2012 to the fiscal year beginning on April 1, 2014, and for the temporary differences expected to be resolved on and after the fiscal years beginning on April 1, 2015, from the former 40.7% to 38.0% and 35.6%, respectively. As a result of this change, the amount of deferred tax assets (less the amount of deferred tax liabilities) has decreased by 1,339 million yen and the amount of income taxes-deferred has increased by 1,365 million yen.	

(Notes to asset retirement obligations)

For the prior fiscal year (from April 1, 2010 to March 31, 2011)

Asset retirement obligations booked in the non-consolidated balance sheets

(1) Outline of relevant asset retirement obligations

Asset retirement obligations are booked for internal equipments, etc. furnished in leased properties where restoration is required in lease contracts.

(2) Calculation method for the amount of relevant asset retirement obligations

Assumed use period of 16 years following acquisition, and discount rate at market rate (swap rate) corresponding to rebate period are adopted for calculation of asset retirement obligations.

(3) The changes in asset retirement obligations for the year ended March 31, 2011 were as follows.

	(Millions of yen)
Balance at beginning of year (Note)	4,911
Additional provisions associated with the acquisition of property, plant and equipment	1
Reconciliation associated with passage of time	72
Reduction associated with meeting asset retirement obligations	(659)
Other increases (decreases)	(1)
Balance at end of year	4,324

(Note) This is the balance at beginning of year due to adoption of “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18, March 31, 2008) and “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21, March 31, 2008) from the current fiscal year.

For the current fiscal year (from April 1, 2011 to March 31, 2012)

Asset retirement obligations booked in the non-consolidated balance sheets

(1) Outline of relevant asset retirement obligations

Asset retirement obligations are booked for internal equipment, etc. furnished in leased properties where restoration is required in lease contracts.

(2) Calculation method for the amount of relevant asset retirement obligations

Assumed use period of 16 years following acquisition, and discount rate at market rate (swap rate) corresponding to rebate period are adopted for calculation of asset retirement obligations.

(3) The changes in asset retirement obligations for the year ended March 31, 2012 were as follows.

	(Millions of yen)
Balance at beginning of year	4,324
Additional provisions associated with the acquisition of property, plant and equipment	25
Reconciliation associated with passage of time	56
Reduction associated with meeting asset retirement obligations	(111)
Other increases (decreases)	16
Balance at end of year	4,311

(Per share information)

Item	For the prior fiscal year (From April 1, 2010 to March 31, 2011)	For the current fiscal year (From April 1, 2011 to March 31, 2012)
Net assets per share	1,457.18 yen	1,586.90 yen
Net income (loss) per share	(1,308.10 yen)	133.11 yen

Notes: 1. Diluted net income per share is not stated because there is no residual security.

2. The basis for calculation of net income (loss) per share is as follows.

(Millions of yen unless otherwise stated)

Item	For the prior fiscal year (from April 1, 2010 to March 31, 2011)	For the current fiscal year (from April 1, 2011 to March 31, 2012)
Net income (loss)	(204,929)	20,853
Net income (loss) not attributable to common shareholders	—	—
Net income (loss) related to common shares	(204,929)	20,853
Weighted average number of common shares during the fiscal year	156,661,601 shares	156,661,574 shares

3. The basis for calculation of net assets per share is as follows.

(Millions of yen unless otherwise stated)

Item	For the prior fiscal year (As of March 31, 2011)	For the current fiscal year (As of March 31, 2012)
Total net assets	228,283	248,606
Amount deducted from the total net assets	—	—
Amounts of net assets related to common shares at the end of the fiscal year	228,283	248,606
Number of common shares used to calculate net assets per share at the end of the fiscal year	156,661,587 shares	156,661,547 shares

(Significant subsequent events)

Current fiscal year
(from April 1, 2011 to March 31, 2012)

Based on a resolution of the Board of Directors held on January 20, 2012, the Company concluded a business alliance agreement and an absorption-type company split agreement with Jibun Bank Corporation, (hereinafter “Jibun Bank”), and split a part of its card loan business, which was succeeded by Jibun Bank Corporation as of May 12, 2012.

1. Outline of the business divestiture
   (1) Name of the company that succeeds the separated business: Jibun Bank
   (2) Description of the separated business
   A part of the card loan business, provided under the Cash One brand
   (3) The purpose of the business divestiture
   On December 3, 2008, the Company and Jibun Bank commenced an alliance in the guarantee business on unsecured card loans for individuals provided by Jibun Bank. Subsequently, the Company and Jibun Bank, following discussions by both parties on current circumstances and the outlooks of respective business environments, agreed to form a more comprehensive business alliance in order to contribute to further improvements in consumer services and the development of a sound consumer finance market.
   As a part of this business alliance, and with a purpose of expanding the business basis shared by both parties, the Company will transfer a part of its card loan business, provided under “Cash One” brand, to Jibun Bank by means of a company split. Concurrently, Jibun Bank will entrust the guarantee business of this card loan business to the Company.
   (4) Date of the business divestiture
   May 12, 2012
   (5) Outline of the transaction including legal form of the transaction
   Business transfer with cash consideration

2. Outline of the applied accounting method
   (1) The amount of a gain on transfer: 2,900 million yen
   (2) Details and the fair book values of the assets and liabilities of the transferred business
   Assets: Operating loans of 43,501 million yen, etc.
   Liabilities: Deposits received of 2 million yen
   (3) Accounting method applied
   Assuming that the investment in the part of the card loan business transferred has been liquidated, the difference between the market value of assets received as a consideration for the business transfer and an amount equivalent to the shareholders’ equity of the transferred business is recognized as a gain or loss on transfer.

3. Name of the reported segment to which the transferred business belonged
   Loan and credit card business

4. Revenue and income from the transferred business on the statement of income for the current fiscal year
   Operating revenue: 150,783 million yen
   Operating income: 11,639 million yen

5. Continuous commitment
   The guarantee services for the unsecured card loans for individuals provided by Jibun Bank will continue to be provided by the Company.

4) [Supplemental schedules]

[Schedule of marketable securities]

[Stocks]

		Name	Number of shares	Carrying amount (Millions of yen)
Investment securities	Other securities	Sumitomo Mitsui Financial Group	734,700	2,000
		JLA CO., LTD.	22,469	1,133
		Japan Credit Information Reference Center Corp.	24,234	737
		Mitsubishi Corporation	200,000	384
		Honda Motor Co., Ltd.	80,000	251
		FamilyMart Co., Ltd.	57,700	201
		T&D Holdings, Inc.	200,200	191
		The Dai-ichi Life Insurance Company, Limited	949	108
		Sekisuki House, Ltd.	112,000	90
		Nippon Telegraph and Telephone Corporation	21,400	80
		Others (14 brands)	789,434	357
		Subtotal	2,243,086	5,538
Total			2,243,086	5,538

[Bonds]

		Name	Total face value (Millions of yen)	Carrying amount (Millions of yen)
Investment securities	Other securities	National government bond (one issue)	58	56
		Subtotal	58	56
Total			58	56

[Others]

		Classification and name	Number of units invested, etc.	Carrying amount (Millions of yen)
Securities	Other securities	Certificate of deposit	—	36,000
		Subtotal	—	36,000
Investment securities	Other securities	Equity in limited investment partnership, etc. (1 brand)	2	7
		Subtotal	2	7
Total			2	36,007

[Schedule of property, plant and equipment, etc.]

(Millions of yen)

Type of asset	Balance at the beginning of current period	Increase during the period	Decrease during the period	Balance at the end of current period	Accumulated depreciation or amortization at end of current fiscal year	Depreciation or amortization during the period	Balance at end of current fiscal year, after deduction of accumulated depreciation or amortization
Property, plant and equipment							
Buildings	26,014	291	626 <65>	25,679	19,698	749	5,981
Structures	4,849	185	177 <0>	4,858	3,534	171	1,323
Vehicles	—	2	—	2	2	2	0
Equipment	22,237	185	980 <0>	21,442	12,060	257	9,382
Land	6,411	—	109 <99>	6,301	—	—	6,301
Lease assets	774	351	11	1,114	273	176	841
Total property, plant and equipment	60,287	1,017	1,905 <165>	59,399	35,568	1,356	23,830
Intangible assets							
Goodwill	12,435	—	—	12,435	2,037	984	10,397
Leasehold right	4	—	—	4	—	—	4
Telephone subscription right	58	—	21 <21>	36	—	—	36
Other (right to use specific communication channel, etc.)	13	—	—	13	12	0	1
Total intangible assets	12,511	—	21 <21>	12,489	2,050	984	10,439
Long-term prepaid expenses	3,053	162	919	2,296	2,161	52	135

(Note) Figures in brackets “< >” in the column of “Decrease during the period” represent the amounts of impairment losses for the current fiscal year.

[Schedule of allowances]

(Millions of yen)

Category	Balance at beginning of current fiscal year	Increase during the period	Decrease during the period (used for primary purposes)	Decrease during the period (others)	Balance at end of current fiscal year
Allowance for doubtful accounts	62,900	28,575	50,144	131	41,200
Provision for loss on guarantees	8,770	2,819	5,359	—	6,230
Provision for loss on interest repayment	283,300	48,807	131,907	—	200,200

(Note) “Decrease during the period (others)” in the amount of “Allowance for doubtful accounts” consists of the following.

Reversal due to payment	114 million yen
Gain on reversal of allowance for doubtful accounts of golf club memberships	16 million yen

(2) Details of major assets and liabilities

(a) Assets

(i) Cash and deposits

(Millions of yen)

Category	Amount
Cash	6,875
Deposits	
Current account	18,413
Savings account	18,445
Call deposit	59,650
Time deposit	6,850
Separate deposit	1
Transfer savings	59
Subtotal	103,419
Total	110,294

(ii) Loans receivable of consumer loans

(Millions of yen unless otherwise specified)

Balance at the beginning of the fiscal year A	Accrued during the period B	Collected during the period C	Transfer to other accounts	Accounts receivable sold	Loss on bad debt during the period	Balance at the end of the fiscal year D	Collection rate (%) $\frac{C}{A+B}$	Turnover $\frac{B}{1/2(A+D)}$
902,200	311,000	338,688	1,421	958	73,034	799,098	27.9	0.4

(Notes) 1. Breakdown by major customers is stated in “2. Status of Business, 2. Operating Results” and thus is omitted here.

2. “Transfer to other accounts” represents the transfer to “Claims provable in bankruptcy or under reorganization.”

(iii) Accounts receivable-installment

(Millions of yen unless otherwise specified)

Balance at the beginning of the fiscal year A	Accrued during the period B	Collected during the period C	Transfer to other accounts	Accounts receivable sold	Loss on bad debt during the period	Balance at the end of the fiscal year D	Collection rate (%) $\frac{C}{A+B}$	Turnover $\frac{B}{1/2(A+D)}$
21,625	8,532	9,680	32	―	1,963	18,482	32.1	0.4

(Note) “Transfer to other accounts” represents the transfer to “Claims provable in bankruptcy, claims provable in rehabilitation and other.”

(iv) Inventories

Merchandise and finished goods

(Millions of yen)

Category	Amount
Paintings	334

Raw materials and supplies

(Millions of yen)

Category	Amount
Supplies	48

(b) Liabilities

(i) Accounts payable

(Millions of yen)

Customer	Amount	Remarks
Japan Master Card Payment Clearing Association	122	Accounts payable to member outlets
Orient Corporation	36	Accounts payable to member outlets
MasterCard International	2	Accounts payable to member outlets
Total	161	

(ii) Current portion of long-term loans payable

(Millions of yen)

Lenders	Amount
Mitsubishi UFJ Trust and Banking Corporation	44,630
UBS Securities Japan Co., Ltd.	18,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	17,364
Aozora Bank, Ltd.	15,269
Shinsei Bank, Limited	15,200
Others	51,048
Total	161,511

(iii) Straight bonds

(Millions of yen)

Description	Amount
35th Issuance of Domestic Unsecured Bonds	10,000
40th Issuance of Domestic Unsecured Bonds	10,000
41st Issuance of Domestic Unsecured Bonds	10,000
42nd Issuance of Domestic Unsecured Bonds	10,000
45th Issuance of Domestic Unsecured Bonds	10,000
50th Issuance of Domestic Unsecured Bonds	10,000
51st Issuance of Domestic Unsecured Bonds	20,000
55th Issuance of Domestic Unsecured Bonds	10,000
56th Issuance of Domestic Unsecured Bonds	20,000
57th Issuance of Domestic Unsecured Bonds	10,000
58th Issuance of Domestic Unsecured Bonds	20,000
59th Issuance of Domestic Unsecured Bonds	13,000
60th Issuance of Domestic Unsecured Bonds	15,000
61st Issuance of Domestic Unsecured Bonds	30,000
3rd Non-public issuance of Domestic Unsecured Bond	510
4th Non-public issuance of Domestic Unsecured Bond	505
5th Non-public issuance of Domestic Unsecured Bond	670
6th Non-public issuance of Domestic Unsecured Bond	501
7th Non-public issuance of Domestic Unsecured Bond	650
Total	200,836

(Note) Date of issuance, interest rate and other details are stated in “1. Consolidated Financial Statements, etc., (1) Consolidated Financial Statements, 5) Consolidated supplemental schedules, Schedule of bonds”.

(iv) Long-term loans payable

(Millions of yen)

Lenders	Amount
Mitsubishi UFJ Trust and Banking Corporation	116,898
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	46,036
Shinsei Bank, Limited	19,578
Meiji Yasuda Life Insurance Company	15,056
Shinkin Central Bank	7,417
Other	44,493
Total	249,479

(3) Others

Not applicable.

VI. Stock-Related Administration for the Filing Company

Fiscal year	From April 1 to March 31
Ordinary General Meeting of Shareholders	In June
Record date	March 31
Record date for distribution from surplus	September 30, March 31
Number of shares constituting one unit	10 shares
Purchase of shares of less than one unit	
Handling office	(Special account) 4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo Mitsubishi UFJ Trust and Banking Corporation Stock Transfer Agency Department
Transfer agent	(Special account) 4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo Mitsubishi UFJ Trust and Banking Corporation
Forward office	—
Purchasing fee	Amount separately specified as an amount equivalent to the fees pertaining to the entrustment of sale and purchase of shares
Method of public notice	The Company's method of public notice is through electronic public notice. However, if the above-mentioned method of public notice is not possible due to an accident or through other compelling reasons, then Nihon Keizai Shimbun will be adopted as its medium. The Company's electronic public notice is posted on our home page, and the following is the address: http://www.acom.co.jp
Shareholders' privileges	None

(Note) The Company's shareholders, concerning the possession of shares of less than one unit, are not able to exercise their rights other than the rights that are upheld in the following:
The rights upheld in each item of Article 189, Paragraph 2 of the Companies Act;
The right to demand for what is stipulated under Article 166, Paragraph 1 of the Companies Act; and
The right to receive an allotment of offered shares and offered new stock subscription rights in proportion to the number of shares held.

VII. Reference Information on the Filing Company

1. Information on a Parent Company, etc. of the Filing Company
   The Company does not have a parent company or other entity that is provided for in Article 24-7, Paragraph 1of the Financial Instruments and Exchange Act.

2. Other Reference Information
   The Company submitted the following documents during the period from the starting date of the fiscal year under review to the date on which the Annual Securities Report was submitted.

(1) Shelf Registration Statement
Submitted to the Director-General of the Kanto Local Finance Bureau on July 1, 2011

(2) Shelf Registration Supplements (straight bond) and documents attached thereto
Submitted to the Director-General of the Kanto Local Finance Bureau on July 21, 2011
Submitted to the Director-General of the Kanto Local Finance Bureau on February 28, 2012

(3) Amended Shelf Registration Statement (straight bond)
Submitted to the Director-General of the Kanto Local Finance Bureau on July 21, 2011
Submitted to the Director-General of the Kanto Local Finance Bureau on August 21, 2011
Submitted to the Director-General of the Kanto Local Finance Bureau on November 14, 2011
Submitted to the Director-General of the Kanto Local Finance Bureau on February 13, 2012

(4) Annual Securities Report and documents attached thereto, and Confirmation Letter thereof
The Annual Securities Report for the 34th fiscal year (from April 1, 2010 to March 31, 2011) and documents attached thereto, and Confirmation Letter thereof were submitted to the Director-General of the Kanto Local Finance Bureau on June 24, 2011.

(5) Internal Control Report
The Internal Control Report was submitted to the Director-General of the Kanto Local Finance Bureau on June 24, 2011.

(6) Quarterly Securities Report and Confirmation Letter thereof
The Quarterly Securities Report for the 1st Quarter (from April 1, 2011 to June 30, 2011) of the 35th fiscal year and the Confirmation Letter thereof were submitted to the Director-General of the Kanto Local Finance Bureau on August 12, 2011.
The Quarterly Securities Report for the 2nd Quarter (from July 1, 2011 to September 30, 2011) of the 35th fiscal year and the Confirmation Letter thereof were submitted to the Director-General of the Kanto Local Finance Bureau on November 14, 2011.
The Quarterly Securities Report for the 3rd Quarter (from October 1, 2011 to December 31, 2011) of the 35th fiscal year and the Confirmation Letter thereof were submitted to the Director-General of the Kanto Local Finance Bureau on February 13, 2012.

(7) Extraordinary Securities Report
Pursuant to provisions concerning “results of exercise of voting rights” in Article 19, Paragraph 2, Item 9-2 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc., an Extraordinary Securities Report was submitted to the Director-General of the Kanto Local Finance Bureau on June 27, 2011.

Part II　Information on Guarantors for the Filing Company

Not applicable.